



KSH Holdings Limited

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

UNAUDITED FULL YEAR FINANCIAL STATEMENTS & DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31ST MARCH 2016

UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2016

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

	YEAR ENDED		increase/ (decrease) %
	31.03.2016	31.03.2015	
	S\$'000	S\$'000	
REVENUE			
Project revenue	239,182	239,911	(0.3)
Rental income from investment properties	6,272	6,180	1.5
	245,454	246,091	(0.3)
Other income	9,041	13,050	(30.7)
Cost of construction	(202,962)	(213,969)	(5.1)
Personnel expenses	(14,800)	(11,004)	34.5
Depreciation of property, plant and equipment	(2,017)	(1,866)	8.1
Finance costs	(6,520)	(6,091)	7.0
Other operating expenses	(9,875)	(6,599)	49.6
	(236,174)	(239,529)	(1.4)
Profit from operations before share of results of associates and joint ventures	18,321	19,612	(6.6)
Share of results of associates	48,427	26,488	82.8
Share of results of joint ventures	(273)	(237)	15.2
Profit before taxation	66,475	45,863	44.9
Tax expense	(4,624)	(3,796)	21.8
Net profit for the financial year	61,851	42,067	47.0
Attributable to:			
- Owners of the Company	61,487	41,655	47.6
- Non-controlling interests	364	412	(11.7)
	61,851	42,067	47.0

1 (a) (i) STATEMENT OF COMPREHENSIVE INCOME

	GROUP		increase/ (decrease) %
	YEAR ENDED		
	31.03.2016	31.03.2015	
	S\$'000	S\$'000	
Net profit for the financial year	61,851	42,067	47.0
Other comprehensive income:			
- Foreign currency translation	(8,236)	9,848	<i>nm</i>
Other comprehensive income for the financial year, net of tax	(8,236)	9,848	<i>nm</i>
Total comprehensive income for the financial year	53,615	51,915	3.3
Total comprehensive income attributable to:			
- Owners of the Company	54,969	49,307	11.5
- Non-controlling interests	(1,354)	2,608	<i>nm</i>
	53,615	51,915	3.3

nm: not meaningful

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

	GROUP		
	YEAR ENDED		
	31.03.2016	31.03.2015	increase/ (decrease)
	S\$'000	S\$'000	%
The Group's profit before taxation is arrived at after crediting/(charging) the following:			
Interest income	6,875	9,981	(31.1)
Allowance for doubtful debts	(157)	(40)	<i>nm</i>
Write back bad debts	3	-	<i>nm</i>
(Loss)/gain on fair value adjustments of investment properties, net	(225)	1,292	<i>nm</i>
Amortisation of club membership	(2)	(2)	-
Amortisation of issuance costs on term notes	(500)	(500)	-
Impairment loss on investments in an associate	(1,263)	-	<i>nm</i>
Fair value gain/(loss) on structured deposits	15	(69)	<i>nm</i>
(Loss)/gain on sale of plant and equipment	(165)	25	<i>nm</i>
Loss on sale of investment properties	-	(60)	(100.0)
Foreign exchange loss, net	(536)	(246)	117.9
Interest expense	(6,510)	(6,023)	8.1
Profit after taxation before non-controlling interests as a percentage of turnover	25.20%	17.09%	47.4
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 31 March 2016 and 31 March 2015	20.97%	16.45%	27.5

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	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	8,572	9,740	-	-
Investments in subsidiaries	-	-	16,791	16,791
Interests in associates	179,870	142,521	-	-
Interests in joint ventures	37,912	49,007	-	-
Investment properties	123,340	131,713	-	-
Amount due from a minority shareholder of a subsidiary (non-trade)	2,311	2,486	-	-
Amounts due from subsidiaries (non-trade)	-	-	121,570	137,094
Trade receivables	9,741	10,290	-	-
Other receivables	2,208	724	-	-
Club membership	39	42	-	-
Other Investments	1	1	-	-
Structured deposits	1,002	987	-	-
	364,996	347,511	138,361	153,885
Current assets				
Trade receivables	31,014	48,724	-	-
Other receivables and deposits	4,166	1,456	26	23
Prepayments	411	410	34	64
Construction work-in-progress in excess of progress billings	6,840	6,837	-	-
Fixed deposits	177,854	82,431	17,248	12,063
Cash and bank balances	15,155	12,693	3,604	742
	235,440	152,551	20,912	12,892
LIABILITIES				
Current liabilities				
Trade payables	20,393	25,447	-	-
Other payables and accruals	69,704	61,165	7,307	4,402
Deferred income	131	306	-	-
Finance lease obligations	216	110	-	-
Provision for income tax	3,792	1,729	243	37
Progress billings in excess of construction work-in-progress	26,437	13,554	-	-
Term notes, unsecured	70,682	-	70,682	-
Bank term loans, secured	13,543	8,033	-	6,000
Bills payable to banks, secured	316	1,438	-	-
	205,214	111,782	78,232	10,439
Net current assets/(liabilities)	30,226	40,769	(57,320)	2,453

STATEMENT OF FINANCIAL POSITION

	GROUP		COMPANY	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current liabilities				
Trade payables	5,115	3,628	-	-
Other payables and accruals	190	339	-	-
Amounts due to subsidiaries (non-trade)	-	-	8,224	4,444
Finance lease obligations	636	434	-	-
Bank term loans, secured	54,173	11,796	-	-
Term notes, unsecured	-	74,432	-	74,432
Deferred tax liabilities	19,541	20,690	-	-
	<u>79,655</u>	<u>111,319</u>	<u>8,224</u>	<u>78,876</u>
NET ASSETS	<u>315,567</u>	<u>276,961</u>	<u>72,817</u>	<u>77,462</u>
EQUITY				
Equity attributable to Owners of the Company				
Share capital	50,915	50,915	50,915	50,915
Treasury shares	(3,354)	(851)	(3,354)	(851)
Translation reserve	2,863	9,500	-	-
Accumulated profits	239,521	190,686	23,100	25,242
Other reserves	3,297	3,032	2,156	2,156
	<u>293,242</u>	<u>253,282</u>	<u>72,817</u>	<u>77,462</u>
Non-controlling interests	22,325	23,679	-	-
TOTAL EQUITY	<u>315,567</u>	<u>276,961</u>	<u>72,817</u>	<u>77,462</u>

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

The amount repayable in one year or less, or on demand			
At 31.03.2016		At 31.03.2015	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
14,075	70,682	9,581	-

The amount repayable after one year			
At 31.03.2016		At 31.03.2015	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
54,809	-	12,230	74,432

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 period.

STATEMENT OF CASH FLOWS	GROUP	
	YEAR ENDED	
	31.03.2016	31.03.2015
	S\$'000	S\$'000
Operating activities		
Profit before taxation	66,475	45,863
Adjustments:		
Depreciation of property, plant and equipment	2,017	1,866
Amortisation of club membership	2	2
Amortisation of issuance costs on term notes	500	500
Loss/(gain) on sale of plant and equipment	165	(25)
Loss on sale of investment properties	-	60
Loss/(gain) on fair value adjustments of investment properties	225	(1,292)
Fair value (gain)/loss on structured deposits	(15)	69
Impairment loss on investment in an associate	1,263	-
Allowance for doubtful debts	157	40
Write back bad debts	(3)	-
Interest expense	6,510	6,023
Interest income	(6,875)	(9,981)
Share of results of associates	(48,427)	(26,488)
Share of results of joint ventures	273	237
Operating cash flows before changes in working capital	22,267	16,874
Decrease/(increase) in:		
Trade and other receivables, deposits and prepayments	15,333	(11,294)
Construction work-in-progress, net	12,880	11,366
Increase/(decrease) in:		
Trade and other payables and accruals	4,860	3,543
Deferred income	(175)	30
Cash flows generated from operations	55,165	20,519
Income taxes paid	(2,472)	(4,299)
Interest income received	6,875	9,981
Exchange differences	(1,417)	1,149
Net cash flows generated from operating activities	58,151	27,350
Investing activities		
Purchase of plant and equipment	(1,447)	(1,533)
Purchase of investment properties	-	(2,788)
Proceeds from sale of plant and equipment	430	46
Proceeds from sale of investment properties	-	84
Investments in associates	(698)	-
Loans due from associates, net	(5,829)	(10,428)
Dividends received from associates	16,337	22,050
Loans due from joint ventures, net	10,822	(34,451)
Loans due from investee companies	(1,483)	(724)
Net cash flows generated from/(used in) investing activities	18,132	(27,744)
Financing activities		
Dividends paid	(12,506)	(12,879)
Purchase of treasury shares	(2,503)	(851)
Purchase of term notes	(4,250)	-
Proceeds from bank term loans	60,000	2,997
Repayment of bank term loans	(11,599)	(3,993)
Proceeds from bills payable to banks	316	-
Repayment of bills payable to banks	(1,438)	(23,028)
Interest paid	(6,510)	(6,023)
Proceeds from lease obligations	492	544
Repayment of lease obligations	(184)	-
Increase in pledged fixed deposits	(8,799)	(58)
Net cash flows generated from/(used in) financing activities	13,019	(43,291)
Net increase/(decrease) in cash and cash equivalents	89,302	(43,685)
Effect of exchange rate changes on cash and cash equivalents	(216)	280
Cash and cash equivalents at beginning of financial year	79,052	122,457
Cash and cash equivalents at end of financial year (Note A)	168,138	79,052
Note A: Cash and cash equivalents at end of financial year comprise:		
	31.03.2016	31.03.2015
	S\$'000	S\$'000
Cash and bank balances**	15,155	12,693
Fixed deposits	177,854	82,431
	193,009	95,124
Less: Pledged fixed deposits	(24,871)	(16,072)
Cash and cash equivalents	168,138	79,052

** The Group's cash and bank balances earn interest at floating rates based on daily bank deposit rates.

UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2016

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							Total equity S\$'000
	Share capital S\$'000	Treasury shares S\$'000	Translation reserve S\$'000	Accumulated profits S\$'000	Other reserves S\$'000	Equity attributable to Owners of the Company, total S\$'000	Non-controlling interests S\$'000	
At 1 April 2014	50,915	-	1,848	161,461	3,033	217,257	21,519	238,776
Net profit for the financial year	-	-	-	41,655	-	41,655	412	42,067
<u>Other comprehensive income</u>								
Foreign currency translation	-	-	7,652	-	-	7,652	2,196	9,848
Other comprehensive income for the financial year	-	-	7,652	-	-	7,652	2,196	9,848
Total comprehensive income for the financial year	-	-	7,652	41,655	-	49,307	2,608	51,915
<u>Contributions by and distributions to owners</u>								
Interim & final tax-exempt dividends on ordinary shares	-	-	-	(12,431)	-	(12,431)	(448)	(12,879)
Purchase of treasury shares	-	(851)	-	-	-	(851)	-	(851)
Transfer to other reserves	-	-	-	1	(1)	-	-	-
Total contributions by and distributions to owners	-	(851)	-	(12,430)	(1)	(13,282)	(448)	(13,730)
At 31 March 2015	50,915	(851)	9,500	190,686	3,032	253,282	23,679	276,961
At 1 April 2015	50,915	(851)	9,500	190,686	3,032	253,282	23,679	276,961
Net profit for the financial year	-	-	-	61,487	-	61,487	364	61,851
<u>Other comprehensive income</u>								
Foreign currency translation	-	-	(6,637)	-	119	(6,518)	(1,718)	(8,236)
Other comprehensive income for the financial year	-	-	(6,637)	-	119	(6,518)	(1,718)	(8,236)
Total comprehensive income for the financial year	-	-	(6,637)	61,487	119	54,969	(1,354)	53,615
<u>Contributions by and distributions to owners</u>								
Interim & final tax-exempt dividends on ordinary shares	-	-	-	(12,506)	-	(12,506)	-	(12,506)
Purchase of treasury shares	-	(2,503)	-	-	-	(2,503)	-	(2,503)
Transfer to other reserves	-	-	-	(146)	146	-	-	-
Total contributions by and distributions to owners	-	(2,503)	-	(12,652)	146	(15,009)	-	(15,009)
At 31 March 2016	50,915	(3,354)	2,863	239,521	3,297	293,242	22,325	315,567

UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2016

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 period.

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 2014	50,915	-	32,747	2,156	85,818
Net profit for the financial year	-	-	4,926	-	4,926
Total comprehensive income for the financial year	-	-	4,926	-	4,926
<u>Contributions by and distributions to owners</u>					
Interim and final tax-exempt dividends on ordinary shares	-	-	(12,431)	-	(12,431)
Purchase of treasury shares	-	(851)	-	-	(851)
Total contributions by and distributions to owners	-	(851)	(12,431)	-	(13,282)
At 31 March 2015	50,915	(851)	25,242	2,156	77,462
At 1 April 2015	50,915	(851)	25,242	2,156	77,462
Net profit for the financial year	-	-	10,364	-	10,364
Total comprehensive income for the financial year	-	-	10,364	-	10,364
<u>Contributions by and distributions to owners</u>					
Interim & final tax-exempt dividends on ordinary shares	-	-	(12,506)	-	(12,506)
Purchase of treasury shares	-	(2,503)	-	-	(2,503)
Total contributions by and distributions to owners	-	(2,503)	(12,506)	-	(15,009)
At 31 March 2016	50,915	(3,354)	23,100	2,156	72,817

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 16 December 2015, the Company allotted and issued 41,435,292 bonus shares (comprising 40,744,752 new shares and 690,540 treasury shares) pursuant to the Bonus Issue.

During 4QFY2016, the Company acquired 70,000 (4FY2015: 189,000) ordinary shares by way of market purchases for a total consideration of S\$35,000 on the Singapore Exchange and held as treasury shares. As at 31 March 2016, 7,665,940 treasury shares (Incl. 690,540 bonus shares issued) were held by the Company.

The total number of issued shares as at 31 March 2016 was 448,122,659 shares excluding treasury shares (as at 31 March 2015 was 412,716,307 shares excluding treasury 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 2014 and 31 December 2014	
- Ordinary Shares	414,353,307
during the 3rd quarter FY2015	
Purchase of treasury shares	
- Ordinary Shares	(1,448,000)
during the 4th quarter FY2015	
Purchase of treasury shares	
- Ordinary Shares	(189,000)
Balance as at 31 March 2015	
- Ordinary Shares	412,716,307
during the 3rd quarter FY2016	
Purchase of treasury shares	
- Ordinary Shares	(5,268,400)
Bonus shares issued on 16 December 2015	
- Ordinary Shares to public shareholders	41,435,292
- Ordinary Shares as treasury shares	(690,540)
during the 4th quarter FY2016	
Purchase of treasury shares	
- Ordinary Shares	(70,000)
Balance as at 31 March 2016	
- Ordinary Shares	448,122,659

The total number of treasury shares held by the Company as at 31 March 2016 was 7,665,940 (as at 31 March 2015: 1,637,000).

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.

There were no sales, transfers, disposals, cancellation and/or use of treasury shares during the period ended 31 March 2016.

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 2015, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 April 2015.

- 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.

Not applicable.

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 YEAR ENDED	
	31.03.2016	31.03.2015 Restated
	(cents)	(cents)
a) On a basic basis	13.72	9.18
b) On a fully diluted basis	13.72	9.18
	S\$'000	S\$'000
Group's profit for the financial year attributable to Owners of the Company used in the computation of basic and diluted EPS	61,487	41,655
Weighted average number of ordinary shares excluding treasury shares for computing basic and diluted EPS	448,122,659	453,987,938

For comparative purposes, the number of ordinary shares as at 31 March 2015 has been adjusted to include the issue of one bonus share for every ten existing ordinary shares held.

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 31.03.2016	as at 31.03.2015 Restated	as at 31.03.2016	as at 31.03.2015 Restated
Net asset value per ordinary share (cents)	65.44	55.79	16.25	17.06
Issue share capital excluding treasury shares at the end of the year	448,122,659	453,987,938	448,122,659	453,987,938

For comparative purposes, the number of ordinary shares as at 31 March 2015 has been adjusted to include the issue of one bonus share for every ten existing ordinary shares held.

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.

REVIEW OF THE PERFORMANCE OF THE GROUP

INCOME STATEMENT

FY2016 vs FY2015

Revenue

The Group has a total revenue of S\$245.5 million for the financial year ended 31 March 2016 ("FY2016"), a decrease of S\$0.6 million or 0.3% compared to S\$246.1 million registered in the corresponding financial year ended 31 March 2015 ("FY2015"). The decrease was mainly due to the decrease in revenue from construction business of S\$0.7 million or 0.3% from S\$239.9 million in FY2015 to S\$239.2 million in FY2016, offset by the increase in rental income from investment properties of S\$0.1 million or 1.5% from S\$6.2 million in FY2015 to S\$6.3 million in FY2016.

Other income

Other income decreased by S\$4.1 million or 30.7% from S\$13.1 million in FY2015 to S\$9.0 million in FY2016. The decrease was mainly due to the decrease in interest income of S\$3.2 million and decrease in gain of S\$0.9 million on fair value adjustments of investment properties.

Operating expenses

Cost of construction decreased by S\$11.0 million or 5.1% from S\$214.0 million in FY2015 to S\$203.0 million in FY2016, mainly due to improvement in productivity; lower material cost and decrease in project revenue.

Personnel expenses increased by S\$3.8 million or 34.5% from S\$11.0 million in FY2015 to S\$14.8 million in FY2016, mainly due to the increase in provision for bonuses and salaries.

There were no significant differences in depreciation of property, plant and equipment between FY2016 and FY2015.

Finance costs increased by S\$0.4 million or 7.0% from S\$6.1 million in FY2015 to S\$6.5 million in FY2016, mainly due to the increase in the Group's borrowings and interest rates.

Other operating expenses increased by S\$3.3 million or 49.6% from S\$6.6 million in FY2015 to S\$9.9 million in FY2016, mainly due to provision in impairment loss on investments in an associate of S\$1.3 million; loss on fair value adjustments of investment properties of S\$0.6 million; increase in expenses mainly on term notes related expenses of S\$0.6 million; donation of S\$0.5 million and foreign exchange loss of S\$0.3 million.

Share of results of associates increased by S\$21.9 million or 82.8% from S\$26.5 million in FY2015 to S\$48.4 million in FY2016, mainly due to S\$15.0 million contribution from the development property project - Liang Jing Ming Ju Phase 4 Sequoia Mansion in Beijing, People's Republic of China ("PRC") for which profit of sold units were recognised upon completion of construction and increase in percentage of completion recognised on the development property projects in Singapore.

Tax expense increased by S\$0.8 million or 21.8% from S\$3.8 million in FY2015 to S\$4.6 million in FY2016, mainly due to the increase in provision of withholding tax of S\$0.8 million on the share of profit contributed by the Liang Jing Ming Ju Phase 4 - Sequoia Mansion in Beijing, PRC, and the increase in tax expenses due to increase in expenses which are not tax deductible.

As a result of the above, the Group registered an increase in net profit attributable to Owners of the company of S\$19.8 million or 47.6% from S\$41.7 million in FY2015 to S\$61.5 million in FY2016.

STATEMENT OF FINANCIAL POSITION

Non-current assets

Property, plant and equipment ("PPE") decreased by S\$1.1 million from S\$9.7 million as at 31 March 2015 ("FY2015") as compared to S\$8.6 million as at 31 March 2016 ("FY2016"), mainly due to depreciation offset by new purchase of plant and equipment during the FY2016.

Interests in associates increased by S\$37.4 million from S\$142.5 million in FY2015 to S\$179.9 million in FY2016, mainly due to increase in investments; share of results of associates and additional loans to associates to finance the development property projects.

REVIEW OF THE PERFORMANCE OF THE GROUP

STATEMENT OF FINANCIAL POSITION

Non-current assets

Interests in joint ventures decreased by S\$11.1 million from S\$49.0 million in FY2015 to S\$37.9 million in FY2016, mainly due to decrease in loans to joint ventures and share of results of joint ventures.

Investment properties decreased by S\$8.4 million from S\$131.7 million in FY2015 to S\$123.3 million in FY2016, mainly due to foreign exchange differences from an investment property held in the PRC of S\$8.2 million and and loss on fair value adjustments of S\$0.2 million.

Trade receivables under non-current assets decreased by S\$0.6 million from S\$10.3 million in FY2015 to S\$9.7 million in FY2016, mainly due to the decrease in retention sum receivables from completed and on-going construction projects in Singapore.

Other receivables under non-current assets increased by S\$1.5 million from S\$0.7 million in FY2015 to S\$2.2 million in FY2016, mainly due to additional loans to investee companies for overseas development property.

Current assets

Trade receivables under current assets decreased by S\$17.7 million from S\$48.7 million in FY2015 to S\$31.0 million in FY2016, mainly due to the decrease in amount of progress claims certified for construction projects in progress.

Other receivables and deposits increased by S\$2.7 million from S\$1.5 million in FY2015 to S\$4.2 million in FY2016, mainly due to dividends receivables of S\$2.7 million from an associate in Singapore. This dividends receivables has been received in FY2017.

Current liabilities

Trade payables under current liabilities decreased by S\$5.0 million from S\$25.4 million in FY2015 to S\$20.4 million in FY2016. The decrease was mainly due to the decrease in billings from suppliers and subcontractors which will be due for release of payments in the next 12 months for construction projects in progress.

Other payables and accruals under current liabilities increased by S\$8.5 million from S\$61.2 million in FY2015 to S\$69.7 million in FY2016. The increase was mainly from the increase in accruals made for on-going construction projects of S\$5.6 million; provision for bonuses of S\$2.8 million and interest payables of S\$0.1 million.

Deferred income arising from profit from construction of projects developed by associates deferred in accordance with the accounting standards adopted decreased by S\$0.2 million from S\$0.3 million in FY2015 to S\$0.1 million in FY2016 as more units have been sold in those projects in FY2016.

Based on the progress of construction projects in FY2016 as compared to FY2015, the progress billings in excess of the construction work-in-progress increased by S\$12.8 million from S\$13.6 million in FY2015 to S\$26.4 million in FY2016.

Non-current liabilities

Trade payables under non-current liabilities increased by S\$1.5 million from S\$3.6 million in FY2015 to S\$5.1 million in FY2016. The increase was mainly from the increase in retention sums payable to subcontractors for completed construction projects.

Total Group's borrowings

Total borrowings increased by S\$43.4 million from S\$96.2 million in FY2015 to S\$139.6 million in FY2016, mainly due to the increase in bank term loans, net of S\$48.4 million and finance lease of S\$0.4 million, partially offset by buyback of term notes of S\$4.3 million and decrease in bills payable, net of S\$1.1 million.

REVIEW OF THE PERFORMANCE OF THE GROUP

STATEMENT OF CASH FLOWS

Net cash flows generated from operating activities of S\$58.2 million during FY2016 mainly arose from operating cash flows before changes in working capital of S\$22.3 million, the increase in working capital of S\$32.9 million and interest income received of S\$6.9 million, offset by payment made for income taxes of S\$2.5 million and exchange differences of S\$1.4 million.

Net cash flows generated from investing activities of S\$18.1 million during FY2016 mainly arose from dividends received of S\$16.3 million, decrease in loans to joint ventures, net of S\$10.8 million, offset by additional loans injected to associates of S\$6.5 million and investee companies of S\$1.5 million and purchase of plant and equipment of S\$1.4 million.

Net cash flows generated from financing activities of S\$13.0 million during FY2016 mainly arose from bank term loans proceeds of S\$60.0 million, offset by the increase in pledged fixed deposits of S\$8.8 million, interest payment of S\$6.5 million, dividends payment made of S\$12.5 million and net of repayment of bills payable to banks and bank term loans of S\$12.7 million, purchase of treasury shares of S\$2.5 million and buy back of term notes of S\$4.3 million.

With the abovementioned, net increase in cash and cash equivalents during FY2016 was S\$89.3 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. The actual results in FY2016 is in line with the commentary made on 4 February 2016 in paragraph 10 of the third quarter results announcement for 3QFY2016.

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 Ministry of Trade and Industry ("MTI") has recently announced that Singapore economy expanded by 1.8% on a year-on-year basis in the 1st quarter of 2016 and 0.2% on a quarter-on-quarter basis, down from the 6.2% growth in preceding quarter. MTI's forecast on GDP growth for 2016 maintained at 1% to 3%.

MTI highlighted that the global economic outlook has weakened since early 2016 as the growth outlook for the advanced economies has deteriorated marginally. Risks and uncertainties which soften the global economy outlook include PRC's ongoing reforms which could have the unintended effect of precipitating a significant drop in demand; normalizing of interest rates in the United States that can destabilize growth, and the prospect of the United Kingdom leaving the European Union which lead to loss of investors' confidence. As such, MTI sees no improvement in growth prospects from this year.

According to MTI, the construction sector grew by annualized rate of 10.5%, faster than the 6% growth in the preceding quarter. On a year-on-year basis, it expanded by 6.2% compared with a year ago, improving from the 4.9% growth in the previous quarter, supported by both public and private sector construction activities. With the projected total construction demand in 2016 at S\$27 billion to S\$34 billion and 2017 at S\$26 billion by Building and Construction Authority, the outlook of construction sector remains positive.

Cost of construction and other operating costs are likely to continue the uptrend as a result of increasing manpower cost stemming from various foreign manpower tightening measures and labour shortage; higher cost on adoption of advanced systems and technologies as well as equipment; higher cost of regulatory compliance; hikes in financing cost and etc. However, the increase in cost is likely to be restrained by current stable prices of some key construction materials.

To ride on the promising outlook of the construction sector amid continual tightening of manpower supply, the Group shall continue to strive to raise productivity through technology adoption and innovative measures; training of workers and higher usage of equipment and tools with the assistance from Government grants.

REVIEW OF THE PERFORMANCE OF THE GROUP

10 Singapore property market outlook in residential and office space remain challenging.

According to the Urban Redevelopment Authority, sales of new private homes last month fell 11.5% from March. Singapore Private home prices fell 0.7% in the first quarter of 2016, following a 0.5% drop in the previous quarter.

For office space, the amount of occupied office space rose by 1,000 sq m (net) in the first quarter - contrasting with the decrease of 10,000 sq m (net) in the previous quarter. On the other hand, the stock of office space shrank by 23,000 sq m (net) in first quarter 2016, a bigger drop than the decrease of 21,000 sq m (net) in the previous quarter. Prices decreased by 0.3% in the first quarter 2016. This followed a decline of 0.1% in the fourth quarter of last year. Rentals of office space fell by 2.1% in first quarter 2016, more than the decline of 1.8% in the previous quarter.

The retail sector continues to battle rising costs, weak sentiment and increased supply of space. The islandwide vacancy rate of retail space rose to 7.3% in the first quarter of 2016, up slightly from 7.2% in the previous quarter. Prices for shop spaces also decreased by 1.9% in the first quarter 2016, after a decrease of 0.1% in the previous quarter. Rentals of retail space also decreased by 1.9% in the first quarter 2016, compared to a decrease of 1.3% in the previous quarter.

The Group has an order book on construction projects in Singapore of S\$223 million as at 31 March 2016.

As at 31 March 2016, there are 14 projects officially launched by associates and joint ventures under the Group as set out below.

No.	Project Name	Group Stake	Type of Development	Status of Construction	Revenue Recognition Method	% Units Sold
Singapore						
1	Lincoln Suites	25.00%	Residential	Completed	Percentage of Completion	94.3%
2	The Boutiq	35.00%	Residential	Completed	Percentage of Completion	94.6%
3	Palacio	32.00%	Residential	Completed	Percentage of Completion	100.0%
4	REZI26	45.00%	Residential	Completed	Percentage of Completion	100.0%
5	REZI3TWO	45.00%	Residential	Ongoing	Percentage of Completion	67.7%
6	Sky Green	25.00%	Residential	Completed	Percentage of Completion	97.7%
7	Cityscape@Farrer Park	35.00%	Residential	Completed	Percentage of Completion	90.4%
8	NEWest	12.25%	Residential and Commercial	Ongoing	Percentage of Completion	100.0%
9	KAP & KAP Residences	12.60%	Residential and Commercial	Ongoing	Percentage of Completion	99.2%
10	Floraville / Floraview / Floravista	12.25%	Residential and Commercial	Ongoing	Percentage of Completion	50.0%
11	Hexacube	30.00%	Commercial and Office	Ongoing	Completion	57.5%
12	Trio	35.00%	Commercial	Ongoing	Completion	37.2%
13	High Park Residences	20.00%	Residential and Commercial	Ongoing	Percentage of Completion	95.1%
Overseas						
14	Liang Jing Ming Ju Phase 4 - Sequoia Mansion	45.00%	Residential (<i>Commercial and Office excluded</i>)	Completed	Completion	90.9%

As at 31 March 2016, subject to cancellation of contracts, approximately 91.1% of these launched units have been sold. The Group has a balance amount of attributable share of progress billings to be recognised as sales revenue of approximately S\$258.2 million from the above projects, the profits of which will be progressively recognised by the associates and joint ventures and contribute to the Group's results after FY2016.

The Group's joint venture investment in The Prudential Tower, a Grade A office building located at the Raffles Place precinct with high occupancy and good tenant mix given its prime location, will also continue to contribute positively to the results of the Group.

In view of the above and barring unforeseen circumstances, the Group remains cautiously optimistic on the outlook of its performance in FY2017.

DIVIDENDS

11 (a) Current financial period reported on

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

Name of Dividend	(Tax Exempt 1-Tier)			Total
	Interim Ordinary	Final Ordinary		
Dividend Type	Cash & Cash Special	Cash	Cash Special	Cash & Cash Special
Dividend Rate	1.55 cents per ordinary share (paid in December 2015)	1.50 cents per ordinary share	0.50 cent per ordinary share	3.55 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	(Tax Exempt 1-Tier)		
	Interim Ordinary	Final Ordinary	Total
Dividend Type	Cash	Cash	Cash
Dividend Rate	1.25 cents per ordinary share	1.50 cents per ordinary share	2.75 cents per ordinary share

(c) Date payable

The date payable for the proposed final cash and cash special dividend will be announced at a later date.

(d) Books closure date

The Notice on the closure date of the Transfer Books and the Register of Members of the Company for the proposed final cash and cash special dividend will be announced at a later date.

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 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).

14 Confirmation by the Company Pursuant to Rule 720(1) of the Listing Manual of 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.

ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

15 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

	GROUP				
	Construction	Property development and management	Others	Eliminations	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
FY2016					
REVENUE					
- external sales	239,182	6,272	-	-	<u>245,454</u>
Segment results	26,548	1,657	(10,239)	-	17,966
Share of results of associates and joint ventures	-	47,024	1,130	-	48,154
Interest income	997	15	5,863	-	6,875
Finance costs	(922)	(512)	(5,086)	-	<u>(6,520)</u>
Profit/(loss) before taxation	26,623	48,184	(8,332)	-	66,475
Tax expense					(4,624)
Non-controlling interests					<u>(364)</u>
Net profit attributable to Owners of the Company					<u>61,487</u>
Segment assets	268,960	123,151	74,699	(84,156)	382,654
Interests in associates	-	173,416	6,454	-	179,870
Interests in joint ventures	-	37,912	-	-	<u>37,912</u>
Total assets					<u>600,436</u>
Segment liabilities	121,758	21,743	40,426	(61,957)	121,970
Borrowings	57,368	11,516	70,682	-	139,566
Unallocated liabilities					23,333
Total liabilities					<u>284,869</u>
Other segment information :					
Capital expenditures	1,443	4	-	-	1,447
Depreciation of property, plant and equipment	1,999	18	-	-	2,017
FY2015					
REVENUE					
- external sales	239,911	6,180	-	-	<u>246,091</u>
Segment results	17,450	3,118	(4,846)	-	15,722
Share of results of associates and joint ventures	-	26,127	124	-	26,251
Interest income	407	24	9,550	-	9,981
Finance costs	(382)	(474)	(5,235)	-	<u>(6,091)</u>
Profit/(loss) before taxation	17,475	28,795	(407)	-	45,863
Tax expense					(3,796)
Non-controlling interests					<u>(412)</u>
Net profit attributable to Owners of the Company					<u>41,655</u>
Segment assets	192,872	132,201	75,186	(91,725)	308,534
Interests in associates	-	137,263	5,258	-	142,521
Interests in joint ventures	-	49,007	-	-	<u>49,007</u>
Total assets					<u>500,062</u>
Segment liabilities	116,812	22,555	34,751	(69,680)	104,438
Borrowings	1,981	13,829	80,433	-	96,243
Unallocated liabilities					22,420
Total liabilities					<u>223,101</u>
Other segment information :					
Capital expenditures	1,526	7	-	-	1,533
Investment properties	-	2,788	-	-	2,788
Depreciation of property, plant and equipment	1,834	32	-	-	1,866

Geographical segments

GROUP

	Singapore	Malaysia	Vietnam	Australia	England, United Kingdom	The People's Republic of China	Eliminations	Total
FY2016	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
REVENUE	239,533	-	-	-	-	5,921	-	245,454
Segment assets	313,470	377	-	770	-	107,881	(39,844)	382,654
Interests in associates	135,807	-	698	-	14,374	28,991	-	179,870
Interests in joint ventures	37,912	-	-	-	-	-	-	37,912
Total assets								600,436
Other segment information :								
Capital expenditures	1,443	-	-	-	-	4	-	1,447

	Singapore	Malaysia	Cambodia	Australia	England, United Kingdom	The People's Republic of China	Eliminations	Total
FY2015	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
REVENUE	240,130	-	-	-	-	5,961	-	246,091
Segment assets	216,052	402	-	-	-	117,362	(25,282)	308,534
Interests in associates	126,767	1,356	3	-	-	14,395	-	142,521
Interests in joint ventures	49,007	-	-	-	-	-	-	49,007
Total assets								500,062
Other segment information :								
Capital expenditures	1,526	-	-	-	-	7	-	1,533
Investment properties	2,788	-	-	-	-	-	-	2,788

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

REVENUE

by Business segments

Revenue contributed by construction business decreased by S\$0.7 million in FY2016 from S\$239.9 million in FY2015 to S\$239.2 million in FY2016 due to the decrease in revenue from construction business.

by Geographical segments

Revenue contributed by Singapore decreased by S\$0.6 million from S\$240.1 million in FY2015 to S\$239.5 million in FY2016 mainly due to the decrease in revenue from construction business.

Profit Before Taxation

by Business segments

Profit before taxation from construction business increased by S\$9.1 million from S\$17.5 million in FY2015 to S\$26.6 million in FY2016 due to improvement in productivity; lower material cost and decrease in project revenue.

Profit before taxation from property development and management increased by S\$19.4 million from S\$28.8 million in FY2015 to S\$48.2 million in FY2016, mainly due to S\$15.0 million contribution from the development property project - Liang Jing Ming Ju Phase 4 Sequoia Mansion in Beijing, People's Republic of China ("PRC") which profit of sold units were recognised upon construction completion and increase in percentage of completion recognised on the development property projects in Singapore.

Loss before taxation from others business increased by S\$7.9 million from a loss of S\$0.4 million in FY2015 to S\$8.3 million in FY2016, due to decrease in interest income from associates and increase in loss on segment results.

17 A breakdown of sales as follows:

	GROUP		
	31.03.2016	31.03.2015	% increase/(decrease)
	S\$'000	S\$'000	
Sales reported for first half year	123,940	125,124	(1)
Operating profit after taxation before deducting non-controlling interests reported for the first half year	33,518	16,574	102
Sales reported for second half year	121,514	120,967	0
Operating profit after taxation before deducting non-controlling interests reported for the second half year	28,333	25,493	11
Total Sales	245,454	246,091	(0)
Operating profit after taxation before deducting non-controlling interests reported for full year	61,851	42,067	47

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

	31.03.2016	31.03.2015
	S\$'000	S\$'000
Ordinary shares		
Interim	6,315	5,179
Final	8,962	6,191
Total :	15,277	11,370

** Proposed final dividend to be approved at the Company's forthcoming Annual General Meeting by the Shareholders.

- 19 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

There is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

By Order of the Board

Choo Chee Onn
Executive Chairman and Managing Director

30 May 2016