

Sky Green



KSH Holdings Limited

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

UNAUDITED SECOND QUARTER AND HALF YEAR FINANCIAL STATEMENTS & DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2012

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.

INCOME STATEMENT

	GROUP			GROUP		
	Second Quarter Ended		increase/ (decrease) %	Half Year Ended		increase/ (decrease) %
	30.09.2012	30.09.2011		30.09.2012	30.09.2011	
	S\$'000	S\$'000		S\$'000	S\$'000	
REVENUE						
Project revenue	51,582	33,289	55.0	99,473	72,712	36.8
Sales of development property	4,233	19,735	(78.6)	10,191	19,735	(48.4)
Rental income from investment properties	1,490	1,338	11.4	2,801	2,685	4.3
	57,305	54,362	5.4	112,465	95,132	18.2
Other income	862	850	1.4	2,354	1,309	79.8
Cost of construction	(43,837)	(43,275)	1.3	(91,972)	(76,601)	20.1
Personnel expenses	(2,433)	(2,479)	(1.9)	(4,333)	(4,416)	(1.9)
Depreciation of property, plant and equipment	(462)	(434)	6.5	(915)	(866)	5.7
Finance costs	(395)	(376)	5.1	(781)	(805)	(3.0)
Other operating expenses	(1,331)	(1,099)	21.1	(3,277)	(1,997)	64.1
	(48,458)	(47,663)	1.7	(101,278)	(84,685)	19.6
Profit from operations before share of results of associates	9,709	7,549	28.6	13,541	11,756	15.2
Share of results of associates	2,062	(792)	nm	3,356	(1,585)	nm
Profit before taxation	11,771	6,757	74.2	16,897	10,171	66.1
Tax expense	(1,879)	(1,420)	32.3	(2,532)	(2,158)	17.3
Net profit for the financial period	9,892	5,337	85.3	14,365	8,013	79.3
Attributable to:						
- Owners of the Company	9,840	5,183	89.9	14,155	7,782	81.9
- Non-controlling interests	52	154	(66.2)	210	231	(9.1)
	9,892	5,337	85.3	14,365	8,013	79.3

nm: not meaningful

1 (a) (i) STATEMENT OF COMPREHENSIVE INCOME

	GROUP			GROUP		
	Second Quarter Ended		increase/ (decrease) %	Half Year Ended		increase/ (decrease) %
	30.09.2012	30.09.2011		30.09.2012	30.09.2011	
	S\$'000	S\$'000		S\$'000	S\$'000	
Net profit for the financial period	9,892	5,337	85.3	14,365	8,013	79.3
Other comprehensive income:						
- Foreign currency translation	1,047	5,249	(80.1)	(2,283)	4,272	(153.4)
Other comprehensive income for the financial period, net of tax	1,047	5,249	(80.1)	(2,283)	4,272	(153.4)
Total comprehensive income for the financial period	10,939	10,586	3.3	12,082	12,285	(1.7)
Total comprehensive income attributable to:						
- Owners of the Company	10,606	9,153	15.9	12,436	11,008	13.0
- Non-controlling interests	333	1,433	(76.8)	(354)	1,277	(127.7)
	10,939	10,586	3.3	12,082	12,285	(1.7)

1 (a) (ii) NOTES TO THE INCOME STATEMENT

	GROUP			GROUP		
	Second Quarter Ended		increase/ (decrease) %	Half Year Ended		increase/ (decrease) %
	30.09.2012	30.09.2011		30.09.2012	30.09.2011	
	S\$'000	S\$'000		S\$'000	S\$'000	
The Group's profit before taxation is arrived at after crediting/(charging) the following:						
Interest income	589	424	38.9	1,065	731	45.7
Allowance for doubtful debts	-	(13)	(100.0)	(7)	(36)	(80.6)
Provision for anticipated losses	(391)	29	nm	(1,112)	41	nm
Amortisation of club membership	-	-	-	(1)	(1)	-
Loss on sale of plant and equipment	-	(2)	(100.0)	(1)	(4)	(75.0)
(Loss)/gain on sale of investment properties	(1)	51	(102.0)	751	51	1,372.5
Foreign exchange gain, net	139	37	275.7	26	34	(23.5)
Interest expense	(370)	(348)	6.3	(726)	(748)	(2.9)
Profit after taxation but before non-controlling interests as a percentage of turnover	17.26%	9.82%	75.8	12.77%	8.42%	51.6
Profit after taxation attributable to Owners of the Company as a percentage of the Group's Issued Capital and Reserves before non-controlling interests at 30 September 2012 and 30 September 2011	6.62%	3.91%	69.3	9.52%	5.87%	62.2

nm: 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.

STATEMENT OF FINANCIAL POSITION

	GROUP		COMPANY	
	30.09.2012	31.03.2012	30.09.2012	31.03.2012
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	10,664	10,648	-	-
Investments in subsidiaries	-	-	57,516	57,516
Interests in associates	84,444	65,732	-	-
Investment properties	100,059	105,010	-	-
Amount due from a minority shareholder of a subsidiary (non-trade)	2,143	2,202	-	-
Amounts due from subsidiaries (non-trade)	-	-	2,845	3,380
Trade receivables	12,183	4,814	-	-
Club membership	48	49	-	-
Other investments - quoted equity shares	1	1	-	-
Structured deposits	1,060	1,060	-	-
	210,602	189,516	60,361	60,896
Current assets				
Development property	49,974	50,632	-	-
Inventory	1	2	-	-
Trade receivables	31,126	28,212	-	-
Other receivables and deposits	2,340	1,871	13	6
Prepayments	322	363	46	46
Amounts due from subsidiaries (non-trade)	-	-	2,779	4,047
Construction work-in-progress in excess of progress billings	4,142	2,217	-	-
Fixed deposits	33,792	45,854	2,000	2,000
Structured deposits	-	2,000	-	-
Cash and cash equivalents	16,294	11,660	2,066	885
	137,991	142,811	6,904	6,984
LIABILITIES				
Current liabilities				
Trade payables	23,147	20,740	-	-
Other payables and accruals	44,544	49,548	651	901
Deferred income	19	-	-	-
Amount due to a Director of a subsidiary	293	294	-	-
Finance lease obligations	128	558	-	-
Provision for income tax	4,188	3,173	-	-
Progress billings in excess of construction work-in-progress	4,922	4,267	-	-
Bank term loans, secured	8,944	7,527	6,000	4,000
Bills payable to banks, secured	33,474	20,934	-	-
	119,659	107,041	6,651	4,901
Net current assets	18,332	35,770	253	2,083

STATEMENT OF FINANCIAL POSITION

	GROUP		COMPANY	
	30.09.2012	31.03.2012	30.09.2012	31.03.2012
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current liabilities				
Trade payables	3,390	1,380	-	-
Other payables and accruals	173	151	-	-
Amounts due to subsidiaries (non-trade)	-	-	997	-
Finance lease obligations	5	18	-	-
Bank term loans, secured	40,599	46,497	-	-
Deferred tax liabilities	15,783	16,903	-	-
	<u>59,950</u>	<u>64,949</u>	<u>997</u>	<u>-</u>
NET ASSETS	<u>168,984</u>	<u>160,337</u>	<u>59,617</u>	<u>62,979</u>
EQUITY				
Equity attributable to Owners of the Company				
Share capital	39,579	39,483	39,579	39,483
Treasury shares	(1,429)	(222)	(1,429)	(222)
Translation reserve	(1,596)	123	-	-
Accumulated profits	109,867	97,678	19,953	22,204
Other reserves	2,269	2,044	1,514	1,514
	<u>148,690</u>	<u>139,106</u>	<u>59,617</u>	<u>62,979</u>
Non-controlling interests	20,294	21,231	-	-
TOTAL EQUITY	<u>168,984</u>	<u>160,337</u>	<u>59,617</u>	<u>62,979</u>

1(b)(ii) GROUP'S BORROWINGS AND DEBT SECURITIES

The amount repayable in one year or less, or on demand			
At 30.09.2012		At 31.03.2012	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
42,546	-	29,019	-

The amount repayable after one year			
At 30.09.2012		At 31.03.2012	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
40,604	-	46,515	-

Details of any collaterals:

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) First legal mortgage on the Group's investment properties and leasehold factory building;
- 4) Charge on fixed deposits and structured deposits;
- 5) First charge over the contract proceeds/project account arising from the construction project financed;
- 6) A first legal mortgage over the development property of a joint venture;
- 7) Legal assignment of sales proceeds from the development property of a joint venture;
- 8) Legal assignment of tenancy, rental, lease and licence agreements from development property of a joint venture;
- 9) Legal assignment of the construction contract(s) and performance bonds from development property of a joint venture;
- 10) Legal assignment of fire insurance policy from development property of a joint venture;
- 11) Corporate guarantees from all the shareholders of a joint venture in equal share ratio; and
- 12) Debenture over all present and future assets of a joint venture.

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.

STATEMENT OF CASH FLOWS

	GROUP		GROUP	
	Second Quarter Ended		Half Year Ended	
	30.09.2012	30.09.2011	30.09.2012	30.09.2011
	S\$'000	S\$'000	S\$'000	S\$'000
Operating activities				
Profit before taxation	11,771	6,757	16,897	10,171
Adjustments:				
Depreciation of property, plant and equipment	462	434	915	866
Amortisation of club membership	-	-	1	1
Loss on sale of plant and equipment	-	2	1	4
Loss/(gain) on sale of investment properties	1	(51)	(751)	(51)
Allowance for doubtful debts	-	13	7	36
Interest expense	370	348	726	748
Interest income	(589)	(424)	(1,065)	(731)
Share of results of associates	(2,062)	792	(3,356)	1,585
Operating cash flows before changes in working capital	9,953	7,871	13,375	12,629
Decrease/(increase) in:				
Development property	1,830	7,564	658	8,881
Inventory	1	-	1	-
Trade and other receivables, deposits and prepayments	(5,305)	893	(10,738)	3,379
Construction work-in-progress, net	108	(4,865)	(1,270)	6,125
(Decrease)/increase in:				
Trade and other payables	(3,535)	(13,147)	(536)	(25,609)
Cash flows generated from/(used in) operations	3,052	(1,684)	1,490	5,405
Income taxes paid	(2,136)	(2,391)	(2,257)	(2,511)
Interest income received	589	424	1,065	731
Exchange differences	(63)	(181)	88	(134)
Net cash flows generated from/(used in) operating activities	1,442	(3,832)	386	3,491
Investing activities				
Purchase of plant and equipment	(251)	(153)	(935)	(272)
Purchase of investment properties	(127)	(532)	(253)	(779)
Proceeds from sale of plant and equipment	-	1	1	2
Proceeds from sale of investment properties	(4)	370	3,395	370
Investments in associates	(720)	-	(720)	-
Amounts due from associates	(5,162)	1,217	(14,902)	(2,661)
Decrease/(increase) in structured deposits	-	-	2,000	(2,000)
Net cash flows (used in)/generated from investing activities	(6,264)	903	(11,414)	(5,340)
Financing activities				
Dividends paid	(2,324)	(3,405)	(2,324)	(3,405)
Issuance of new shares	-	145	96	245
Purchase of treasury shares	(864)	(222)	(1,207)	(222)
Proceeds from bank term loans	121	693	241	934
Repayment of bank term loans	(2,813)	(6,879)	(6,469)	(7,249)
Proceeds from short-term bank loan	2,000	-	2,000	-
Proceeds from bills payable to banks	6,008	-	12,540	-
Repayment of bills payable to banks	-	(3,278)	-	(15,199)
Interest paid	(370)	(348)	(726)	(748)
Repayment of lease obligations	(203)	(385)	(443)	(903)
(Increase)/decrease in pledged fixed deposits	(16)	(17)	(2,037)	1,979
Net cash flows generated from/(used in) financing activities	1,539	(13,696)	1,671	(24,568)
Net decrease in cash and cash equivalents	(3,283)	(16,625)	(9,357)	(26,417)
Effect of exchange rate changes on cash and cash equivalents	39	209	(108)	158
Cash and cash equivalents at beginning of financial year	37,400	66,691	43,621	76,534
Cash and cash equivalents at end of financial period (Note A)	34,156	50,275	34,156	50,275
Note A: Cash and cash equivalents at end of financial period comprise:				
	30.09.2012	30.09.2011	30.09.2012	30.09.2011
	S\$'000	S\$'000	S\$'000	S\$'000
Cash and bank balances	16,294	13,436	16,294	13,436
Fixed deposits	33,792	49,784	33,792	49,784
	50,086	63,220	50,086	63,220
Less: Pledged fixed deposits	(15,930)	(12,945)	(15,930)	(12,945)
Cash and cash equivalents	34,156	50,275	34,156	50,275

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.

STATEMENT OF CHANGES IN EQUITY

GROUP	Attributable to Owners of the Company							Non-controlling interests	Total equity
	Share capital	Treasury shares	Translation reserve	Accumulated profits	Other reserves	Equity attributable to Owners of the Company, total			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
At 1 April 2011	38,543	-	(1,914)	86,536	1,801	124,966	19,203	144,169	
Net profit for the financial period	-	-	-	7,782	-	7,782	231	8,013	
<u>Other comprehensive income</u>									
Foreign currency translation	-	-	3,226	-	-	3,226	1,046	4,272	
Other comprehensive income for the financial period	-	-	3,226	-	-	3,226	1,046	4,272	
Total comprehensive income for the financial period	-	-	3,226	7,782	-	11,008	1,277	12,285	
<u>Contributions by and distributions to owners</u>									
Conversion to shares by warrant holders	245	-	-	-	-	245	-	245	
Purchase of treasury shares	-	(222)	-	-	-	(222)	-	(222)	
Final tax-exempt dividends relating to FY2011	-	-	-	-	-	-	-	-	
-cash	-	-	-	(3,405)	-	(3,405)	-	(3,405)	
-share	-	-	-	(41)	-	(41)	-	(41)	
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	
Issuance of new shares pursuant to scrip dividend scheme	41	-	-	-	-	41	-	41	
Transfer to other reserves	-	-	-	(98)	98	-	-	-	
Total contributions by and distributions to owners	286	(222)	-	(3,544)	98	(3,382)	-	(3,382)	
At 30 September 2011	38,829	(222)	1,312	90,774	1,899	132,592	20,480	153,072	
At 1 April 2012	39,483	(222)	123	97,678	2,044	139,106	21,231	160,337	
Net profit for the financial period	-	-	-	14,155	-	14,155	210	14,365	
<u>Other comprehensive income</u>									
Foreign currency translation	-	-	(1,719)	-	-	(1,719)	(564)	(2,283)	
Other comprehensive income for the financial period	-	-	(1,719)	-	-	(1,719)	(564)	(2,283)	
Total comprehensive income for the financial period	-	-	(1,719)	14,155	-	12,436	(354)	12,082	
<u>Contributions by and distributions to owners</u>									
Conversion to shares by warrant holders	96	-	-	-	-	96	-	96	
Purchase of treasury shares	-	(1,207)	-	-	-	(1,207)	-	(1,207)	
Dividend paid to non-controlling interests	-	-	-	-	-	-	(583)	(583)	
Final tax-exempt dividends on ordinary shares	-	-	-	(1,741)	-	(1,741)	-	(1,741)	
Transfer to other reserves	-	-	-	(225)	225	-	-	-	
Total contributions by and distributions to owners	96	(1,207)	-	(1,966)	225	(2,852)	(583)	(3,435)	
At 30 September 2012	39,579	(1,429)	(1,596)	109,867	2,269	148,690	20,294	168,984	

UNAUDITED SECOND QUARTER AND HALF YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2012

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.

STATEMENT OF CHANGES IN EQUITY

COMPANY	Share capital S\$'000	Treasury shares S\$'000	Accumulated profits S\$'000	Other reserves S\$'000	Total equity S\$'000
At 1 April 2011	38,543	-	20,131	1,514	60,188
Net profit for the financial period	-	-	(431)	-	(431)
Total comprehensive income for the financial period	-	-	(431)	-	(431)
<u>Contributions by and distributions to owners</u>					
Conversion to shares by warrant holders	245	-	-	-	245
Purchase of treasury shares	-	(222)	-	-	(222)
Final tax-exempt dividends relating to FY2011					
-cash	-	-	(3,405)	-	(3,405)
-share	-	-	(41)	-	(41)
Issuance of new shares pursuant to script dividend scheme	41	-	-	-	41
Total contributions by and distributions to owners	286	(222)	(3,446)	-	(3,382)
At 30 September 2011	38,829	(222)	16,254	1,514	56,375
At 1 April 2012	39,483	(222)	22,204	1,514	62,979
Net profit for the financial period	-	-	(510)	-	(510)
Total comprehensive income for the financial period	-	-	(510)	-	(510)
<u>Contributions by and distributions to owners</u>					
Conversion to shares by warrant holders	96	-	-	-	96
Final tax-exempt dividends on ordinary shares	-	-	(1,741)	-	(1,741)
Purchase of treasury shares	-	(1,207)	-	-	(1,207)
Total contributions by and distributions to owners	96	(1,207)	(1,741)	-	(2,852)
At 30 September 2012	39,579	(1,429)	19,953	1,514	59,617

SHARE CAPITAL

1(d)(ii) Details of any changes in the Company's share capital arising from rights 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 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.

On 3 April 2009, the Company issued 176,245,000 warrants at an issue price of S\$0.01 for each warrant. Each warrant carries the right to subscribe for one new ordinary share in the capital of the Company at an exercise price of S\$0.10 for each new share on the basis of one warrant for every one existing ordinary share in the capital of the Company. The exercise price and the number of warrants held by each warrant holder may be adjusted under certain terms and conditions being met. The warrants have expired at 5.00 pm on 2 April 2012.

As at 2 April 2012, 952,282 warrants were converted to 952,282 new ordinary shares of the Company, this bringing total of issued share capital to 351,220,223 ordinary shares excluding treasury shares (as at 31 March 2012: 350,267,941 ordinary shares).

As at 2 April 2012, 425,229 outstanding warrants, which have not been exercised, have lapsed, and these warrants have ceased to be valid at 5.00 pm on 2 April 2012.

On 6 August 2012, the Company allotted and issued 35,223,084 bonus shares (comprising 34,823,084 new shares and 400,000 treasury shares) pursuant to the Bonus Issue.

During 2QFY2013, the Company acquired 3,716,000 (2QFY2012: 1,011,000) ordinary shares by way of market purchases on the Singapore Exchange and held as treasury shares. As at 30 September 2012, 6,616,000 treasury shares (Incl. 400,000 bonus shares issued) were held by the Company.

The total number of issued shares excluding treasury shares as at 30 September 2012 were 380,838,307 shares (as at 30 September 2011: 343,720,920 shares).

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.

Total number of issued shares excluding treasury shares:	<u>Number of shares</u>
Balance as at 31 March 2011 and 1 April 2011	
- Ordinary Shares	342,119,468
- Warrants	10,370,532
Issue of new shares upon exercising of warrants during the financial year ended 31 March 2012 (FY2012)	
- Ordinary Shares	8,993,021
- Warrants	(8,993,021)
Issue of new shares pursuant to scrip dividend scheme	
- Ordinary Shares	166,452
Purchase of treasury shares	
- Ordinary Shares	(1,011,000)
Balance as at 31 March 2012	
- Ordinary Shares	350,267,941
- Warrants	1,377,511
during the 1st quarter FY2013	
Issue of new shares upon exercising of warrants	
- Ordinary Shares	952,282
- Warrants	(952,282)
Purchase of treasury shares	
- Ordinary Shares	(1,489,000)
during the 2nd quarter FY2013	
Purchase of treasury shares	
- Ordinary Shares	(3,716,000)
Bonus shares issued on 6 August 2012	
- Ordinary Shares to public shareholders	35,223,084
- Ordinary Shares as treasury shares	(400,000)
Balance as at 30 September 2012	
- Ordinary Shares	380,838,307

The total number of treasury shares held by the Company as at 30 September 2012 was 6,616,000 (as at 31 March 2012: 1,011,000).

SHARE CAPITAL

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.

As at 30 September 2012, there was no movement of treasury shares.

AUDIT

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 a 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 statements have been applied.

The financial statements have been prepared in accordance with the same accounting policies and methods of computation adopted in the most recently financial statements for the audited financial year ended 31 March 2012.

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 adoption of the new/revised FRS and INT FRS is currently assessed to have no significant impact on the financial position and the results of the current year and prior year of the Group.

EARNINGS PER SHARE

6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:

	GROUP		GROUP	
	Second Quarter Ended 30.09.2012	30.09.2011	Half Year Ended 30.09.2012	30.09.2011
	(cents)	(cents)	(cents)	(cents)
a) On a basic basis	2.73	1.51	3.93	2.27
b) On a fully diluted basis	2.73	1.49	3.93	2.24
	S\$'000	S\$'000	S\$'000	S\$'000
Group's profit for the financial period attributable to Owners of the Company used in the computation of basic EPS	9,840	5,183	14,155	7,782
Group's adjusted profit for the financial period attributable to Owners of the Company used in the computation of diluted EPS	9,840	5,183	14,155	7,782
Weighted average number of ordinary shares excluding treasury shares for computing basic EPS	359,935,728	344,160,409	359,935,728	343,433,515
Effect of dilution from warrants	-	4,534,358	-	4,665,217
Weighted average number of ordinary shares excluding treasury shares for computing diluted EPS	359,935,728	348,694,767	359,935,728	348,098,732

EARNINGS PER SHARE

- 6 Basic earnings per share ("EPS") amounts are calculated by dividing the Group's profit after taxation attributable to Owners of the Company by the weighted average number of ordinary shares taken into account the weighted average effect of changes in treasury shares transactions during the financial period.

Diluted EPS is calculated based on the Group's profit for the financial period attributable to Owners of the Company divided by the weighted average number of ordinary shares taken into account the weighted average effect of changes in treasury shares transactions during the financial period in issue adjusted for the effects of all the dilutive potential ordinary shares, being the outstanding warrants.

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.

	GROUP		COMPANY	
	as at 30.09.2012	as at 31.03.2012	as at 30.09.2012	as at 31.03.2012
Net asset value per ordinary share (cents)	39.04	39.71	15.65	17.98
Issue share capital excluding treasury shares at the end of the period/year	380,838,307	350,267,941	380,838,307	350,267,941

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 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.

INCOME STATEMENT

2QFY2013 vs 2QFY2012

Revenue

The Group has a total revenue of S\$57.3 million for the second quarter ended 30 September 2012 ("2QFY2013"), an increase of S\$2.9 million or 5.4% compared to S\$54.4 million registered in the corresponding financial period ended 30 September 2011 ("2QFY2012"). The increase was mainly due to the increase in revenue from the construction business of S\$18.3 million or 55.0% from S\$33.3 million in 2QFY2012 to S\$51.6 million in 2QFY2013. The increase was offset by a decrease in sales of development property of S\$15.5 million or 78.6% from S\$19.7 million in 2QFY2012 to S\$4.2 million in 2QFY2013.

REVIEW OF THE PERFORMANCE OF THE GROUP

INCOME STATEMENT

Operating expenses

Cost of construction increased by S\$0.5 million or 1.3% from S\$43.3 million in 2QFY2012 to S\$43.8 million in 2QFY2013 mainly due to the increase in revenue for construction business, partly offset by the decrease in cost due to the decrease in revenue from development property business.

There were no significant differences in personnel expenses, depreciation and finance costs between 2QFY2013 and 2QFY2012.

Other operating expenses increased by S\$0.2 million or 21.1% from S\$1.1 million in 2QFY2012 to S\$1.3 million in 2QFY2013 mainly due to increase in provision for anticipated losses on construction projects.

Share of results of associates increased by S\$2.9 million from a loss of S\$0.8 million in 2QFY2012 to a profit of S\$2.1 million in 2QFY2013 mainly due to the contribution from the development property projects with significant increases in sales and higher recognition on percentage of construction completion on projects such as Cityscape @Farrer Park.

As a result of the above, the Group registered a net profit attributable to Owners of the company of S\$9.8 million in 2QFY2013 as compared to S\$5.2 million in 2QFY2012.

1HFY2013 vs 1HFY2012

Revenue

The Group has a total revenue of S\$112.5 million for the half year ended 30 September 2012 ("1HFY2013"), an increase of S\$17.4 million or 18.2% compared to S\$95.1 million registered in the corresponding half year ended 30 September 2011 ("1HFY2012"). The increase was mainly due to the increase in revenue from the construction business of S\$26.8 million or 36.8% from S\$72.7 million in 1HFY2012 to S\$99.5 million in 1HFY2013. The increase was offset by a decrease in sales of development property of S\$9.5 million or 48.4% from S\$19.7 million in 1HFY2012 to S\$10.2 million in 1HFY2013.

Other income

Other income increased by S\$1.1 million from S\$1.3 million in 1HFY2012 to S\$2.4 million in 1HFY2013. The increase was mainly due to gain on sale of investment properties in the People's Republic of China ("PRC") of S\$0.8 million and increase in interest income from associates of S\$0.3 million.

Operating expenses

Cost of construction increased by S\$15.4 million or 20.1% from S\$76.6 million in 1HFY2012 to S\$92.0 million in 1HFY2013 mainly due to the increase in revenue for construction business, partly offset by the decrease in cost due to the decrease in revenue from development property business.

There were no significant difference in personnel expenses, depreciation and finance costs between 1HFY2013 and 1HFY2012.

Other operating expenses increased by S\$1.3 million or 64.1% from S\$2.0 million in 1HFY2012 to S\$3.3 million in 1HFY2013 mainly due to increase in provision for anticipated losses on construction projects of S\$1.1 million and increase in sales tax of S\$0.2 million from the sale of investment properties in PRC.

Share of results of associates increased by S\$5.0 million from a loss of S\$1.6 million in 1HFY2012 to a profit of S\$3.4 million in 1HFY2013 mainly due to the contribution from the development property projects with significant increases in sales and higher recognition on percentage of construction completion on projects such as Cityscape @Farrer Park.

As a result of the above, the Group registered a net profit attributable to Owners of the company of S\$14.2 million in 1HFY2013 as compared to S\$7.8 million in 1HFY2012.

STATEMENT OF FINANCIAL POSITION

Non-current assets

There were no significant differences in property, plant and equipment ("PPE") as at 31 March 2012 ("FY2012") compared to as at 30 September 2012 ("1HFY2013").

REVIEW OF THE PERFORMANCE OF THE GROUP

STATEMENT OF FINANCIAL POSITION

Non-current assets

Interests in associates increased by S\$18.7 million from S\$65.7 million in FY2012 to S\$84.4 million in 1HFY2013 due to share of results of associates, additional investments in associates and additional loans to finance the development property projects, offset by foreign exchange translation.

Investment properties decreased by S\$5.0 million from S\$105.0 million in FY2012 to S\$100.0 million in 1HFY2013 mainly due to sale of investment properties in PRC and foreign exchange translation.

Trade receivables under non-current assets increased by S\$7.4 million from S\$4.8 million in FY2012 to S\$12.2 million in 1HFY2013, mainly due to additional retention sum receivables from on-going construction projects.

Current assets

Development property decreased by S\$0.6 million from S\$50.6 million in FY2012 to S\$50.0 million in 1HFY2013 as the increase in progress billing from sales was more than increase in cost incurred for the development during 1HFY2013.

Trade receivables under current assets increased by S\$2.9 million from S\$28.2 million in FY2012 to S\$31.1 million in 1HFY2013. Other receivables and deposits increased by S\$0.4 million from S\$1.9 million in FY2012 to S\$2.3 million in 1HFY2013. These increases were mainly due to the increase in construction projects in progress.

Structured deposits of S\$2.0 million had matured during 1QFY2013.

With an increase in construction business and based on the progress of construction projects in 1HFY2013 as compared to FY2012, the construction work-in-progress in excess of progress billings increased by S\$1.9 million from S\$2.2 million in FY2012 to S\$4.1 million in 1HFY2013, progress billings in excess of the construction work-in-progress increased by S\$0.6 million from S\$4.3 million to S\$4.9 million in 1HFY2013.

Current liabilities

Trade payables under current liabilities increased by S\$2.4 million from S\$20.7 million in FY2012 to S\$23.1 million in 1HFY2013. The increase was mainly from the increase in billings from suppliers and subcontractors for construction projects which will be due for release of payments in the next 12 months as construction business has increased.

Other payables and accruals decreased by S\$5.0 million from S\$49.5 million in FY2012 to S\$44.5 million in 1HFY2013, mainly due to lesser accruals made for construction projects in progress.

Non-current liabilities

Trade payables under non-current liabilities increased by S\$2.0 million from S\$1.4 million in FY2012 to S\$3.4 million in 1HFY2013. The increase was mainly from increase in retention sum from subcontractors for construction projects as construction activities have increased.

Total borrowings

Total borrowings increased by S\$7.7 million from S\$75.5 million in FY2012 to S\$83.2 million in 1HFY2013, mainly due to the increase in use of bills payable to banks of S\$12.5 million, partially offset by the decrease in net bank term loans of S\$4.2 million, repayment of finance lease obligations of S\$0.4 million and foreign exchange translation gain of S\$0.3 million.

STATEMENT OF CASH FLOWS

Net cash flows generated from operating activities of S\$0.4 million during 1HFY2013 mainly arose from operating cash flows before changes in working capital of S\$13.4 million and interest income received of S\$1.1 million, offset by an increase in working capital of S\$11.9 million and payment made for income taxes of S\$2.3 million.

REVIEW OF THE PERFORMANCE OF THE GROUP

STATEMENT OF CASH FLOWS

Net cash flows used in investing activities of S\$11.4 million during 1HFY2013 mainly arose from increases in amounts due from associates of S\$14.9 million, additional investments in associates of S\$0.7 million and purchase of plant and equipment of S\$0.9 million, offset by net proceeds from sale of investment property of S\$3.4 million, and decrease in structured deposits of S\$2.0 million.

Net cash flows generated from financing activities of S\$1.7 million during 1HFY2013 mainly arose from increase in use of bills payable to banks of S\$12.5 million, offset by net repayment of bank term loans of S\$4.2 million, increase in pledged fixed deposits placed with local banks of S\$2.0 million, interest payment of S\$0.7 million, purchase of treasury shares of S\$1.2 million, dividend paid of S\$2.3 million and repayment of lease obligations of S\$0.4 million.

With the above mentioned, net decrease in cash and cash equivalents during 1HFY2013 was S\$9.4 million.

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 Monetary Authority of Singapore ("MAS") has announced its macroeconomics review recently that the economy in Singapore could grow below its potential rate as between 3% and 5% in year 2013 as the outlook for the global economy remains murky. Even though the risk of another major global crisis has receded, many uncertainties remain as Europe remains hindered in a slowdown, the United States faces the prospect of having huge cut in spending and Asia is also facing a soft recovery next year.

MAS has also said that Singapore's domestic economy will stay resilient and help create jobs and lift wages as domestic sectors helped support growth, given the huge boosts in infrastructure projects with the Government announced plans on building more public housing and adding more rail lines to the transport network, to the tune of billions of dollars over the next five years.

While the Company noted the challenges ahead on the construction industry of Singapore such as shortage on labour and equipment, rising competition, uncertainties of material prices and rising costs of operation. The construction demand in Singapore remain strong as forecasted by the Building and Construction Authority of Singapore ("BCA"). As at 30 September 2012, the Group has an order book on construction projects of approximately S\$375.0 million.

The property market in Singapore continues to perform positively despite several rounds of cooling measures on the back of strong demand for both residential and commercial properties as well as low interest rates.

The launched development property projects from associates were well received in general with sales either in line with or achieved better than expectation. For example, the recently launched Sky Green at Macpherson has sold more than 85% within a period of less than a month and the accelerated sales registered in Cityscape @Farrer Park. Nevertheless, in view of uncertainties in the macroeconomic climate as well as potential government measures to curb excessive property price hikes, the Company will exercise prudence in the evaluation of each opportunity before embarking on any new acquisition or investment in development property projects.

In view of the above, the Group is cautiously optimistic on the outlook of its construction and development business in Singapore. Barring unforeseen circumstances, the Group expects to remain profitable in FY2013.

DIVIDENDS

11 (a) Current financial period reported on

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

	(Tax Exempt 1-Tier)
Name of Dividend	Interim Ordinary
Dividend Type	Cash
Dividend Rate	1.35 cents per ordinary share

11 (b) Corresponding Period of the Immediately Preceding Financial Year

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

	(Tax Exempt 1-Tier)
Name of Dividend	Interim Ordinary
Date of Payment	01.12.2011
Dividend Type	Cash
Dividend Rate	1.0 cent per ordinary share

(c) Date payable

The interim dividend will be payable on 21 December 2012.

(d) Books closure date

NOTICE IS HEREBY GIVEN THAT the Share Transfer Books and the Register of Members of the Company will be closed at 5.00 pm on 10 December 2012 for the purpose of determining Members' entitlements to the interim dividend.

Duly completed registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623 up to 5.00 pm on 10 December 2012 will be registered to determine Members' entitlements to the interim dividend. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with the Company's shares at 5.00 pm on 10 December 2012 will be entitled to the interim dividend.

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

Not applicable.

REVIEW OF THE PERFORMANCE OF THE GROUP

- 13 If the group has obtained a general mandate from shareholders for IPTs, 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 has not obtained a general mandate from shareholders for Interested Person Transactions (IPTs).

NEGATIVE ASSURANCE

- 14 Negative assurance confirmation on the second quarter financial results pursuant to Rule 705(5) of the Listing Manual of SGX-ST.

On behalf of the Board of Directors of the Company, we, the undersigned, do hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements of the Group and the Company for the second quarter and half year ended 30 September 2012 to be false or misleading in any material aspect.

For and on behalf of the Board of Directors,
By Order of the Board

Choo Chee Onn
Executive Chairman and Managing Director

Lim Kee Seng
Executive Director

14 November 2012