



KSH Holdings Limited

(Company Registration Number: 200603337G)
(Incorporated in the Republic of Singapore on 9 March 2006)

**UNAUDITED FULL YEAR FINANCIAL STATEMENT &
DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED
31st MARCH 2009**

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2009

1 (a) An income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Income Statement	The Group		% increase/ (decrease)
	31.03.2009	31.03.2008	
	S\$'000	S\$'000 Restated	
REVENUES			
Project revenue	324,019	176,479	84
Rental income from an investment property	4,172	3,684	13
Rental income from development property	459	-	nm
Revenue from sale of completed properties held for sale	-	1,839	(100)
	328,650	182,002	81
Other income	8,178	49,278	(83)
Cost of construction	(294,482)	(161,721)	82
Cost of sales of completed properties held for sale	-	(1,400)	(100)
Personnel expenses	(5,706)	(4,971)	15
Depreciation of property, plant and equipment	(1,510)	(809)	87
Finance costs	(8,183)	(3,514)	133
Other operating expenses	(9,239)	(4,105)	125
	(319,120)	(176,520)	81
Profit from operations before share of results of associates	17,708	54,760	(68)
Share of results of associates	(385)	(475)	(19)
Profit before taxation	17,323	54,285	(68)
Tax expense	(3,730)	(12,595)	(70)
Profit for the year	13,593	41,690	(67)
Attributable to:			
Equity holders of the Company	14,007	31,397	(55)
Minority interests	(414)	10,293	(104)
	13,593	41,690	(67)

Notes

The Group's profit before taxation is arrived at after (charging)/crediting the following :-

	The Group		% increase/ (decrease)
	31.03.2009	31.03.2008	
	S\$'000	S\$'000	
Interest income	156	370	(58)
Doubtful debts expense	(765)	(81)	844
Fair value (loss)/gain on investment properties	(3,766)	43,461	(109)
Fair value gain on convertible notes - embedded derivative component	4,759	4,100	16
Amortisation of club membership	(2)	(1)	100
Amortisation of convertible notes issuance expenses	(551)	(598)	(8)
Gain on partial buyback of convertible notes	246	-	nm
Gain on dilution of interest in a subsidiary	7	-	nm
Fair value gain/(loss) on structured deposits	123	(233)	(153)
Net gain on sale of property, plant and equipment	29	503	(94)
Net loss on sale of an investment property	-	(42)	(100)
Foreign exchange gain, net	235	203	16
Interest expense	(8,030)	(3,504)	129
Profit after taxation but before minority interests as a percentage of turnover	4.14%	22.91%	(82)
Profit after taxation attributable to equity holders of the Company as a percentage of the Group's Issued Capital and Reserves before Minority interests at 31 March 2009 and 31 March 2008	15.47%	42.28%	(63)

nm : Not meaningful

BALANCE SHEET AS AT 31 MARCH 2009
1(b)(i) A balance sheet (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

	The Group		The Company	
	31.03.2009 S\$'000	31.03.2008 S\$'000 Restated	31.03.2009 S\$'000	31.03.2008 S\$'000
Non-current assets				
Property, plant and equipment	11,761	11,487	-	-
Investment in subsidiaries	-	-	57,516	57,516
Investment in associates	8,099	4,655	-	-
Investment properties	101,853	94,187	-	-
Properties held for development	-	15,607	-	-
Loan due from an associate (non-trade)	15,736	-	-	-
Amount due from a minority shareholder of a subsidiary (non-trade)	2,454	2,172	-	-
Amount due from subsidiaries (non-trade)	-	-	24,529	1,263
Trade receivables	11,825	4,091	-	-
Club membership	56	59	-	-
Other investments - quoted equity shares	1	1	-	-
Structured deposits	1,890	1,767	-	-
	153,675	134,026	82,045	58,779
Current assets				
Development property	64,710	63,343	-	-
Consumable stock	-	3	-	-
Trade receivables	22,626	25,854	-	-
Other receivables and deposits	2,598	4,222	49	43
Prepayments	1,599	1,208	514	783
Amount due from subsidiaries (non-trade)	-	-	-	312
Construction work-in-progress in excess of progress billings	6,887	13,883	-	-
Fixed deposits	21,866	12,222	4,723	4,564
Cash and bank balances	40,533	18,376	14,827	192
	160,819	139,111	20,113	5,894
Current liabilities				
Trade payables	14,283	11,498	6	-
Other payables and accruals	48,967	39,362	1,820	1,397
Amount due to a director of a subsidiary	336	293	-	-
Amount due to subsidiaries (non-trade)	-	-	22,995	1,002
Amount due to joint venture partners (non-trade)	75	-	-	-
Finance lease obligations (current portion)	1,506	1,206	-	-
Provision for income tax	4,621	1,685	-	-
Progress billings in excess of construction work-in-progress	10,498	755	-	-
Bank term loans (current portion), secured	2,251	895	-	-
Bank overdrafts, secured	1,999	770	-	-
Bills payable to banks, secured	15,797	12,876	-	-
Convertible notes - liability component (current portion)	18,444	-	18,444	-
Convertible notes - embedded derivative component	351	5,400	351	5,400
	119,128	74,740	43,616	7,799
Net current assets / (liabilities)	41,691	64,371	(23,503)	(1,905)
Non-current liabilities				
Other payables and accruals	138	10,256	-	-
Trade payables	7,700	2,891	-	-
Amount due to subsidiaries (non-trade)	-	-	31,175	5,537
Finance lease obligations (non-current portion)	3,250	4,146	-	-
Bank term loans (non-current portion), secured	59,441	58,770	-	-
Convertible notes - liability component (non-current portion)	-	16,599	-	16,599
Deferred tax liabilities	13,757	12,910	-	-
	84,286	105,572	31,175	22,136
NET ASSETS	111,080	92,825	27,367	34,738
Equity attributable to equity holders of the Company				
Share capital	21,956	21,956	21,956	21,956
Translation reserve	6,370	(511)	-	-
Accumulated profits	62,190	52,799	5,411	12,782
Other reserves	45	11	-	-
	90,561	74,255	27,367	34,738
Minority interests	20,519	18,570	-	-
Total equity	111,080	92,825	27,367	34,738

BORROWINGS AND DEBT SECURITIES**1(b)(ii) Aggregate amount of Group's borrowings and debt securities**

Amount repayable in one year or less, or on demand			
As at 31.03.2009		As at 31.03.2008	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
21,553	18,444	15,747	-

Amount repayable after one year			
As at 31.03.2009		As at 31.03.2008	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
62,691	-	62,916	16,599

Details of any collateral :

The Group's borrowings are secured by way of :

- 1) Assignment of progress payments from the developer for certain on-going construction projects ;
- 2) Letters of assignment of certain progress payments and retention monies due to the Group ;
- 3) Joint and several personal guarantees of the directors of the Company ;
- 4) Corporate guarantees issued by the Company and a subsidiary ;
- 5) First legal mortgage on the Group's investment properties and leasehold factory building ;
- 6) Charge on fixed deposits and structured deposits ;
- 7) First charge over the contract proceeds/project account arising from the construction project financed ;
- 8) A first legal mortgage over the development property of a joint venture ;
- 9) Legal assignment of sales proceeds from the development property of a joint venture ;
- 10) Legal assignment of tenancy, rental, lease and licence agreements from development property of a joint venture ;
- 11) Legal assignment of the construction contract(s) and performance bonds from development property of a joint venture ;
- 12) Legal assignment of fire insurance policy from development property of a joint venture ;
- 13) Corporate guarantee from all the shareholders of a joint venture in equal share ratio ; and
- 14) Debenture over all present and future assets of a joint venture.

CONSOLIDATED CASH FLOW STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

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

Cash Flow Statement

	The Group	
	31.03.2009 S\$'000	31.03.2008 S\$'000 Restated
Cash flows from operating activities		
Profit before taxation	17,323	54,285
Adjustments for :		
Depreciation of property, plant and equipment	1,510	809
Amortisation of club membership	2	1
Amortisation of issuance costs on convertible notes	551	598
Gain on partial buyback of convertible notes	(246)	-
Net gain on sale of property, plant and equipment	(29)	(503)
Loss on sale of investment property	-	42
Gain on dilution of interest in a subsidiary	(7)	-
Fair value loss/(gain) on investment properties	3,766	(43,461)
Fair value gain on convertible notes - embedded derivative component	(4,759)	(4,100)
Fair value (gain)/loss on structured deposits	(123)	233
Doubtful debts expense	765	81
Interest expense	8,030	3,504
Interest income	(156)	(370)
Share of results of associates	385	475
Operating profit before working capital changes	27,012	11,594
Increase/(decrease) in :		
Development property	(1,367)	(63,343)
Completed properties held for sale	-	1,400
Consumable stock	3	13
Trade and other receivables, deposits and prepayments	(6,161)	(6,860)
Work-in-progress, net	16,739	1,330
Increase/(decrease) in :		
Trade and other payables	17,317	3,143
Cash flows generated from/(used in) operations	53,543	(52,723)
Income taxes paid	(1,469)	(1,131)
Interest income received	156	370
Exchange differences	21	14
Net cash flows generated from/(used in) operating activities	52,251	(53,470)
Cash flows from investing activities		
Purchases of property, plant and equipment	(989)	(1,224)
Proceeds from sale of property, plant and equipment	30	1,060
Development expenditure capitalised	(58)	-
Increase in investment in associates	(3,168)	-
Proceeds from sale of investment property	-	1,858
Increase in amount due from an associate	(128)	-
Net cash outflow from dilution of interest in a subsidiary	(5)	-
Increase in intangible assets/deferred expenditure	-	(60)
Acquisition of properties held for development	-	(15,607)
Net cash flows used in investing activities	(4,318)	(13,973)
Cash flows from financing activities		
Dividends paid	(4,582)	(2,203)
Proceeds from issuance of convertible notes	-	25,000
Issuance costs on convertible notes	-	(1,331)
Proceeds from bank term loans	5,000	59,673
Repayment of bank term loans	(2,973)	(13,727)
Payment for redemption of convertible notes	(3,700)	-
Repayment of short-term bank loan	-	(67)
Proceeds from bills payable to banks	2,921	3,287
Interest paid	(2,529)	(2,292)
Repayment of lease obligations	(1,377)	(2,151)
Increase in fixed deposits (pledged)	(3,936)	(3,309)
(Decrease)/increase in long term payables	(10,118)	10,154
Net cash flows (used in)/generated from financing activities	(21,294)	73,034
Net increase in cash and cash equivalents	26,639	5,591
Cash and cash equivalents at beginning of financial year	22,168	16,577
Cash and cash equivalents at end of financial year (Note A)	48,807	22,168

Note A : Cash and cash equivalents at end of financial year comprise :

Cash and cash equivalents consist of cash and bank balances, fixed deposits and bank overdrafts. Cash and cash equivalents comprise the following:

	31.03.2009 S\$'000	31.03.2008 S\$'000
Cash and bank balances	40,533	18,376
Fixed deposits	21,866	12,222
Bank overdrafts, secured	(1,999)	(770)
	60,400	29,828
Less : Pledged fixed deposits	(11,593)	(7,660)
Cash and cash equivalents	48,807	22,168

STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2009
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.

THE GROUP	Attributable to equity holders of the Company				Minority interests	Total equity
	Share capital S\$'000	Translation reserve S\$'000	Accumulated (losses)/profits S\$'000	Other reserves S\$'000	S\$'000	S\$'000
As at 1 April 2007	21,956	(312)	23,616	-	8,273	53,533
Currency translation difference	-	(199)	-	-	4	(195)
Net income and expenses recognised directly in equity	-	(199)	-	-	4	(195)
Net profit for the year	-	-	31,397	-	10,293	41,690
Transfer to statutory reserve fund	-	-	(11)	11	-	-
Total recognised income and the expenses for the year	-	(199)	31,386	11	10,297	41,495
First and final tax-exempt dividends on ordinary shares	-	-	(2,203)	-	-	(2,203)
As at 31 March 2008	21,956	(511)	52,799	11	18,570	92,825
As at 1 April 2008	21,956	(511)	52,799	11	18,570	92,825
Currency translation difference	-	6,881	-	-	2,363	9,244
Net income and expenses recognised directly in equity	-	6,881	-	-	2,363	9,244
Net profit for the year	-	-	14,007	-	(414)	13,593
Transfer to statutory reserve fund	-	-	(34)	34	-	-
Total recognised income and the expenses for the year	-	6,881	13,973	34	1,949	22,837
Interim and final tax-exempt dividends on ordinary shares	-	-	(4,582)	-	-	(4,582)
As at 31 March 2009	21,956	6,370	62,190	45	20,519	111,080
THE COMPANY						
As at 1 April 2007	21,956	-	10,542	-	-	32,498
Net profit for the year	-	-	4,443	-	-	4,443
Total recognised income and expenses for the year	-	-	4,443	-	-	4,443
First and final tax-exempt dividends on ordinary shares	-	-	(2,203)	-	-	(2,203)
As at 31 March 2008	21,956	-	12,782	-	-	34,738
As at 1 April 2008	21,956	-	12,782	-	-	34,738
Net loss for the year	-	-	(2,789)	-	-	(2,789)
Total recognised income and expenses for the year	-	-	(2,789)	-	-	(2,789)
Interim and final tax-exempt dividends on ordinary shares	-	-	(4,582)	-	-	(4,582)
As at 31 March 2009	21,956	-	5,411	-	-	27,367

SHARE CAPITAL

1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issues, 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 also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.

There were no changes in the Company's share capital during the financial year ended 31 March 2009.

During the previous financial year, the Company issued S\$25,000,000 of 1% coupon Unconditional Unsubordinated Unsecured Convertible Notes due 2011 (the "Notes"). The Notes are convertible into ordinary shares of the Company and the conversion price was originally set at \$1.50 and subsequently adjusted to \$0.75 (the "Adjusted Conversion Price"), following the sub-division of ordinary shares.

The Adjusted Conversion Price was reset with effect 18 October 2008, the Adjusted Conversion Price was reset to S\$0.595 from S\$0.75 as the average of the closing price of the ordinary shares of the Company for the 20 consecutive market days ending 12 months after the issue of the Notes is less than the Adjusted Conversion Price, subject to the reset Adjusted Conversion Price not being less than \$0.595.

On 17 November 2008, the Company purchased S\$5 million in principal amount of the Convertible Notes which has since been duly cancelled. The remaining aggregate principal amount of the Convertible Notes as at balance sheet date was S\$20 million.

None of the Convertible Notes have been converted into ordinary shares of the Company as at balance sheet date. Based on the Adjusted Conversion Price of S\$0.595, the number of shares that may be issued upon conversion of the S\$20 million Convertible Notes was 33,613,445 ordinary shares as at balance sheet date.

The Company does not hold any treasury shares up to the date of this announcement.

1(d)(iii) To show the total 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.

	Year ended	
	31.03.2009	31.03.2008
The total number of issued shares	176,245,000	176,245,000

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

Not applicable.

AUDIT

2 Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard).

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.

ACCOUNTING POLICIES

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

Except as disclosed in item 5, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial reporting period with the audited financial statements as at 31 March 2008.

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.

As at 31 March 2009, the Group held 25% interest in a joint venture company ("JV Co") through a wholly owned subsidiary. The JV Co has three other shareholders each holding equal shares of 25%. The Group had adopted the equity method of accounting for its interests in JV Co on 31 Mar 2008.

In order to reflect a more realistic financial position, the Group has decided to change the accounting policy for its interest in JV Co from equity method to proportionate consolidation for the year FY2009, as permitted under FRS 31. The effect of this change in accounting policy on the comparative figures is as follows:

Income statement:

Other income	
Other operating expenses	
Profit from operations before share of results of associates and a joint venture	
Share of results of a joint venture	
Profit before taxation	
Tax expenses	
Net profit for the financial year	

Year ended 31 March 2008	
As restated S\$'000	As previously reported S\$'000
49,278	49,277
(4,105)	(4,101)
54,760	54,763
-	(3)
54,285	54,285
(12,595)	(12,595)
41,690	41,690

Balance Sheet:

Non-current assets	
Investment in a joint venture	
Loan due from a joint venture	
Current assets	
Development property	
Amount due from a joint venture	
Cash and bank balances	
Current liabilities	
Other payables and accruals	
Net current assets	
Non-current liabilities	
Bank term loans (secured)	
Net assets	

As at 31 March 2008	
-	247
-	16,925
63,343	-
-	2,000
18,376	18,361
(39,362)	(39,042)
64,371	3,341
(58,770)	(14,912)
92,825	92,825

EARNINGS PER SHARE

- 6 Earnings per ordinary shares 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 :-

	The Group	
	31.03.2009	31.03.2008
a) Basic (cents)	7.95	17.81
b) Diluted (cents)	7.95	16.71
	S\$'000	S\$'000
Group's profit for the financial period attributable to the shareholders of the Company used for the computation of basic EPS	14,007	31,397
Group's adjusted profit for the financial period attributable to the shareholders of the Company used for the computation of diluted EPS	19,743	32,610
Weighted average number of ordinary shares in issue used for the calculation of basic EPS	176,245,000	176,245,000
Adjustment for outstanding convertible notes, based on reset Adjusted Conversion Price of \$0.595 at time apportionate.	26,476,344	18,942,003
Adjustment for outstanding convertible notes, based on remaining aggregate principal amount of the Convertible Notes \$20 million.	12,432,370	-
Adjusted weighted average number of ordinary shares used for the calculation of diluted EPS	215,153,714	195,187,003

Basic earnings per share ("EPS") is calculated based on the Group's profit for the financial year attributable to the shareholders of the Company divided by the weighted average number of ordinary shares in issue during the financial year.

Diluted EPS is calculated based on the Group's profit for the financial year attributable to the shareholders of the Company adjusted for interest expense on the convertible notes divided by the weighted average number of ordinary shares in issue adjusted for the effects of all dilutive potential ordinary shares, being the outstanding convertible notes. EPS on a fully diluted basis is the same as basis EPS as the effects of the convertible notes are anti-dilutive and are ignored in calculating diluted EPS.

NET ASSET VALUE PER SHARE

- 7 Net asset value (for the issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the :-

- (a) current financial period reported on; and
(b) immediately preceding financial year.

	The Group		The Company	
	as at 31.03.2009	as at 31.03.2008	as at 31.03.2009	as at 31.03.2008
Net asset value per ordinary share (cents)	51.38	42.13	15.53	19.71
Issue share capital at the end of the year	176,245,000	176,245,000	176,245,000	176,245,000

REVIEW OF THE PERFORMANCE OF THE GROUP

- 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 factor ; and
 - b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current period reported on.

(A) Income Statement

Revenues

Total revenue of S\$328.7 million for the financial year ended 31 March 2009 ("FY2009") increase 80.6% as compared to S\$182.0 million for the financial year ended 31 March 2008 ("FY2008"). The significant increase in revenue was contributed by construction business in Singapore which accounted for about 98.6% of the Group's revenue in FY2009. The remaining of 1.4% was contributed from rental income of an investment property held in People's Republic of China ("PRC").

Other income

Other income decreased by S\$41.1 million or 83.4% from S\$49.3 million to S\$8.2 million. This was mainly due to decrease by approximately S\$43.5 million in fair value gain adjustment of the investment properties of which was recognised in FY2008. The decrease was partially offset by the increase in other operating income related to construction business of S\$1.5 million and increase of S\$0.7 million on fair value gain on embedded derivatives in FY2009 as compared to FY2008.

The Group had engaged a professional valuation firm to value the fair value of the embedded derivative on the remaining S\$20 million convertible notes as at balance sheets date 31 March 2009. Based on the valuation, the fair value gain on embedded derivative for FY2009 was S\$4.8 million and S\$4.1 million in FY2008, increased by approximately S\$0.7 million as above mentioned.

Operating expenses

Cost of construction increased by S\$132.8 million or 82.1% from S\$161.7 million in FY2008 to S\$294.5 million in FY2009 as in line with the increase of construction revenue in FY2009. Gross margin of construction business improved from 8.4% in FY2008 to 9.1% in FY2009.

Personnel expenses increased by S\$0.7 million or 14.8% from S\$5.0 million in FY2008 to S\$5.7 million in FY2009. The increase was due to the increase in headcount during the year so as to support the increase in construction activities in FY2009.

Depreciation expenses increased by approximately S\$0.7 million or approximately 86.7% from S\$0.8 million in FY2008 to S\$1.5 million in FY2009. The increase is mainly due to additions of plant and equipment, driven by the Group's growth in the construction business.

Finance cost increased by approximately S\$4.7 million or approximately 132.9% from S\$3.5 million in FY2008 to S\$8.2 million in FY2009. The increase is mainly due to the increase in interest expenses on Convertible notes of approximately S\$4.5 million from S\$1.2 million (imputed interest of S\$1.1 million and coupon interest of S\$0.1 million) in FY2008 to S\$5.7 million (imputed interest of S\$5.5 million and coupon interest of S\$0.2 million) in FY2009. This increase was mainly due to the revised estimated life of the Convertible notes from 4 years as in prior year to 2 years. The revision on the estimate was based on the Group's intention to redeem the remaining Convertible notes at a discount before its maturity. If the estimated life remained the same, the interest expenses on Convertible notes for FY2009 would have been S\$2.7 million instead of S\$5.7 million. The interest expenses in FY2008 was lower as compared to FY2009 because the Convertible notes were issued in October 2007, therefore the interest in FY2008 was for a period shorter than FY2009.

Other operating expenses increased by approximately S\$5.1 million or approximately 125.0% from S\$4.1 million in FY2008 to S\$9.2 million in FY2009. The increase was mainly due to loss from fair value adjustment of investment properties S\$3.7 million and additional provision for doubtful debts of S\$0.8 million and an increase in other overhead costs relating to the property development and management entities in PRC.

Profit before tax

The Group's profit before tax decreased by approximately S\$37.0 million or approximately 68.1% from S\$54.3 million in FY2008 to S\$17.3 million in FY2009 as explained above.

Tax expense

Tax expense decreased by approximately S\$8.9 million or approximately 70.4%, mainly due to decrease in the provision of deferred tax on the fair value gain adjustment of investment properties and the decrease was partially offset by the current tax provision.

Profit after tax

As a result of the above, the Group made a net profit attributable to the Shareholders for FY2009 of approximately S\$14.0 million as compared to S\$31.4 million for FY2008.

With reference to the above mentioned S\$43.5 million in fair value gain adjustment of the investment properties which was recognised in FY2008 under other income and S\$3.7 million fair value loss of investment properties in FY2009 recognised under other operating expenses, the impact on profit for the financial year attributable to equity holders of the Company net of tax and minority interest was gain of S\$22.6 million in FY2008 and loss of S\$2.4 million in FY2009.

REVIEW OF THE PERFORMANCE OF THE GROUP

Balance Sheet Statements

Property, plant & equipment

The increase in this item from S\$11.5 million in FY2008 to S\$11.8 million in FY2009 was mainly due to the additions of plant and equipment during the financial year.

Properties held for development

The decrease in this item by approximately S\$15.6 million in FY2008, was mainly due to decrease in shareholding in a subsidiary company which resulted in it becoming an associate company during the financial year. As such, the Group adopted the equity method of accounting for the said associate company; hence resulting in properties held for development no longer consolidated in the balance sheet.

Long term trade receivables

The increase in this item from S\$4.0 million in FY2008 to S\$11.8 million in FY2009 was mainly due to increase in retention sum held by the customers on progress claims certified for our on going construction projects as the number of projects and construction revenue increased.

Development property

The increase in this item from S\$63.3 million in FY2008 to S\$64.7 million in FY2009, was due to increase in expenditure incurred in a 25% owned joint venture company on a residential project.

Other payables and accruals

The increase in this item from S\$39.3 million in FY2008 to S\$49.0 million in FY2009 as the number of projects and construction revenue increased.

Convertible notes - liability component (current portion)

The increase of S\$18.4 million was due to the reclassification on S\$16.6 million from Convertible notes - liability component under non-current component in FY2008 and the additional imputed interest of S\$5.5 million less S\$3.7 million being the book carrying value for the S\$5 million convertible notes that was bought back on 17 November 2008.

Convertible notes - embedded derivative component (current portion)

The decrease of S\$5.0 million from S\$5.4 million in FY2008 to S\$0.4 million in FY2009 was due to embedded derivative component of S\$0.3 million on the S\$5 million convertible notes which was bought back on 17 November 2008 as well as fair valuation gain of S\$4.8 million recognised on the remaining \$20 million convertible notes. As mentioned above, the fair value of the embedded derivative as at 31 March 2009 of S\$0.4 million was based on the valuation conducted by a professional valuation firm on the remaining S\$20 million Convertible notes.

Total borrowings

The increase in total borrowings from S\$95.3 million to S\$102.7 million was mainly due to the increase in finance for the expansion of the property development business and construction business.

Cash flow statements

Net cash flows generated from operation in FY2009 increased mainly due to increase in operating profit from construction business, decrease in trade and other receivables, deposits and prepayments, decrease in construction work-in progress and increase in trade and other payables.

With reference to item 5 mentioned above, the restated net cash flows used in operations restated for FY2008 increased mainly due to investment in development properties resulting from the expansion of the Group's property development business.

Net cash flows used in investing activities decreased as there was no acquisition of properties held for development in FY2009 as compared to FY2008

Net cash flows used in financing activities mainly due to increase in pledged fixed deposits, increase in long term receivables and payment made on dividend during FY2009

REVIEW OF THE PERFORMANCE OF THE GROUP

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

There was no forecast or any prospect statement previously disclosed to shareholders.

10 A commentary at the date of the announcement of the significant trends and 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.

The Group is cautiously optimistic on the outlook of its construction business. Singapore's Construction sector continues to demonstrate resilience, being the only output that registered positive growth of 24.4% year-on-year and 9.6% quarter-on-quarter despite sharp contraction in the rest of local economy in 1Q2009. The government's pledge to invest S\$18 billion to S\$20 billion in public projects, S\$4.4 billion more than commitments made the previous year, is also helping to cushion the impact of the economic slump.

The Group has a construction order book of approximately S\$400 million in Singapore as at 31 March 2009 of which a substantial part of it would be carried out during the financial year ending 31 March 2010. Nevertheless, the Group remains cautious on the possible impacts that the economic conditions and uncertainty in labour and materials cost may have on the performance of the Group for the next 12 months.

Despite the outlook in property development business is still uncertain, the Group noted the recent improvement in the sentiment of the residential property market in Singapore.

Barring unforeseen circumstances, the Group should remain profitable for the financial year 2010.

DIVIDENDS

The Directors are pleased to announce that a final dividend of 2.0 cents per share has been recommended for the year ended 31 March 2009. The recommended final dividend consists of an Ordinary Dividend of 1.0 cent per share and a Special Dividend of 1.0 cent per share. Together with the interim ordinary dividend of 1.5 cents per share of which paid on 11 December 2008, total dividend for the year ended 31 March 2009 will be 3.5 cents per share. The recommended dividends take into consideration the Group's FY2009 profit after tax, present cash position and positive cash flow generated from operations. Payment of the final dividends is subject to the approval of the shareholders of the Company at the forthcoming Annual General Meeting.

11 (a) Current financial period reported on

Any dividend declared for the current financial period reported on ? **Yes**

Name of Dividend Dividend Type Dividend Rate	(Tax Exempt 1-Tier)			
	Interim Ordinary Cash 1.5 cents per ordinary share	Final Ordinary Cash 1.0 cent per ordinary share	Special Ordinary Cash 1.0 cent per ordinary share	Total Cash 3.5 cents per ordinary share

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year ? **Yes**

Name of Dividend Dividend Type Dividend Rate	(Tax Exempt 1-Tier)			
	First & Final Ordinary Cash 1.1 cents per ordinary share			Total Cash 1.1 cents per ordinary share

(c) Date payable

The proposed final dividends, if so approved by members, will be paid on 28 August 2009.

(d) Books closure date

NOTICE IS HEREBY GIVEN THAT the Transfer Books and the Register of Members of the Company will be closed on 18 August 2009 for the preparation of dividend warrants.

Duly completed registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 3 Church Street #08-01 Samsung Hub Singapore 049483 up to 5.00 pm on 17 August 2009 will be registered to determine shareholders' entitlements to the final dividends. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares at 5.00pm on 17 August 2009 will be entitled to the final dividends.

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

Not applicable

13 **Segmented revenue and results for business or geographical 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.**

Business segments

<u>FY 2009</u>	GROUP 31.03.2009				
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
	Construction	Property development and management	Others	Elimination	Total
REVENUES					
- External sales	324,019	4,631	-	-	<u>328,650</u>
Segment results	24,931	(738)	1,542	-	25,735
Share of results of associates	-	(385)	-	-	(385)
Interest received	118	23	15	-	156
Finance costs	(1,597)	(849)	(5,737)	-	<u>(8,183)</u>
Profit before taxation	23,452	(1,949)	(4,180)	-	17,323
Tax expense					(3,730)
Minority interests					414
Net profit attributable to equity holders of the Company					<u>14,007</u>
Segment assets	155,303	169,918	102,250	(121,076)	306,395
Investment in an associate	760	-	7,339	-	8,099
Investment in a joint venture	-	-	-	-	-
Total assets					<u>314,494</u>
Segment liabilities	77,331	45,679	57,028	(98,040)	81,998
Unallocated liabilities	-	-	-	-	121,416
Total liabilities					<u>203,414</u>
Other segment information :					
Capital expenditures	1,665	103	-	-	1,768
Depreciation of property, plant and equipment	1,440	70	-	-	1,510
<u>FY 2008</u>					
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
	Construction	Property development and management	Others	Elimination	Total
REVENUES					
- External sales	176,479	5,523	-	-	<u>182,002</u>
Segment results	11,532	45,976	396	-	57,904
Share of results of associates	-	(475)	-	-	(475)
Interest received	207	28	135	-	370
Finance costs	(991)	(1,308)	(1,215)	-	<u>(3,514)</u>
Profit before taxation	10,748	44,221	(684)	-	54,285
Tax expense					(12,595)
Minority interests					(10,293)
Net profit attributable to equity holders of the Company					<u>31,397</u>
Segment assets	99,613	168,761	60,177	(60,069)	268,482
Investment in an associate	-	4,655	-	-	4,655
Total assets					<u>273,137</u>
Segment liabilities	49,574	52,922	(3,615)	(33,826)	65,055
Unallocated liabilities					115,257
Total liabilities					<u>180,312</u>
Other segment information :					
Capital expenditures	8,390	19	-	-	8,409
Depreciation of property, plant and equipment	756	53	-	-	809

Geographical segments

<u>FY 2009</u>	S\$'000	S\$'000	GROUP 31.03.2009 S\$'000 People's Republic of China	S\$'000	S\$'000
	Singapore	Malaysia		Elimination	Total
REVENUES	322,229	2,250	4,171	-	328,650
Segment assets	217,278	2,354	103,012	(16,249)	306,395
Investment in an associate	1,248	-	6,851	-	8,099
Total assets					<u>314,494</u>
Other segment information :					
Capital expenditures	1,665	-	103	-	1,768

<u>FY 2008</u>	S\$'000	S\$'000	GROUP 31.03.2008 S\$'000 People's Republic of China	S\$'000	S\$'000
	Singapore	Malaysia		Elimination	Total
REVENUES	169,497	6,982	5,523	-	182,002
Segment assets	184,316	2,166	97,035	(15,035)	268,482
Investment in associated companies	-	-	4,655	-	4,655
Total assets					<u>273,137</u>
Other segment information :					
Capital expenditures	8,390	-	19	-	8,409

14 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to item 8.

15 A breakdown of sales as follows:-

	Group		
	31.03.2009	31.03.2008	% increase/ (decrease)
	S\$'000	S\$'000	
Sales reported for first half year	179,508	79,674	125
Operating profit/(loss) after tax before deducting minority interests reported for the first half year	12,085	3,035	298
Sales reported for second half year	149,142	102,328	46
Operating profit after tax before deducting minority interests reported for the second half year	1,508	38,655	(96)

16 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous year as follows :

	31.03.2009	31.03.2008
	S\$'000	S\$'000
Ordinary	4,582	2,203
Total :	4,582	2,203

By Order of the Board

Choo Chee Onn
Executive Chairman and Managing Director
26th May 2009