



First Quarter Financial Statement And Dividend Announcement

First Quarter financial statements on consolidated results for the period ended 31 August 2015.

These figures have not been audited.

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

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

	The Group		
	3 months ended 31 August 2015 S\$'000	3 months ended 31 August 2014 S\$'000	% Increase /(Decrease)
Revenue	135,622	167,637	-19.1%
Cost of sales	(120,392)	(150,990)	-20.3%
Gross profit	15,230	16,647	-8.5%
Other operating income	2,871	2,229	28.8%
Distribution expenses	(53)	(61)	-13.1%
Administrative expenses	(7,474)	(5,454)	37.0%
Other operating expenses	(2,605)	(2,244)	16.1%
Finance costs	(1,909)	(1,385)	37.8%
Share of results of associates	15,408	1,168	1219.2%
Share of results of joint ventures	13,163	3,892	238.2%
Profit before taxation	34,631	14,792	134.1%
Taxation	(1,040)	(1,313)	-20.8%
Profit for the period	33,591	13,479	149.2%
Other comprehensive income :			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Foreign currency translation gain	12	16	-25.0%
Net loss on fair value changes of available-for-sale financial assets	(6,380)	(4,621)	38.1%
Other comprehensive loss for the period, net of tax	(6,368)	(4,605)	38.3%
Total comprehensive income for the period	27,223	8,874	206.8%
Profit attributable to :			
Owners of the Company	32,269	11,972	169.5%
Non-controlling interests	1,322	1,507	-12.3%
	33,591	13,479	149.2%
Total comprehensive income attributable to:			
Owners of the Company	25,901	7,367	251.6%
Non-controlling interests	1,322	1,507	-12.3%
	27,223	8,874	206.8%

Note :

A) Net loss on fair value changes of available-for-sale financial assets of \$6.4 million in 1Q16 mainly due to the unrealised loss (\$1.6 million) arising from the valuation of 65 million quoted ordinary shares of Datapulse Technology Limited ("Datapulse") and unrealised loss (\$4.6 million) arising from the valuation of 38 million quoted ordinary shares of Centurion Corporation Limited ("CCL").

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

		The Group		
		3 months ended 31 August 2015 S\$'000	3 months ended 31 August 2014 S\$'000	% Increase /(Decrease)
Other income including interest income	Note 1	2,648	1,843	43.7%
Gain on disposal of plant and equipment		170	118	44.1%
Depreciation of property, plant and equipment	Note 2	(4,114)	(3,736)	10.1%
Foreign exchange loss		(89)	(17)	423.5%
Dividend income from investment securities		3	194	-98.5%

* Not Meaningful

Explanatory notes:

- 1 The increase in other income and interest income from \$1.8 million in 1Q15 to \$2.6 million in 1Q16 was mainly due to the increase in interest income received from loans to associates, as well as interest income from investments in corporate bonds and fixed deposits.
- 2 The increase in depreciation of property, plant and equipment from \$3.7 million in 1Q15 to \$4.1 million in 1Q16 was mainly due to the addition in plant, equipment and vessels in the Group's expanding businesses and the replacement of old equipment and machines.

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

	The Group S\$'000		The Company S\$'000	
	31-Aug-15	31-May-15	31-Aug-15	31-May-15
<u>Non-current assets</u>				
Property, plant and equipment	88,989	91,589	4	5
Investment properties	375,911	351,277	-	-
Investments in joint ventures	41,051	27,871	500	500
Investments in subsidiaries	-	-	67,800	67,800
Investments in associates	26,611	11,084	1,400	1,400
Deferred tax assets	516	637	-	-
Investment securities	54,642	53,743	21,870	20,710
	587,720	536,201	91,574	90,415
<u>Current assets</u>				
Construction work-in-progress in excess of progress billings	4,162	7,186	-	-
Development properties	101,447	96,948	-	-
Development properties held for sale	14,268	14,268	-	-
Inventories	7,609	6,220	-	-
Trade receivables	134,469	159,742	-	-
Other receivables and deposits	62,638	21,545	8,731	3,729
Prepayments	1,162	1,473	9	5
Amounts due from related parties	1	1	187,470	171,427
Amounts due from joint ventures	56,495	51,200	10,063	9,885
Amounts due from associates	116,635	117,133	14,164	14,164
Investment securities	45,962	45,418	-	-
Cash and cash equivalents	220,233	187,058	41,422	536
	765,081	708,192	261,859	199,746
<u>Current liabilities</u>				
Progress billings in excess of construction work-in-progress	116,305	117,517	-	-
Trade and other payables	202,231	210,732	103	223
Accruals	19,551	19,559	828	458
Amounts due to associates	12,828	12,931	76	76
Amounts due to joint ventures	32,592	33,151	-	-
Amounts due to subsidiaries	-	-	231,023	161,013
Bank loans	64,367	65,878	-	-
Obligations under hire purchases	5,977	5,545	-	-
Provision for taxation	9,674	9,100	10	9
	463,525	474,413	232,040	161,779
Net current assets	301,556	233,779	29,819	37,967
<u>Non-current liabilities</u>				
Refundable rental deposit	622	640	-	-
Bank loans	306,188	211,284	-	-
Obligations under hire purchase	9,431	10,237	-	-
Deferred tax liabilities	2,896	2,552	-	-
	319,137	224,713	-	-
Net assets	570,139	545,267	121,393	128,382
<u>Equity attributable to equity holders of the Company</u>				
Share capital	82,275	82,275	82,275	82,275
Treasury share	(14,932)	(12,781)	(14,932)	(12,781)
Capital reserve	(221)	(221)	-	-
Foreign currency translation reserve	(20)	(32)	-	-
Fair value adjustment reserve	(7,083)	(703)	(7,153)	(1,010)
Retained earnings	427,730	395,461	61,203	59,898
	487,749	463,999	121,393	128,382
Non-controlling interests	82,390	81,268	-	-
Total equity	570,139	545,267	121,393	128,382
	-	-	-	-

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 August 2015

Secured (S\$)	Unsecured (S\$)
70,344,000	-

As at 31 May 2015

Secured (S\$)	Unsecured (S\$)
71,423,000	-

Amount repayable after one year

As at 31 August 2015

Secured (S\$)	Unsecured (S\$)
315,619,000	-

As at 31 May 2015

Secured (S\$)	Unsecured (S\$)
221,521,000	-

Details of any collateral

As at 31 August 2015, the Group's borrowings of S\$386.0 million (31 May 2015 : S\$292.9 million) are secured by the Group's freehold and leasehold properties, development properties, investment properties, barges, tugboats, plant, machinery and motor vehicles and investment securities. The bank facilities of the subsidiary companies, joint ventures and associates are also secured by corporate guarantees from the Company.

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

	The Group (S\$'000) 3 months ended 31-Aug-15	The Group (S\$'000) 3 months ended 31-Aug-14 Restated
<u>Cash flows from operating activities</u>		
Profit before tax	34,631	14,792
<u>Adjustments for:-</u>		
Depreciation of property, plant and equipment	4,114	3,736
Dividend income from investment securities	(3)	(194)
Gain on disposal of property, plant and equipment	(170)	(118)
Net fair value loss on investment securities	3	1
Gain on disposal of investment securities	-	(23)
Interest income	(2,121)	(1,368)
Interest expense	1,909	1,385
Unrealised exchange differences	15	16
Bad debt written off	7	-
Share of results of associates and joint ventures	(28,571)	(5,060)
Operating cash flows before changes in working capital	9,814	13,167
<u>Changes in working capital :-</u>		
Development properties	(4,038)	(123)
Construction work-in-progress	1,003	11,097
Inventories	(1,389)	(3,597)
Trade receivables	25,273	(7,024)
Other receivables and deposits	(41,093)	6,125
Prepayments	311	288
Trade payables, other payables and accruals	(7,534)	12,144
Balances with related parties	1,464	(14,166)
	(26,003)	4,744
Cash flows (used in) / from operations	(16,189)	17,911
Interest paid capitalised in development properties	(461)	(73)
Income tax paid	-	(62)
Net cash flows (used in) / from operating activities	(16,650)	17,776
<u>Cash flows from investing activities</u>		
Interest received	1,597	735
Dividend income from investment securities	3	194
Additional investment in investment securities	(7,303)	(3,754)
Purchase of property, plant and equipment	(830)	(4,761)
Purchase of investment properties	(24,634)	(51,222)
Proceeds from disposal of property, plant and equipment	418	124
Loan to associates	(6,430)	(14,195)
(Loan to) / repayment by joint ventures	(824)	17,492
Return of capital from the liquidation of an associate	3	0
Proceeds from disposal of investment securities	-	774
Net cash flows used in investing activities	(38,000)	(54,613)
<u>Cash flows from financing activities</u>		
Interest paid	(1,909)	(1,386)
Proceeds from bank loans and bills payable	98,793	40,077
Repayment of hire purchase creditors	(1,306)	(514)
Repayment of bank loans	(5,400)	(1,029)
Purchase of treasury shares	(2,151)	-
Dividend paid to a non-controlling interest of a subsidiary	(200)	-
Capital contribution from a non-controlling shareholder	-	2,400
Net cash flows from financing activities	87,827	39,548
Net increase in cash and cash equivalents	33,177	2,711
Cash and cash equivalents at beginning of the period	187,058	148,237
Effect of exchange rate changes on cash and cash equivalents	(2)	-
Cash and cash equivalents at end of the period	220,233	150,948

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

Group								
	Share Capital	Treasury share	Capital reserve	Translation Reserve	Fair Value Adjustment Reserve	Retained earning	Non-controlling interest	Total equity
	S\$ '000	S\$ '000	S\$ '000	S\$ '000	S\$ '000	S\$ '000	S\$ '000	S\$ '000
Balance as at 1 June 2015	82,275	(12,781)	(221)	(32)	(703)	395,461	81,268	545,267
Profit for the period	-	-	-	-	-	32,269	1,322	33,591
<u>Other comprehensive income</u>								
Net loss on fair value changes of available-for-sale financial assets	-	-	-	-	(6,380)	-	-	(6,380)
Foreign currency translation gain	-	-	-	12	-	-	-	12
Other comprehensive income / (loss) for the period, net of tax	-	-	-	12	(6,380)	-	-	(6,368)
Total comprehensive income / (loss) for the period	-	-	-	12	(6,380)	32,269	1,322	27,223
<u>Contribution by and distribution to owners</u>								
Dividend paid to non-controlling shareholder of subsidiary	-	-	-	-	-	-	(200)	(200)
Purchase of treasury share	-	(2,151)	-	-	-	-	-	(2,151)
Balance as at 31 August 2015	82,275	(14,932)	(221)	(20)	(7,083)	427,730	82,390	570,139
Balance as at 1 June 2014	82,275	-	474	(8)	7,442	304,454	60,745	455,382
Profit for the period	-	-	-	-	-	11,972	1,507	13,479
<u>Other comprehensive income</u>								
Net loss on fair value changes of available-for-sale financial assets	-	-	-	-	(4,621)	-	-	(4,621)
Foreign currency translation gain	-	-	-	16	-	-	-	16
Other comprehensive income / (loss) for the period, net of tax	-	-	-	16	(4,621)	-	-	(4,605)
Total comprehensive income / (loss) for the period	-	-	-	16	(4,621)	11,972	1,507	8,874
Balance as at 31 August 2014	82,275	-	474	8	2,821	316,426	62,252	464,256

Company					
	Share Capital	Treasury Share	Fair Value Adjustment Reserve	Retained earning	Total equity
	S\$ '000	S\$ '000	S\$ '000	S\$ '000	S\$ '000
Balance as at 1 June 2015	82,275	(12,781)	(1,010)	59,898	128,382
Profit for the period	-	-	-	1,305	1,305
<u>Other comprehensive income</u>					
Net loss on fair value changes of available-for-sale financial assets	-	-	(6,143)	-	(6,143)
Other comprehensive loss for the period, net of tax	-	-	(6,143)	-	(6,143)
Total comprehensive income / (loss) for the period	-	-	(6,143)	1,305	(4,838)
<u>Contribution by and distribution to owners</u>					
Purchase of treasury shares	-	(2,151)	-	-	(2,151)
Balance as at 31 August 2015	82,275	(14,932)	(7,153)	61,203	121,393
Balance as at 1 June 2014	82,275	-	6,400	41,988	130,663
Loss for the period	-	-	-	(214)	(214)
<u>Other comprehensive income</u>					
Net loss on fair value changes of available-for-sale financial assets	-	-	(4,370)	-	(4,370)
Other comprehensive loss for the period, net of tax	-	-	(4,370)	-	(4,370)
Total comprehensive loss for the period	-	-	(4,370)	(214)	(4,584)
Balance as at 31 August 2014	82,275	-	2,030	41,774	126,079

- 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.

	Number of shares	Share Capital (S\$)
As at 1 June 2015	509,865,000	82,275,000
Shares buyback during the financial period	(4,025,400)	-
As at 31 August 2015	505,839,600	82,275,000

Note 1

Note 1:

During the financial period, the Company purchased an aggregate of 4,025,400 ordinary shares by way of open market purchases for a total consideration of S\$2,150,908. These shares were held as treasury shares in the Company as at 31 August 2015.

As at 31 August 2015, the Company held 23,920,400 ordinary shares as treasury shares (31 May 2015:19,895,000).

Total number of issued shares of the Company excluding treasury shares as at 31 August 2015 and 31 May 2015 were 505,839,600 and 509,865,000 shares respectively.

Save for the foregoing, there are no other changes in the Company's share capital arising from rights issue, bonus issue, share buyback, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since 1 June 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.

	31-Aug-15	31-May-15
Total number of shares	529,760,000	529,760,000
Treasury shares	(23,920,400)	(19,895,000)
Total number of issued shares, excluding treasury shares	505,839,600	509,865,000

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

There were no sales, transfers, disposals, cancellations and/or use of treasury shares by the Company during the financial period ended 31 August 2015 (1 June 2014 to 31 May 2015: Nil)

- 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).

The figures have not been audited nor reviewed by the Company's auditors.

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

Not Applicable

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements as at 31 May 2015, except for those disclosed in paragraph 5.

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

The Group adopted the new/revised FRS and interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 June 2015. Changes to the Group's accounting policies have been made as required, in accordance with transitional provisions in respective FRS and INT FRS. The adoption of new/revised FRS and INT FRS did not result in any substantial changes to the Group's accounting policies or any significant impact on the Group's financial statements.

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

Earnings per share attributable to equity holders of the Company (cents per share)	3 months ended	
	31-Aug-15	31-Aug-14
(a) On a basic basis	6.35	2.26
(b) On a fully diluted basis	6.35	2.26
	S\$'000	S\$'000
Group's profit attributable to the owners of the Company	32,269	11,972
Weighted average number of shares excluding treasury shares	508,099,923	529,760,000

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	
	As at 31-Aug-15	As at 31-May-15	As at 31-Aug-15	As at 31-May-15
Net asset value per ordinary share (cents)	96.42	91.00	24.00	25.18
Issue share capital excluding treasury shares	505,839,600	509,865,000	505,839,600	509,865,000

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

A) Comprehensive Income Statements

The Group reported a 19.1% or \$32.0 million decrease in revenue from \$167.6 million in 1Q15 to \$135.6 million in 1Q16. The decrease in revenue was mainly due to a decrease in revenue generated from the construction segment and ready-mixed concrete segment.

The Group's gross profit for 1Q16 decreased by 8.5% to \$15.2 million in line with the decrease in revenue.

Other operating income increased to \$2.9 million in 1Q16 from \$2.2 million in 1Q15 mainly due to increase in interest income from loans to associates, corporate bonds and fixed deposits. Administrative expenses increased from \$5.5 million in 1Q15 to \$7.5 million in 1Q16 mainly due to higher accrual for directors' remuneration on the Group's performance for 1Q16, as well as increase in bank charges and other administrative expenses. Other operating expenses increased from \$2.2 million in 1Q15 to \$2.6 million in 1Q16 mainly due to increase in depreciation charges for property, plant and equipment in the Group's expanding businesses and the replacement of old equipment and machines. Finance costs increased from \$1.4 million in 1Q15 to \$1.9 million in 1Q16 mainly due to interest paid for the loan drawn down for working capital purposes.

The share of results of associates and joint ventures increased from \$5.1 million in 1Q15 to \$28.6 million in 1Q16 was mainly due to the recognition of the Group's share of profits in associates and joint ventures from a few development projects namely, Newest, KAP Residences, Eco-tech@Sunview and The Midtown.

Taxation decreased by 20.8% or \$0.3 million from \$1.3 million in 1Q15 to \$1.0 million in 1Q16 was mainly due to decrease in profit from operations before share of results of associates and joint ventures.

After taking into account the above, the Group recorded a 149.2% increase in profit after taxation to \$33.6 million for 1Q16, compared to \$13.5 million for 1Q15.

B) Financial Position Statements

Long term investment properties increased to \$375.9 million in 1Q16 from \$351.3 million in FY15 mainly due to the acquisition of investment property located at 247 Collins Street, Melbourne, Australia for generation of recurring rental income.

Investment in joint ventures increased to \$41.1 million in 1Q16 from \$27.9 million in FY15 mainly due to the Group's share of profits in joint ventures.

Investment in associates increased to \$26.6 million in 1Q16 from \$11.1 million in FY15 mainly due to the Group's share of profits in associates.

Other receivables and deposits increased from \$21.5 million in FY15 to \$62.6 million in 1Q16 mainly due to receivable from the non-controlling interest of the subsidiary.

Trade receivables, construction work-in-progress in excess of progress billings and trade and other payables decreased in line with the decrease in revenue.

Total borrowings increased from \$292.9 million in FY15 to \$386.0 million in 1Q16 was mainly due to bank borrowing to finance the purchase of investment property located at 247 Collins Street, Melbourne, Australia, as well as loan drawn down for working capital purposes.

C) Cash Flow Statements

Net cash used in operating activities of \$16.7 million in 1Q16 was mainly due to operating cash flow before changes in working capital of \$9.8 million and net working capital outflow of \$26.0 million after deducting payment of interest charges. Net working capital outflow was mainly due to increase in other receivables and deposits offsetted by the decrease in trade receivables.

Net cash used in investing activities of \$38.0 million in 1Q16 was mainly attributable to the purchase of investment property located at 247 Collins Street, Melbourne, Australia as well as subscription of 65 million new ordinary shares in Datapulse.

Net cash generated from financing activities of \$87.8 million in 1Q16 was mainly attributable to additional bank loan drawn down to finance the purchase of the investment property located at 247 Collins Street, Melbourne, Australia as well as for working capital purposes.

Overall, cash and cash equivalents stood at \$220.2 million as at 31 August 2015, compared to \$150.9 million as at 31 August 2014.

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

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

10 A commentary at the date of the announcement of the 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.

The Ministry of Trade and Industry (MTI) announced on 11 Aug 15 that it has narrowed the GDP growth forecast for 2015 to 2.0 to 2.5%, from 2.0 to 4.0%.

According to MTI, the Singapore economy grew by 1.8% on a year-on-year basis in April to June 15, slower than the 2.8% growth in January to March 15. The construction sector expanded at a faster pace of 2.5% year-on-year compared to the 1.1% in January to March 15. Growth was supported by a pick-up in public sector construction works.

As at 31 August 2015, the Group's order book stood at approximately \$452 million which will provide it with a sustainable flow of activities through FY2017.

In light of the above, the Group is cautiously optimistic of the construction market outlook in the next 12 months and will continue to leverage its established track record and capability to tender for more public and private sector projects.

11 Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

None

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

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable.

No dividend has been declared/recommended during the financial period.

(d) Books closure date.

No dividend has been declared/recommended during the financial period.

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

No dividend has been declared/recommended during the financial period.

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

Not applicable as no IPT mandate has been obtained.

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

The Company is in the process of procuring the undertakings from all its directors and executive officers.

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

15 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Not applicable

16 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Not applicable

17 A breakdown of sales.

Not applicable

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

Not applicable

BY ORDER OF THE BOARD

Ong Pang Aik
Chairman and Managing Director
13-Oct-2015

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

**For the announcement of unaudited financial statements
for the first quarter ended 31 August 2015**

We, Ong Pang Aik and Ong Lay Koon, being Directors of Lian Beng Group Ltd (the "Company"), do hereby confirm, for and on behalf of the Board of Directors of the Company, that, to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited first quarter financial results for the period ended 31 August 2015 to be false or misleading in any material aspect.

For and on behalf of the Board of Directors.

Ong Pang Aik
Chairman and Managing Director

Ong Lay Koon
Executive Director

13 October 2015