

KEONG HONG HOLDINGS LIMITED

Unaudited Financial Statement for the Full Year Ended 30 September 2018

PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENT

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group Fourth Quarter ended			Group Twelve Months ended		
	30/09/2018 Unaudited S\$'000	30/09/2017 Restated S\$'000	+(-) %	30/09/2018 Unaudited S\$'000	30/09/2017 Restated S\$'000	+(-) %
	Revenue	53,171	97,659	(45.6)	165,219	233,867
Cost of sales	(38,601)	(86,340)	(55.3)	(132,685)	(198,496)	(33.2)
Gross profit	14,570	11,319	28.7	32,534	35,371	(8.0)
Other income	1,675	53,157	(96.8)	8,584	57,636	(85.1)
Administration expenses	(7,654)	(7,033)	8.8	(21,160)	(17,616)	20.1
Finance costs	(1,575)	(1,111)	41.8	(5,689)	(3,540)	60.7
Share of results of joint ventures, net of tax	4,004	(683)	n.m.	7,635	(214)	n.m.
Share of results of associates, net of tax	(3,539)	(575)	515.5	2,812	(2,797)	n.m.
Profit before income tax	7,482	55,074	(86.4)	24,716	68,840	(64.1)
Income tax expense	(1,467)	(2,804)	(47.7)	(3,350)	(5,942)	(43.6)
Profit after tax for the financial year	6,015	52,270	(88.5)	21,366	62,898	(66.0)
Other comprehensive income:						
<i>Items that may be reclassified subsequently to profit or loss</i>						
Exchange differences on translating of foreign operations	(200)	(14)	1328.6	(173)	(269)	(35.7)
Fair value gain on available-for-sale	6,318	-	n.m.	6,318	-	n.m.
Net loss on fair value changes of available-for-sale financial assets	-	(454)	(100.0)	-	(454)	(100.0)
Share of other comprehensive income of joint venture and associates	1,101	-	n.m.	1,455	-	n.m.
Other comprehensive income for the financial year, net of tax	7,219	(468)	n.m.	7,600	(723)	n.m.
Total comprehensive income for the financial year	13,234	51,802	(74.5)	28,966	62,175	(53.4)
Profit attributable to:						
Owners of the parent	6,802	52,117	(86.9)	22,076	62,745	(64.8)
Non-controlling interests	(787)	153	n.m.	(710)	153	n.m.
	6,015	52,270	(88.5)	21,366	62,898	(66.0)
Total comprehensive income attributable to:						
Owners of the parent	14,022	51,649	(72.9)	29,676	62,022	(52.2)
Non-controlling interests	(788)	153	n.m.	(710)	153	n.m.
	13,234	51,802	(74.5)	28,966	62,175	(53.4)

n.m. denotes not meaningful

1(a) (ii) Profit for the financial year has been arrived at after charging/(crediting) the following:

	Group Fourth Quarter ended			Group Twelve Months ended		
	30/09/2018	30/09/2017		30/09/2018	30/09/2017	
	Unaudited S\$'000	Restated S\$'000	+(-) %	Unaudited S\$'000	Restated S\$'000	+(-) %
Amortisation of intangible assets	9	3	200.0	24	3	700.0
Amortisation of bond issuance cost	-	(180)	(100.0)	-	-	n.m.
Amortisation of fair value on acquisition of a subsidiary	-	(114)	(100.0)	-	(114)	(100.0)
(Write-back)/allowance made for third party doubtful debts	194	191	1.6	194	191	1.6
Bad debt written off	42	(1)	n.m.	42	114	(63.2)
Depreciation of investment properties	153	64	139.1	603	262	130.2
Depreciation of property, plant and equipment	1,090	1,258	(13.4)	4,360	4,952	(12.0)
Fair value (gain) / loss on derivative on convertible bond	-	539	(100.0)	-	423	(100.0)
Gain on re-measurement of investment to fair value upon ceasing equity accounting	-	(49,812)	(100.0)	-	(49,812)	(100.0)
Impairment loss on intangible asset	-	87	(100.0)	-	87	(100.0)
impairment loss on joint venture	256	-	n.m.	256	-	n.m.
Impairment for provisional goodwill	-	1,797	(100.0)	-	1,797	(100.0)
Impairment loss on available-for-sale financial assets	1,809	-	n.m.	4,432	-	n.m.
Operating lease expenses	132	140	n.m.	714	414	72.5
Provision for slowing moving stock	837	-	n.m.	837	-	n.m.
Professional fees	(84)	209	n.m.	609	2,562	(76.2)
Share option expense	85	36	136.1	213	244	(12.7)
Foreign exchange (gain) / loss – Net	122	710	(82.8)	(275)	595	(146.2)
Gain on disposal of plant and equipment	-	-	n.m.	(122)	-	n.m.
Interest income	(1,204)	(2,117)	(43.1)	(4,357)	(3,973)	9.7

n.m. denotes not meaningful

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group As at		Company As at	
	30/09/2018 Unaudited S\$'000	30/09/2017 Restated S\$'000	30/09/2018 Unaudited S\$'000	30/09/2017 Restated S\$'000
Non-current assets				
Property, plant and equipment	19,599	22,890	223	-
Investment properties	22,827	23,321	-	-
Investments in subsidiaries	-	-	28,195	32,624
Investment in associates	48,276	29,830	5,610	5,610
Investments in joint ventures	8,946	3,572	-	-
Long-term receivables	121,848	62,606	-	-
Intangible assets	274	253	-	-
Available-for-sale financial assets	57,993	56,107	5,175	6,600
Finance lease receivables	637	772	-	-
Other receivables	1,000	23,641	1,000	1,000
Deferred tax assets	292	300	-	-
Total non-current assets	281,692	223,292	40,203	45,834
Current assets				
Inventories	1,887	2,139	-	-
Trade and other receivables	95,325	116,160	52,643	42,258
Due from contract customers	25,767	31,146	-	-
Finance lease receivables	160	131	-	-
Current income tax recoverable	314	312	-	-
Prepayments	913	587	3	2
Fixed deposits pledged	526	525	-	-
Cash and cash equivalents	73,400	76,800	21,012	26,989
Total current assets	198,292	227,800	73,658	69,249
Total assets	479,984	451,092	113,861	115,083
Equity				
Share capital	25,061	25,061	25,061	25,061
Treasury shares	(3,302)	(3,657)	(3,302)	(3,657)
Other reserves	4,004	(4,268)	1,311	414
Retained earnings	192,305	175,457	5,728	4,816
Non-controlling interests	1,908	2,618	-	-
Total equity	219,976	195,211	28,798	26,634
Non-current liabilities				
Other payables	491	1,345	-	-
Finance lease payables	331	123	118	-
Medium term notes	84,306	84,075	84,306	84,075
Provision for reinstatement	246	239	-	-
Deferred tax liabilities	126	192	-	-
Total non-current liabilities	85,500	85,974	84,424	84,075
Current liabilities				
Trade and other payables	130,022	149,125	617	4,366
Bank borrowings	40,710	14,519	-	-
Finance lease payables	140	119	18	-
Current income tax payable	3,636	6,144	4	8
Total current liabilities	174,508	169,907	639	4,374
Total liabilities	260,008	255,881	85,063	88,449
Total equity and liabilities	479,984	451,092	113,861	115,083

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 30/09/2018 Unaudited		As at 30/09/2017 Audited	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
40,710	-	14,519	-

Amount repayable after one year

As at 30/09/2018 Unaudited		As at 30/09/2017 Audited	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	84,306 ⁽¹⁾	-	84,075 ⁽¹⁾

Details of collateral:

The Group's secured borrowings are secured by corporate guarantee, property and project proceeds in respect of the Company's construction projects.

Notes:

- (1) The unsecured borrowings as of 30 September 2018 relate to net proceeds of S\$84.1 million from the issuance of S\$85 million 4-year Fixed Rate Notes ("**Series 2 Term Notes**") on 15 September 2017 under Keong Hong Holdings Limited S\$150 million Multicurrency Medium Term Note Programme. The Series 2 Term Notes bear interest of 5.75 per cent per annum payable semi-annually in arrears and will mature on 15 September 2021.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group		Group	
	Fourth Quarter ended 30/09/2018 Unaudited S\$'000	30/09/2017 Restated S\$'000	Twelve Months ended 30/09/2018 Unaudited S\$'000	30/09/2017 Restated S\$'000
Operating activities				
Profit before income tax	7,482	55,074	24,716	68,840
Adjustments for:				
Allowance for impairment loss on trade receivables	194	191	194	191
Amortisation of intangible assets	9	3	24	3
Amortisation of bond issuance cost	-	(180)	-	-
Amortisation of fair value on acquisition of a subsidiary	-	(114)	-	(114)
Bad debts written off	42	(1)	42	114
Depreciation of investment properties	153	64	603	262
Depreciation of property, plant and equipment	1,090	1,258	4,360	4,952
Impairment loss on available-for-sale financial assets	1,809	-	4,432	-
Impairment loss on intangible assets	-	1,884	-	1,884
Impairment loss on investment in joint venture	256	-	256	-
Fair value (gain) / loss on derivative on convertible bond	-	539	-	423
Gain on disposal of plant and equipment	-	-	(122)	-
Gain on disposal of non-current asset held for sale	-	(42)	-	(42)
Gain on re-measurement of investment to fair value upon ceasing equity accounting	-	(49,812)	-	(49,812)
Interest income	(1,204)	(2,117)	(4,357)	(3,973)
Interest expenses	1,575	1,111	5,689	3,540
Dividend income from available-for-sale financial assets	-	(15)	-	(15)
Accretion of convertible bond discount	-	(88)	-	(88)
Provision for slow moving inventories	837	-	837	-
Loss on unrealised foreign exchange	21	512	-	512
Share option expense	85	36	213	244
Share of results of joint venture, net of tax	(4,004)	683	(7,635)	214
Share of result of associates, net of tax	3,539	575	(2,812)	2,797
Operating cash flows before movements in working capital	11,884	9,561	26,440	29,932
Working Capital Changes:				
Inventories	(512)	196	(586)	196
Trade and other receivables	(10,939)	(3,176)	(2,857)	(2,667)
Due from contract customers	(14,022)	(12,942)	5,379	(17,356)
Prepayments	(486)	(156)	(322)	39
Provisions	3,170	274	3,349	274
Due to contract customers	-	(19,354)	-	(24,881)
Trade and other payables	16,680	42,531	(19,964)	34,837
Cash generated from / (used in) operations	5,775	16,934	11,439	20,374
Income tax (paid)/ refunded	(3,351)	(207)	(9,267)	(4,820)
Net cash (used in) / generated from operating activities	2,424	16,727	2,172	15,554

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year (Cont'd)

	Group		Group	
	Fourth Quarter ended 30/09/2018 Unaudited S\$'000	30/09/2017 Unaudited S\$'000	Twelve Months ended 30/09/2018 Unaudited S\$'000	30/09/2017 Unaudited S\$'000
Investing activities				
Acquisition of subsidiary, net of cash acquired	-	(2,398)	-	(2,398)
Cash advance/ payment on behalf of associates	(238)	-	(238)	-
Share issue expense	-	(32)	-	(32)
Investment in associate	-	-	-	(5,610)
Investment in joint ventures	-	-	(27,494)	(600)
Purchase of property, plant and equipment	(136)	(1,103)	(696)	(1,289)
Purchase of investment property	-	(5,907)	-	(5,907)
Purchase of intangible assets	(36)	(34)	(44)	(34)
Proceeds from finance lease receivables	8	127	106	127
Proceeds from redemption of bond	-	5,000	-	5,000
Proceeds from disposal of property, plant and equipment	27	-	38	-
Loan to associates	-	(10,021)	(13,214)	(13,827)
Loan to joint ventures	(5,807)	(3,000)	(8,440)	(7,940)
Repayment of loan from joint ventures	235	-	235	3,513
Repayment of loan from associate	21,732	-	21,732	-
Capital returned during the year	638	-	638	-
Interest received	106	103	497	610
Dividend received	-	1,215	5,283	15,115
Net cash used in investing activities	16,529	(16,050)	(21,597)	(13,272)
Financing activities				
Fixed deposit pledged with financial institutions	(1)	(525)	(526)	(525)
Proceeds from finance lease receivables	-	(117)	-	-
Proceeds from loans & borrowings	5,971	5,748	35,711	14,747
Proceeds from medium term note	-	84,074	-	84,074
Repayment of loans & borrowings	(2,553)	(11,308)	(9,533)	(21,952)
Redemption costs for medium term note	-	(49,772)	-	(49,772)
Exercise of share options	814	-	814	204
Dividends paid	-	-	(5,229)	(7,450)
Repayment of finance lease payables	(55)	(27)	(166)	(91)
Interest paid	(2,753)	(1,047)	(5,404)	(3,375)
Net cash generated from financing activities	1,423	27,026	15,667	15,860
Net change in cash and cash equivalents	20,376	27,703	(3,758)	18,142
Cash and cash equivalents at the beginning of the	53,115	49,430	77,325	58,618
Exchange difference on cash and cash equivalents	(91)	(498)	(167)	(125)
Cash and cash equivalents at end of the financial period	73,400	76,635	73,400	76,635

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year (Cont'd)

Cash and cash equivalents comprised of:

	30/09/2018	30/09/2017
	Unaudited	Unaudited
	S\$'000	S\$'000
Fixed deposits, cash and bank balances	73,926	77,325
Fixed deposits pledged	(526)	(525)
	73,400	76,800
Bank overdrafts	-	(165)
	73,400	76,635

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Group (Unaudited)	Share capital S\$'000	Treasury shares S\$'000	Foreign currency translation accounts S\$'000	Share option reserve S\$'000	Merger reserve S\$'000	Available-for-sale reserve S\$'000	Other reserves S\$'000	Retained earnings S\$'000	Equity attributable to owners of the parent S\$'000	Non-controlling interest S\$'000	Total S\$'000
Balance at 1 October 2017	25,061	(3,657)	529	640	(4,794)	(529)	(114)	175,457	192,593	2,618	195,211
Profit/(Loss) for the financial year	-	-	-	-	-	-	-	22,076	22,076	(710)	21,366
Other comprehensive income for the financial year:											
Exchange differences on translating foreign operations	-	-	(173)	-	-	-	-	-	(173)	-	(173)
Share of other comprehensive income of joint venture	-	-	-	-	-	-	330	-	330	-	330
Share of other comprehensive income of associate	-	-	-	-	-	-	1,125	-	1,125	-	1,125
Fair value on available for sale financial assets	-	-	-	-	-	6,318	-	-	6,318	-	6,318
Total Comprehensive income for the year	-	-	(173)	-	-	6,318	1,455	22,076	29,676	(710)	28,966
Contribution by and distribution to owners of the parent:											
Dividends	-	-	-	-	-	-	-	(5,228)	(5,228)	-	(5,228)
Issued of treasury shares	-	355	-	459	-	-	-	-	814	-	814
Grant of share option to employees	-	-	-	213	-	-	-	-	213	-	213
Total transactions with owners of the parent	-	355	-	672	-	-	-	(5,228)	(4,201)	-	(4,201)
Balance at 30 September 2018	25,061	(3,302)	356	1,312	(4,794)	5,789	1,341	192,305	218,068	1,908	219,976

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (Cont'd)

Group (Unaudited)	Share capital S\$'000	Treasury shares S\$'000	Foreign currency translation accounts S\$'000	Share option reserve S\$'000	Merger reserve S\$'000	Available-for-sale reserve S\$'000	Other reserves S\$'000	Retained earnings S\$'000	Equity attributable to owners of the parent S\$'000	Non-controlling interest S\$'000	Total S\$'000
Balance at 1 July 2018	25,061	(3,657)	556	768	(4,794)	(529)	240	185,503	203,148	2,695	205,843
Profit/(Loss) for the financial period	-	-	-	-	-	-	-	6,802	6,802	(787)	6,015
Other comprehensive income for the financial period:											
Exchange differences on translating foreign operations	-	-	(200)	-	-	-	-	-	(200)	-	(200)
Share of other comprehensive income of joint venture	-	-	-	-	-	-	(24)	-	(24)	-	(24)
Share of other comprehensive income of associate	-	-	-	-	-	-	1,125	-	1,125	-	1,125
Fair value on available for sale financial assets	-	-	-	-	-	6,318	-	-	6,318	-	6,318
Total comprehensive income for the period	-	-	(200)	-	-	6,318	1,101	6,802	14,021	(787)	13,234
Contribution by and distribution to owners of the parent:											
Dividends	-	-	-	-	-	-	-	-	-	-	-
Grant of share option to employees	-	-	-	85	-	-	-	-	85	-	85
Issued of treasury shares	-	355	-	459	-	-	-	-	814	-	814
Share issue expenses	-	-	-	-	-	-	-	-	-	-	-
Total transactions with owners of the parent	-	355	-	544	-	-	-	-	899	-	899
Balance at 30 September 2018	25,061	(3,302)	356	1,312	(4,794)	5,789	1,341	192,305	218,068	1,908	219,976

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (Cont'd)

Group (Restated)	Share capital S\$'000	Treasury shares S\$'000	Foreign currency translation accounts S\$'000	Share option reserve S\$'000	Merger reserve S\$'000	Available-for-sale reserve S\$'000	Other reserves S\$'000	Retained earnings S\$'000	Equity attributable to owners of the parent S\$'000	Non-controlling interest S\$'000	Total S\$'000
Balance at 1 October 2016	23,836	(4,005)	798	540	(4,794)	(75)	(114)	120,162	136,348	-	136,348
Profit/(Loss) for the financial year	-	-	-	-	-	-	-	62,745	62,745	153	62,898
Other comprehensive income for the financial year:											
Exchange differences on translating foreign operations	-	-	(269)	-	-	-	-	-	(269)	-	(269)
Fair value loss on available for sale financial assets	-	-	-	-	-	(454)	-	-	(454)	-	(454)
Total Comprehensive income for the year	-	-	(269)	-	-	(454)	-	62,745	62,022	153	62,175
Contribution by and distribution to owners of the parent:											
Dividends	-	-	-	-	-	-	-	(7,450)	(7,450)	-	(7,450)
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	2,465	2,465
Issued of treasury shares	-	348	-	(144)	-	-	-	-	204	-	204
Grant of share option to employees	-	-	-	244	-	-	-	-	244	-	244
Share issue expenses	(32)	-	-	-	-	-	-	-	(32)	-	(32)
Issuance of shares pursuant to acquisition of subsidiary	1,257	-	-	-	-	-	-	-	1,257	-	1,257
Total transactions with owners of the parent	1,225	348	-	100	-	-	-	(7,450)	(5,777)	2,465	(3,312)
Balance at 30 September 2017	25,061	(3,657)	529	640	(4,794)	(529)	(114)	175,457	192,593	2,618	195,211

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (Cont'd)

Group (Restated)	Share capital S\$'000	Treasury shares S\$'000	Foreign currency translation accounts S\$'000	Share option reserve S\$'000	Merger reserve S\$'000	Available-for-sale reserve S\$'000	Other reserves S\$'000	Retained earnings S\$'000	Equity attributable to owners of the parent S\$'000	Non-controlling interest S\$'000	Total S\$'000
Balance at 1 July 2017	23,836	(3,697)	543	644	(4,794)	(75)	(114)	123,340	139,683	-	139,683
Profit/(Loss) for the financial period	-	-	-	-	-	-	-	52,117	52,117	153	52,270
Other comprehensive income for the financial period:											
Exchange differences on translating foreign operations	-	-	(14)	-	-	-	-	-	(14)	-	(14)
Fair value loss on available for sale financial assets	-	-	-	-	-	(454)	-	-	(454)	-	(454)
Total comprehensive income for the period	-	-	(14)	-	-	(454)	-	52,117	51,649	153	51,802
Contribution by and distribution to owners of the parent:											
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	2,465	2,465
Grant of share option to employees	-	40	-	(4)	-	-	-	-	36	-	36
Issuance of shares pursuant to acquisition of subsidiary	1,257	-	-	-	-	-	-	-	1,257	-	1,257
Share issue expenses	(32)	-	-	-	-	-	-	-	(32)	-	(32)
Total transactions with owners of the parent	1,225	40	-	(4)	-	-	-	-	1,262	2,465	3,726
Balance at 30 September 2017	25,061	(3,657)	529	640	(4,794)	(529)	(114)	175,457	192,593	2,618	195,211

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd)

	Share capital S\$'000	Treasury Shares S\$'000	Share option reserve S\$'000	Available-for-sale reserve S\$'000	Retained earnings S\$'000	Total S\$'000
Company (Unaudited)						
Balance at 1 October 2017	25,061	(3,657)	639	(225)	4,816	26,634
Profit for the financial year	-	-	-	-	6,140	6,140
Other comprehensive income for the financial year:						
Fair value gain on available for sale financial assets	-	-	-	225	-	225
Total comprehensive income for the year	-	-	-	225	6,140	6,365
Contribution by and distribution to owners of the parent:						
Dividends	-	-	-	-	(5,228)	(5,228)
Issuance of shares	-	355	459	-	-	814
Grant of share options to employees	-	-	213	-	-	213
Total transactions with owners of the parent	-	355	672	-	(5,228)	(4,201)
Balance at 30 September 2018	25,061	(3,302)	1,311	-	5,728	28,798
Company (Restated)						
Balance at 1 October 2016	23,836	(4,005)	540	(75)	7,368	27,664
Profit for the financial year	-	-	-	-	4,898	4,898
Other comprehensive income for the financial year:						
Fair value loss on available for sale financial assets	-	-	-	(150)	-	(150)
Total comprehensive income for the year	-	-	-	(150)	4,898	4,748
Contribution by and distribution to owners of the parent:						
Dividends	-	-	-	-	(7,450)	(7,450)
Grant of share options to employees	-	-	243	-	-	243
Issuance of treasury shares	-	348	(144)	-	-	204
Issuance of shares pursuant to acquisition of subsidiary	1,257	-	-	-	-	1,257
Share issue expenses	(32)	-	-	-	-	(32)
Total transactions with owners of the parent	1,225	348	99	-	(7,450)	(5,778)
Balance at 30 September 2017	25,061	(3,657)	639	(225)	4,816	26,634

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd)

	Share capital S\$'000	Treasury Shares S\$'000	Share option reserve S\$'000	Available-for- sale reserve S\$'000	Retained earnings S\$'000	Total S\$'000
Company (Unaudited)						
Balance at 1 July 2018	25,061	(3,657)	767	(225)	1,027	22,973
Profit for the financial period	-	-	-	-	4,701	4,701
Other comprehensive income for the period:					-	-
Fair value gain on available for sale financial assets	-	-	-	225	-	225
Total comprehensive income for the period	-	-	-	225	4,701	4,926
Grant of share options to employees	-	-	85	-	-	85
Issuance of shares	-	355	459	-	-	814
Share issue expenses	-	-	-	-	-	-
Total transactions with owners of the parent	-	355	544	-	-	899
Balance at 30 September 2018	25,061	(3,302)	1,311	-	5,728	28,798
Company (Restated)						
Balance at 1 July 2017	23,836	(3,697)	642	(75)	1,497	22,203
Profit for the financial period	-	-	-	-	4,898	4,898
Other comprehensive income for the period:					(1,579)	(1,579)
Fair value loss on available for sale financial assets	-	-	-	(150)	-	(150)
Total comprehensive income for the period	-	-	-	(150)	(1,579)	(1,729)
Contribution by and distribution to owners of the parent:						
Issuance of shares pursuant to acquisition of subsidiary	1,257	-	-	-	-	1,257
Share issue expenses	(32)	40	(3)	-	-	5
Total transactions with owners of the parent	1,225	40	(3)	-	-	1,262
Balance at 30 September 2017	25,061	(3,657)	639	(225)	4,816	26,634

1(d)(ii) Details of any changes in the company's share capital arising from right issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Number of issued shares (excluding Treasury Shares)	Share capital (\$)
As at 1 July 2018	232,385,000	25,060,824
Movement	2,125,000	-
As at 30 September 2018	234,510,000	25,060,824

As at 30 September 2018, there were 6,930,000 outstanding options issued under Employee Share Option Scheme (the "ESOS") (30 September 2017: 6,255,000), which are convertible into 6,930,000 (30 September 2017: 6,255,000) shares. The total number of issued shares excluding treasury shares of the Company was 234,510,000 and 232,385,000 as at 30 September 2018 and 30 September 2017 respectively. Save for the options, the Company did not have any outstanding convertibles as at 30 September 2018 and 30 September 2017.

As at 30 September 2018, the Company held 8,055,000 treasury shares (30 September 2017: 10,180,000 treasury shares) representing 3.32% (30 September 2017: 4.20%) of the total number of issued shares (including treasury shares) of 242,565,000 shares. The Company does not have any subsidiary holdings as at the periods ended 30 September 2018 and 30 September 2017.

1(d)(iii) To show the number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year

	30/09/2018 Unaudited	30/09/2017 Audited
Total number of issued shares	242,565,000	242,565,000
Treasury shares	(8,055,000)	(10,180,000)
Total number of issued shares, excluding treasury shares	234,510,000	232,385,000

1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on

	Number of treasury shares
As at 1 October 2017	10,180,000
Transfer of treasury shares pursuant to the exercise of options under the ESOS ⁽¹⁾	(2,125,000)
As at 30 September 2018	<u>8,055,000</u>

Notes:

(1) On 12 and 25 July 2018, the Company has transferred 2,075,000 and 50,000 treasury shares to share capital as a result of share options exercised under the Employee Share Option Scheme.

2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Except as disclosed in note (5) below, the financial results for the current financial year reported on have been presented using the same accounting policies and methods of computation as in the Company's most recently audited financial statement as set out in the Annual Report for the financial year ended 30 September 2017.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for and the effect of the change

The Group has adopted all new and revised Financial Reporting Standard ("FRS") and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 October 2017, where applicable.

The adoption of these new/revised FRS and INT FRS did not result in any substantial change to the Group's accounting policies and has no material/significant impact on the financial statements of the Group for the current reporting period or prior years reporting period.

6. **Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**
(a) Based on the weighted average number of ordinary shares on issue; and
(b) On a fully diluted basis (detailing any adjustments made to the earnings).

	Group		Group	
	Fourth Quarter ended		Twelve Months ended	
	30/09/2018 Unaudited	30/09/2017 Restated	30/09/2018 Unaudited	30/09/2017 Restated
Profit attributable to owners of the parent (S\$'000)	6,802	52,117	22,076	62,745
(i) Earnings per share ("EPS") – Basic (Singapore cents) ⁽¹⁾	2.90	22.59	9.48	27.31
Weighted average number of ordinary shares ⁽³⁾	234,248,859	230,740,054	232,854,795	229,754,507
(ii) Earnings per share ("EPS") – Diluted (Singapore cents) ⁽²⁾	2.88	22.45	9.39	27.14
Weighted average number of ordinary shares ⁽³⁾	236,071,065	232,135,368	235,161,061	231,206,254

Notes:

- (1) The calculation for the basic EPS for the relevant financial periods is based on the weighted average number of ordinary shares of the Company.
- (1) The calculation for the diluted EPS is based on the weighted average number of ordinary shares of the Company after adjusting for lapsed Options and dilution assuming the options are fully exercised into ordinary shares of the Company.
- (3) The figure was computed taking into account the shares bought back during the relevant financial periods.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued share capital excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year**

	Group		Company	
	30/09/2018 Unaudited	30/09/2017 Restated	30/09/2018 Unaudited	30/09/2017 Restated
Net asset value per ordinary share (Singapore cents)	92.99	82.88	12.28	11.46
Number of issued shares excluding treasury shares at the end of the financial year	234,510,000	232,385,000	234,510,000	232,385,000

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Review of the performance

Revenue

Group's revenue decreased by 45.6% in fourth quarter ended 30 September 2018 ("4Q2018") to S\$53.2 million as compared to S\$97.7 million in fourth quarter ended 30 September 2017 ("4Q2017"). For 12 months ended 30 September 2018 ("12M2018"), revenue decreased by 29.4% to S\$165.2 million as compared to S\$233.9 million in the previous corresponding year ended 30 September 2017 ("12M2017").

The decrease in revenue in 4Q2018 and 12M2018 was mainly due to lower recognition of revenue from construction projects as some of the projects, such as Parc Life and Raffles Hospital Extension had largely been completed in the previous financial year. The decrease in revenue was partially offset by higher revenue contribution from the construction of Seaside Residences condominium and National Skin Centre.

For 12M2018, 98.9% of the Group's revenue was contributed by its building and construction business while the remaining 1.1% was from its real estate investment pertaining to rental income received from its two commercial buildings in Osaka, Japan.

Gross Profit & Gross Profit Margin

Gross profit in 4Q2018 increased by S\$3.3 million or 28.7% to S\$14.6 million as compared to S\$11.3 million in 4Q2017.

Despite the decrease of 29.4% in revenue for 12M2018, gross profit decreased by a smaller quantum of 8.0% to S\$32.5 million as the Group achieved a better gross margin of 19.7% in 12M2018 as compared to 15.1% in 12M2017.

Other Income

Other income decreased from S\$53.2 million in 4Q2017 to S\$1.7 million in 4Q2018. For 12M2018, other income decreased by 85.1% or S\$49.0 million to S\$ 8.6 million. The decrease in both periods was due mainly to the absence of an exceptional gain of S\$49.8 million on re-measurement of investment to fair value upon ceasing equity accounting in joint ventures recorded in 4Q2017.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**
- (Cont'd)**

Administration Expenses

In 4Q2018, administration expenses increased by 8.8% or S\$0.7 million to S\$7.7 million.

For 12M2018, administrative expenses increased by 20.1% or S\$3.6 million to S\$21.2 million in 12M2018. The increase was mainly attributable to impairment loss on available-for-sale financial asset of S\$4.4 million and partially offset by lower legal and professional fees.

Finance Costs

Finance costs increased by S\$0.5 million to S\$1.6 million in 4Q2018 and S\$2.2 million to S\$5.7 million in 12M2018 as compared to the corresponding reporting periods in 2017. The Increase was due mainly to higher interest expense for the Series 2 Term Notes issued in September 2017.

Share of Results of Joint Ventures/Associates

For 12M2018, the Group recorded a net gain of S\$10.4 million from joint ventures and associates as compared to a net loss of S\$3.0 million in 12M2017. The net gain of S\$10.4 million in 12M2018 was mainly attributable to share of profit from Parc Life executive condominium and profit recognition from Seaside Residences condominium.

Profit before Income Tax

The Group's profit before tax decreased by 86.4% to S\$7.5 million in 4Q2018 as compared to S\$55.1 million in 4Q2017. For 12M2018, the Group's net profit before tax decreased by 64.1% or S\$44.1 million to S\$24.7 million as compared to S\$68.8 million in 12M2017. The decrease was mainly attributable to the absence of an exceptional gain of S\$49.8 million on re-measurement of investment to fair value upon ceasing equity accounting in joint ventures recorded in 12M2017. The decrease was partially offset by a net gain of S\$10.4 million from joint ventures and associates in 12M2018.

The Group's operating profit before any exceptional gains and losses was S\$27.3 million in 12M2018 compared to S\$19.0 million in 12M2017. The increase was mainly due to share of profits of S\$10.4 million from joint ventures and associates

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.
- (Cont'd)

Review of Financial Position

Non-Current Assets

Property, plant and equipment decreased from S\$22.9 million as at 30 September 2017 to S\$19.6 million as at 30 September 2018. The decrease was attributable to depreciation expenses of S\$4.4 million and was partially offset by increase in acquisition of plant and equipment of approximately S\$0.9 million.

Current Assets

Trade and other receivables decreased by S\$43.7 million from S\$116.2 million as at 30 September 2017 to S\$95.3 million as at 30 September 2018. Amount due from contract customers decreased by S\$5.3 million to S\$25.8 million in 12M2018. The decreases were in tandem with the lower revenue in 12M2018.

Current Liabilities

Current liabilities increased from S\$169.9 million as at 30 September 2017 to S\$174.5 million as at 30 September 2018. The increase was attributable to an increase of S\$26.2 million in bank borrowings and was offset by a decrease of S\$19.1 million and S\$2.5 million in trade and other payables and provision for income tax respectively.

Net current assets of the Group was S\$23.8 million as at 30 September 2018 compared to S\$57.9 million as at 30 September 2017. Total net assets of the Group was S\$220.0 million as at 30 September 2018 compared to S\$195.2 million as at 30 September 2017.

Non-Current Liabilities

Non-current liabilities decreased by S\$0.5 million from S\$86.0 million as at 30 September 2017 to S\$85.5 million as at 30 September 2018 due mainly to a decrease of S\$0.8 million in other payables.

Review of Cash Flow Statement

For 12M2018, the Group generated positive operating cash flows of S\$26.4 million before movements in working capital. After taking into consideration of changes in working capital, which mainly included a decrease in trade and other receivables and amount due from contract customer of S\$2.5 million, a decrease of S\$20.0 million in trade and other payables, and income tax payment of S\$9.3 million, the Group had a net cash inflow from operating activities of S\$2.2 million.

Net cash used in investing activities of S\$21.6 million in 12M2018 was mainly attributable to investment of S\$27.5 million in joint ventures and loan of S\$21.7 million to joint ventures and associates, purchase of property, plant and equipment of S\$0.7

million. The outflow was partially offset by repayment of loan from associates of S\$21.7 million, capital return of S\$0.6 million from joint venture, dividend income of S\$5.3 million received from joint venture and associate, and interest income of S\$0.5 million.

The Group generated a net cash of S\$15.7 million from financing activities in 12M2018. This was mainly attributable to net bank borrowings S\$26.2 million which was partially offset by dividend payment and interest payment of S\$5.2 million and S\$5.4 million respectively.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable as no forecast or prospect statement has been previously disclosed to shareholders.

10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Building Construction

The Group's current construction projects pipeline consists of Pullman Maldives Maamutaa Resort, Seaside Residences condominium, Mattar Road condominium and National Skin Centre.

As at 30 September 2018, the Group's construction order book stood at approximately S\$376.1 million, providing the Group with a sustainable flow of activities through the end of FY2021.

Singapore's economy grew by 2.2% on a year-on-year basis in the third quarter of 2018, slower than the 4.1% growth in the preceding quarter. The construction sector posted weaker results, contracting by 2.3% in the third quarter of 2018. Based on the third quarter economic performance released by the Ministry of Trade and Industry, the construction sector was "weighed down by weakness in public sector construction activities"¹.

The construction industry has been undergoing a difficult time. Going forward, our emphasis will continue to be on securing more commercial, industrial and institutional projects and we are optimistic of a pick-up in the private residential sector, given the large number of en-bloc acquisitions which will see the award of construction projects by developers.

¹ Ministry of Trade and Industry, "MTI Forecasts GDP to Grow by "3.0 to 3.5 Per Cent" in 2018 and "1.5 to 3.5 Per Cent" in 2019", 22 November 2018.

10. **A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months. (Cont'd)**

Property Development and Investment

Due to the large number of properties sold en-bloc over the last two years, the market will see a significant number of new housing units when these plots are redeveloped in the next few years. In July, the government introduced new round of cooling measures to curb the sharp increase in property prices. The combination of ample supply, cooling measures, rising interest rates as well as US-China trade war spill-overs and uncertainties, contributed to a more cautious outlook for 2019.

Seaside Residences condominium has just released new sea-view units for sale. These are one- to four-bedroom units as well as a final single-storey, five-bedroom penthouse with an unobstructed panoramic sea view. With Seaside Residences condominium more than 85.0% sold, we are gearing up for the prospective launch of Mattar Road condominium in first-half of 2019.

Hotel Development and Investment

Mercure Maldives Kooddoo Hotel, our first resort development in Maldives which opened in September 2017, has been conferred the Global Winner of the 2018 Luxury New Resort awarded by The World Luxury Hotel Awards. Our second resort development in Maldives, the Pullman Maldives Maamutaa Resort, is on track for completion in 2019.

The Group continues to look for investment opportunities overseas, particularly in Vietnam, Japan, Australia, United Kingdom and Jakarta, Indonesia. Property development opportunities in Vietnam and Jakarta, afford higher returns than Singapore, while hotel and property investments in Japan, Australia and the United Kingdom are attractive given their popularity as tourist destinations and stable yield.

11. **Dividend**

(a) Current Financial Period Reported On

Name of Dividend	Interim	Final
Type of Dividend	Cash	Cash
Dividend Amount per share (Singapore cents)	0.50	2.00
Tax rate	Tax exempt (one-tier)	Tax exempt (one-tier)

(b) Corresponding Period of the Immediately Preceding Financial Year

Name of Dividend	Interim	Final
Type of Dividend	Cash	Cash
Dividend Amount per share (Singapore cents)	0.25	1.75

Tax rate	Tax exempt (one-tier)	Tax exempt (one-tier)
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(c) Date payable

To be announced at a later date.

(d) Books closure date.

Notice will be given at a later date on the closure of the Share Transfer Books and Register of Members of the Company to determine members' entitlement to the dividend.

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate for IPT. There was no IPT of S\$100,000 and above in 12M2018.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. **Segmented revenue and results for operating segments (of the group) in the form presented in the issuer’s most recently audited annual financial statements, with comparative information for the immediately preceding year.**

(a) By Activities

	Buildings and Construction \$'000	Property Development \$'000	Real Estate Investment \$'000	Total \$'000
<u>2018</u>				
Revenue	163,581	-	1,638	165,219
Profit from operations				
Share of results from joint ventures, net of tax	-	7,635	-	7,635
Share of results from associates, net of tax	-	2,812	-	2,812
Interest Income	4,357	-	-	4,357
Interest expense	(5,549)	-	(140)	(5,689)
Depreciation and amortisation	(4,384)	-	(603)	(4,987)
Income tax (expenses)/credit	(3,350)	-	-	(3,350)
Reportable segment profit before income tax	14,389	10,447	(120)	24,716
Net profit/(loss) for the financial year after tax	11,039	10,447	(120)	21,366
<u>Other information:</u>				
Capital expenditure	517	-	179	696
Investment in joint ventures	-	8,947	-	8,947
Investment in associates	-	48,275	-	48,275
Segment assets	453,807	-	26,177	479,984
Segment liabilities	236,265	-	23,743	260,008

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. **Segmented revenue and results for operating segments (of the group) in the form presented in the issuer’s most recently audited annual financial statements, with comparative information for the immediately preceding year. (Cont’d)**

(a) By Activities (Cont’d)

	Buildings and Construction \$'000	Property Development \$'000	Real Estate Investment \$'000	Total \$'000
<u>2017</u>				
Revenue	233,017	-	850	233,867
Profit from operations				
Share of results from joint ventures, net of tax	-	(214)	-	(214)
Share of results from associates, net of tax	-	(2,797)	-	(2,797)
Gain on re-measurement of investment to fair value upon ceasing equity accounting	-	4,059	45,753	49,812
Interest Income	3,972	-	1	3,973
Interest expense	(3,472)	-	(68)	(3,540)
Depreciation and amortisation	(4,955)	-	(262)	(5,217)
Income tax (expenses)/credit	(5,950)	-	8	(5,942)
Reportable segment profit before income tax	23,615	(175)	45,392	68,840
Net profit/(loss) for the financial year after tax	17,673	(175)	45,400	62,898
<u>Other information:</u>				
Capital expenditure	1,289	-	12,009	13,298
Investment in joint ventures	-	3,572	-	3,572
Investment in associates	-	29,665	-	29,665
Segment assets	414,300	10,162	26,630	451,092
Segment liabilities	231,812	-	24,069	255,881

(b) Geographical segment information:

	2018 \$'000	2017 \$'000
<u>Revenue</u>		
Singapore	105,731	208,519
Maldives	57,850	24,498
Japan	1,638	850
Total Revenue	165,219	233,867
<u>Non-current Assets</u>		
Singapore	256,857	198,528
Maldives	2,009	1,443
Japan	22,826	23,321
Total Non-current Assets	281,692	223,292

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by operating segments.

Segmental results for Real Estate Investment segment, profit decreased from S\$45.4 million in 12M2017 to a net loss of S\$0.1 million in 12M2018 due mainly to absence of an exception gain on re-measurement of investment to fair value upon ceasing equity accounting in joint ventures in 12M2017.

16. A breakdown of sales

	<u>Group</u>		Increase / (Decrease)
	FY2018 S\$'000	FY2017 S\$'000	%
Sales reported for first half year	71,585	84,183	(15.0%)
Profit after tax before deducting non-controlling interests reported for first half year	6,889	7,038	(2.1%)
Sales reported for second half year	93,634	149,684	(37.4%)
Profit after tax before deducting non-controlling interests reported for second half year	17,827	61,802	(71.2%)

17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	FY2018 \$'000	FY2017 \$'000
Ordinary Shares		
- Interim	1,162	575
- Final	4,690*	4,067
Total	5,852	4,642

* The final dividend for FY2018 is subject to shareholders' approval at the forthcoming annual general meeting of the Company.

18. Confirmation pursuant to Rule 704(13) of the Listing Manual of the SGX-ST.

Pursuant to Rule 704(13) of the Listing Manual of the SGX-ST, the Company confirms that, for the financial year ended 30 September 2018, there is no persons occupying managerial positions in the Company or any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

19. Confirmation pursuant to Rule 720 (1) of the Listing Manual SGX-ST.

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the Listing Manual of the SGX-ST.

By Order of the Board

Leo Ting Ping Ronald
Executive Chairman and Chief Executive Officer
27 November 2018