



**SOILBUILD**  
CONSTRUCTION GROUP LTD.  
**SOILBUILD CONSTRUCTION GROUP LTD.**  
(Co Reg No. 201301440Z)

**UNAUDITED FOURTH QUARTER FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2015**

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UNAUDITED FOURTH QUARTER AND FULL YEAR FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

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

1(a) A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Fourth Quarter Ended			Change	Financial Year Ended		
	31 December		%		31 December		Change
	2015	2014			2015	2014	
	S\$'000	S\$'000		S\$'000	S\$'000		
<b>Revenue</b>	98,021	67,968	44	328,270	285,249	15	
Cost of sales	(89,970)	(57,902)	55	(297,651)	(254,074)	17	
<b>Gross profit</b>	<b>8,051</b>	<b>10,066</b>	(20)	<b>30,619</b>	<b>31,175</b>	(2)	
Other income	371	521	(29)	1,536	1,436	7	
Other gains/(losses), net	(181)	27	NM	(179)	36	NM	
<b>Expenses</b>							
Administrative	(2,254)	(2,433)	(7)	(9,723)	(8,535)	14	
Marketing	(10)	-	NM	(79)	(12)	NM	
Other operating	(467)	(141)	231	(1,052)	(658)	60	
Share of profit (net of tax) of joint ventures	32	24	33	58	336	(83)	
<b>Profit before income tax</b>	<b>5,542</b>	<b>8,064</b>	(31)	<b>21,180</b>	<b>23,778</b>	(11)	
Income tax expense	37	(308)	(112)	(2,618)	(2,891)	(9)	
<b>Net profit</b>	<b>5,579</b>	<b>7,756</b>	(28)	<b>18,562</b>	<b>20,887</b>	(11)	
<b>Other comprehensive income/(losses), net of tax</b>							
Currency translation differences arising from consolidation	1	(2)	NM	54	(2)	NM	
<b>Total comprehensive income</b>	<b>5,580</b>	<b>7,754</b>	(28)	<b>18,616</b>	<b>20,885</b>	(11)	
<b>Net profit and total comprehensive income attributable to:</b>							
Equity holders of the Company	5,580	7,754	(28)	18,616	20,885	(11)	

NM : Not meaningful

Notes to the consolidated statement of comprehensive income

	Fourth Quarter Ended		Change	Financial Year Ended	
	31 December			31 December	
	2015	2014		2015	2014
	S\$'000	S\$'000		S\$'000	S\$'000
<b>(I) Other income</b>					
Income from sale of materials	33	14		33	14
Interest income	9	79		222	292
Service income	203	229		471	370
Rental income	60	87		289	333
Others (including wage credit and grants received)	66	112		521	427
	<b>371</b>	<b>521</b>		<b>1,536</b>	<b>1,436</b>

**UNAUDITED FOURTH QUARTER AND FULL YEAR FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

**Notes to the consolidated statement of comprehensive income (continued)**

	Fourth Quarter Ended 31 December		Financial Year Ended 31 December	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
<b>(II) Other gains/(losses), net</b>				
Loss on disposal of property, plant and equipment, net	(120)	(5)	(119)	-
Foreign exchange (loss)/gain	(61)	32	(60)	36
	<u>(181)</u>	<u>27</u>	<u>(179)</u>	<u>36</u>
<b>(III) Profit before income tax is arrived at after (charging)/crediting:</b>				
Amortisation of intangible assets	(17)	(10)	(56)	(26)
Depreciation of property, plant and equipment	(678)	(558)	(2,597)	(2,094)
Bad debts written off	-	(9)	-	(9)
Amortisation of land lease prepayment	(222)	-	(222)	-
Loss on disposal of property, plant and equipment, net	(120)	(5)	(119)	-
	<u>(120)</u>	<u>(5)</u>	<u>(119)</u>	<u>-</u>
<b>(IV) Income tax expense</b>				
Tax expense attributable to profit is made up of :				
Profit from current financial period/year:				
- current income tax	284	(430)	(2,372)	(3,024)
- deferred income tax	(78)	(141)	(79)	(142)
	<u>206</u>	<u>(571)</u>	<u>(2,451)</u>	<u>(3,166)</u>
Over/(under)-provision in prior financial period/year:				
- current income tax	(123)	2	(123)	(258)
- deferred income tax	(46)	261	(44)	533
	<u>37</u>	<u>(308)</u>	<u>(2,618)</u>	<u>(2,891)</u>

UNAUDITED FOURTH QUARTER AND FULL YEAR FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

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.

STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	31/12/2015 S\$'000	31/12/2014 S\$'000	31/12/2015 S\$'000	31/12/2014 S\$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	6,721	51,247	228	28,073
Trade and other receivables	136,976	72,395	53,488	22,936
Other current assets	1,277	1,250	14	18
	<u>144,974</u>	<u>124,892</u>	<u>53,730</u>	<u>51,027</u>
<b>Non-current assets</b>				
Trade and other receivables	11,135	16,800	-	-
Other non-current assets	10,000	10,000	-	-
Investments in subsidiaries	-	-	19,770	19,770
Investments in joint ventures	2,774	2,716	-	-
Property, plant and equipment	17,217	13,664	-	-
Intangible assets	224	179	-	-
Land lease prepayment	26,423	-	-	-
	<u>67,773</u>	<u>43,359</u>	<u>19,770</u>	<u>19,770</u>
<b>Total assets</b>	<b><u>212,747</u></b>	<b><u>168,251</u></b>	<b><u>73,500</u></b>	<b><u>70,797</u></b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	117,506	78,761	1,433	1,619
Current income tax liabilities	2,432	3,167	125	41
Provision for other liabilities	1,351	1,392	-	-
	<u>121,289</u>	<u>83,320</u>	<u>1,558</u>	<u>1,660</u>
<b>Non-current liabilities</b>				
Deferred income tax liabilities	585	462	-	-
<b>Total liabilities</b>	<b><u>121,874</u></b>	<b><u>83,782</u></b>	<b><u>1,558</u></b>	<b><u>1,660</u></b>
<b>NET ASSETS</b>	<b><u>90,873</u></b>	<b><u>84,469</u></b>	<b><u>71,942</u></b>	<b><u>69,137</u></b>
<b>EQUITY</b>				
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital	58,047	57,490	58,047	57,490
Capital reserve	(1,070)	(1,070)	-	-
Currency translation reserve	51	(3)	-	-
Performance share reserve	964	408	964	408
Retained profits	32,881	27,644	12,931	11,239
<b>TOTAL EQUITY</b>	<b><u>90,873</u></b>	<b><u>84,469</u></b>	<b><u>71,942</u></b>	<b><u>69,137</u></b>

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**UNAUDITED FOURTH QUARTER AND FULL YEAR FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

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**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.**

Total assets increased by S\$44.5 million from S\$168.2 million as at 31 December 2014 to S\$212.7 million as at 31 December 2015, mainly due to:

(1) Net increase in current and non-current trade and other receivables of S\$58.9 million which was mainly due to increase of construction contracts and progress billings receivable for on-going projects as the construction work are progressing.

(2) Increase in property, plant and equipment of S\$3.6 million due to purchases of fixed assets amounting to S\$7.1 million, partially offset by depreciation of S\$2.6 million and disposal of certain plants and equipment.

(3) Increase in land lease prepayment of S\$26.4 million which is relating to the 30 years leasehold land for the integrated construction precast hub project.

The increase in total assets was partially offset by the decrease in cash and cash equivalents of S\$44.5 million during the year under review as explained in the Consolidated Statement of Cash Flows.

Total liabilities increased from S\$83.8 million as at 31 December 2014 to S\$121.9 million as at 31 December 2015 which was mainly due to the increase in trade and other payables of S\$38.7 million. The increase in trade and other payables was attributable to the increase in sub-contractors claims and increase in payable for purchases of construction materials during the year under review.

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

**Amount repayable in one year or less, or on demand**

Not applicable as there were no borrowings and debt securities as at 31 December 2015 and 31 December 2014.

**Details of any collaterals**

Not applicable as there were no borrowings and debt securities as at 31 December 2015 and 31 December 2014.

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

**CONSOLIDATED STATEMENT OF CASH FLOWS**

	Fourth Quarter Ended 31 December		Financial Year Ended 31 December	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
<b>Cash flows from operating activities</b>				
Net profit	5,579	7,756	18,562	20,887
Adjustments for:				
- Amortisation and depreciation	917	568	2,875	2,120
- Share-based compensation expense	31	296	1,113	408
- Interest income	(9)	(79)	(222)	(292)
- Income tax expense	(37)	308	2,618	2,891
- Loss on disposal of property, plant and equipment, net	120	5	119	-
- Share of profit of joint ventures	(32)	(24)	(58)	(336)
<b>Operating cash flows before working capital changes</b>	<b>6,569</b>	<b>8,830</b>	<b>25,007</b>	<b>25,678</b>
Changes in working capital				
- Trade and other receivables	(36,250)	(15,297)	(58,916)	(20,846)
- Other current assets	42	(427)	(27)	1,502
- Other non-current assets	-	-	-	(10,000)
- Trade and other payables	26,015	11,379	38,745	(4,407)
- Provision for other liabilities	110	(94)	(41)	391
<b>Cash (used in)/generated from operations</b>	<b>(3,514)</b>	<b>4,391</b>	<b>4,768</b>	<b>(7,682)</b>
Income tax paid	(343)	(418)	(3,230)	(3,491)
<b>Net cash (used in)/provided by operating activities</b>	<b>(3,857)</b>	<b>3,973</b>	<b>1,538</b>	<b>(11,173)</b>
<b>Cash flows from investing activities</b>				
Purchases of property, plant and equipment	(1,387)	(1,282)	(7,076)	(4,381)
Purchases of intangible assets	-	(130)	(101)	(131)
Proceeds from sale of property, plant and equipment	233	(5)	810	-
Payment for land lease prepayment	(3,075)	-	(26,645)	-
Dividend received from a joint venture	-	-	-	646
Interest received	9	79	222	292
<b>Net cash used in investing activities</b>	<b>(4,220)</b>	<b>(1,338)</b>	<b>(32,790)</b>	<b>(3,574)</b>
<b>Cash flows from financing activities</b>				
Dividends paid to equity holders of the Company	-	-	(13,325)	(9,960)
<b>Net cash used in financing activities</b>	<b>-</b>	<b>-</b>	<b>(13,325)</b>	<b>(9,960)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(8,077)</b>	<b>2,635</b>	<b>(44,577)</b>	<b>(24,707)</b>
Cash and cash equivalents at beginning of financial period/year	14,797	48,614	51,247	75,956
Effects of currency translation on cash and cash equivalents	1	(2)	51	(2)
<b>Cash and cash equivalents at end of financial period/year</b>	<b>6,721</b>	<b>51,247</b>	<b>6,721</b>	<b>51,247</b>

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

Cash at bank and on hand	<b>6,721</b>	<b>51,247</b>	<b>6,721</b>	<b>51,247</b>
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Operating Activities

For the fourth quarter ended 31 December 2015 ("4QFY2015"), the net cash used in operating activities amounted to S\$3.8 million as compared to net cash inflow of S\$4.0 million in the comparative quarter. The cash used in operating activities in 4QFY2015 was mainly attributed to the changes in working capital where the trade and other receivables increased by S\$36.3 million, partially offset by increase in trade and other payables by S\$26.0 million in 4QFY2015. The increase in trade and other receivables was mainly due to the increase of construction contracts and the progress billing receivables from on-going projects as the construction work are progressing, while the increase in trade and other payables was due to the increase in sub-contractors claims as well as increase in payables for purchases of construction materials.

For FY2015, the net cash inflow from operating activities amounted to S\$1.5 million as compared to the net cash outflow of S\$11.2 million in the comparative year mainly due to changes in working capital where the trade and other receivables increased by S\$58.9 million, partially offset by increase in trade and other payables by S\$38.7 million in FY2015. The increase in trade and other receivables was mainly due to the increase of construction contracts and the progress billing receivables from on-going projects as the construction work are progressing, while the increase of trade and other payable was due to the increase in sub-contractors claims as well as increase in payables for purchases of construction materials.

Investing Activities

For 4QFY2015, cash outflow from investing activities of S\$4.2 million was mainly attributable to the land lease prepayment of S\$3.1 million and purchases of property, plant and equipment amounting to S\$1.4 million.

For FY2015, the cash outflow from investing activities of S\$32.8 million was mainly attributable to the land lease prepayment of S\$26.6 million and purchases of property, plant and equipment amounting to S\$7.1 million, partially offset by proceeds from disposal of certain plants and equipment of S\$0.8 million.

Financing Activities

There were no cash movement for financing activities in 4QFY2015 and 4QFY2014.

For FY2015, the cash outflow from financing activities was due to payment during the year for FY2014 final and special dividends of S\$10.0 million in total and the FY2015 interim dividend which amounted to S\$3.3 million, respectively.

UNAUDITED FOURTH QUARTER AND FULL YEAR FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

- 1 (d)(i) A statement (for the issuer and group) showing either  
 (i) all changes in equity or  
 (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

STATEMENTS OF CHANGES IN EQUITY

Group	← Attributable to equity holders of the Company →					Total Equity S\$'000
	Share Capital S\$'000	Capital Reserve S\$'000	Currency Translation Reserve S\$'000	Performance Share Plan Reserve S\$'000	Retained Profits S\$'000	
<b>Balance as at 1 January 2015</b>	<b>57,490</b>	<b>(1,070)</b>	<b>(3)</b>	<b>408</b>	<b>27,644</b>	<b>84,469</b>
Share-based compensation expense	-	-	-	378	-	378
Total comprehensive income for the period	-	-	30	-	4,431	4,461
<b>Balance as at 31 March 2015</b>	<b>57,490</b>	<b>(1,070)</b>	<b>27</b>	<b>786</b>	<b>32,075</b>	<b>89,308</b>
Issuance of new shares pursuant to the Soilbuild Performance Share Plan <sup>1</sup>	557	-	-	(557)	-	-
Dividends relating to 2014 paid	-	-	-	-	(9,994)	(9,994)
Share-based compensation expense	-	-	-	361	-	361
Total comprehensive income for the period	-	-	(18)	-	5,525	5,507
<b>Balance as at 30 June 2015</b>	<b>58,047</b>	<b>(1,070)</b>	<b>9</b>	<b>590</b>	<b>27,606</b>	<b>85,182</b>
Dividends relating to 2015 paid	-	-	-	-	(3,331)	(3,331)
Share-based compensation expense	-	-	-	343	-	343
Total comprehensive income for the period	-	-	41	-	3,027	3,068
<b>Balance as at 30 September 2015</b>	<b>58,047</b>	<b>(1,070)</b>	<b>50</b>	<b>933</b>	<b>27,302</b>	<b>85,262</b>
Share-based compensation expense	-	-	-	31	-	31
Total comprehensive income for the period	-	-	1	-	5,579	5,580
<b>Balance as at 31 December 2015</b>	<b>58,047</b>	<b>(1,070)</b>	<b>51</b>	<b>964</b>	<b>32,881</b>	<b>90,873</b>
<b>Balance as at 1 January 2014</b>	<b>57,490</b>	<b>(1,070)</b>	<b>(1)</b>	<b>-</b>	<b>16,717</b>	<b>73,136</b>
Total comprehensive income for the period	-	-	-	-	3,868	3,868
<b>Balance as at 31 March 2014</b>	<b>57,490</b>	<b>(1,070)</b>	<b>(1)</b>	<b>-</b>	<b>20,585</b>	<b>77,004</b>
Dividends relating to 2013 paid	-	-	-	-	(6,640)	(6,640)
Total comprehensive income for the period	-	-	1	-	5,237	5,238
<b>Balance as at 30 June 2014</b>	<b>57,490</b>	<b>(1,070)</b>	<b>-</b>	<b>-</b>	<b>19,182</b>	<b>75,602</b>
Dividends relating to 2014 paid	-	-	-	-	(3,320)	(3,320)
Share-based compensation expense	-	-	-	112	-	112
Total comprehensive income for the period	-	-	(1)	-	4,026	4,025
<b>Balance as at 30 September 2014</b>	<b>57,490</b>	<b>(1,070)</b>	<b>(1)</b>	<b>112</b>	<b>19,888</b>	<b>76,419</b>
Share-based compensation expense	-	-	-	296	-	296
Total comprehensive income for the period	-	-	(2)	-	7,756	7,754
<b>Balance as at 31 December 2014</b>	<b>57,490</b>	<b>(1,070)</b>	<b>(3)</b>	<b>408</b>	<b>27,644</b>	<b>84,469</b>



UNAUDITED FOURTH QUARTER AND FULL YEAR FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

Company	← Attributable to equity holders of the Company →			
	Share Capital S\$'000	Performance Share Plan Reserve S\$'000	Retained Profits S\$'000	Total equity S\$'000
<b>Balance as at 1 January 2015</b>	<b>57,490</b>	<b>408</b>	<b>11,239</b>	<b>69,137</b>
Share-based compensation expense	-	378	-	378
Total comprehensive loss for the period	-	-	(766)	(766)
<b>Balance as at 31 March 2015</b>	<b>57,490</b>	<b>786</b>	<b>10,473</b>	<b>68,749</b>
Issuance of new shares pursuant to the Soilbuild Performance Share Plan <sup>1</sup>	557	(557)	-	-
Dividends relating to 2014 paid	-	-	(9,994)	(9,994)
Share-based compensation expense	-	361	-	361
Total comprehensive income for the period	-	-	4,152	4,152
<b>Balance as at 30 June 2015</b>	<b>58,047</b>	<b>590</b>	<b>4,631</b>	<b>63,268</b>
Dividends relating to 2015 paid	-	-	(3,331)	(3,331)
Share-based compensation expense	-	343	-	343
Total comprehensive loss for the period	-	-	(332)	(332)
<b>Balance as at 30 September 2015</b>	<b>58,047</b>	<b>933</b>	<b>968</b>	<b>59,948</b>
Share-based compensation expense	-	31	-	31
Total comprehensive income for the period	-	-	11,963	11,963
<b>Balance as at 31 December 2015</b>	<b>58,047</b>	<b>964</b>	<b>12,931</b>	<b>71,942</b>
<b>Balance as at 1 January 2014</b>	<b>57,490</b>	-	<b>9,588</b>	<b>67,078</b>
Total comprehensive loss for the period	-	-	(690)	(690)
<b>Balance as at 31 March 2014</b>	<b>57,490</b>	-	<b>8,898</b>	<b>66,388</b>
Dividends relating to 2013 paid	-	-	(6,640)	(6,640)
Total comprehensive income for the period	-	-	2,747	2,747
<b>Balance as at 30 June 2014</b>	<b>57,490</b>	-	<b>5,005</b>	<b>62,495</b>
Dividends relating to 2014 paid	-	-	(3,320)	(3,320)
Share-based compensation expense	-	112	-	112
Total comprehensive loss for the period	-	-	(620)	(620)
<b>Balance as at 30 September 2014</b>	<b>57,490</b>	<b>112</b>	<b>1,065</b>	<b>58,667</b>
Share-based compensation expense	-	296	-	296
Total comprehensive income for the period	-	-	10,174	10,174
<b>Balance as at 31 December 2014</b>	<b>57,490</b>	<b>408</b>	<b>11,239</b>	<b>69,137</b>

**Note:**

1

On 10 April 2015, the Company allotted and issued an aggregate of 2,265,000 new ordinary shares, based on the fair value of the shares at the respective grant dates, in the capital of the Company pursuant to the vesting of the share awards under the Soilbuild Construction Performance Share Plan.

UNAUDITED FOURTH QUARTER AND FULL YEAR FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

On 10 April 2015, the Company allotted and issued an aggregate of 2,265,000 new ordinary shares in the capital of the Company pursuant to the vesting of the share awards under the Soilbuild Construction Performance Share Plan. As a result of which, the total number of issued shares increased from 664,000,000 to 666,265,000.

Grant of share awards (the "Awards") pursuant to the Soilbuild Construction Performance Shares Plan (the "PSP")

As at 31 December 2015, the outstanding share awards under the PSP amounted up to 10,180,952 (30 September 2015 : 10,180,952) shares. The movement of the outstanding share awards during the period under review was as follows:

	No. of Share Awards (up to)
<b>As at 1 January 2015</b>	6,269,000
Less : Share awards lapsed on 16 February 2015	(605,048)
Add : Granted on 31 March 2015	6,782,000
<b>As at 31 March 2015</b>	12,445,952
Less : Released and vested on 10 April 2015	(2,265,000)
<b>As at 30 June 2015</b>	10,180,952
Movement during the period from 1 July 2015 to 30 September 2015	-
<b>As at 30 September 2015</b>	10,180,952
Movement during the period from 1 September 2015 to 31 December 2015	-
<b>As at 31 December 2015</b>	10,180,952

As a result of the above, the issued and paid up capital of Company increased from S\$57.5 million as at 31 December 2014 to S\$58.0 million as at 31 December 2015.

The Company did not have any outstanding options, convertibles or treasury shares as at 31 December 2015.

**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.**

The number of issued share of the Company as at 31 December 2015 comprised 666,265,000 ordinary shares (31 December 2014 : 664,000,000 ordinary shares).

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

There were no treasury shares as at 31 December 2015.

**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.

**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 Note 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period/year as compared with those for the audited financial statements as at 31 December 2014.

**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 all the new and revised FRS and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual period beginning on or after 1 January 2015. The adoption of these new or revised FRS and INT FRS did not result in any substantial changes to the Group's and Company's accounting policies and has no material effect on the amounts reported for the current or prior periods.

**UNAUDITED FOURTH QUARTER AND FULL YEAR FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

**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 dividend :-**

- (a) Based on the weighted average number of ordinary shares in issue; and  
(b) On a fully diluted basis (detailing any adjustments made to the earnings).**

Earnings per share (EPS)	Group			
	Fourth Quarter Ended 31 December		Financial Year Ended 31 December	
	2015	2014	2015	2014
(a) Based on the weighted average number of ordinary shares in issue (cents per share)	0.84	1.17	2.79	3.15
- Weighted average number of ordinary shares ('000)	666,265	664,000	665,649	664,000
(b) On a fully diluted basis (cents per share)	0.82	1.16	2.75	3.14
- Adjusted weighted average number of ordinary shares ('000)	676,446	669,083	674,607	665,595

- (a) Basic EPS is calculated based on the net profit attributable to equity holders of the Company set out in 1(a) above divided by the weighted average number of ordinary shares in issue during the financial period.
- (b) Diluted EPS is calculated based on the assumption that the share awards granted pursuant to the Soilbuild Construction Performance Share Plan have been vested on the grant date.

**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) preceding financial year.**

	Group		Company	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Net asset value per ordinary share is computed based on the total number of issued shares as at the end of the respective financial period / year				
Net asset value per ordinary share (cents)	13.64	12.72	10.80	10.41
Total number of shares in issue ('000)	666,265	664,000	666,265	664,000

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**UNAUDITED FOURTH QUARTER AND FULL YEAR FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

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- 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
- (a) any significant factors that affected the turnover, cost, 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) **4QFY2015 vs 4QFY2014**  
For 4QFY2015, the Group achieved a net profit of S\$5.6 million compared to net profit of S\$7.8 million reported in the comparative quarter.

Revenue & Gross Profit

For the period under review, the Group's revenue increased by 44.2% from S\$68.0 million in 4QFY2014 to S\$98.0 million in 4QFY2015, while the gross profit decreased by 20.0% from S\$10.1 million in 4QFY2014 to S\$8.1 million in 4QFY2015.

The major revenue contributors in 4QFY2015 were:

- Xin Ming Hua project (industrial development at Tuas Crescent);
- Jalan Lam Huat project (multiple-user industrial development at 60 Jalan Lam Huat);
- Ang Mo Kio HDB project (public housing development at Ang Mo Kio Avenue 3/Street 51);
- Yishun HDB project (public housing development at Yishun Avenue 4/Yishun Ring Road); and
- Pepperl + Fuchs project (global distribution center at Pioneer Turn).

Gross profit margin decreased from 14.8% in 4QFY2014 to 8.2% in 4QFY2015. The lower gross profit margin in 4QFY2015 is mainly due to higher revenue recognised on projects where gross profit margins are relatively lower, in line with the progress of the on-going projects.

Other Income

Other income decreased by S\$0.2 million mainly due to the decrease in interest income from interest-bearing bank deposits, decrease in service income and rental income.

Other Gains/(Losses), net

Other losses of S\$0.2 million in 4QFY2015 were attributable to losses on disposal of property, plant and equipment as well as foreign exchange losses.

Administrative Expenses

Administrative expenses decreased by S\$0.1 million from S\$2.4 million in 4QFY2014 to S\$2.3 million in 4QFY2015 mainly due to the decrease in directors' remuneration as well as other administrative expenses in 4QFY2015.

Finance Expenses

There were no finance expenses in 4QFY2015 and 4QFY2014.

Other Operating Expenses

The increase in other operating expenses in 4QFY2015 was mainly due to amortisation of land lease prepayment.

Share of Profit of Joint Ventures

The Group recognised a gain of S\$0.03 million in the share of profit of its joint ventures in 4QFY2015 as compared to a gain of S\$0.02 million in the comparative period.

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**UNAUDITED FOURTH QUARTER AND FULL YEAR FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

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**Full year ended 31 December 2015 ("FY2015") vs full year ended 31 December 2014 ("FY2014")**

For FY2015, the Group achieved a net profit of S\$18.6 million compared to net profit of S\$20.9 million reported in the comparative year.

**Revenue & Gross Profit**

For the year under review, the Group's revenue increased by 15.1% from S\$285.2 million in FY2014 to S\$328.3 million in FY2015, while the gross profit decreased marginally by 1.8% from S\$31.2 million in FY2014 to S\$30.6 million in FY2015.

In line with the revenue from 4QFY2015, the major revenue contributors in FY2015 were:

- Xin Ming Hua project (industrial development at Tuas Crescent);
- Jalan Lam Huat project (multiple-user industrial development at 60 Jalan Lam Huat);
- Ang Mo Kio HDB project (public housing development at Ang Mo Kio Avenue 3/Street 51);
- Yishun HDB project (public housing development at Yishun Avenue 4/Yishun Ring Road); and
- Pepperl + Fuchs project (global distribution center at Pioneer Turn).

The gross profit margin decreased from 10.9% in FY2014 to 9.3% in FY2015 mainly due to revenue recognised for projects that generated relatively lower profit margins.

**Other Income**

Other income increased by S\$0.1 million mainly due to the increase in service income as well as the receipts of grants under the Productivity Innovation Project scheme, which were partially offset by decrease in rental income and interest income.

**Other Gains/(Losses), net**

Other losses of S\$0.2 million in FY2015 were attributable to losses on disposal of property, plant and equipment as well as foreign exchange losses during the year under review.

**Administrative Expenses**

Administrative expenses increased by S\$1.2 million from S\$8.5 million in FY2014 to S\$9.7 million in FY2015 mainly due to the increase in staff salaries and share-based compensation expenses.

**Finance Expenses**

There were no finance expenses in FY2015 and FY2014.

**Other Operating Expenses**

The increase in other operating expenses in FY2015 was mainly due to the amortisation of land lease prepayment.

**Share of Profit of Joint Ventures**

The Group recognised S\$0.06 million in share of profit of its joint ventures in FY2015 as compared to S\$0.3 million in FY2014. The decrease in the share of profit of joint ventures was mainly due to the completion of the projects undertaken by the joint ventures.

**Income tax expense**

After adjusting for the Group's share of profits of joint ventures, which is reported net of tax, the Group's effective tax rate for the current year is lower than the Singapore statutory corporate tax rate of 17%, due mainly to certain tax incentives.

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

There is no material deviation in the actual results for the 4QFY2015 from what was previously discussed under paragraph 10 of the announcement of the Company's financial statements for the financial period ended 30 September 2015.

**10 A commentary at the date of 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 the advance estimates released by the Ministry of Trade and Industry Singapore on 4 January 2016, the Singapore economy grew by 2.0% on a year-on-year basis in the fourth quarter of 2015, compared to 1.8% in the preceding quarter. The construction sector grew by 2.2% on a year-on-year basis in the fourth quarter of 2015, compared to the 1.1% growth recorded in the preceding quarter. The growth in the construction sector was supported mainly by public sector construction activities.

According to the Building & Construction Authority's announcement on 15 January 2016, the total construction demand or the value of construction contracts to be awarded in 2016 is projected to be between S\$27 billion to S\$34 billion, with about 65% of the projected demand to be driven by public sector demand, particularly the expected increase in civil engineering demand. The private sector construction demand is anticipated to slow down in 2016 due to less favourable economic conditions and an increased supply of completed private housing projects and offices.

The Group secured a total of 9 construction contracts and 2 project management contracts in FY2015, with aggregated contract value of approximately S\$195.0 million. These new construction contracts, including 2 civil work projects awarded by the Land & Transport Authority of Singapore ("LTA") and 1 building construction contract in Myanmar, had brought the Group's order book to approximately S\$639.0 million as at 31 December 2015. The Group further secured a construction project in Myanmar subsequent to 31 December 2015, with contract value of approximately S\$13.4 million. The Group will substantially complete the existing order book in the next 24 months.

In FY2016, the Group will strive to secure more construction contracts both locally and in Myanmar market. Accordingly, the Directors are of the view that while the market conditions will remain challenging for FY2016, the Group is cautiously optimistic that it will continue to be profitable in FY2016.

**11 Dividend****(a) Whether an interim (final) ordinary dividend has been declared (recommended)**

Any dividend declared for the current financial period reported on?

Yes.

Name of dividend	Final (One-tier)
Dividend type	Cash
Dividend amount per share	S\$0.005
Tax rate	Tax-exempt

Name of dividend	Special (One-tier)
Dividend type	Cash
Dividend amount per share	S\$0.010
Tax rate	Tax-exempt

**(b) Corresponding period of the immediately preceding financial year**

Please refer to item 19.

**(c) The date the dividend is payable**

To be announced at a later date.

**(d) Books closure date**

To be announced at a later date.

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

Not applicable.

**UNAUDITED FOURTH QUARTER AND FULL YEAR FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

**13 Interested Persons Transactions**

Name of Interested Person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	S\$'000	S\$'000
<b>Transactions during 4QFY2015</b>		
<u>Soilbuild Group Holdings Ltd. &amp; its subsidiaries</u>		
Rental of premises paid	-	181
Renovation / maintenance / Procurement services rendered	-	133

**14 Use of IPO Proceeds**

Pursuant to the IPO on 27 May 2013, the Company received net proceeds from the issue of the new shares of approximately S\$39.4 million after deducting the actual issue expenses of S\$2.6 million, as set out below. The utilisation of the IPO proceeds as at the date of this announcement is as follows:

Use of IPO proceeds	Amount Allocated S\$'000	Amount Used As At 31 December 2015 S\$'000	Amount Unused As At 31 December 2015 S\$'000
Investment in productivity improvements	Up to 10,000	10,000	-
Expansion of construction business to certain countries in Asia	Up to 5,000	2,268	2,732
Working capital purposes	24,400	24,400	-
	39,400	36,668	2,732

The Company will make periodic announcements on the use of the proceeds as and when the funds are materially disbursed. Pending the utilisation of the net proceeds as stated above, the unutilised amount may be placed in short-term deposits with banks and financial institutions or invested in money market instruments.

**15 Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1).**

The Company hereby confirms that it has procured undertakings from all the directors and executive officers under Rule 720(1).

**UNAUDITED FOURTH QUARTER AND FULL YEAR FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

- 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.**

	Singapore S\$'000	Myanmar S\$'000	Elimination S\$'000	Group S\$'000
<b>Year ended 31 December 2015</b>				
<b>Revenue</b>				
External customers	327,206	1,064	-	328,270
Inter-segment revenue	-	192	(192)	-
Total revenue	<u>327,206</u>	<u>1,256</u>	<u>(192)</u>	<u>328,270</u>
<b>Result</b>				
Segment result before interest	20,499	459	-	20,958
Interest income				<u>222</u>
Profit before tax				<u>21,180</u>
Tax				<u>(2,618)</u>
Profit after tax				<u>18,562</u>
Segment results include:				
- Depreciation of property, plant and equipment	2,590	7	-	2,597
- Amortisation of intangible assets	56	-	-	56
- Amortisation of land lease prepayment	222	-	-	222
- Share of profit of joint ventures	58	-	-	58
	Singapore S\$'000	Myanmar S\$'000	Elimination S\$'000	Group S\$'000
<b>Year ended 31 December 2014</b>				
<b>Revenue</b>				
External customers	285,086	163	-	285,249
Inter-segment revenue	-	737	(737)	-
Total revenue	<u>285,086</u>	<u>900</u>	<u>(737)</u>	<u>285,249</u>
<b>Result</b>				
Segment result before interest	23,464	22	-	23,486
Interest income				<u>292</u>
Profit before tax				<u>23,778</u>
Tax				<u>(2,891)</u>
Profit after tax				<u>20,887</u>
Segment results include:				
- Depreciation of property, plant and equipment	2,090	4	-	2,094
- Amortisation of intangible assets	26	-	-	26
- Amortisation of land lease prepayment	-	-	-	-
- Share of profit of joint ventures	336	-	-	336

- 17 **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 as there are no material changes in contributions to turnover and earnings by the business or geographical segments.



**UNAUDITED FOURTH QUARTER AND FULL YEAR FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

**18 A breakdown of sales**

	<b>The Group</b>			
	<b>Financial year ended 31/12/2015</b>	<b>Financial year ended 31/12/2014</b>	<b>Increase/(Decrease)</b>	
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
(a) Sales reported for first half year	152,046	155,068	(3,022)	-2%
(b) Operating profit after taxation reported for the first half year	9,956	9,105	851	9%
(c) Sales reported for second half year	176,224	130,181	46,043	35%
(d) Operating profit after taxation reported for the second half year	8,606	11,782	(3,176)	-27%

**19 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**

Total Annual Dividend

	<b>Financial year ended 31 December 2015</b>	<b>Financial year ended 31 December 2014</b>
	<b>(\$'000)</b>	<b>(\$'000)</b>
Interim dividends	3,331	3,320
Proposed final dividend*	3,331	3,331
Proposed special dividend*	6,663	6,663
<b>Total</b>	<b>13,325</b>	<b>13,314</b>

\* Represents the proposed ordinary dividend of \$0.005 per share and special dividend of \$0.010 per share for 666,265,000 issued shares as at the date of this announcement. The payment of the proposed final and special dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company.

**20 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer.**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company confirms that there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a Director, Chief Executive Officer or substantial shareholder of the Company.

For and on behalf of the Board of Directors,

Lim Chap Huat  
Executive Chairman

Ho Toon Bah  
Executive Director

24 February 2016