



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

**UNAUDITED THIRD QUARTER FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2015**

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**UNAUDITED THIRD QUARTER FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 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**

	Third Quarter Ended 30 September			Change %	Nine Months Ended 30 September			Change %
	2015 S\$'000	2014 S\$'000			2015 S\$'000	2014 S\$'000		
<b>Revenue</b>	78,203	62,213		26	230,249	217,281		6
Cost of sales	(71,973)	(55,608)		29	(207,681)	(196,172)		6
<b>Gross profit</b>	<b>6,230</b>	<b>6,605</b>		(6)	<b>22,568</b>	<b>21,109</b>		7
Other income	263	302		(13)	1,165	915		27
Other (losses)/gains, net	(168)	6		NM	2	9		NM
<b>Expenses</b>								
Administrative	(2,415)	(1,975)		22	(7,469)	(6,102)		22
Marketing	(63)	(4)		NM	(69)	(12)		NM
Finance	-	-		-	-	-		-
Other operating	(209)	(211)		(1)	(585)	(517)		13
Share of profit (net of tax) of joint ventures	2	91		(98)	26	312		(92)
<b>Profit before income tax</b>	<b>3,640</b>	<b>4,814</b>		(24)	<b>15,638</b>	<b>15,714</b>		(0)
Income tax expense	(613)	(788)		(22)	(2,655)	(2,583)		3
<b>Net profit</b>	<b>3,027</b>	<b>4,026</b>		(25)	<b>12,983</b>	<b>13,131</b>		(1)
Other comprehensive income, net of tax	41	(1)		NM	53	-		NM
<b>Total comprehensive income</b>	<b>3,068</b>	<b>4,025</b>		(24)	<b>13,036</b>	<b>13,131</b>		(1)
<b>Net profit and total comprehensive income attributable to:</b>								
Equity holders of the Company	3,068	4,025		(24)	13,036	13,131		(1)

NM : Not meaningful

**Notes to the consolidated statement of comprehensive income**

	Third Quarter Ended 30 September		Nine Months Ended 30 September	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
<b>(l) Other income</b>				
Interest income	58	66	213	213
Service income	77	58	165	142
Rental income	67	84	229	246
Others (including wage credit and grants received)	61	94	558	314
	<b>263</b>	<b>302</b>	<b>1,165</b>	<b>915</b>

**UNAUDITED THIRD QUARTER FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2015**

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

	<b>Third Quarter Ended</b>		<b>Nine Months Ended</b>	
	<b>30 September</b>		<b>30 September</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>(II) Other (losses)/gains, net</b>				
(Loss)/Gain on disposal of property, plant and equipment, net	(147)	-	1	5
Foreign exchange (loss)/gain	(21)	6	1	4
	<u>(168)</u>	<u>6</u>	<u>2</u>	<u>9</u>
<b>(III) Profit before income tax is arrived at after (charging)/crediting:</b>				
Amortisation of intangible assets	(15)	(6)	(39)	(16)
Depreciation of property, plant and equipment	(681)	(567)	(1,919)	(1,536)
(Loss)/Gain on disposal of property, plant and equipment, net	(147)	-	1	5
	<u>(147)</u>	<u>-</u>	<u>1</u>	<u>5</u>
<b>(IV) Income tax expense</b>				
Tax expense attributable to profit is made up of :				
Profit from current financial period:				
- current income tax	(613)	(791)	(2,655)	(2,593)
- deferred income tax	-	-	-	-
	<u>(613)</u>	<u>(791)</u>	<u>(2,655)</u>	<u>(2,593)</u>
Over/(under)-provision in prior financial period:				
- current income tax	-	(133)	-	(260)
- deferred income tax	-	136	-	270
	<u>(613)</u>	<u>(788)</u>	<u>(2,655)</u>	<u>(2,583)</u>

UNAUDITED THIRD QUARTER FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 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	
	30/09/2015 S\$'000	31/12/2014 S\$'000	30/09/2015 S\$'000	31/12/2014 S\$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	14,797	51,247	62	28,073
Trade and other receivables	88,662	72,395	41,204	22,936
Other current assets	1,319	1,250	114	18
	<u>104,778</u>	<u>124,892</u>	<u>41,380</u>	<u>51,027</u>
<b>Non-current assets</b>				
Trade and other receivables	23,199	16,800	-	-
Other non-current assets	10,000	10,000	-	-
Investments in subsidiaries	-	-	19,770	19,770
Investment in joint ventures	2,742	2,716	-	-
Property, plant and equipment	16,861	13,664	-	-
Intangible assets	241	179	-	-
Land lease prepayment	23,570	-	-	-
	<u>76,613</u>	<u>43,359</u>	<u>19,770</u>	<u>19,770</u>
<b>Total assets</b>	<b><u>181,391</u></b>	<b><u>168,251</u></b>	<b><u>61,150</u></b>	<b><u>70,797</u></b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	91,491	78,761	1,202	1,619
Current income tax liabilities	2,935	3,167	-	41
Provision for other liabilities	1,241	1,392	-	-
	<u>95,667</u>	<u>83,320</u>	<u>1,202</u>	<u>1,660</u>
<b>Non-current liabilities</b>				
Deferred income tax liabilities	462	462	-	-
<b>Total liabilities</b>	<b><u>96,129</u></b>	<b><u>83,782</u></b>	<b><u>1,202</u></b>	<b><u>1,660</u></b>
<b>NET ASSETS</b>	<b><u>85,262</u></b>	<b><u>84,469</u></b>	<b><u>59,948</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	50	(3)	-	-
Performance share plan reserve	933	408	933	408
Retained profits	27,302	27,644	968	11,239
<b>TOTAL EQUITY</b>	<b><u>85,262</u></b>	<b><u>84,469</u></b>	<b><u>59,948</u></b>	<b><u>69,137</u></b>

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**UNAUDITED THIRD QUARTER FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 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\$13.1 million from S\$168.3 million as at 31 December 2014 to S\$181.4 million as at 30 September 2015, this arose mainly from:

- (1) Land lease prepayment of \$23.6 million paid in connection with the integrated construction and precast hub.
- (2) Increase in current and non-current trade and other receivables of S\$22.7 million mainly due to increase of construction contracts due from customers for construction projects.
- (3) Increase in property, plant and equipment of S\$3.2 million due to purchases of fixed assets amounting to S\$5.7 million, partially offset by depreciation of S\$1.9 million.

The increase in total assets was partially offset by the decrease in cash and cash equivalents of S\$36.5 million during the period 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\$96.1 million as at 30 September 2015 which was mainly due to the increase in trade and other payables of S\$12.7 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 period 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 30 September 2015 and 31 December 2014.

**Details of any collaterals**

Not applicable as there were no borrowings and debt securities as at 30 September 2015 and 31 December 2014.

**UNAUDITED THIRD QUARTER FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2015**

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**

	Third Quarter Ended 30 September		Nine Months Ended 30 September	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
<b>Cash flows from operating activities</b>				
Net profit	3,027	4,026	12,983	13,131
Adjustments for:				
- Amortisation and depreciation	696	573	1,958	1,552
- Share-based compensation expense	343	112	1,082	112
- Interest income	(58)	(66)	(213)	(213)
- Income tax expense	613	788	2,655	2,583
- Loss/(Gain) on disposal of property, plant and equipment, net	147	-	(1)	(5)
- Share of profit of joint ventures	(2)	(91)	(26)	(312)
<b>Operating cash flows before working capital changes</b>	<b>4,766</b>	<b>5,342</b>	<b>18,438</b>	<b>16,848</b>
Changes in working capital				
- Trade and other receivables	6,140	(7,114)	(22,666)	(5,549)
- Other current assets	1,330	233	(69)	1,929
- Other non-current assets	-	-	-	(10,000)
- Trade and other payables	(5,856)	360	12,730	(15,786)
- Provision for other liabilities	(245)	294	(151)	485
<b>Cash generated from/(used in) operations</b>	<b>6,135</b>	<b>(885)</b>	<b>8,282</b>	<b>(12,073)</b>
Income tax paid	(1,051)	(1,289)	(2,887)	(3,073)
<b>Net cash provided by / (used in) operating activities</b>	<b>5,084</b>	<b>(2,174)</b>	<b>5,395</b>	<b>(15,146)</b>
<b>Cash flows from investing activities</b>				
Purchases of property, plant and equipment	(2,702)	(503)	(5,689)	(3,099)
Purchases of intangible assets	(95)	(1)	(101)	(1)
Proceeds from sale of property, plant and equipment	279	-	577	5
Payment for land lease prepayment	(23,570)	-	(23,570)	-
Dividend received from a joint venture	-	-	-	646
Interest received	58	66	213	213
<b>Net cash used in investing activities</b>	<b>(26,030)</b>	<b>(438)</b>	<b>(28,570)</b>	<b>(2,236)</b>
<b>Cash flows from financing activities</b>				
Dividends paid to equity holders of the Company	(3,331)	(3,320)	(13,325)	(9,960)
<b>Net cash used in financing activities</b>	<b>(3,331)</b>	<b>(3,320)</b>	<b>(13,325)</b>	<b>(9,960)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(24,277)</b>	<b>(5,932)</b>	<b>(36,500)</b>	<b>(27,342)</b>
Cash and cash equivalents at beginning of financial period	39,036	54,547	51,247	75,956
Effects of currency translation on cash and cash equivalents	38	(1)	50	-
<b>Cash and cash equivalents at end of financial period</b>	<b>14,797</b>	<b>48,614</b>	<b>14,797</b>	<b>48,614</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>14,797</b>	<b>48,614</b>	<b>14,797</b>	<b>48,614</b>
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**UNAUDITED THIRD QUARTER FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2015**

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Operating Activities

For the third quarter ended 30 September 2015 ("3QFY2015"), the net cash inflow from operating activities amounted to S\$5.1 million as compared to net cash outflow of S\$2.2 million in the comparative quarter. The cash inflow from operating activities in 3QFY2015 was attributable to the changes in working capital for trade and other receivables which has decreased by S\$6.1 million and other current assets which increased by S\$1.3 million. The decrease in trade and other receivables was mainly due to the collection from customers during 3QFY2015.

For the 9 months ended 30 September 2015 ("9MFY2015"), the net cash inflow from operating activities amounted to S\$5.4 million as compared to the net cash outflow of S\$15.1 million in the comparative period. The net cash inflow from operating activities in 9MFY2015 was mainly due to operating cash inflow before working capital changes of S\$18.4 million, adjusted by the increase in trade and other receivables of S\$22.7 million and increase in trade and other payables of S\$12.7 million. The increase in trade and other receivables was mainly due to the increase in construction contracts due from customers for construction projects, while the increase in trade and other payables was due to the increase in sub-contractors claims as well as the increase in payables for purchases of construction materials.

Investing Activities

For 3QFY2015, the cash outflow from investing activities of S\$26.0 million was mainly attributable to the land lease prepayment of S\$23.6 million and purchase of property, plant & equipment amounting to S\$2.7 million.

For 9MFY2015, the cash outflow from investing activities of S\$28.6 million was mainly attributable to the land lease prepayment of S\$23.6 million and purchases of property, plant and equipment amounting to S\$5.7 million.

Financing Activities

For 3QFY2015, the cash outflow from financing activities was due to payment of FY2015 interim dividend of S\$3.3 million during the period under review.

For 9MFY2015, the cash outflow from financing activities was due to payment of FY2014 final and special dividends of S\$10.0 million and interim dividend of S\$3.3 million for FY2015 during the period under review.

UNAUDITED THIRD QUARTER FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 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	Share Capital S\$'000	Capital Reserve S\$'000	Currency Translation Reserve S\$'000	Performance Share Plan Reserve S\$'000	Retained Profits S\$'000	Equity attributable to the owners of the Company 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 expenses	-	-	-	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>
Share-based compensation expenses	-	-	-	361	-	361
Issuance of new shares pursuant to the Soilbuild Construction Performance Share Plan <sup>1</sup>	557	-	-	(557)	-	-
Dividends relating to 2014 paid	-	-	-	-	(9,994)	(9,994)
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>
Share-based compensation expenses	-	-	-	343	-	343
Dividends relating to 2015 paid	-	-	-	-	(3,331)	(3,331)
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>
<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>



**UNAUDITED THIRD QUARTER FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2015**

Company	Share Capital S\$'000	Performance Share Plan Reserve S\$'000	Retained Profits S\$'000	Equity attributable to the owners of the Company 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 expenses	-	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>
Share-based compensation expenses	-	361	-	361
Issuance of new shares pursuant to the Soilbuild Construction Performance Share Plan <sup>1</sup>	557	(557)	-	-
Dividends relating to 2014 paid	-	-	(9,994)	(9,994)
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>
Share-based compensation expenses	-	343	-	343
Dividends relating to 2015 paid	-	-	(3,331)	(3,331)
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>
<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>

**Note:**

<sup>1</sup> 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.

**UNAUDITED THIRD QUARTER FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 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 30 September 2015, the outstanding share awards under the PSP amounted up to 10,180,952 (30 June 2015 : 10,180,952) shares. The movement of the outstanding share awards during the period under review was as follows:

	<u>No. of Share Awards (up to)</u>
<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>	<u>10,180,952</u>

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 30 September 2015.

The Company did not have any outstanding options, convertibles or treasury shares as at 30 September 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 30 September 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 30 September 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 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 THIRD QUARTER FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 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			
	Third Quarter Ended 30 September		Nine Months Ended 30 September	
	2015	2014	2015	2014
(a) Based on the weighted average number of ordinary shares in issue (cents per share)	0.45	0.61	1.95	1.98
- Weighted average number of ordinary shares ('000)	666,265	664,000	665,441	664,000
(b) On a fully diluted basis (cents per share)	0.45	0.60	1.93	1.98
- Adjusted weighted average number of ordinary shares ('000)	675,731	668,098	673,532	664,702

- (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	
	30/09/2015	31/12/2014	30/09/2015	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)	12.80	12.72	9.00	10.41
Total number of shares in issue ('000)	666,265	664,000	666,265	664,000

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**UNAUDITED THIRD QUARTER FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 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) **3QFY2015 vs 3QFY2014**

For 3QFY2015, the Group achieved a net profit of S\$3.0 million compared to net profit of S\$4.0 million reported in the comparative quarter.

Revenue & Gross Profit

For the period under review, the Group's revenue increased by 25.7% from S\$62.2 million in 3QFY2014 to S\$78.2 million in 3QFY2015, while gross profit decreased by 5.7% from S\$6.6 million in 3QFY2014 to S\$6.2 million in 3QFY2015.

The major revenue contributors in 3QFY2015 were:

- Xin Ming Hua project (industrial development at Tuas Crescent);
- Jalan Lam Huat project (multiple-user general 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 10.6% in 3QFY2014 to 8.0% in 3QFY2015. The lower gross profit margin in 3QFY2015 was 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\$0.04 million mainly due to the decrease in rental income, fixed deposit interest income as well as other miscellaneous income.

Other (Losses)/Gains, net

Other losses of S\$0.2 million in 3QFY2015 were attributable to losses on disposal of property, plant and equipment and foreign exchange losses.

Administrative Expenses

Administrative expenses increased by S\$0.4 million from S\$2.0 million in 3QFY2014 to S\$2.4 million in 3QFY2015 mainly due to the increase in staff salaries and share-based compensation expenses.

Finance Expenses

There were no finance expenses in 3QFY2015 and 3QFY2014.

Other Operating Expenses

There were no significant fluctuations on other operating expenses in 3QFY2015 as compared with that of 3QFY2014.

Share of Profit of Joint Ventures

The Group recognised a gain of approximately \$2,000 in the share of profit of its joint ventures in 3QFY2015 as compared to a gain of approximately S\$91,000 in the comparative period.

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**UNAUDITED THIRD QUARTER FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2015**

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**YTD 9 months ended 30 September 2015 ("9MFY2015") vs YTD 9 months ended 30 September 2014 ("9MFY2014")**

For 9MFY2015, the Group achieved a net profit of S\$13.0 million compared to net profit of S\$13.1 million reported in the comparative period.

**Revenue & Gross Profit**

For the period under review, the Group's revenue increased by 6.0% from S\$217.3 million in 9MFY2014 to S\$230.2 million in 9MFY2015, while the gross profit increased by 6.9% from S\$21.1 million in 9MFY2014 to S\$22.6 million in 9MFY2015.

In line with the revenue for 3QFY2015, the major revenue contributors in 9MFY2015 were:

- Xin Ming Hua project (industrial development at Tuas Crescent);
- Jalan Lam Huat project (multiple-user general 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 remained steady at 9.8% in 9MFY2015 when compared with 9.7% in 9MFY2014.

**Other Income**

Other income increased by S\$0.3 million mainly due to the receipt of grants under the Productivity Innovation Project Scheme as well as the wage credit during 9MFY2015.

**Other Gains**

Other gains decreased by S\$7,000 in 9MFY2015 mainly due to decrease in gain on disposal of property, plant and equipment as well as the decrease in foreign exchange gains in 9MFY2015.

**Administrative Expenses**

Administrative expenses increased by S\$1.4 million from S\$6.1 million in 9MFY2014 to S\$7.5 million in 9MFY2015 which was mainly due to the increase in staff salaries and share-based compensation expenses.

**Finance Expenses**

There were no finance expenses in 9MFY2015 and 9MFY2014.

**Other Operating Expenses**

Other operating expenses increased by approximately S\$68,000 during 9MFY2015. The increase in other operating expenses in 9MFY2015 was due to the increase in depreciation charges.

**Share of Profit of Joint Ventures**

The Group recognised approximately S\$26,000 in share of profit of its joint ventures in 9MFY2015 as compared to a gain of S\$0.3 million in 9MFY2014. 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 9MFY2015 is 17.0%, which is the Singapore statutory corporate tax rate.

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**UNAUDITED THIRD QUARTER FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2015**

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**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 3QFY2015 from what was previously discussed under paragraph 10 of the announcement of the Company's financial statements for the financial period ended 30 June 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 14 October 2015, the Singapore economy grew by 1.4% on a year-on-year basis in the third quarter of 2015, compared to 2.0% in the preceding quarter. The construction sector grew by 1.6% on a year-on-year basis in the third quarter of 2015, compared to the 2.0% growth recorded in the preceding quarter. The slower growth in the construction sector was attributable to weaker private sector construction activities.

Subsequent to the results announcement for the previous quarter ended 30 June 2015 on 31 July 2015, the Group secured (i) a construction contract to erect a single-user 4 storey general warehouse complex with contract value of approximately S\$8.3 million, (ii) a construction contract to complete the erection of detached dwelling houses for approximately S\$3.9 million, (iii) its maiden civil works project to construct linkways to MRT stations for S\$39.7 million (to be executed by a joint venture company in which the Group have 51% interest), (iv) its second civil works project to construct lift shafts to existing pedestrian overhead bridges for S\$19.9 million, (v) a construction contract to erect an industrial development for approximately S\$16.4 million. The awards of the civil works projects mark the Group's effort to broaden its services offered to its customers.

As announced on 21 September 2015, the Group has been awarded the tender for the lease of land at Airport Road (Defu 1) by the Building and Construction Authority for the development of an integrated construction and precast hub. The Group will develop an integrated construction and precast hub, which will be equipped with highly automated precast technology as part of its long term strategies to improve construction productivities and efficiency.

The Group's order book as at 30 September 2015 amounted to S\$701.1 million which the Group expects to complete substantially in the next 24 months.

**11 Dividend**

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

Any dividend declared for the current financial period reported on?

No.

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

Not applicable.

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

Not applicable.

**(d) Books closure date**

Not applicable.

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

Not applicable.

**UNAUDITED THIRD QUARTER FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 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 3QFY2015</b>		
<u>Soilbuild Group Holdings Ltd.</u>		
Rental of premises	-	181
<b>Construction contract awarded during 3QFY2015</b>		
<u>SB (Tampines) Investment Pte Ltd</u>	-	8,306
<u>Associates of Mr Lim Chap Huat, Executive Chairman and substantial shareholder of the Company</u>	-	3,928

**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 30 September 2015 S\$'000	Amount Unused As At 30 September 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	892	4,108
Working capital purposes	24,400	24,400	-
	39,400	35,292	4,108

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 pursuant to Rule 705(5) of the Listing Manual of SGX-ST**

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the unaudited third quarter financial statements for the period ended 30 September 2015 to be false or misleading in any material aspect.

For and on behalf of the Board of Directors,

Lim Chap Huat  
Executive Chairman

Ho Toon Bah  
Executive Director

30 October 2015