



Second Quarter And First Half Financial Statement And Dividend Announcement

Second Quarter And First half financial statements on consolidated results for the period ended 30 November 2017.

These figures have not been audited.

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

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.

	The Group					
	Second Quarter Ended		% Increase /(Decrease)	Half Year Ended		% Increase /(Decrease)
	30.11.2017 S\$'000	30.11.2016 S\$'000		30.11.2017 S\$'000	30.11.2016 S\$'000	
Revenue	50,457	49,221	2.5%	87,638	120,022	-27.0%
Cost of sales	(43,321)	(38,387)	12.9%	(68,093)	(90,650)	-24.9%
Gross profit	7,136	10,834	-34.1%	19,545	29,372	-33.5%
Other operating income	2,900	3,957	-26.7%	13,355	7,308	82.7%
Distribution expenses	(2,552)	(629)	305.7%	(2,900)	(1,662)	74.5%
Administrative expenses	(4,719)	(5,317)	-11.2%	(10,063)	(11,097)	-9.3%
Other operating expenses	-	(3,332)	-100.0%	(4,003)	(8,774)	-54.4%
Finance costs	(3,680)	(1,951)	88.6%	(6,922)	(4,054)	70.7%
Share of results of associates	2,147	990	116.9%	3,339	7,010	-52.4%
Share of results of joint ventures	3,222	3,452	-6.7%	5,215	5,504	-5.3%
Profit before taxation	4,454	8,004	-44.4%	17,566	23,607	-25.6%
Taxation	(623)	(1,157)	-46.2%	(3,683)	(3,245)	13.5%
Profit for the period	3,831	6,847	-44.0%	13,883	20,362	-31.8%
Other comprehensive income: <i>Items that may be reclassified subsequently to profit or loss:</i>						
Foreign currency translation (loss) / gain	(4,255)	908	nm	(776)	1,333	nm
Net gain / (loss) on fair value changes of available-for-sale financial assets	1,000	(1,974)	nm	3,890	(2,785)	nm
Net fair value changes of available-for-sale financial assets reclassified to profit or loss	-	-	nm	-	1,869	nm
Other comprehensive income for the period, net of taxation	(3,255)	(1,066)	205.3%	3,114	417	646.8%
Total comprehensive income for the period	576	5,781	-90.0%	16,997	20,779	-18.2%
Profit attributable to :						
Owners of the Company	3,249	5,716	-43.2%	12,191	18,377	-33.7%
Non-controlling interests	582	1,131	-48.5%	1,692	1,985	-14.8%
	3,831	6,847	-44.0%	13,883	20,362	-31.8%
Total comprehensive income attributable to:						
Owners of the Company	142	4,558	-96.9%	15,331	18,622	-17.7%
Non-controlling interests	434	1,223	-64.5%	1,666	2,157	-22.8%
	576	5,781	-90.0%	16,997	20,779	-18.2%

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.

	The Group					
	Second Quarter Ended		% Increase /(Decrease)	Half Year Ended		% Increase /(Decrease)
	30.11.2017	30.11.2016		30.11.2017	30.11.2016	
	S\$'000	S\$'000	S\$'000	S\$'000		
Other income including interest income	1,692	2,946	-42.6%	3,678	6,052	-39.2%
Gain on disposal of property, plant and equipment	99	327	-69.7%	243	422	-42.4%
Depreciation of property, plant and equipment	(3,512)	(3,709)	-5.3%	(7,153)	(7,724)	-7.4%
Gain / (loss) on foreign exchange, net	2,974	(28)	nm	916	(2,204)	nm
Dividend income from investment securities	510	393	29.8%	637	478	33.3%
Provision for doubtful debt	-	(178)	-100.0%	-	(178)	-100.0%
Gain on disposal of investment property	-	-	nm	7,772	-	nm
Impairment loss on investment securities	-	(1,140)	-100.0%	-	(2,090)	-100.0%

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.

	The Group S\$'000		The Company S\$'000	
	30-Nov-17	31-May-17	30-Nov-17	31-May-17
<u>Non-current assets</u>				
Property, plant and equipment	57,132	63,577	-	1
Investment properties	621,827	703,860	-	-
Investments in joint ventures	21,729	34,540	6,220	6,220
Investments in subsidiaries	-	-	75,299	75,299
Investments in associates	47,702	43,970	200	200
Amount due from associates	45,000	45,000	-	-
Deferred tax assets	126	249	-	-
Other assets	168	260	-	-
Amounts due from third parties	1,634	3,357	-	-
Investment securities	142,341	119,494	20,520	17,860
	937,659	1,014,307	102,239	99,580
<u>Current assets</u>				
Construction work-in-progress in excess of progress billings	9,399	4,811	-	-
Development properties	245,632	161,431	-	-
Investment property held for sale	55,653	26,283	-	-
Inventories	6,119	4,297	-	-
Trade receivables	84,751	59,093	-	-
Other receivables and deposits	27,911	32,384	3,985	7,443
Prepayments	1,434	1,923	56	5
Receivables from affiliated companies	43	1	-	-
Receivables from related parties	-	-	303,574	257,247
Amounts due from joint ventures	61,254	37,260	34,401	10,897
Amounts due from associates	84,737	100,095	3,644	18,843
Investment securities	6,908	7,515	-	-
Cash and cash equivalents	155,933	187,804	12,198	39,426
	739,774	622,897	357,858	333,861
<u>Current liabilities</u>				
Progress billings in excess of construction work-in-progress	69,092	59,704	-	-
Trade and other payables	217,961	173,565	57	39
Accruals	14,049	17,582	112	196
Amounts due to associates	5,941	1,361	76	76
Amounts due to joint ventures	4,545	17,817	-	-
Amounts due to subsidiaries	-	-	249,328	257,679
Bank loans	318,445	258,174	-	-
Bills payable	405	-	-	-
Obligations under hire purchases	2,205	3,780	-	-
Provision for taxation	7,793	8,673	16	19
	640,436	540,656	249,589	258,009
Net current assets	99,338	82,241	108,269	75,852
<u>Non-current liabilities</u>				
Refundable rental deposits	2,373	2,109	-	-
Amounts due to subsidiaries	-	-	7,998	10,103
Bank loans	354,312	422,325	-	-
Obligations under hire purchase	2,618	3,224	-	-
Deferred tax liabilities	1,016	1,240	-	-
	360,319	428,898	7,998	10,103
Net assets	676,678	667,650	202,510	165,329
<u>Equity attributable to equity holders of the Company</u>				
Share capital	82,275	82,275	82,275	82,275
Treasury shares	(17,777)	(17,777)	(17,777)	(17,777)
Capital reserve	(220)	(220)	-	-
Foreign currency translation reserve	(3,852)	(3,102)	-	-
Fair value adjustment reserve	9,429	5,539	8,360	5,700
Retained earnings	527,449	521,504	129,652	95,131
	597,304	588,219	202,510	165,329
Non-controlling interests	79,374	79,431	-	-
Total equity	676,678	667,650	202,510	165,329

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

Amount repayable in one year or less, or on demand

As at 30 November 2017

Secured (S\$)	Unsecured (S\$)
321,055,000	-

As at 31 May 2017

Secured (S\$)	Unsecured (S\$)
261,954,000	-

Amount repayable after one year

As at 30 November 2017

Secured (S\$)	Unsecured (S\$)
356,930,000	-

As at 31 May 2017

Secured (S\$)	Unsecured (S\$)
425,549,000	-

Details of any collateral

As at 30 November 2017, the Group's borrowings of S\$678.0 million (31 May 2017: S\$687.5 million) are secured by the Group's freehold and leasehold properties, development properties, investment properties, barges, tug boats, plant and machinery, motor vehicles and investment securities. The bank facilities of the subsidiary companies are also secured by corporate guarantees from the Company.

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.

	The Group		The Group	
	Second Quarter ended		Half Year ended	
	30-Nov-17	30-Nov-16	30-Nov-17	30-Nov-16
Cash flows from operating activities	S\$'000	S\$'000	S\$'000	S\$'000
Profit before taxation	4,454	8,004	17,566	23,607
<u>Adjustments for:-</u>				
Depreciation of property, plant and equipment	3,512	3,709	7,153	7,724
Amortisation of other asset	46	46	92	92
Write back on inventories written down	-	-	-	(48)
Dividend income from investment securities	(510)	(393)	(637)	(478)
Gain on disposal of property, plant and equipment	(99)	(327)	(243)	(422)
Net fair value gain on investment securities	(55)	(74)	(113)	(64)
Impairment loss on investment securities	-	1,140	-	2,090
Loss / (gain) on disposal of investment securities	487	(174)	172	(190)
Gain on disposal of investment property	-	-	(7,772)	-
Gain on disposal of subsidiary	-	-	(1)	-
Interest income	(979)	(2,339)	(2,092)	(4,695)
Interest expense	3,680	1,951	6,922	4,054
Unrealised exchange differences	(439)	(157)	(424)	(246)
Provision for doubtful debt	-	178	-	178
Asset written off	-	-	-	2
Bad debt written off	1	-	4	-
Share of results of associates and joint ventures	(5,368)	(4,442)	(8,554)	(12,514)
Operating cash flows before changes in working capital	4,730	7,122	12,073	19,090
Changes in working capital :-				
Development properties	(28,301)	(20,383)	(51,643)	(38,024)
Construction work-in-progress	(1,224)	149	4,557	(967)
Inventories	(1,675)	1,175	(1,822)	2,622
Trade receivables	(26,159)	17,584	(25,658)	26,113
Other receivables and deposits	2,056	5,251	4,674	(15,313)
Prepayments	375	34	489	438
Trade payables, other payables and accruals	43,789	(4,275)	40,864	6,034
Balances with related parties	3,012	(632)	5,839	(4,398)
	(8,127)	(1,097)	(22,700)	(23,495)
Cash flows (used in) / from operations	(3,397)	6,025	(10,627)	(4,405)
Interest paid capitalised in development properties	(744)	(656)	(1,498)	(1,284)
Income tax paid	(4,545)	(2,591)	(4,587)	(2,591)
Net cash flows (used in) / from operating activities	(8,686)	2,778	(16,712)	(8,280)
Cash flows from investing activities				
Interest received	1,239	2,078	1,692	3,982
Dividend income from investment securities	510	393	637	478
Dividend income from an associate	-	-	1,273	5,700
Dividend income from joint ventures	550	-	18,260	40,750
Purchase of investment securities	(17,987)	(7,425)	(37,171)	(23,176)
Purchase of property, plant and equipment	(354)	(889)	(760)	(1,388)
Purchase of investment properties	(135)	(165,775)	(5,211)	(175,880)
Repayment of loans by / (loans to) third parties	862	(39)	1,723	1,722
Proceeds from disposal of property, plant and equipment	129	371	296	876
Repayment of loans by associates	9,657	14,672	13,612	12,853
Investment in associates	(1,600)	-	(1,600)	-
Repayment of loans by / (loan to) joint ventures	2,430	-	(23,661)	-
Proceeds from the disposal of investment property	-	-	35,191	-
Proceeds from redemption and disposal of investment securities	8,892	21,499	17,709	33,018
Net cash flows from / (used in) investing activities	4,193	(135,115)	21,990	(101,065)
Cash flows from financing activities				
Interest paid	(3,680)	(1,952)	(6,922)	(4,055)
Proceeds from bank loans and bills payable	29,420	141,198	43,514	157,847
Repayment of hire purchase creditors	(997)	(1,607)	(2,181)	(3,249)
Repayment of bank loans	(3,972)	(3,264)	(50,704)	(6,524)
Dividends paid on ordinary shares	(6,246)	(9,994)	(6,246)	(9,994)
Dividends paid to a non-controlling interest of a subsidiary	(862)	(862)	(1,723)	(2,623)
Loans from /(repayment of loans to) joint ventures	500	(260)	(13,210)	(28,060)
Loan from a non-controlling interest of a subsidiary	258	600	318	600
Net cash flows from / (used in) financing activities	14,421	123,859	(37,154)	103,942
Net increase / (decrease) in cash and cash equivalents	9,928	(8,478)	(31,876)	(5,403)
Cash and cash equivalents at beginning of the period	145,991	163,251	187,804	160,127
Effect of exchange rate changes on cash and cash equivalents	14	96	5	145
*Cash and cash equivalents at end of the period	155,933	154,869	155,933	154,869
* Breakdown of cash and cash equivalents at the end of period :				
Cash on hand and at banks	127,816	116,159	127,816	116,159
Fixed deposits	28,117	38,710	28,117	38,710
Total	155,933	154,869	155,933	154,869

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							
	Share Capital	Treasury Shares	Capital Reserve	Translation Reserves	Fair Value Adjustment Reserves	Retained Earnings	Non-controlling Interests	Total Equity
	S\$ '000	S\$ '000	S\$ '000	S\$ '000	S\$ '000	S\$ '000	S\$ '000	S\$ '000
(i) Group - 2Q FY2018								
Balance at 1 Sept 2017	82,275	(17,777)	(220)	255	8,429	530,446	79,802	683,210
Profit for the period	-	-	-	-	-	3,249	582	3,831
<u>Other comprehensive income</u>								
Net gain on fair value changes of available-for-sale financial assets	-	-	-	-	1,000	-	-	1,000
Foreign currency translation loss	-	-	-	(4,107)	-	-	(148)	(4,255)
Other comprehensive income for the period, net of taxation	-	-	-	(4,107)	1,000	-	(148)	(3,255)
Total comprehensive income for the period	-	-	-	(4,107)	1,000	3,249	434	576
<u>Contribution by and distribution to owners</u>								
Dividend paid to non-controlling shareholders of subsidiaries	-	-	-	-	-	-	(862)	(862)
Dividend on ordinary shares	-	-	-	-	-	(6,246)	-	(6,246)
Total transactions with owners in their capacity as owners	-	-	-	-	-	(6,246)	(862)	(7,108)
Balance at 30 Nov 2017	82,275	(17,777)	(220)	(3,852)	9,429	527,449	79,374	676,678
(ii) Group - 2Q FY2017								
Balance at 1 Sept 2016	82,275	(17,777)	(220)	248	(1,080)	495,917	83,454	642,817
Profit for the period	-	-	-	-	-	5,716	1,131	6,847
<u>Other comprehensive income</u>								
Net loss on fair value changes of available-for-sale financial assets	-	-	-	-	(1,974)	-	-	(1,974)
Foreign currency translation gain	-	-	-	816	-	-	92	908
Other comprehensive income for the period, net of taxation	-	-	-	816	(1,974)	-	92	(1,066)
Total comprehensive income for the period	-	-	-	816	(1,974)	5,716	1,223	5,781
<u>Contribution by and distribution to owners</u>								
Dividend paid to non-controlling shareholders of subsidiaries	-	-	-	-	-	-	(862)	(862)
Dividend on ordinary shares	-	-	-	-	-	(9,994)	-	(9,994)
Total transactions with owners in their capacity as owners	-	-	-	-	-	(9,994)	(862)	(10,856)
Balance at 30 Nov 2016	82,275	(17,777)	(220)	1,064	(3,054)	491,639	83,815	637,742

	Group							
	Share Capital	Treasury Shares	Capital Reserve	Translation Reserves	Fair Value Adjustment Reserves	Retained Earnings	Non-controlling Interests	Total Equity
	S\$ '000	S\$ '000	S\$ '000	S\$ '000	S\$ '000	S\$ '000	S\$ '000	S\$ '000
(iii) Group - 1H FY2018								
Balance at 1 June 2017	82,275	(17,777)	(220)	(3,102)	5,539	521,504	79,431	667,650
Profit for the period	-	-	-	-	-	12,191	1,692	13,883
<u>Other comprehensive income</u>								
Net gain on fair value changes of available-for-sale financial assets	-	-	-	-	3,890	-	-	3,890
Foreign currency translation loss	-	-	-	(750)	-	-	(26)	(776)
Other comprehensive income for the period, net of taxation	-	-	-	(750)	3,890	-	(26)	3,114
Total comprehensive income for the period	-	-	-	(750)	3,890	12,191	1,666	16,997
<u>Contribution by and distribution to owners</u>								
Dividend paid to non-controlling shareholders of subsidiaries	-	-	-	-	-	-	(1,723)	(1,723)
Dividend on ordinary shares	-	-	-	-	-	(6,246)	-	(6,246)
Total transactions with owners in their capacity as owners	-	-	-	-	-	(6,246)	(1,723)	(7,969)
Balance at 30 Nov 2017	82,275	(17,777)	(220)	(3,852)	9,429	527,449	79,374	676,678
(iv) Group - 1H FY2017								
Balance at 1 June 2016	82,275	(17,777)	(220)	(97)	(2,138)	483,256	84,281	629,580
Profit for the period	-	-	-	-	-	18,377	1,985	20,362
<u>Other comprehensive income</u>								
Net loss on fair value changes of available-for-sale financial assets	-	-	-	-	(2,785)	-	-	(2,785)
Net fair value changes of available-for-sale financial assets reclassified to profit or loss	-	-	-	-	1,869	-	-	1,869
Foreign currency translation gain	-	-	-	1,161	-	-	172	1,333
Other comprehensive income for the period, net of taxation	-	-	-	1,161	(916)	-	172	417
Total comprehensive income for the period	-	-	-	1,161	(916)	18,377	2,157	20,779
<u>Contribution by and distribution to owners</u>								
Dividend paid to non-controlling shareholders of subsidiaries	-	-	-	-	-	-	(2,623)	(2,623)
Dividend on ordinary shares	-	-	-	-	-	(9,994)	-	(9,994)
Total transactions with owners in their capacity as owners	-	-	-	-	-	(9,994)	(2,623)	(12,617)
Balance at 30 Nov 2016	82,275	(17,777)	(220)	1,064	(3,054)	491,639	83,815	637,742

	Company				
	Share Capital	Treasury Shares	Fair Value Adjustment Reserves	Retained Earnings	Total Equity
	S\$ '000	S\$ '000	S\$ '000	S\$ '000	S\$ '000
(v) Company - 2Q FY2018					
Balance at 1 Sept 2017	82,275	(17,777)	7,980	97,213	169,691
Profit for the period	-	-	-	38,685	38,685
<u>Other comprehensive income</u>					
Net gain on fair value changes of available-for-sale financial assets	-	-	380	-	380
Other comprehensive income for the period, net of taxation	-	-	380	-	380
Total comprehensive income for the period	-	-	380	38,685	39,065
<u>Contribution by and distribution to owners</u>					
Dividends on ordinary shares	-	-	-	(6,246)	(6,246)
Balance at 30 Nov 2017	82,275	(17,777)	8,360	129,652	202,510
(vi) Company - 2Q FY2017					
Balance at 1 Sept 2016	82,275	(17,777)	-	79,287	143,785
Profit for the period	-	-	-	5,648	5,648
Total comprehensive income for the period	-	-	-	5,648	5,648
<u>Contribution by and distribution to owners</u>					
Dividends on ordinary shares	-	-	-	(9,994)	(9,994)
Balance at 30 Nov 2016	82,275	(17,777)	-	74,941	139,439

	Company				
	Share Capital	Treasury Shares	Fair Value Adjustment Reserves	Retained Earnings	Total Equity
	S\$ '000	S\$ '000	S\$ '000	S\$ '000	S\$ '000
(vii) Company - 1H FY2018					
Balance at 1 June 2017	82,275	(17,777)	5,700	95,131	165,329
Profit for the period	-	-	-	40,767	40,767
<u>Other comprehensive income</u>					
Net gain on fair value changes of available-for-sale financial assets	-	-	2,660	-	2,660
Other comprehensive income for the period, net of taxation	-	-	2,660	-	2,660
Total comprehensive income for the period	-	-	2,660	40,767	43,427
<u>Contribution by and distribution to owners</u>					
Dividends on ordinary shares	-	-	-	(6,246)	(6,246)
Balance at 30 Nov 2017	82,275	(17,777)	8,360	129,652	202,510
(viii) Company - 1H FY2017					
Balance at 1 June 2016	82,275	(17,777)	(1,869)	40,426	103,055
Profit for the period	-	-	-	44,509	44,509
<u>Other comprehensive income</u>					
Net fair value changes of available-for-sale financial assets reclassified to profit or loss	-	-	1,869	-	1,869
Other comprehensive income for the period, net of taxation	-	-	1,869	-	1,869
Total comprehensive income for the period	-	-	1,869	44,509	46,378
<u>Contribution by and distribution to owners</u>					
Dividends on ordinary shares	-	-	-	(9,994)	(9,994)
Balance at 30 Nov 2016	82,275	(17,777)	-	74,941	139,439

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.

As at 1 September 2017
Share buyback during the financial period
As at 30 November 2017

Number of Shares (excluding treasury shares)	Share Capital (\$\$)
499,689,200	82,275,000
-	-
499,689,200	82,275,000

As at 30 November 2017, the Company held 30,070,800 ordinary shares as treasury shares (30 November 2016: 30,070,800).

As at 30 November 2017, the Company held nil subsidiary holdings (30 November 2016: nil).

Total number of issued shares of the Company excluding treasury shares as at 30 November 2017 and 30 November 2016 were 499,689,200 and 499,689,200 shares respectively.

Save for the foregoing, there are no other changes in the Company's share capital arising from rights issue, bonus issue, share buyback, 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 1 September 2017.

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
Treasury shares
Total number of issued shares, excluding treasury shares

	30-Nov-17	31-May-17
Total number of issued shares	529,760,000	529,760,000
Treasury shares	(30,070,800)	(30,070,800)
Total number of issued shares, excluding treasury shares	499,689,200	499,689,200

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

There were no sales, transfer, disposals, cancellations and/or use of treasury shares by the Company during the financial period ended 30 November 2017 (1 June 2016 to 30 November 2016: Nil).

1(d)(v) A statement showing all sales, transfer, disposals, cancellations and/or use of treasury shares 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 nor reviewed by the Company's auditors.

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

Not applicable

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements as at 31 May 2017, except for those disclosed in paragraph 5.

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 adopted the new/revised FRS and interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 June 2017. Changes to the Group's accounting policies have been made as required, in accordance with transitional provisions in respective FRS and INT FRS. The adoption of new/revised FRS and INT FRS did not result in any substantial changes to the Group's accounting policies or any significant impact on the Group's financial statements.

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

Earnings per share attributable to equity holders of the Group (cents per share)	Second Quarter Ended		Half Year Ended	
	30-Nov-17	30-Nov-16	30-Nov-17	30-Nov-16
(a) On a basic basis	0.65	1.14	2.44	3.68
(b) On a fully diluted basis	0.65	1.14	2.44	3.68

Group's profit attributable to the owners of the Company (S\$)	3,249,000	5,716,000	12,191,000	18,377,000
Weighted average number of shares excluding treasury shares	499,689,200	499,689,200	499,689,200	499,689,200

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

	Group		Company	
	As at 30-Nov-17	As at 31-May-17	As at 30-Nov-17	As at 31-May-17
Net asset value per ordinary share (cents)	119.54	117.72	40.53	33.09
Number of issued shares excluding treasury shares	499,689,200	499,689,200	499,689,200	499,689,200

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 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. It must also discuss 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

The Group reported a 27.0% or \$32.4 million decrease in revenue from \$120.0 million in 1H17 to \$87.6 million in 1H18. The decrease in revenue was mainly due to the decrease in revenue generated from the construction segment offset by the increase in revenue from the investment holding segment.

The Group's gross profit decreased from \$29.4 million in 1H17 to \$19.5 million in 1H18 mainly due to lower profit margin from the construction segment offset by higher profit margin from the investment holding segment.

Other operating income increased from \$7.3 million in 1H17 to \$13.4 million in 1H18 mainly due to gain on disposal of investment property at 247 & 249 Collins Street, Melbourne, Australia by Lian Beng Ventures (Melbourne) Pty Ltd ("LBVM")

Distribution expenses increased from \$1.7 million in 1H17 to \$2.9 million in 1H18 mainly due to marketing and leasing agent's fee in connection with the investment property at 50 Franklin Street, Melbourne, Australia.

Administrative expenses decreased from \$11.1 million in 1H17 to \$10.1 million in 1H18 mainly due to lower staff costs. Other operating expenses decreased from \$8.8 million in 1H17 to \$4.0 million in 1H18 mainly due to a foreign exchange gain in 1H18 as compared to a foreign exchange loss as well as an impairment loss on investment securities in 1H17.

Finance costs increased from \$4.1 million in 1H17 to \$6.9 million in 1H18 mainly due to increase in borrowings to finance the purchase of investment properties and investment securities.

The share of results of associates and joint ventures declined from \$12.5 million in 1H17 to \$8.6 million in 1H18 mainly due to the decrease in profits of associates and joint ventures.

After taking into account the above, the Group recorded a 31.8% decrease in profit after taxation of \$13.9 million for 1H18, compared to \$20.4 million for 1H17.

B) Financial Position Statements

Property, plant and equipment decreased from \$63.6 million in FY17 to \$57.1 million in 1H18 mainly due to depreciation of property, plant and equipment offset mainly by purchases of plant and equipment from construction segment during the period.

Investment properties decreased from \$703.9 million in FY17 to \$621.8 million in 1H18 mainly due to the reclassification of an investment property to investment property held for sale as the Group entered into a Contract of Sale for the proposed disposal of the property at 50 Franklin Street, Melbourne, Australia. In addition, the Group has reclassified an investment property to development property as the Group has obtained approval from URA to redevelop the property, Khong Guan Industrial Building located at 20 Mactaggart Road.

Trade receivables increased from \$59.1 million in FY17 to \$84.8 million in 1H18 mainly due to progress billings to customers for the 51%-owned development property project, T-Space.

Investments in joint ventures decreased from \$34.5 million in FY17 to \$21.7 million in 1H18 mainly due to dividends received from joint ventures offset by the share of profits of joint ventures.

Long term investment securities increased from \$119.5 million in FY17 to \$142.3 million in 1H18 mainly due to acquisition of investment securities offset by the redemption and disposal of corporate bonds.

Development properties increased from \$161.4 million in FY17 to \$245.6 million in 1H18 mainly due to the development costs incurred and the reclassification of Khong Guan Industrial Building from investment property.

Investment property held for sale increased from \$26.3 million in FY17 to \$55.7 million in 1H18 due to the reclassification from long term investment property as the Group entered into a Contract of sale for the proposed disposal of the property at 50 Franklin Street, Melbourne, Australia offset by the completion of the disposal of 247 & 249 Collins Street, Melbourne, Australia by LBVM.

Amounts due from joint ventures increased from \$37.3 million in FY17 to \$61.3 million in 1H18 mainly due to loan to the Group's 50%-owned joint venture to finance the purchase of a commercial and retail property, Wilkie Edge, for investment purpose.

Amounts due from associates decreased from \$100.1 million in FY17 to \$84.7 million in 1H18 due to repayments from associates being offset against new loans to associates in relation to property development projects at Rio Casa and Serangoon Ville.

Trade and other payables increased from \$173.6 million in FY17 to \$218.0 million mainly due to progress billings received in advance for the 51%-owned development property project, T-Space.

Amounts due to joint ventures decreased from \$17.8 million in FY17 to \$4.5 million in 1H18 mainly due to dividends declared by joint ventures offset by the amounts due to the joint ventures.

Total borrowings decreased from \$687.5 million in FY17 to \$678.0 million in 1H18 mainly due to loan repayments in connection with the completed development property, Mandai Foodlink, the disposed investment property at 247 and 249 Collins Street and the 4 retail properties in HDB heartland centrals. This is offset by the proceeds from bank loans to finance developments properties at Geylang Lorong 21 and Tampines North Drive 1 as well as the purchase of investment securities.

C) Cash Flow Statements

Overall, cash and cash equivalents decreased by \$31.9 million from \$187.8 million in FY17 to \$155.9 million in 1H18, due to net cash used in operating and financing activities of \$16.7 million and \$37.2 million respectively, partially offset by net cash from investment activities of \$22.0 million .

Net cash used in operating activities of \$16.7 million in 1H18 was mainly due to operating cash flow before changes in working capital of \$12.1 million, offset by net working capital outflow of \$28.8 million after payment of income tax and interest charges. Net working capital outflow was mainly due to increase in trade receivables and increase in development properties offset by the increase in trade and other payables.

Net cash from investing activities of \$22.0 million in 1H18 was mainly due to proceeds from disposal of investment property at 247 and 249 Collins Street, redemption and disposal of investment securities, dividend income from joint ventures and repayment of loans by associates offset by purchase of investment securities and loan to joint venture.

Net cash used in financing activities of \$37.2 million in 1H18 was mainly attributable to repayment of bank loans and interest, dividends paid to shareholders and repayment of loans to joint ventures offset by proceeds from bank loans and bills payable .

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

The Group's Second Quarter Results is in line with the cautious market outlook previously announced in paragraph 10 of the First Quarter Results announcement.

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.

Based on advance estimates from the MTI on 2 January 2018, the Singapore economy grew by 3.5% for the year of 2017 comparing with the growth of 2.0% in 2016. According to the URA flash estimates on 2 Jan 2018, the private residential property prices increased by 1% for the year of 2017 in comparison with the 3.1% decline in 2016. On 11 January 2018, BCA estimated that between \$16 billion and \$19 billion worth of public projects will be awarded in 2018, more than \$15.5 billion in 2017. BCA also projected that total construction demand for 2018 is likely to improve from \$24.5 billion in 2017 to between \$26 billion and \$31 billion. In light of this, the Group is cautiously optimistic of the construction industry outlook in the next 12 months. The Group's construction order book stood at approximately \$972 million as at 30 November 2017 including two residential building contracts worth \$336.3 million at Serangoon North Avenue 1 and Potong Pasir Avenue 1 awarded during 1H18. As announced on 12 October 2017, the Company intends to carry out the proposed spin-off and listing of its property development business. It will be convening an extraordinary general meeting to seek shareholders' approval in due course.

11 Dividend

(a) Current Financial Period Reported On

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

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per share	\$0.01
Tax Rate	Tax exempt (1-Tier)

(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	Interim
Dividend Type	Cash
Dividend Amount per share	\$0.01
Tax Rate	Tax exempt (1-Tier)

(c) Date payable.

The proposed interim dividend will be payable on 30 January 2018.

(d) Books closure date.

Notice is hereby given that the Share Transfer Books and Register of Members of the Company will be closed from 5.00 p.m. on 22 January 2018 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 22 January 2018 will be registered to determine shareholders' entitlements to such dividend.

Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares as at 5.00 p.m. on 22 January 2018 will be entitled to the proposed dividend.

- 12 If no dividend has been declared/recommended, a statement to that effect.
Dividend has been declared/recommended for the financial period ended 30 November 2017
- 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.
- 14 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
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

- 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.
Not applicable
- 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.
Not applicable
- 17 A breakdown of sales.
Not applicable
- 18 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.
Not applicable

BY ORDER OF THE BOARD

Ong Pang Aik
Chairman and Managing Director
12-Jan-2018

CONFIRMATION PURSUANT TO RULE 705(5) OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

**For the announcement of unaudited financial statements
for the second quarter and half year ended 30 November 2017**

We, Ong Pang Aik and Ong Lay Koon, being Directors of Lian Beng Group Ltd (the "Company"), do hereby confirm, for and on behalf of the Board of Directors of the Company, that, to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited second quarter and half year financial results for the half year ended 30 November 2017 to be false or misleading in any material aspect.

For and on behalf of the Board of Directors.

Ong Pang Aik
Chairman and Managing Director

Ong Lay Koon
Executive Director

12-Jan-2018