



LIAN BENG GROUP LTD

Registration No. 199802527Z

**UNAUDITED FOURTH QUARTER AND FULL YEAR FINANCIAL STATEMENTS AND
DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 MAY 2019**

These figures have not been audited.

Following the adoption of the new Singapore Financial Reporting Standards International ("SFRS(I)") on 1 June 2018, in particular SFRS(I) 9 and SFRS(I) 15, Lian Beng Group Ltd. (the "Company") and together with its subsidiaries, (the "Group") has restated its comparative financial figures. Please refer to Section 5 of this announcement for more details on the new standards.

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

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

	Group					
	Fourth quarter ended			Full year ended		
	31 May 19	31 May 18	Increase / (decrease)	31 May 19	31 May 18	Increase / (decrease)
	S\$'000	S\$'000 (Restated)	%	S\$'000	S\$'000 (Restated)	%
Revenue	132,894	150,369	(11.6)	386,791	406,960	(5.0)
Cost of sales	(112,778)	(95,245)	18.4	(305,004)	(293,813)	3.8
Gross profit	20,116	55,124	(63.5)	81,787	113,147	(27.7)
Other operating income	4,455	37,220	(88.0)	11,115	54,322	(79.5)
Distribution expenses	(554)	(3,892)	(85.8)	(3,856)	(8,450)	(54.4)
Administrative expenses	(5,119)	(12,979)	(60.6)	(25,881)	(31,309)	(17.3)
Other operating expenses	(2,104)	(3,697)	(43.1)	(8,843)	(10,493)	(15.7)
Impairment loss of financial assets	(2,196)	(3,210)	(31.6)	(2,022)	(3,210)	(37.0)
Finance costs	(4,869)	(4,398)	10.7	(17,600)	(17,178)	2.5
Share of results of associates and joint ventures	4,242	2,939	44.3	6,287	13,473	(53.3)
	13,971	67,107	(79.2)	40,987	110,302	(62.8)
Fair value gain on investment properties	3,500	9,657	(63.8)	3,500	9,657	(63.8)
Profit before taxation	17,471	76,764	(77.2)	44,487	119,959	(62.9)
Taxation	(1,898)	(16,996)	(88.8)	(6,313)	(24,710)	(74.5)
Profit for the period, net of taxation	15,573	59,768	(73.9)	38,174	95,249	(59.9)
Other comprehensive income:						
<i>Items that will not be reclassified subsequently to profit or loss:</i>						
Net gain/(loss) on equity instruments at fair value through other comprehensive income	2,139	-	NM	(862)	-	NM
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Net gain on debt instruments at fair value through other comprehensive income	307	-	NM	298	-	NM
Net loss on fair value changes of available-for-sale financial assets	-	(3,755)	NM	-	(2,770)	NM
Foreign currency translation (loss)/gain	(280)	2,011	NM	(1,630)	2,141	NM
Other comprehensive income for the period, net of taxation	2,166	(1,744)	NM	(2,194)	(629)	248.8
Total comprehensive income for the period	17,739	58,024	(69.4)	35,980	94,620	(62.0)
Profit attributable to:						
Owners of the Company	14,541	56,663	(74.3)	32,863	82,546	(60.2)
Non-controlling interests	1,032	3,105	(66.8)	5,311	12,703	(58.2)
	15,573	59,768	(73.9)	38,174	95,249	(59.9)
Total comprehensive income attributable to:						
Owners of the Company	16,748	54,991	(69.5)	30,838	81,985	(62.4)
Non-controlling interests	991	3,033	(67.3)	5,142	12,635	(59.3)
	17,739	58,024	(69.4)	35,980	94,620	(62.0)

1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year.

	Group					
	Fourth quarter ended			Full year ended		
	31 May 19	31 May 18	Increase / (decrease)	31 May 19	31 May 18	Increase / (decrease)
	S\$'000	S\$'000 (Restated)	%	S\$'000	S\$'000 (Restated)	%
Amortisation of other assets	-	(46)	NM	(76)	(183)	(58.5)
Amortisation of capitalised contract costs	(111)	(3,045)	(96.4)	(2,251)	(6,065)	(62.9)
Depreciation of property, plant and equipment	(3,696)	(4,075)	(9.3)	(15,635)	(14,779)	5.8
Loss on foreign exchange, net	(996)	(4,318)	(76.9)	(1,763)	(2,849)	(38.1)
Dividend income from investment securities	566	841	(32.7)	1,747	1,887	(7.4)
Interest income	4,208	2,422	73.7	11,567	10,402	11.2
Gain on disposal of property, plant and equipment	66	231	(71.4)	970	695	39.6
Gain on disposal of investment property	-	33,994	NM	-	41,766	NM
Gain/(loss) on disposal of investment securities	157	53	196.2	(39)	(44)	(11.4)
Fair value gain on derivative instrument	-	358	NM	91	358	(74.6)
Fair value loss on investment securities	(191)	(213)	(10.3)	(507)	(52)	875.0
Bad debts written off	-	(2)	NM	(72)	(10)	620.0
(Under)/over provision of income tax in respect of prior years	(31)	67	NM	928	82	NM

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.

	Group			Company	
	31 May 19	31 May 18	1 Jun 17	31 May 19	31 May 18
	S\$'000	S\$'000 (Restated)	S\$'000 (Restated)	S\$'000	S\$'000 (Restated)
<u>Non-current assets</u>					
Property, plant and equipment	158,015	159,356	63,577	-	-
Investment properties	533,047	529,472	703,860	-	-
Investment in subsidiaries	-	-	-	168,612	167,287
Investment in joint ventures	19,097	19,064	34,706	5,720	5,720
Investment in associates	41,075	49,235	43,437	-	-
Investment securities	127,573	129,097	119,494	15,812	18,083
Amounts due from subsidiaries	-	-	-	33,783	33,783
Amounts due from associates	42,327	44,911	45,000	-	-
Amounts due from third parties	-	-	3,357	-	-
Other assets	-	77	260	-	-
Deferred tax assets	66	117	249	-	-
	921,200	931,329	1,013,940	223,927	224,873
<u>Current assets</u>					
Contract assets	101,714	121,401	49,726	-	-
Capitalised contract costs	1,462	218	1,384	-	-
Development properties	104,509	72,901	108,210	-	-
Investment property held for sale	-	-	26,283	-	-
Inventories	2,895	3,827	4,297	-	-
Trade receivables	43,738	57,475	35,856	-	-
Other receivables and deposits	16,161	34,520	32,384	139	4,016
Prepayments	5,582	1,195	1,923	46	5
Tax recoverable	486	-	-	-	-
Amounts due from affiliated companies	12	-	1	-	-
Amounts due from subsidiaries	-	-	-	179,076	169,927
Amounts due from joint ventures	78,514	66,345	29,572	63,086	50,521
Amounts due from associates	166,913	163,388	100,095	-	-
Investment securities	15,703	17,885	7,515	-	-
Cash and cash equivalents	179,924	209,214	187,804	40,510	35,139
	717,613	748,369	585,050	282,857	259,608
<u>Current liabilities</u>					
Contract liabilities	29,056	4,658	47,241	-	-
Trade payables, other payables and accruals	187,465	182,897	158,598	164	306
Amounts due to associates	1,126	8,616	1,361	76	76
Amounts due to joint ventures	2,152	4,619	17,817	-	-
Amounts due to subsidiaries	-	-	-	267,093	246,513
Bank loans and bills payable	309,966	330,707	258,174	-	-
Obligations under hire purchase	1,984	3,324	3,780	-	-
Provision for taxation	8,111	18,606	8,497	223	21
	539,860	553,427	495,468	267,556	246,916
Net current assets	177,753	194,942	89,582	15,301	12,692
<u>Non-current liabilities</u>					
Refundable rental deposits	3,067	2,978	2,109	-	-
Amounts due to subsidiaries	-	-	-	2,734	5,892
Bank loans	268,450	309,194	422,325	-	-
Obligations under hire purchase	3,139	2,327	3,224	-	-
Deferred tax liabilities	4,165	5,271	1,861	-	-
	278,821	319,770	429,519	2,734	5,892
Net assets	820,132	806,501	674,003	236,494	231,673
<u>Equity attributable to owners of the Company</u>					
Share capital	82,275	82,275	82,275	82,275	82,275
Treasury shares	(17,777)	(17,777)	(17,777)	(17,777)	(17,777)
Other reserves	1,595	14,037	2,217	(5,909)	5,923
Retained earnings	627,967	596,137	524,834	177,905	161,252
	694,060	674,672	591,549	236,494	231,673
Non-controlling interests	126,072	131,829	82,454	-	-
Total equity	820,132	806,501	674,003	236,494	231,673

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 May 2019

Secured S\$'000	Unsecured S\$'000
311,950	-

As at 31 May 2018

Secured S\$'000	Unsecured S\$'000
334,031	-

Amount repayable after one year

As at 31 May 2019

Secured S\$'000	Unsecured S\$'000
271,589	-

As at 31 May 2018

Secured S\$'000	Unsecured S\$'000
311,521	-

Details of any collaterals

As at 31 May 2019, the Group's borrowings of S\$583.5 million (31 May 2018: S\$645.6 million) are secured by corporate guarantee provided by the Group and the assignment of rights, titles and benefits with respect to property, plant and equipment, investment properties, development properties and investment securities.

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

	Group			
	Fourth quarter ended		Full year ended	
	31 May 19	31 May 18	31 May 19	31 May 18
	S\$'000	S\$'000	S\$'000	S\$'000
		(Restated)		(Restated)
Cash flows from operating activities				
Profit before taxation	17,471	76,764	44,487	119,959
<u>Adjustments for:</u>				
Amortisation of capitalised contract costs	111	3,045	2,251	6,065
Depreciation of property, plant and equipment	3,696	4,075	15,635	14,779
Fair value gain on investment properties	(3,500)	(9,657)	(3,500)	(9,657)
Fair value gain on derivative instrument	-	(358)	(91)	(358)
Dividend income from investment securities	(566)	(841)	(1,747)	(1,887)
Gain on disposal of investment properties	-	(33,994)	-	(41,766)
Gain on disposal of property, plant and equipment	(66)	(231)	(970)	(695)
Fair value loss on investment securities	191	213	507	52
(Gain)/loss on disposal of investment securities	(157)	(53)	39	44
Amortisation of other assets	-	46	76	183
Interest income	(4,208)	(2,422)	(11,567)	(10,402)
Interest expense	4,869	4,398	17,600	17,178
Unrealised exchange differences	260	(793)	(539)	235
Gain on dilution of ownership interest in subsidiary	-	-	-	(1)
Property, plant and equipment written off	-	-	9	-
Bad debts written off	-	2	72	10
Goodwill written off	-	-	9	-
Bad debts recovered	-	1	-	(7)
Impairment loss of financial assets	2,196	3,210	2,022	3,210
Share of results of associates and joint ventures	(4,242)	(2,939)	(6,287)	(13,473)
Operating cash flows before changes in working capital	16,055	40,466	58,006	83,469
<u>Changes in working capital:</u>				
Development properties	13,913	47,442	(24,782)	60,071
Capitalised contract costs	(363)	(2,813)	(3,495)	(4,899)
Contract assets	(32,023)	(19,584)	19,687	(71,674)
Contract liabilities	16,667	(54,117)	24,360	(42,746)
Inventories	2,470	2,488	932	470
Trade receivables	24,088	1,751	12,573	(21,877)
Other receivables and deposits	(1,656)	(10,125)	11,679	(4,842)
Prepayments	(3,427)	19	(4,315)	728
Trade payables, other payables and accruals	30,584	26,828	3,247	24,691
Balances with joint ventures and associates	(3,677)	(539)	780	6,480
Total changes in working capital	46,576	(8,650)	40,666	(53,598)
Cash flows from operations	62,631	31,816	98,672	29,871
Interest paid and capitalised in development properties	(73)	(235)	(731)	(638)
Income tax (paid)/refunded	(24)	85	(18,217)	(10,777)
Net cash flows from operating activities	62,534	31,666	79,724	18,456
Cash flows from investing activities				
Interest received	2,756	2,740	9,707	9,929
Dividend income from investment securities	566	841	1,747	1,887
Dividend income from associates	410	-	19,410	1,273
Dividend income from joint ventures	-	2,950	6,500	24,860
Additions to investment securities	(5,559)	(14)	(38,172)	(45,984)
Purchase of property, plant and equipment	(4,120)	(886)	(11,744)	(2,965)
Additional investments in investment properties	10	1,151	(75)	(4,060)
Addition to investment property held for sale	-	9,696	-	-
Proceeds from disposal of investment properties	-	94,501	-	129,692

CONSOLIDATED CASH FLOW STATEMENT (CONT'D)

	Group			
	Fourth quarter ended		Full year ended	
	31 May 19	31 May 18	31 May 19	31 May 18
	S\$'000	S\$'000	S\$'000	S\$'000
		(Restated)		(Restated)
Repayment of loan by third parties	-	773	-	3,357
Proceeds from disposal of property, plant and equipment	65	326	1,446	969
Repayment of loans by/(loans to) associates	170	(51,704)	1,488	(59,185)
Investment in associates	(12,804)	-	(12,804)	(2,440)
Loans to joint ventures	(219)	(16,198)	(13,583)	(39,956)
Proceeds from disposal of investment securities	8,190	2,070	42,543	21,647
Additional investment in a subsidiary	(169)	-	(1,505)	-
Net cash outflow on acquisition of a subsidiary	-	-	(27)	-
Proceeds from liquidation of associates	190	-	826	-
Net cash flows (used in)/from investing activities	(10,514)	46,246	5,757	39,024
Cash flows from financing activities				
Interest paid	(4,869)	(4,398)	(17,600)	(17,178)
Proceeds from bank loans and bills payable	34,655	79,545	134,095	145,760
Repayment of bank loans and bills payable	(44,688)	(140,648)	(197,090)	(185,743)
Repayment of hire purchase creditors	(1,162)	(1,046)	(3,257)	(4,220)
Dividend paid on ordinary shares	-	-	(11,243)	(11,243)
Dividend paid to non-controlling interest of subsidiaries	(5,051)	(863)	(9,995)	(3,446)
Proceeds from the IPO of shares of SLB Development Ltd ("SLB"), net of listing expenses capitalised	-	52,567	-	52,567
Repayment of loans to joint ventures	-	-	(2,350)	(13,210)
Loans from/(repayment of loans to) associates	268	-	(7,490)	-
Repayment of loans due to non-controlling interests of a subsidiary	(9,776)	-	(9,776)	-
Loans from non-controlling interests of subsidiaries	10,784	281	10,784	789
Repayment of loans due from/(loans to) non-controlling interests of subsidiaries	(1,046)	-	(262)	-
Capital contribution from non-controlling interest of a subsidiary	-	-	280	-
Net cash flows used in financing activities	(20,885)	(14,562)	(113,904)	(35,924)
Net increase/(decrease) in cash and cash equivalents	31,135	63,350	(28,423)	21,556
Cash and cash equivalents at beginning of the period/year	149,160	145,887	209,214	187,804
Effect of exchange rate changes on cash and cash equivalents	(371)	(23)	(867)	(146)
Cash and cash equivalents at end of the period/year	179,924	209,214	179,924	209,214
Breakdown of cash and cash equivalents at end of the period/year				
Fixed deposits	65,067	28,212	65,067	28,212
Cash on hand and at banks	114,857	181,002	114,857	181,002
Total	179,924	209,214	179,924	209,214

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 immediate preceding financial year.

GROUP – 4Q & FY2019

	Attributable to the owners of the Company				Non-controlling interest	Total equity
	Share capital	Treasury shares	Other reserves*	Retained earnings		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 Jun 18	82,275	(17,777)	17,017	564,643	115,387	761,545
Effects of adoption of SFRS(I) 15	-	-	(2,980)	31,494	16,442	44,956
Effects of adoption of SFRS(I) 9	-	-	(10,210)	10,210	-	-
Balance as at 1 Jun 18, restated	82,275	(17,777)	3,827	606,347	131,829	806,501
Profit for the period, net of taxation	-	-	-	18,322	4,279	22,601
<u>Other comprehensive income</u>						
Net loss on equity instruments at fair value through other comprehensive income	-	-	(3,001)	-	-	(3,001)
Net gain on debt instruments at fair value through other comprehensive income	-	-	(9)	-	-	(9)
Foreign currency translation loss	-	-	(1,222)	-	(128)	(1,350)
Other comprehensive income for the year, net of taxation	-	-	(4,232)	-	(128)	(4,360)
Total comprehensive income for the period	-	-	(4,232)	18,322	4,151	18,241
<u>Changes in ownership interests of subsidiaries</u>						
Acquisition of additional interest in SLB	-	-	(208)	-	(1,128)	(1,336)
Acquisition of interest in a subsidiary	-	-	-	-	114	114
<u>Contribution by and distribution to owners</u>						
Dividend on ordinary shares	-	-	-	(11,243)	-	(11,243)
Dividend paid to non-controlling interest of subsidiaries	-	-	-	-	(4,944)	(4,944)
Capital contribution by non-controlling interest of subsidiary	-	-	-	-	280	280
Balance as at 28 Feb 19	82,275	(17,777)	(613)	613,426	130,302	807,613
Profit for the period, net of taxation	-	-	-	14,541	1,032	15,573
<u>Other comprehensive income</u>						
Net gain on equity instruments at fair value through other comprehensive income	-	-	2,139	-	-	2,139
Net gain on debt instruments at fair value through other comprehensive income	-	-	307	-	-	307
Foreign currency translation loss	-	-	(239)	-	(41)	(280)
Other comprehensive income for the period, net of taxation	-	-	2,207	-	(41)	2,166
Total comprehensive income for the period	-	-	2,207	14,541	991	17,739
<u>Changes in ownership interests of subsidiaries</u>						
Acquisition of additional interest in SLB	-	-	1	-	(170)	(169)
Total changes in ownership interests of subsidiaries	-	-	1	-	(170)	(169)
<u>Contribution by and distribution to owners</u>						
Dividend paid to non-controlling interest of subsidiaries	-	-	-	-	(5,051)	(5,051)
Total transactions with owners in their capacity as owners	-	-	-	-	(5,051)	(5,051)
Balance at 31 May 19	82,275	(17,777)	1,595	627,967	126,072	820,132

* Other reserves include capital reserve, translation reserve and fair value adjustment reserve.

STATEMENT OF CHANGES IN EQUITY (CONT'D)

GROUP – 4Q & FY2018 (RESTATED)

	Attributable to the owners of the Company				Non-controlling interest	Total equity
	Share capital	Treasury shares	Other reserves*	Retained earnings		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 Jun 17	82,275	(17,777)	2,217	521,504	79,431	667,650
Effects of adoption of SFRS(I) 15	-	-	-	3,330	3,023	6,353
Balance as at 1 Jun 17, restated	82,275	(17,777)	2,217	524,834	82,454	674,003
Profit for the period, net of taxation	-	-	-	25,883	9,598	35,481
<u>Other comprehensive income</u>						
Net gain on fair value changes of available-for-sale financial assets	-	-	985	-	-	985
Foreign currency translation gain	-	-	126	-	4	130
Other comprehensive income for the period, net of taxation	-	-	1,111	-	4	1,115
Total comprehensive income for the period	-	-	1,111	25,883	9,602	36,596
<u>Contribution by and distribution to owners</u>						
Dividend on ordinary shares	-	-	-	(11,243)	-	(11,243)
Dividend paid to non-controlling interest of subsidiary	-	-	-	-	(2,583)	(2,583)
Balance as at 28 Feb 18	82,275	(17,777)	3,328	539,474	89,473	696,773
Profit for the period, net of taxation	-	-	-	56,663	3,105	59,768
<u>Other comprehensive income</u>						
Net loss on fair value changes of available-for-sale financial assets	-	-	(3,755)	-	-	(3,755)
Foreign currency translation gain/(loss)	-	-	2,083	-	(72)	2,011
Other comprehensive income for the period, net of taxation	-	-	(1,672)	-	(72)	(1,744)
Total comprehensive income for the period	-	-	(1,672)	56,663	3,033	58,024
<u>Changes in ownership interests of subsidiaries</u>						
Proceeds from the Initial Public Offering (“IPO”) of shares of SLB, net of listing expenses capitalised	-	-	-	-	52,567	52,567
Premium on dilution of interest in SLB without a change in control	-	-	12,381	-	(12,381)	-
Total changes in ownership interests of subsidiaries	-	-	12,381	-	40,186	52,567
<u>Contribution by and distribution to owners</u>						
Dividend paid to non-controlling interest of subsidiary	-	-	-	-	(863)	(863)
Total transactions with owners in their capacity as owners	-	-	-	-	(863)	(863)
Balance at 31 May 18	82,275	(17,777)	14,037	596,137	131,829	806,501

* Other reserves include capital reserve, translation reserve and fair value adjustment reserve.

STATEMENT OF CHANGES IN EQUITY (CONT'D)

COMPANY – 4Q & FY2019

	Share capital	Treasury shares	Fair value adjustment reserve	Retained earnings	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 Jun 18	82,275	(17,777)	5,923	161,252	231,673
Effects of adoption of SFRS(I) 9	-	-	(9,560)	9,560	-
Balance as at 1 Jun 18, restated	82,275	(17,777)	(3,637)	170,812	231,673
Profit for the period, net of taxation	-	-	-	18,306	18,306
<u>Other comprehensive income</u>					
Net loss on equity instruments at fair value through other comprehensive income	-	-	(2,466)	-	(2,466)
Other comprehensive income for the period, net of taxation	-	-	(2,466)	-	(2,466)
Total comprehensive income for the period	-	-	(2,466)	18,306	15,840
<u>Contribution by and distribution to owners</u>					
Dividend on ordinary shares	-	-	-	(11,243)	(11,243)
Balance as at 28 Feb 19	82,275	(17,777)	(6,103)	177,875	236,270
Profit for the period, net of taxation	-	-	-	30	30
<u>Other comprehensive income</u>					
Net gain on equity instruments at fair value through other comprehensive income	-	-	194	-	194
Other comprehensive income for the period, net of taxation	-	-	194	-	194
Total comprehensive income for the period	-	-	194	30	224
Balance as at 31 May 19	82,275	(17,777)	(5,909)	177,905	236,494

COMPANY – 4Q & FY2018 (RESTATED)

	Share capital	Treasury shares	Fair value adjustment reserve	Retained earnings	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 Jun 17	82,275	(17,777)	5,700	95,131	165,329
Profit for the period, net of taxation	-	-	-	45,520	45,520
<u>Other comprehensive income</u>					
Net gain on fair value changes of available-for-sale financial assets	-	-	1,617	-	1,617
Other comprehensive income for the period, net of taxation	-	-	1,617	-	1,617
Total comprehensive income for the period	-	-	1,617	45,520	47,137
<u>Contribution by and distribution to owners</u>					
Dividend on ordinary shares	-	-	-	(11,243)	(11,243)
Balance at 28 Feb 18	82,275	(17,777)	7,317	129,408	201,223
Profit for the period, net of taxation	-	-	-	31,844	31,844
<u>Other comprehensive income</u>					
Net loss on fair value changes of available-for-sale financial assets	-	-	(1,394)	-	(1,394)
Other comprehensive income for the period, net of taxation	-	-	(1,394)	-	(1,394)
Total comprehensive income for the period	-	-	(1,394)	31,844	30,450
Balance at 31 May 18	82,275	(17,777)	5,923	161,252	231,673

- 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Number of shares (excluding treasury shares)	Share capital S\$'000
At 1 March 2019 and 31 May 2019	499,689,200	82,275

Outstanding convertibles

The Company did not have any share convertibles as at 31 May 2019 and 31 May 2018.

Treasury shares and subsidiary holdings

As at 31 May 2019, the Company had 30,070,800 (31 May 2018: 30,070,800) treasury shares.

As at 31 May 2019, the Company had Nil subsidiary holdings (31 May 2018: Nil).

- 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.

	2019	2018
Total number of issued shares excluding treasury shares at 31 May	499,689,200	499,689,200

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

Treasury shares

	2019	2018
Balance at 31 May	30,070,800	30,070,800

- 1(d)(v) A statement showing all sales, transfers, disposals, cancellations and/or use of subsidiary holdings as at the end of the current financial period reported on.

Nil

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.

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

Except as disclosed in Section 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those adopted in the most recently audited financial statements for the financial year ended 31 May 2018.

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

The Group has adopted the Singapore Financial Reporting Standards (International) ("SFRS(I)") that are effective for annual periods beginning on or after 1 June 2018. In adopting SFRS(I), the Group is required to apply all of the specific transition requirements in SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)*. The Group has also concurrently applied SFRS(I) 15 *Revenue from Contracts with Customers* and SFRS(I) 9 *Financial Instruments*.

The Group has applied the changes in accounting policies retrospectively to each reporting period/year presented.

There is no material impact on the financial results in adopting SFRS(I) and applying specific transition requirement under SFRS(I) 1, except for the effects of the adoption of SFRS(I) 9 and SFRS(I) 15, which are discussed below.

SFRS(I) 9 *Financial Instruments*

In adopting SFRS(I) 9, the Group has elected to apply the exemption in SFRS(I) 1 and has not restated comparative information in the year of initial application. The impact arising from SFRS(I) 9 adoption was included in the opening retained earnings at the date of initial application, 1 June 2018. The comparative information was prepared in accordance with the requirements of FRS 39.

SFRS(I) 9 requires all equity instruments to be carried at fair value through profit or loss, unless an entity chooses on initial recognition, to present fair value changes in other comprehensive income. The Group has elected to measure its equity securities previously classified as available-for-sale ("AFS") at fair value through other comprehensive income ("FVOCI"). An amount of \$10,210,000 was previously charged out as impairment loss for equity investments. Upon the adoption of SFRS(I) 9, the cumulative impairment loss of \$10,210,000 was reclassified from retained earnings to fair value reserve as at 1 June 2018.

SFRS(I) 15 Revenue from Contracts with Customers

In adopting SFRS(I) 15, the Group applied the full retrospective approach and practical expedients for completed contracts where completed projects that begin and end within the same year or are completed contracts at 1 June 2017 are not restated.

(a) Construction contracts

Before 1 June 2018, the Group recognises construction contract revenue by reference to the stage of completion of the contract activity at the end of each reporting period, when the outcome of a construction contract can be estimated reliably. The output method is used to determine the stage of completion, where the value of work performed is certified by the architects or quantity surveyors to the total contract sum. Upon the adoption of SFRS(I) 15, the Group will continue to recognise contract revenue over time by measuring the progress towards complete satisfaction of performance obligations. Under the new standard, the methods of measuring progress include output methods or input methods. The Group has determined that the cost-based input method better reflects the over-time transfer of control to customers.

(b) Sale of development properties - timing of revenue recognition

Prior to 1 June 2018, the Group recognises revenue from industrial development properties based on the Completion of Contracts method upon the transfer of significant risk and rewards of ownership of the goods to the customer, i.e. upon TOP and handing over the property units to the purchasers. With the adoption of SFRS(I) 15, the performance obligation for the sale of industrial development properties are satisfied over time as the Group is restricted contractually from directing the property for another use as they are being developed and has an enforceable right to payment for performance completed to date. Revenue and cost of units sold is now recognised over time using the percentage of completed method.

(c) Commissions paid to property agents on the sale of development properties

The Group pay sales commissions to property agents on the sale of development properties and such commissions are currently recognised as an expense when incurred. With the adoption of SFRS(I) 15, such commissions are capitalised as incremental costs to obtain a contract with a customer and are amortised to profit or loss in accordance with the percentage of completion.

(d) Borrowing costs relating to development properties

In March 2019, the IFRS Interpretations Committee (the “**IFRSIC**”) issued an update on the decisions reached by the IFRSIC and concluded its views that borrowing costs relating to development properties that are ready for its intended sale (i.e. ready for launch) should not be capitalised and instead, be expensed when incurred. Following the update of the agenda decision by IFRSIC, the Group has ceased capitalisation of the borrowing costs relating to the development properties when the properties are ready for its intended sale.

The financial effects of these retrospective adjustments arising from adopting SFRS(I) 15 on the Group's financial statements for the full year ended 31 May 2019 and 31 May 2018 are as follows:

Consolidated Income Statements

	Group					
	Full year ended					
	31 May 19			31 May 18		
	Before adoption of SFRS(I)15*	Effects of adoption of SFRS(I)15	Currently Reported	Before adoption of SFRS(I)15*	Effects of adoption of SFRS(I)15	Restated
S\$'000	S\$'000 Increase/ (decrease)	S\$'000	S\$'000	S\$'000 Increase/ (decrease)	S\$'000	
Revenue	577,947	(191,156)	386,791	243,885	163,075	406,960
Cost of sales	(441,945)	136,941	(305,004)	(181,875)	(111,938)	(293,813)
Gross profit	136,002	(54,215)	81,787	62,010	51,137	113,147
Other operating income	11,115	-	11,115	54,322	-	54,322
Distribution expenses	(5,156)	1,300	(3,856)	(6,068)	(2,382)	(8,450)
Administration expenses	(29,271)	3,390	(25,881)	(27,897)	(3,412)	(31,309)
Other operating expenses	(8,843)	-	(8,843)	(10,493)	-	(10,493)
Impairment loss of financial assets	(2,022)	-	(2,022)	(3,210)	-	(3,210)
Finance costs	(17,600)	-	(17,600)	(14,404)	(2,774)	(17,178)
Share of results of associates and joint ventures	6,413	(126)	6,287	13,207	266	13,473
Fair value gain on investment properties	90,638	(49,651)	40,987	67,467	42,835	110,302
Profit before taxation	3,500	-	3,500	9,657	-	9,657
Taxation	(10,990)	4,677	(6,313)	(20,476)	(4,234)	(24,710)
Profit for the year, net of taxation	83,148	(44,974)	38,174	56,648	38,601	95,249
Other comprehensive income:						
<i>Items that will not be reclassified subsequently to profit or loss:</i>						
Net loss on equity instruments at fair value through other comprehensive income	(862)	-	(862)	-	-	-
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Net gain on debt instruments at fair value through other comprehensive income	298	-	298	-	-	-
Net loss on fair value changes of available-for-sale financial assets	-	-	-	(2,770)	-	(2,770)
Foreign currency translation (loss)/gain	(1,630)	-	(1,630)	2,139	2	2,141
Other comprehensive income for the period, net of taxation	(2,194)	-	(2,194)	(631)	2	(629)
Total comprehensive income for the period	80,954	(44,974)	35,980	56,017	38,603	94,620
Profit attributable to:						
Owners of the Company	61,395	(28,532)	32,863	54,382	28,164	82,546
Non-controlling interests	21,753	(16,442)	5,311	2,266	10,437	12,703
	83,148	(44,974)	38,174	56,648	38,601	95,249
Total comprehensive income attributable to:						
Owners of the Company	59,370	(28,532)	30,838	53,821	28,164	81,985
Non-controlling interests	21,584	(16,442)	5,142	2,196	10,439	12,635
	80,954	(44,974)	35,980	56,017	38,603	94,620
Basic earnings per share (cents)	12.29	(5.71)	6.58	10.88	5.64	16.52

*Prepared based on Singapore Financial Reporting Standards before adoption of SFRS(I) 15 and applicable to only existing uncompleted projects/contracts as at 1 June 2018.

Statement of Financial Position

	Group					
	31 May 18			1 Jun 17		
	Before adoption of SFRS(I) 15*	Effects of adoption of SFRS(I) 15	Restated	Before adoption of SFRS(I) 15*	Effects of adoption of SFRS(I) 15	Restated
S\$'000	S\$'000 Increase/ (Decrease)	S\$'000	S\$'000	S\$'000 Increase/ (Decrease)	S\$'000	
Non-current assets						
Property, plant and equipment	159,356	-	159,356	63,577	-	63,577
Investment properties	529,472	-	529,472	703,860	-	703,860
Investment in joint ventures	18,630	434	19,064	34,540	166	34,706
Investment in associates	49,768	(533)	49,235	43,970	(533)	43,437
Amounts due from associates	44,911	-	44,911	45,000	-	45,000
Deferred tax assets	1,256	(1,139)	117	249	-	249
Other assets	77	-	77	260	-	260
Amounts due from third parties	-	-	-	3,357	-	3,357
Investment securities	129,097	-	129,097	119,494	-	119,494
	932,567	(1,238)	931,329	1,014,307	(367)	1,013,940
Current assets						
Contract assets	8,860	112,541	121,401	4,811	44,915	49,726
Development properties	218,501	(145,600)	72,901	161,431	(53,221)	108,210
Investment property held for sale	-	-	-	26,283	-	26,283
Capitalised contract costs	-	218	218	-	1,384	1,384
Inventories	3,827	-	3,827	4,297	-	4,297
Trade receivables	88,833	(31,358)	57,475	59,093	(23,237)	35,856
Other receivables and deposits	34,520	-	34,520	32,384	-	32,384
Prepayments	1,195	-	1,195	1,923	-	1,923
Amounts due from affiliated companies	-	-	-	1	-	1
Amounts due from joint ventures	69,627	(3,282)	66,345	37,260	(7,688)	29,572
Amount due from associates	163,610	(222)	163,388	100,095	-	100,095
Investment securities	17,885	-	17,885	7,515	-	7,515
Cash and cash equivalents	209,214	-	209,214	187,804	-	187,804
	816,072	(67,703)	748,369	622,897	(37,847)	585,050
Current liabilities						
Contract liabilities	4,295	363	4,658	59,704	(12,463)	47,241
Trade payables, other payables and accruals	300,697	(117,800)	182,897	191,147	(32,549)	158,598
Amounts due to associates	8,616	-	8,616	1,361	-	1,361
Amounts due to joint ventures	4,619	-	4,619	17,817	-	17,817
Bank loans and bills payable	330,707	-	330,707	258,174	-	258,174
Obligations under hire purchase	3,324	-	3,324	3,780	-	3,780
Provision for taxation	19,377	(771)	18,606	8,673	(176)	8,497
	671,635	(118,208)	553,427	540,656	(45,188)	495,468
Net current assets	144,437	50,505	194,942	82,241	7,341	89,582
Non-current liabilities						
Refundable rental deposits	2,978	-	2,978	2,109	-	2,109
Bank loans	309,194	-	309,194	422,325	-	422,325
Obligation under hire purchase	2,327	-	2,327	3,224	-	3,224
Deferred tax liabilities	960	4,311	5,271	1,240	621	1,861
	315,459	4,311	319,770	428,898	621	429,519
Net assets	761,545	44,956	806,501	667,650	6,353	674,003
Equity attributable to owners of the Company						
Share capital	82,275	-	82,275	82,275	-	82,275
Treasury shares	(17,777)	-	(17,777)	(17,777)	-	(17,777)
Other reserves	17,017	(2,980)	14,037	2,217	-	2,217
Retained earnings	564,643	31,494	596,137	521,504	3,330	524,834
	646,158	28,514	674,672	588,219	3,330	591,549
Non-controlling interests	115,387	16,442	131,829	79,431	3,023	82,454
Total equity	761,545	44,956	806,501	667,650	6,353	674,003
Net asset value per share (cents)	129.31	5.71	135.02	117.72	0.67	118.38

*Prepared based on Singapore Financial Reporting Standards before adoption of SFRS(I) 15 and applicable to only existing uncompleted projects/contracts as at 1 June 2018.

- 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.

Earnings per share attributable to equity holders of the Company (cents per share)	Fourth quarter ended		Full year ended	
	31 May 19	31 May 18	31 May 19	31 May 18
	(Restated)		(Restated)	
(a) On a basic basis	2.91	11.34	6.58	16.52
(b) On a fully diluted basis	2.91	11.34	6.58	16.52

- 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.

Net asset value per ordinary shares (cents)	Group		Company	
	31 May 19	31 May 18	31 May 19	31 May 18
	(Restated)		(Restated)	
	138.90	135.02	47.33	46.36

- 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss (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.

A) Comprehensive Income Statements

4Q2019 vs 4Q2018 (restated)

Revenue

The Group recorded revenue of S\$132.9 million for the three months ended 31 May 2019 ("4Q2019"), a decrease of 11.6% from S\$150.4 million for the three months ended 31 May 2018 ("4Q2018"). The decrease was mainly due to the absence of revenue recognised from the sale of development properties at 596 St Kilda Road in Melbourne, Australia ("**St Kilda Property**") in 4Q2018 and lower revenue contribution from Property Development Segment, as industrial project T-Space @ Tampines ("**T-Space**") was substantially completed in 4Q2018. The decrease was partially offset by increase in revenue in Construction and Investment Holding Segments.

Cost of sales

Cost of sales increased from S\$95.2 million to S\$112.8 million mainly due to increase in construction costs in line with the increase in construction activity.

Gross profit

Due to the factors discussed above, gross profit decreased by 63.5%, or S\$35.0 million, to S\$20.1 million in 4Q2019 from S\$55.1 million in 4Q2018.

Other operating income

Other operating income normalised from S\$37.2 million in 4Q2018 to S\$4.5 million in 4Q2019, mainly due to the absence of a one-time gain on disposal of investment property at 50 Franklin Street, Melbourne, Australia that was recorded in 4Q2018 ("**Franklin Property**").

Operating expenses

Distribution expenses decreased by 85.8% to S\$0.6 million in 4Q2019 from S\$3.9 million in 4Q2018, mainly due to lower marketing expenses recognised for T-Space in 4Q2019, and the absence of commission paid for the sale of St Kilda Property in 4Q2018.

Administrative expenses decreased by S\$7.9 million from S\$13.0 million in 4Q2018 to S\$5.1 million in 4Q2019, mainly due to overall reduction in overhead costs and the absence of listing expenses incurred by the Group's subsidiary SLB Development Ltd ("SLB") in 4Q2018.

Other operating expenses decreased to S\$2.1 million in 4Q2019 from S\$3.7 million in 4Q2018, mainly due to the absence of foreign exchange losses recognised from weaker Australian Dollars in 4Q2018.

Impairment loss of financial assets refers to the allowance for doubtful trade receivables, which was S\$2.2 million in 4Q2019, 31.6% lower than S\$3.2 million recorded in 4Q2018.

In 4Q2019, share of profit of associates and joint ventures was S\$4.2 million, an increase of S\$1.3 million as compared to share of profit of associates and joint ventures of S\$2.9 million in 4Q2018. This was mainly due to increase in share of profit from a joint venture arising from its investment holding activities.

The fair value gain from the Group's investment properties was S\$3.5 million, 63.8% lower than the S\$9.6 million recorded in 4Q2018, mainly due to the one-off fair value gain of Mactaggart Foodlink in 4Q2018.

Income tax expenses decreased from S\$17.0 million in 4Q2018 to S\$1.9 million in 4Q2019, mainly due to lower profit recorded in 4Q2019 and the absence of the tax provisions for the gain on disposal of Franklin Property and St Kilda Property in 4Q2018.

Profit after tax

After taking into account of the above, Group net profit in 4Q2019 amounted to S\$15.6 million, a decrease of S\$44.2 million as compared to S\$59.8 million in 4Q2018.

FY2019 vs FY2018 (restated)

Revenue

The Group recorded revenue of S\$386.8 million for the full year ended 31 May 2019 ("**FY2019**"), a 5.0%, or \$20.2 million, decrease from S\$407.0 million recorded in the full year ended 31 May 2018 ("**FY2018**"). This was mainly due to a decrease in revenue contribution from the Property Development Segment, with T-Space substantially completed in 4Q2018. The decrease was partially offset by an increase in revenue generated from the Construction and Investment Holding Segments.

Cost of sales

Cost of sales increased slightly by 3.8%, or S\$11.2 million, to S\$305.0 million in FY2019 from S\$293.8 million in FY2018, mainly due to increase in construction cost, in line with the increase in construction activity.

Gross profit

Due to the factors discussed above, gross profit decreased by 27.7%, or S\$31.4 million, to S\$81.8 million in FY2019 from S\$113.1 million in FY2018.

Other operating income

Other operating income normalised from S\$54.3 million in FY2018 to S\$11.1 million in FY2019, in the absence of one-time gains on disposal of investment properties located at 247 & 249 Collins Street, Melbourne, Australia ("**Collins Property**") and Franklin Property in FY2018.

Operating expenses

Distribution expenses decreased by 54.4% to S\$3.9 million in FY2019 from S\$8.5 million in FY2018, mainly due to (i) lower sales commission recognised for T-Space in FY2019, and (ii) absence of marketing and leasing agent's fees incurred for the Franklin Property and commission paid for the sale of St Kilda Property in FY2018.

Administrative expenses decreased by 17.3% to S\$25.9 million in FY2019 from S\$31.3 million in FY2018, mainly due to overall reduction in overhead costs and the absence of listing expenses incurred by SLB in FY2018.

Share of profit of associates and joint ventures decreased by 53.3% to S\$6.3 million from S\$13.5 million in FY2018, after taking into account of (i) share of loss of associates of S\$0.2 million in FY2019 as compared to share of profit of associates of S\$4.5 million in FY2018; and (ii) lower share of profit of joint venture of S\$2.4 million in FY2019.

The share of losses of associates in the Property Development Segment is mainly due to share of interest incurred and expensed off for the development properties Affinity @ Serangoon and Riverfront Residences. The decrease in share of profits from joint ventures was mainly due to completion of residential development project, Spottiswoode Suites in June 2017, which was fully sold in FY2018;

partially offset by an increase in share of profit from a joint venture arising from its investment holding activities.

Income tax expense decreased from S\$24.7 million in FY2018 to S\$6.3 million in FY2019, mainly due to lower profits recorded in FY2019 and absence of tax provisions for the gain on disposal of St Kilda Property, Franklin Property and Collins Property.

Profit after tax

Taking the above into account, Group net profit in FY2019 was S\$38.2 million, compared to S\$95.2 million in FY2018.

B) Financial Position Statements

Non-current assets

Investment in associates decreased from S\$49.2 million in May 2018 to S\$41.1 million in May 2019, due to dividend income received from associates of S\$19.4 million, share of loss from associates of S\$0.2 million and liquidation proceeds of S\$0.8 million, which were partially offset by investment in new associates of \$12.8 million in FY2019 .

Current assets

Contract assets decreased to S\$101.7 million in May 2019 from S\$121.4 million in May 2018, mainly due to decrease in contract assets from development property T-Space. This was partially offset by increases in contract assets from development properties Mactaggart Foodlink, Pei-Fu Industrial Building and construction projects, Defu Industrial City and The Tre Ver.

Development properties increased to S\$104.5 million in May 2019 from S\$72.9 million in May 2018 mainly due to acquisition costs for Pei-Fu Industrial Building, which was partially offset by the sale of development units in T-Space and Mactaggart Foodlink.

Trade receivables decreased from S\$57.5 million in May 2018 to \$43.7 million in May 2019, mainly due to decreases in trade receivables from Property Development Segment: (i) S\$12.0 million from T-Space; (ii) S\$7.0 million from Mandai Foodlink and (iii) S\$1.4 million from Mactaggart Foodlink. These were partially offset by an increase in trade receivables contributed by a 60%-owned subsidiary acquired in June 2018.

Other receivables and deposits decreased to S\$16.2 million in May 2019 from S\$34.5 million in May 2018 mainly due to the reclassification of deposit paid for the purchase of Pei-Fu Industrial Building to development properties upon legal completion of acquisition in November 2018. This decrease also took into account the payment received from other debtors of S\$9.1 million.

Prepayments increased from \$1.2 million in May 2018 to \$5.6 million in May 2019 mainly due to prepayment made for material purchases for the Construction Segment.

Amounts due from joint ventures increased to S\$78.5 million in May 2019 from S\$66.3 million in May 2018, mainly due to the loan provided to a joint venture to finance the purchase of an investment property.

Investment securities decreased to S\$15.7 million in May 2019 from S\$17.9 million in May 2018, mainly due to redemption and disposal of non-equity investments of S\$14.5 million, offset by reclassification of certain corporate bonds of S\$12.3 million from non-current to current as their maturities are due within one year.

Current and non-current liabilities

Contract liabilities increased from S\$4.7 million in May 2018 to S\$29.1 million in May 2019, mainly due to an increase in contract liabilities from construction projects.

Amounts due to associates decreased to S\$1.1 million in May 2019 from S\$8.6 million in May 2018, mainly due to repayment of loans S\$7.5 million to associates.

Amounts due to joint ventures decreased to S\$2.2 million in May 2019 from S\$4.6 million in May 2018, mainly due to repayment of loans to joint ventures of S\$2.4 million.

Total borrowings decreased to S\$583.5 million in May 2019 from S\$645.6 million in May 2018 mainly due to repayment of loans (i) for T-Space S\$81.8 million and Mactaggart Foodlink S\$5.4 million (ii) upon redemption and disposal of investment securities S\$21.2 million, and (iii) previously drawn down to

finance the acquisition of the investment properties and working capital S\$10.2 million; offset by bank loans drawn down to finance the acquisition of Pei-Fu industrial Building S\$57.2 million.

Provision for taxation decreased to S\$8.1 million in May 2019 from S\$18.6 million in May 2018, mainly due to the payment of income tax in relation to the gain on disposal of Franklin Property and St Kilda Property.

C) Cash Flow Statements

In FY2019, cash and cash equivalents decreased by S\$28.4 million to S\$179.9 million in May 2019, mainly due to net cash used in financing activities of S\$113.9 million, offset by the net cash from operating activities of S\$79.7 million and investing activities of S\$5.8 million respectively.

Net cash from operating activities of S\$79.7 million in May 2019 was mainly due to operating cash flow before changes in working capital of S\$58.0 million, and net working capital inflow of S\$40.6 million, payment of income tax of S\$18.2 million and interest charges of S\$0.7 million capitalised in development properties.

Net cash from investing activities of S\$5.8 million in May 2019 was mainly due to dividend income from joint ventures and associates S\$25.9 million and investment securities S\$1.7 million; interest received of S\$9.7 million, net proceeds from redemption and disposal of investment securities S\$4.4 million and loans repayment from associates S\$1.5 million; offset by the loans to joint ventures of S\$13.6 million, purchase of property, plant and equipment of S\$11.7 million; and investment in new associates \$12.8 million.

Net cash used in financing activities of S\$113.9 million in May 2019 was mainly attributable to net repayment of bank loans S\$63.0 million, dividend paid on ordinary shares S\$11.2 million and to non-controlling interest of subsidiaries S\$10.0 million, repayment of loans to associates and joint ventures S\$9.8 million and payment for interest S\$17.6 million.

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

No forecast or prospect statement has previously been disclosed.

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.

According to the advance estimates released by Ministry of Trade and Industry on 12 July 2019, Singapore economy grew by 0.1% on a year-on-year basis in the second calendar quarter of 2019 ("2Q2019"), slower than the 1.1% growth in the previous quarter. Flash estimates from the Urban Redevelopment Authority dated 1 July 2019 showed a 1.3% increase in the private residential property index in the second quarter of 2019, compared to the 0.7% decrease in the preceding quarter. However, the construction sector grew by 2.2% on a year-on-year basis in 2Q2019, extending the 2.7% expansion in the previous quarter, on the back of higher public sector construction activity. Public sector projects were the key to the growth of the construction sector in 2Q2019 and are expected to continue to support construction demand in the year ahead.

In view of the above, the Group is cautiously optimistic of the outlook of the construction market for the next 12 months. The Group will continue to leverage its strong track record and proven expertise to tender for public and private sector projects. In March and July 2019, the Group secured two construction contracts worth S\$352 million. The addition of these recent contracts brings the Group's order book to \$1.40 billion as at 31 May 2019 and is expected to support the Group's activities through FY2022.

In addition, going forward, the Group expects to generate stable, recurring rental income from its portfolio of investment properties. The Group also expects to generate recurring income from its portfolio of investment securities comprising mostly corporate bonds.

On the property development front, the Group, alongside its partners, will continue to monitor the property market closely and take appropriate action when necessary. The Group is cautious when seeking opportunities to replenish its land bank and will continue to explore business opportunities in the region through acquisition, joint venture and/or strategic alliances that will complement its property

development business. It will also prudently seek suitable opportunities to diversify its income streams further for sustainable future growth.

11 Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? Yes

Name of dividend	Interim	Final	Total
Dividend type	Cash	Cash	Cash
Dividend amount per share (cents)	1.0	1.25	2.25
Tax rate	Tax-exempt (1-tier)	Tax-exempt (1-tier)	Tax-exempt (1-tier)

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

Name of dividend	Interim	Final	Total
Dividend type	Cash	Cash	Cash
Dividend amount per share (cents)	1.0	1.25	2.25
Tax rate	Tax-exempt (1-tier)	Tax-exempt (1-tier)	Tax-exempt (1-tier)

(c) Date payable

The final dividend, if approved during the Annual General Meeting to be held on 27 September 2019, will be paid on 14 October 2019.

(d) Books closure date

The Share Transfer Books and Register of Members of the Company will be closed on 4 October 2019, 5.00 p.m. for the preparation of dividend warrants.

Duly completed registrable transfers received by the Company's Share Registrar, M&C Services Private Limited at 112, Robinson Road, #05-01 Singapore 068902, up to 5.00 p.m. on 4 October 2019 will be registered to determine shareholders' entitlements to the dividend.

Members whose shares are credited to the securities accounts with The Central Depository (Pte) Limited as at 5.00 p.m. on 4 October 2019 will be entitled to the proposed final dividend.

12. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

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.

Not applicable as no IPT mandate has been obtained.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company confirms that it has procured the undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

16. 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.

Group – FY2019

	Construction	Dormitory	Investment holding	Property development	Adjustments and eliminations	Group
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue:						
External customer	291,719	23,108	24,319	47,645	-	386,791
Inter-segment	7,030	-	8,409	-	(15,439)	-
Total revenue	298,749	23,108	32,728	47,645	(15,439)	386,791
Results:						
Interest income	370	1,915	8,490	1,976	(1,184)	11,567
Dividend income	457	-	1,290	-	-	1,747
Finance cost	878	5,102	10,006	2,798	(1,184)	17,600
Depreciation and amortisation	12,349	186	2,993	125	(18)	15,635
Share of results of associates and joint ventures	796	5,606	7,188	(7,303)	-	6,287
Fair value gain on investment properties	150	-	3,350	-	-	3,500
<i>Other non-cash expenses</i>						
Amortisation of other assets	76	-	-	-	-	76
Amortisation of capitalised contract costs	-	-	-	2,251	-	2,251
Impairment loss of financial assets	1,192	-	830	-	-	2,022
Bad debts written off	70	-	2	-	-	72
Segment profit/(loss)	6,883	19,939	17,868	(2,166)	1,963	44,487
Assets:						
Investment in joint ventures	12,687	-	3,298	3,176	(64)	19,097
Investment in associates	-	9,628	40,858	(9,373)	(38)	41,075
Additions to non-current assets	13,692	82	111	492	-	14,377
Segment assets	542,549	342,618	898,520	317,807	(462,681)	1,638,813
Segment liabilities	228,384	168,961	618,253	147,534	(344,451)	818,681

GROUP – FY2018 (RESTATED)

	Construction	Dormitory	Investment holding	Property development	Adjustments and eliminations	Group
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue:						
External customer	174,539	22,302	20,271	189,848	-	406,960
Inter-segment	78,398	111	54,514	-	(133,023)	-
Total revenue	252,937	22,413	74,785	189,848	(133,023)	406,960
Results:						
Interest income	541	1,737	8,263	188	(327)	10,402
Dividend income	533	-	1,354	-	-	1,887
Finance cost	935	4,495	8,689	3,386	(327)	17,178
Depreciation and amortisation	13,595	288	878	22	(4)	14,779
Share of results of associates and joint ventures	5,108	6,130	318	1,917	-	13,473
Fair value (loss)/gain on investment properties	(10)	-	5,489	-	4,178	9,657
<i>Other non-cash expenses</i>						
Amortisation of other assets	183	-	-	-	-	183
Amortisation of capitalised contract costs	-	-	-	6,065	-	6,065
Impairment loss of financial assets	260	-	2,950	-	-	3,210
Bad debts written off	7	3	-	-	-	10
Segment profit/(loss)	47,528	20,258	42,147	32,691	(22,665)	119,959
Assets:						
Investment in joint ventures	11,890	-	(2,472)	9,710	(64)	19,064
Investment in associates	-	14,618	27,436	7,255	(74)	49,235
Additions to non-current assets	6,462	55	3,334	311	(270)	9,892
Segment assets	517,614	351,597	907,294	356,404	(453,211)	1,679,698
Segment liabilities	205,711	176,135	623,335	198,413	(330,397)	873,197

SEGMENT INFORMATION (CONT'D)

b) by geographical segment

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Revenue		Non-current assets	
	FY2019 S\$'000	FY2018 S\$'000 (Restated)	FY2019 S\$'000	FY2018 S\$'000 (Restated)
Singapore	386,791	370,289	690,643	688,355
Australia	-	36,671	-	-
China	-	-	419	473
Total	386,791	406,960	691,062	688,828

Non-current assets information presented above consists of property, plant and equipment and investment properties as presented in the consolidated statement of financial position.

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.

Please refer to Paragraph 8 and 14.

17. A breakdown of the sales as follows:

	Group		
	FY2019	FY2018	Increase/ (Decrease)
	S\$'000	S\$'000 (Restated)	%
Revenue reported for first half year	162,920	165,945	(1.8)
Operating profit after tax before deducting non-controlling interests reported for first half year	17,693	24,213	(26.9)
Revenue reported for second half year	223,871	241,015	(7.1)
Operating profit after tax before deducting non-controlling interests reported for second half year	20,481	71,036	(71.2)

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

	FY2019 S\$'000	FY2018 S\$'000
Ordinary shares	11,243	11,243
Preference	-	-
Total dividend	11,243	11,243

19. Disclosure of person occupying 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 the Rule 704 (13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Mr Ong Phang Hui	45	Sibling of Mr Ong Pang Aik, Ms Ong Lay Huan and Ms Ong Lay Koon	Plant and Machinery Director. Mr Ong is responsible for overseeing the Group's Engineering Division, as well as monitoring the progress of materials utilization by the Group's Construction Division. In addition, he is responsible for overseeing the operations and management of the Group's ready-mix concrete business. He is also responsible for the asphalt premix, resources and logistic divisions. Position held since 1999.	Not applicable
Mr Ong Phang Hoo	45	Sibling of Mr Ong Pang Aik, Ms Ong Lay Huan and Ms Ong Lay Koon	Project Director. Mr Ong is responsible for the Group's foreign labour planning and deployment functions, as well as the management of the Group's foreign workers training division. In addition, he is part of the management team that manages the Construction Division. Position held since 1999.	Not applicable
Ms Ong Lee Yap	53	Sibling of Mr Ong Pang Aik, Ms Ong Lay Huan and Ms Ong Lay Koon	Purchasing Director. Ms Ong manages the Purchasing Division as well as the Group's inter-company material and machinery logistics deployment. She oversees the purchasing planning and control through information collection and analysis of data to observe trends. She also administers the Group's foreign workers' payroll function. Position held since 1999.	Not applicable
Mr Ong Eng Keong, Matthew	37	Son of Mr Ong Pang Aik. Nephew of Ms Ong Lay Huan and Ms Ong Lay Koon	Executive Director and Chief Executive Officer of SLB Development Ltd, a subsidiary of the Company and listed on SGX Catalyst. Position held since 2018.	Not applicable
Ms Ong Sui Hui	40	Daughter of Mr Ong Pang Aik. Niece of Ms Ong Lay Huan and Ms Ong Lay Koon	Contracts Manager. Ms Ong manages a team of Quantity Surveyors and oversees tenders and all subcontract matters. Position held since 2012.	Not applicable

Note:

Mr Ong Pang Aik (Chairman and Managing Director and Substantial Shareholder), Ms Ong Lay Huan (Executive Director and Substantial Shareholder) and Ms Ong Lay Koon (Executive Director) are siblings.

BY ORDER OF THE BOARD

Ong Pang Aik
Chairman and Managing Director

30 July 2019