

FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

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

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

	Group			Group		
	4Q12 S\$'000	4Q11 S\$'000	% Change	FY 2012 S\$'000	FY 2011 S\$'000	% Change
Continuing operations						
Revenue	39,300	30,849	27.4	137,543	115,715	18.9
Changes in inventories of finished goods and work-in-progress	6,050	1,454	n.m.	4,490	355	n.m.
Raw materials	(34,543)	(23,468)	47.2	(102,865)	(81,020)	27.0
Gain on disposal of property, plant and equipment	-	-	n.m.	18	123	(85.4)
Investment income and gain on disposal of investments	77	99	(22.2)	211	218	(3.2)
Loss on disposal of subsidiary	-	(228)	n.m.	(17)	(228)	(92.5)
Interest income	50	52	(3.8)	235	120	95.8
Dividend income	170	154	10.4	1,373	4,356	(68.5)
Other income	441	250	76.4	2,113	515	n.m.
Exchange (loss)/ gain	(295)	344	n.m.	(1,292)	558	n.m.
Allowance for doubtful receivables and bad debts written off	(91)	(71)	28.2	(99)	(104)	(4.8)
Depreciation of property, plant and equipment	(547)	(546)	0.2	(2,231)	(1,985)	12.4
Goodwill written off	-	(162)	n.m.	-	(162)	n.m.
(Impairment losses)/ Write-back for impairment on investments	(138)	1,106	n.m.	(245)	(1,882)	(87.0)
Net change in fair value of financial assets held for trading	(210)	488	n.m.	(424)	197	n.m.
Staff costs	(3,316)	(3,132)	5.9	(12,947)	(12,479)	3.8
Rental expenses	(466)	(490)	(4.9)	(1,918)	(1,924)	(0.3)
Other expenses	(5,666)	(4,948)	14.5	(20,182)	(17,296)	16.7
Interest expenses	(6)	(25)	(76.0)	(43)	(79)	(45.6)
Profit before share of profit of associates	810	1,726	(53.1)	3,720	4,998	(25.6)
Share of profit of associates (net of tax)	3,272	2,197	48.9	7,896	8,159	(3.2)
Profit from ordinary activities before taxation	4,082	3,923	4.1	11,616	13,157	(11.7)
Income tax credit/ (expense)	3	(16)	n.m.	(288)	(25)	n.m.
Net profit for the period ended	4,085	3,907	4.6	11,328	13,132	(13.7)
Attributable to:						
Equity holders of the Company	4,094	3,985	2.7	11,369	13,388	(15.1)
Non-controlling interests	(9)	(78)	(88.5)	(41)	(256)	(84.0)
Net profit for the period ended	4,085	3,907	4.6	11,328	13,132	(13.7)

n.m. - not meaningful

Note: Figures for prior year has been re-presented to conform with current year's presentation.

Statement of Comprehensive Income

	Group			Group		
	4Q12 S\$'000	4Q11 S\$'000	% Change	FY 2012 S\$'000	FY 2011 S\$'000	% Change
Net profit for the period ended	4,085	3,907	4.6	11,328	13,132	(13.7)
Other comprehensive income:						
Exchange differences on translation of financial statements of foreign subsidiaries and associates	(190)	808	n.m.	(3,333)	3,125	n.m.
Exchange differences on translation of a disposed foreign subsidiary	-	-	n.m.	532	-	n.m.
Exchange differences on monetary items forming part of net investment	(54)	75	n.m.	(2,234)	281	n.m.
Net change in fair value of equity securities available for sale transferred to profit or loss	352	(1,106)	n.m.	245	1,882	(87.0)
Net change in fair value of equity securities available for sale	411	(1,336)	n.m.	1,167	3,823	(69.5)
Other comprehensive income/ (loss) for the period, net of tax	519	(1,559)	n.m.	(3,623)	9,111	n.m.
Total comprehensive income for the period	4,604	2,348	96.1	7,705	22,243	(65.4)
Total comprehensive income attributable to:						
Equity holders of the Company	4,613	2,426	90.2	7,746	22,499	(65.6)
Non-controlling interests	(9)	(78)	(88.5)	(41)	(256)	(84.0)
	4,604	2,348	96.1	7,705	22,243	(65.4)

n.m. - not meaningful

Note: Figures for prior year has been re-presented to conform with current year's presentation.

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company		Group	Company
	31.12.2012	31.12.2011	31.12.2012	31.12.2011	%	%
	S\$'000	S\$'000	S\$'000	S\$'000	Change	Change
Non-current assets						
Property, plant and equipment	11,291	12,625	1,483	1,074	(10.6)	38.1
Subsidiaries	-	-	40,580	55,426	0.0	(26.8)
Associates	87,940	81,502	60,243	53,603	7.9	12.4
Amount due from associates	2,881	3,137	-	-	(8.2)	0.0
Other investments	16,448	18,440	1,275	1,334	(10.8)	(4.4)
Other financial assets	172	172	172	172	0.0	0.0
	118,732	115,876	103,753	111,609	2.5	(7.0)
Current assets						
Inventories	12,316	8,046	10,791	6,102	53.1	76.8
Trade and other receivables	48,247	31,754	49,132	34,188	51.9	43.7
Other investments	9,691	11,373	506	1,005	(14.8)	(49.7)
Cash and cash equivalents	27,730	42,075	16,965	27,043	(34.1)	(37.3)
	97,984	93,248	77,394	68,338	5.1	13.3
Total assets	216,716	209,124	181,147	179,947	3.6	0.7
Equity						
Share capital	84,158	84,128	84,158	84,128	0.0	0.0
Treasury shares	(261)	-	(261)	-	n.m.	n.m.
Reserves	102,782	98,537	72,197	81,295	4.3	(11.2)
Equity attributable to equity holders of the Company	186,679	182,665	156,094	165,423	2.2	(5.6)
Non-controlling interests	166	207	-	-	(19.8)	0.0
Total equity	186,845	182,872	156,094	165,423	2.2	(5.6)
Non-current liabilities						
Loans and borrowings	2,556	2,585	191	16	(1.1)	n.m.
Deferred tax liabilities	709	661	-	-	7.3	0.0
	3,265	3,246	191	16	0.6	n.m.
Current liabilities						
Trade and other payables	25,108	21,461	16,518	7,357	17.0	n.m.
Loans and borrowings	975	1,168	8,344	7,151	(16.5)	16.7
Current tax liabilities	523	377	-	-	38.7	0.0
	26,606	23,006	24,862	14,508	15.6	71.4
Total liabilities	29,871	26,252	25,053	14,524	13.8	72.5
Total equity and liabilities	216,716	209,124	181,147	179,947	3.6	0.7

Note: Figures for prior year has been re-presented to conform with current year's presentation.

Explanatory Notes to Balance Sheet

Shareholders' equity of the Group grew by S\$3.9 million to S\$186.8 million as at 31 December 2012 as compared to S\$182.9 million a year ago. This was mainly attributed to current year profit of S\$11.3 million, gain in fair value of equity securities of S\$1.4 million but partially offset by foreign currency translation losses of S\$5.0 million and dividend payout of S\$3.5 million.

Total assets for the Group amounted to S\$216.7 million as at 31 December 2012, representing S\$7.6 million or 3.6% increase in the asset base of S\$209.1 million as at 31 December 2011.

Non-Current Assets

Property, plant and equipment decreased by S\$1.3 million due to depreciation of S\$2.2m offset by new purchases of plant and machinery in line with business expansion.

Associates increased by S\$6.4 million due to investment of S\$6.5 million in an associate in China, higher share of profits, net of tax amounting to S\$7.9 million less foreign currency translation loss of S\$4.1 million and dividend received of S\$4.3 million.

Other investments decreased by S\$2.0 million mainly due to higher cash distributions received from venture capital related investments.

Current Assets

Inventories were S\$4.3 million higher as of 31 December 2012 as compared to 31 December 2011 due to more materials purchased in the month of Dec in tandem with higher sales volume projection.

Trade and other receivables rose by S\$16.5 million due to higher sales generated mainly from our Singapore Integral Cement/Ready-mix business and loans extended to associates amounting to S\$3.6 million.

Other investments were S\$1.7 million lower mainly due to sale of equity securities.

Current Liabilities

The increase in trade and other payables were in line with higher material purchased to meet the demand.

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

Amount repayable in one year or less, or on demand

As at 31.12.2012		As at 31.12.2011	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
694	281	793	375

Amount repayable after one year

As at 31.12.2012		As at 31.12.2011	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
2,556	-	2,304	281

Details of any collateral

The Group's banking facilities are secured by:

- fixed deposits amounting to S\$0.6 million,
- the hire purchase facilities of the Group are secured by the Company and its subsidiaries' plant and machinery and motor vehicles.

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

	Group	
	FY 2012 S\$'000	FY2011 S\$'000
Operating activities		
Profit before income tax	11,616	13,157
Adjustments for:		
(Reversal)/ Allowance for inventory obsolescence	(115)	14
Allowance for doubtful receivables	54	49
Bad debts written off	45	55
Goodwill written off	-	162
Property, plant and equipment written off	55	-
Depreciation of property, plant and equipment	2,231	1,985
Dividend income	(1,373)	(4,356)
Share-based payment transactions	46	-
Impairment loss on investments	245	1,882
Interest expense	43	79
Interest income	(235)	(120)
Loss on disposal of a subsidiary	17	228
Loss on disposal of investments	11	26
Gain on disposal of property, plant and equipment	(18)	(123)
Net change in fair value of financial assets held for trading	424	(197)
Share of profit of associates (net of tax)	(7,896)	(8,159)
Operating profit before working capital changes	<u>5,150</u>	<u>4,682</u>
Changes in working capital:		
Inventories	(4,419)	16
Trade and other payables	4,736	6,455
Trade and other receivables	(14,254)	(9,659)
Cash (used)/ from in operations	<u>(8,787)</u>	<u>1,494</u>
Income tax paid	(369)	(353)
Net cash (used)/ from in operating activities	<u>(9,156)</u>	<u>1,141</u>
Investing activities		
Distribution from other investments	4,002	4,634
Dividends received	1,617	4,356
Dividends received from associates	4,553	6,885
Interest received	235	120
Loan to associates	(3,710)	(274)
Proceeds from disposal of associate	-	91
Proceeds from disposal of other investments	5,019	31
Proceeds from disposal of property, plant and equipment	55	150
Purchase of other investments	(5,544)	(3,874)
Purchase of property, plant and equipment	(1,544)	(1,802)
Cash paid for investment in associates	(6,512)	(5,110)
Net cash outflow on acquisition of a subsidiary	-	(986)
Net cash inflow on disposal of a subsidiary	944	-
Net cash (used)/ from investing activities	<u>(885)</u>	<u>4,221</u>
Financing activities		
Deposits pledged	15	37
Dividends paid by the Company	(3,547)	(3,511)
Interest paid	(43)	(79)
Repayment of borrowings	(417)	(279)
Proceeds from issue of shares under share options scheme	30	75
Share-based payment transactions	-	(215)
Purchase of treasury shares	(261)	-
Proceeds/ (Repayment) of finance leases	338	(339)
Net cash used in financing activities	<u>(3,885)</u>	<u>(4,311)</u>
Net (decrease)/ increase in cash and cash equivalents	(13,926)	1,051
Cash and cash equivalents at beginning of period	41,450	40,148
Effect of exchange fluctuations on cash held	(404)	251
Cash and cash equivalents at end of period	<u>27,120</u>	<u>41,450</u>

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

Comprising:

Fixed deposits	5,302	5,984
Bank balances	<u>22,428</u>	<u>36,091</u>
	27,730	42,075
Deposits pledged	<u>(610)</u>	<u>(625)</u>
	<u>27,120</u>	<u>41,450</u>

Explanatory Notes to Cash Flow Statement

The Group reported a decrease in cash and cash equivalents of S\$13.9 million for the year ended 31 December 2012 as compared to the increase of S\$1.1 million a year ago.

This was mainly attributable by higher net cash used in operating activities, investing activities and financing activities by S\$9.2 million, S\$0.9 million and S\$3.9 million respectively.

Higher cash used of S\$5.1 million in investing activities was mainly due to lower dividend received of S\$5.1 million, additional S\$1.4 million investment in an associate in China as compared to FY2011 and higher loan to associates of S\$3.4 million. The above were offset by net cash increase from investment in equity securities of S\$2.7 million as compared to FY2011, amount received on disposal of subsidiary of S\$0.9 million and absence of S\$1.0 million paid on an acquisition last year.

Divestment of a subsidiary

The entire shares held in S3 Technologies Sdn Bhd, a wholly owned subsidiary, were disposed off during the period. The net assets disposed and forms of consideration are shown below:

	S\$ '000
Trade and other receivables	860
Inventories	292
Property, plant and equipment	419
Bank overdraft	(67)
Trade and other payables	(719)
Loans and borrowings	(129)
Deferred tax liabilities	<u>(38)</u>
Net assets disposed	618
Realisation of foreign currency translation reserve	532
Loss on disposal of a subsidiary	<u>(17)</u>
Sales proceeds	<u>1,133</u>
Consideration	1,133
Less:	
Bank overdraft disposed	67
Outstanding consideration to be received within next 12 months from date of disposal	<u>(256)</u>
Net cash inflow on disposal of a subsidiary (as shown in statement of cash flows)	<u>944</u>

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.

	Share capital S\$'000	Reserve for own shares S\$'000	Share option reserve S\$'000	Foreign currency translation reserve S\$'000	Fair value reserve S\$'000	Accumulated profit/ (loss) S\$'000	Total attributable to equity holders of the parent S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Group									
At 1 January 2011	84,268	-	902	(7,483)	(474)	86,604	163,817	463	164,280
Total comprehensive income for the period									
Net profit for the year	-	-	-	-	-	13,388	13,388	(256)	13,132
Other comprehensive income									
Exchange differences on translation of financial statements of foreign subsidiaries and associates	-	-	-	3,125	-	-	3,125	-	3,125
Exchange differences on monetary items forming part of net investment	-	-	-	281	-	-	281	-	281
Net change in fair value of equity securities available for sale transferred to profit or loss	-	-	-	-	1,882	-	1,882	-	1,882
Net change in fair value of equity securities available for sale	-	-	-	-	3,823	-	3,823	-	3,823
Total other comprehensive income	-	-	-	3,406	5,705	-	9,111	-	9,111
Total comprehensive income for the period	-	-	-	3,406	5,705	13,388	22,499	(256)	22,243
Final one-tier dividend paid of 3 cents per share	-	-	-	-	-	(3,511)	(3,511)	-	(3,511)
Issue of shares under share option scheme	75	-	-	-	-	-	75	-	75
Repurchase of own shares	(215)	-	-	-	-	-	(215)	-	(215)
Total transactions with owners	(140)	-	-	-	-	(3,511)	(3,651)	-	(3,651)
At 31 December 2011	84,128	-	902	(4,077)	5,231	96,481	182,665	207	182,872
At 1 January 2012	84,128	-	902	(4,077)	5,231	96,481	182,665	207	182,872
Total comprehensive income for the period									
Net profit for the year	-	-	-	-	-	11,369	11,369	(41)	11,328
Other comprehensive income									
Exchange differences on translation of financial statements of foreign subsidiaries and associates	-	-	-	(3,333)	-	-	(3,333)	-	(3,333)
Exchange differences on translation of a disposed foreign subsidiary	-	-	-	532	-	-	532	-	532
Exchange differences on monetary items forming part of net investment	-	-	-	(2,234)	-	-	(2,234)	-	(2,234)
Net change in fair value of equity securities available for sale transferred to profit or loss	-	-	-	-	245	-	245	-	245
Net change in fair value of equity securities available for sale	-	-	-	-	1,167	-	1,167	-	1,167
Total other comprehensive income	-	-	-	(5,035)	1,412	-	(3,623)	-	(3,623)
Total comprehensive income for the period	-	-	-	(5,035)	1,412	11,369	7,746	(41)	7,705
Contributions by and distributions to owners									
Final one-tier dividend paid of 3 cents per share	-	-	-	-	-	(3,547)	(3,547)	-	(3,547)
Purchase of treasury shares	-	(261)	-	-	-	-	(261)	-	(261)
Issue of shares under share option scheme	30	-	-	-	-	-	30	-	30
Share-based payment transactions	-	-	46	-	-	-	46	-	46
Total transactions with owners	30	(261)	46	-	-	(3,547)	(3,732)	-	(3,732)
At 31 December 2012	84,158	(261)	948	(9,112)	6,643	104,303	186,679	166	186,845

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.

Company	Share capital S\$'000	Reserve for own shares S\$'000	Share option reserve S\$'000	Fair value reserve S\$'000	Accumulated profit/ (loss) S\$'000	Total equity S\$'000
At 1 January 2011	84,268	-	902	166	68,227	153,563
Total comprehensive income for the period						
Net profit for the year	-	-	-	-	15,672	15,672
Other comprehensive income						
Net change in fair value of equity securities available for sale	-	-	-	(161)	-	(161)
Total other comprehensive income	-	-	-	(161)	-	(161)
Total comprehensive income for the period	-	-	-	(161)	15,672	15,511
Contributions by and distributions to owners						
Final one-tier dividend paid of 3 cents per share	-	-	-	-	(3,511)	(3,511)
Issue of shares under share option scheme	75	-	-	-	-	75
Repurchase of own shares	(215)	-	-	-	-	(215)
Total transactions with owners	(140)	-	-	-	(3,511)	(3,651)
At 31 December 2011	84,128	-	902	5	80,388	165,423
At 1 January 2012	84,128	-	902	5	80,388	165,423
Total comprehensive income for the period						
Net loss for the year	-	-	-	-	(5,592)	(5,592)
Other comprehensive income						
Net change in fair value of equity securities available for sale	-	-	-	(5)	-	(5)
Total other comprehensive income	-	-	-	(5)	-	(5)
Total comprehensive income for the period	-	-	-	(5)	(5,592)	(5,597)
Contributions by and distributions to owners						
Final one-tier dividend paid of 3 cents per share	-	-	-	-	(3,547)	(3,547)
Purchase of treasury shares	-	(261)	-	-	-	(261)
Issue of shares under share option scheme	30	-	-	-	-	30
Share-based payment transactions	-	-	46	-	-	46
Total transactions with owners	30	(261)	46	-	(3,547)	(3,732)
At 31 December 2012	84,158	(261)	948	-	71,249	156,094

- 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.**

Changes in share capital since the end of the previous period reported on:

	<u>Number of Shares</u>
Issued share capital of the Company (excluding treasury shares) as at 30 September 2012	118,232,500
Exercise of share options	40,000
Purchase of treasury shares	(288,000)
Issued share capital of the Company (excluding treasury shares) as at 31 December 2012	<u>117,984,500</u>

There were 288,000 treasury shares held by the Company as at 31 December 2012 (31 December 2011 : Nil) and these will be excluded in the above number of issued ordinary shares.

As at 31 December 2012, options to subscribe to 2,167,500 ordinary shares remained unexercised (31 December 2011: 2,000,000 ordinary shares).

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	<u>As at 31 Dec 2012</u>	<u>As at 31 Dec 2011</u>
Total number of issued shares excluding treasury shares	<u>117,984,500</u>	<u>118,232,500</u>

- 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 sales, transfer, disposal, cancellation and/or use of treasury shares for the financial period ended 31 December 2012 and 31 December 2011.

- 2 Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard).**

These figures have not been audited or reviewed by the Company's auditors.

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

Other than the adoption of the new and revised Financial Reporting Standards (FRS) which took effect from current year, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as compared with the audited financial statements for the financial year ended 31 December 2011.

- 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 adoption of the new and revised FRSs is assessed to have no material impact on the results of the Group and of the Company for the financial year ended 31 December 2012.

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.

	Group			
	4Q12	4Q11	FY 2012	FY 2011
Weighted average no. of shares (excluding treasury shares)	118,119,707	118,311,076	118,204,070	118,417,799
Weighted average no. of shares on a fully diluted basis (excluding treasury shares)	118,350,167	118,914,089	118,352,532	118,565,133
Earnings per ordinary shares for the period				
(i) Based on weighted average number of ordinary shares in issue (excluding treasury shares)	3.47 cents	3.37 cents	9.62 cents	11.31 cents
(ii) On a fully diluted basis (excluding treasury shares)	3.46 cents	3.35 cents	9.61 cents	11.29 cents

Earnings per ordinary shares of the period based on operating profit after tax attributable to members of the company after deducting any provision for preference dividends:-

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 period reported on and (b) immediately preceding financial year.

	Group		Company	
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
Net asset value per ordinary share	S\$1.58	S\$1.54	S\$1.32	S\$1.40

The calculation of net asset value per ordinary share of the Group and Company was based on the net assets of the Group and the Company as at 31 December 2012 and 31 December 2011 after adjusting for minority interest and 117,984,500 shares (excluding treasury shares) as at 31 December 2012 (31 Dec 2011: 118,232,500 shares).

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) Revenue

Group's revenue for FY2012 was S\$137.5 million, representing 18.9% increase from the previous financial year. This was primarily attributable to good performance from our Integral Cement/Ready-mix Concrete business.

(b) Profitability

Net profit declined by S\$1.8 million or 13.7% to S\$11.3 million due to the following contributing factors:

- i) Exchange losses arising from revaluation of USD denominated assets by S\$1.9 million.
- ii) Lower dividend income of S\$3.0 million and lower share of profits from associates by S\$0.3 million and
- iii) Higher operating costs by S\$3.3 million resulting from increased activities and costs incurred by the newly acquired subsidiary in Malaysia.

The above decline was mitigated by :

- i) Higher profits of S\$4.1 million generated from our Integral Cement/Ready-mix Concrete business.
- ii) Lower impairment of S\$1.6 million offset by lower fair valuation of S\$0.6 million for financial assets and
- iii) Higher other income generated from Specialty Polymer and Dry-mix businesses amounting to S\$1.6 million.

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

Not applicable.

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.

2013 is expected to be a challenging year. The Group will focus on Integral Cement/Ready-mixed Concrete and Specialty Cement businesses.

In Singapore, Building & Construction Authority ("BCA") projected construction demand of between \$26 - 32 billion for 2013 and \$20 - 28 billion each year for 2014 and 2015. Our Singapore Integral Cement/Ready-mixed Concrete is well positioned to meet the strong demand. However, we anticipate increasing competition, rising operating costs and manpower shortage to pose serious challenges resulting in further margin squeeze. We are committed to improve operational efficiency and throughput while managing rising costs.

In China, the mega infrastructure projects and public housing development programs should continue to gain momentum and hence demand for our GGBS products.

We remain focussed on building our core competencies, adopting strategy of being market focus and technology driven.

11 Dividend

(a) Current Financial Period Reported On

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

Name of Dividend	First and Final
Dividend Type	Cash
Dividend Amount	3.00 cts per ordinary share
Tax Rate	Tax exempted (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	First and Final
Dividend Type	Cash
Dividend Amount	3.00 cts per ordinary share
Tax Rate	Tax exempted (1-tier)

(c) Date payable

To be advised later.

(d) Books closure date

The dividend payment date and the notice for the closure of the Register of Members and the Transfer books of the Company for the purpose of determining entitlement to the proposed dividend will be advised after the forthcoming Annual General Meeting.

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

No dividend has been declared/ recommended for the current financial period.

13 If the Group has obtained a General Mandate from shareholders for the IPT, the aggregate values of such transactions as required under Rule 920 (1) (a) (ii). If no IPT mandate has been obtained, a statement to that effect.

Interested person transactions conducted during financial year 2012:

Name of Interested Person	Aggregate value of all interested person transactions during the quarter under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual)	
	FY 2012	FY 2011
	S\$'000	S\$'000
Loan to an associated company		
- HBS Investments Pte Ltd	1,329	2,226
- HB Investments (China) Pte Ltd	127	2,500

No IPT mandate has been obtained from shareholders.

14 Negative confirmation pursuant to Rule 705 (5)

Not applicable.

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.**

Business Segments	Cement and building materials S\$'000	Specialty Polymer S\$'000	Investments S\$'000	Total S\$'000
Revenue and expenses				
2012				
External revenues (representing consolidated revenue)	132,227	5,277	39	137,543
Dividend income	-	-	1,373	1,373
Reportable segment profit/ (loss) before income tax	5,000	(1,923)	451	3,528
Share of profit of associates	7,588	-	308	7,896
	12,588	(1,923)	759	11,424
Interest expense				(43)
Interest income				235
Income tax credit				(288)
Profit for the year				11,328
Revenue and expenses				
2011				
External revenues (representing consolidated revenue)	107,395	8,263	57	115,715
Dividend income	-	-	4,356	4,356
Reportable segment profit/ (loss) before income tax	5,202	(3,171)	2,926	4,957
Share of profit of associates	8,069	-	90	8,159
	13,271	(3,171)	3,016	13,116
Interest expense				(79)
Interest income				120
Income tax credit				(25)
Profit for the year				13,132

Geographical Segments

	Singapore S\$'000	Malaysia S\$'000	China S\$'000	Eliminations S\$'000	Total S\$'000
Revenue					
2012					
External customers	121,731	8,017	7,795	-	137,543
Inter-segment revenue	15,030	610	-	(15,640)	-
Total revenue	136,761	8,627	7,795	(15,640)	137,543
Revenue					
2011					
External customers	102,137	4,671	8,907	-	115,715
Inter-segment revenue	13,818	1,146	-	(14,964)	-
Total revenue	115,955	5,817	8,907	(14,964)	115,715

- 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.**

Refer to Para 8.

17 A breakdown of sales

	Group		
	31.12.2012 S\$'000	31.12.2011 S\$'000	% Change
Sales reported for first half year	62,474	57,071	9.5
Operating profit after tax before deducting minority interests reported for first half year	5,441	6,649	(18.2)
Sales reported for second half year	75,069	58,644	28.0
Operating profit after tax before deducting minority interests reported for second half year	5,887	6,483	(9.2)

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

	Latest Year (S\$'000)	Previous Year (S\$'000)
Ordinary	3,540	3,547
Preference	-	-
Total :	3,540	3,547

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

Name	Age	Family Relationship with any Director and/or CEO and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Mr Tan Cheng Gay	66	Brother of: (a) Mr Tan Yok Koon, an Executive director of the Company. (b) Dr Tan Choo Suan, a Non-Executive Director and Substantial Shareholder of the Company (see note (1) below). (c) Ms Tan Choo Pin, a Substantial Shareholder of the Company (see note (2) below). Son of Mdm Ng Giok Oh, a Substantial Shareholder of the Company (see note (3) below).	Position: Chairman/ CEO Appointed as Chairman since 2002 Appointed as CEO since 1979 Duties: Oversees the Company's overall business activities	No Change
Mr Tan Yok Koon	64	Brother of: (a) Mr Tan Cheng Gay, Chairman/CEO of the Company. (b) Dr Tan Choo Suan, a Non-Executive Director and Substantial Shareholder of the Company (see note (1) below). (c) Ms Tan Choo Pin, a Substantial Shareholder of the Company (see note (2) below). Son of Mdm Ng Giok Oh, a deemed Substantial Shareholder of the Company (see note (3) below).	Position: President, China Operations since 1 March 2005 Duties: Oversees the business activities in China	No Change

Notes:

- (1) Dr Tan Choo Suan is deemed to be a Substantial Shareholder of the Company through her shareholdings in Afro-Asia International Enterprises Pte. Limited, Afro Asia Shipping Co Pte Ltd and Performance Investment Pte Ltd.
- (2) Ms Tan Choo Pin is deemed to be a Substantial Shareholder of the Company through her shareholdings in Afro-Asia International Enterprises Pte. Limited.
- (3) Mdm Ng Giok Oh is deemed to be a Substantial Shareholder of the Company through her shareholdings in Afro Asia Shipping Co Pte Ltd and Performance Investment Pte Ltd.

BY ORDER OF THE BOARD

Tan Cheng Gay
 Chairman and CEO
 28 February 2013