

FIRST QUARTER FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE PERIOD ENDED 31 MARCH 2018

PART 1 – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3) RESULTS

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

1(a)(i) Income Statement

	Group		%
	1st quarter ended 31.3.2018 S'000	1st quarter ended 31.3.2017 S'000 (Restated)*	
Revenue	7,331	11,473	(36%)
Cost of sales	(4,889)	(7,156)	(32%)
Gross profit	2,442	4,317	(43%)
Other operating expenses	(230)	(253)	(9%)
Selling and distribution expenses	(2,763)	(2,072)	33%
Administrative expenses	(1,323)	(1,448)	(9%)
Finance costs	(93)	(89)	4%
(Loss)/Profit from operations	(1,967)	455	N.M.
Share of results of joint ventures	94	271	(65%)
Share of results of associated companies	(488)	(354)	38%
(Loss)/Profit before tax	(2,361)	372	(735%)
Tax credit/(expense)	2	(113)	(102%)
Net (loss)/profit for the period	(2,359)	259	N.M.
Attributable to:			
Equity holders of the Company	(1,988)	367	(642%)
Non-controlling interests	(371)	(108)	244%
	(2,359)	259	N.M.

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

	Group		
	1st quarter ended 31.3.2018 \$'000	1st quarter ended 31.3.2017 \$'000 (Restated)*	% Change
Net (loss)/profit for the period	(2,359)	259	N.M.
Other Comprehensive income:			
Exchange differences on translation of the financial statements of foreign entities (net)	244	(14)	N.M.
Total comprehensive (loss)/profit for the period	<u>(2,115)</u>	<u>245</u>	N.M.
Total comprehensive (loss)/profit attributable to:			
Equity holders of the Company	(1,744)	353	N.M.
Non-controlling interests	(371)	(108)	N.M.
Total comprehensive (loss)/profit for the period	<u>(2,115)</u>	<u>245</u>	N.M.

N.M. – Not meaningful

* Restated the results of relevant subsidiaries from discontinued operations to continuing operations.

1(a)(ii) Notes to income statement

	Group		
	1st quarter ended 31.3.2018 \$'000	1st quarter ended 31.3.2017 \$'000 (Restated)*	% Change
Other income including interest income	117	185	(37%)
Fair value loss on financial assets at fair value through profit or loss	(6)	-	N.M
Foreign exchange loss	(342)	(438)	(22%)
Interest on borrowings	(93)	(89)	4%
Amortisation of intangible assets	(62)	(104)	(40%)
Depreciation of property, plant and equipment	(303)	(363)	(16%)
Provision for stock obsolescence	(163)	(108)	50%
Provision for doubtful debts	(549)	(131)	319%

N.M. – Not meaningful

* Restated the results of relevant subsidiaries from discontinued operations to continuing operations.

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

	GROUP			COMPANY		
	31.3.2018	31.12.2017*	1.1.2017 *	31.3.2018	31.12.2017	1.1.2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Non-current assets						
Property, plant and equipment	12,391	12,572	15,827	-	-	-
Investment in subsidiaries	-	-	-	11,336	11,337	14,654
Investment in joint ventures	2,562	2,504	2,705	912	912	912
Investment in associated companies	4,853	3,260	11,982	3,085	3,085	12,748
Deferred tax assets	15	15	11	-	-	-
Intangible assets	1,203	1,096	5,254	49	49	49
Purchase deposit to a supplier	2,623	2,673	5,077	-	-	-
Financial assets, at fair value through profit or loss	36	42	-	1,307	1,307	-
	23,683	22,162	40,856	16,689	16,690	28,363
Current assets						
Inventories	24,635	24,772	27,179	-	-	-
Due from customers on construction contracts	1,604	1,655	8	-	-	-
Trade receivables	7,400	8,910	14,222	-	-	-
Other receivables	3,055	2,234	5,044	110	3,222	5,126
Tax recoverable	1,757	1,708	-	-	-	-
Restricted cash	890	890	1,369	-	-	-
Cash and cash equivalents	1,266	6,329	7,040	252	194	180
	40,607	46,498	54,862	362	3,416	5,306
Disposal group assets classified as held for sale	2,274	2,274	-	-	-	-
Total current assets	42,881	48,772	54,862	362	3,416	5,306
Total assets	66,564	70,934	95,718	17,051	20,106	33,669
Non-current liabilities						
Deferred tax liability	433	434	1,463	-	-	-
Convertible loan notes	690	690	-	-	-	-
Other payable	-	-	765	-	-	765
Finance lease liabilities	94	95	207	-	-	-
	1,217	1,219	2,435	-	-	765

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

	GROUP			COMPANY		
	31.3.2018 \$'000	31.12.2017* \$'000	1.1.2017 * \$'000	31.3.2018 \$'000	31.12.2017 \$'000	1.1.2017 \$'000
Current liabilities						
Due to customers on construction contracts	-	25	3,645	-	-	-
Trade payables	1,825	2,576	2,504	-	-	-
Other payables	2,501	2,195	2,351	1,933	5,118	1,300
Provisions	16,422	17,621	12,351	16,410	16,410	12,351
Bank borrowings	13,956	13,486	14,090	-	-	-
Finance lease liabilities	87	119	147	-	-	-
Tax payable	1,103	2,125	495	142	184	51
	35,894	38,147	35,583	18,485	21,712	13,702
Liabilities directly associated with disposal group classified as held for sale	498	498	-	-	-	-
Total current liabilities	36,392	38,645	35,583	18,485	21,712	13,702
Total liabilities	37,609	39,864	38,018	18,485	21,712	14,467
Net assets	28,955	31,070	57,700	(1,434)	(1,606)	19,202
Shareholders' equity						
Share capital	43,461	43,461	43,461	43,461	43,461	43,461
Currency translation reserve	702	268	-	-	-	-
Equity component of convertible loan notes	36	36	-	-	-	-
Reserve for disposal group classified as held for sale	(32)	(32)	-	-	-	-
(Accumulated losses)/ Retained earnings	(9,442)	(7,454)	17,390	(44,895)	(45,067)	(24,259)
Equity attributable to equity holders of the Company, total	34,725	36,279	60,851	(1,434)	(1,606)	19,202
Non-controlling interests	(5,770)	(5,209)	(3,151)	-	-	-
Total shareholders' equity	28,955	31,070	57,700	(1,434)	(1,606)	19,202

*The Group has adopted the new Singapore Financial Statements (International) ("SFRS(I)") framework for the financial year ending 31 December 2018 and has applied SFRS(I) 1 with 1 January 2017 as the date of transition, which required the first SFRS(I) financial statements to comprise of an opening SFRS(I) statement of financial position at the date of transition to SFRS(I)s.

1(b)(ii) In relation to the aggregate amount of the Group's borrowings and debt securities, specify the following as at the financial period reported on with comparative figures as at the end of the immediate preceding financial year:

Amount repayable in one year or less, or on demand

As at 31.3.2018 (\$'000)		As at 31.12.2017 (\$'000)	
Secured	Unsecured	Secured	Unsecured
11,084	2,872	10,454	3,032

Amount repayable after one year

As at 31.3.2018 (\$'000)		As at 31.12.2017 (\$'000)	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of any collateral

The Group's banking facilities were secured by the following:

- (a) Legal charge on the Group's leasehold property with net book value of \$11.12 million (31.12.2017: \$11.24 million)
- (b) Fixed deposits of a subsidiary.
- (c) Corporate guarantee by the Company.

Breach of bank's borrowing covenants

Referring the Group's announcement on 21 February 2018, a subsidiary breached the covenant imposed by two banks which required the subsidiary to maintain minimum net worth of \$45 million throughout the facilities validity period. Total amount utilised by the subsidiary as at 31 March 2018 is \$13.6 million and this amount is included as current liabilities under bank borrowings.

Subsequent to FY2017, the Group has received letters of waiver from the two banks.

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

	Group	
	1st quarter ended 31.3.2018 \$'000	1st quarter ended 31.3.2017 \$'000 Restated*
Cash flows from operating activities		
(Loss)/Profit before tax	(2,361)	372
Adjustments for :		
Amortisation of intangible assets	62	104
Exchange difference	50	363
Depreciation of property, plant and equipment	303	-
Fair value loss on financial assets at fair value through profit or loss	6	89
Interest expense	93	(67)
Interest income	(25)	354
Share of results of associated companies	488	(271)
Share of results of joint ventures	(94)	
		944
Operating cash flows before working capital changes	(1,478)	
Inventories	137	89
Due from/(to) customers on construction contract, net	26	(2,102)
Receivables	689	421
Payables	(445)	1,391
Currency translation adjustments	204	259
Provision for claims and vendor costs	(199)	-
Cash (used in)/generated from operations	(1,066)	1,002
Income tax paid	(1,071)	
		-
Net cash (used in)/from operations activities	(2,137)	1,002
Cash flows from investing activities		
Interest received	25	67
Loan to an associated company	(2,000)	-
Purchase of property, plant and equipment	(127)	(75)
Settlement of provision for liabilities	(1,000)	-
Development cost	(169)	-
Net cash used in investing activities	(3,271)	(8)

	Group	
	1st quarter ended 31.3.2018 \$'000	1st quarter ended 31.3.2017 \$'000 Restated*
Cash flows from financing activities		
Repayment of short term borrowing	(930)	(853)
Drawdown of bank borrowings	2,000	-
Repayment of bank borrowings	(600)	(2,000)
Repayment of finance lease liabilities	(27)	(42)
Interest paid	(98)	(89)
Net cash from/(used in) financing activities	345	(2,984)
Net decrease in cash and cash equivalents	(5,063)	(1,990)
Cash and cash equivalents at beginning of period	6,329	7,040
Cash and cash equivalents at end of the financial year	1,266	5,050
Cash and cash equivalents comprises the following		
Cash and cash equivalents	2,156	6,419
Less Restricted cash	(853)	(1,369)
Less: Fixed deposits (pledged)	(37)	-
Cash and cash equivalents as per statement of cash flows	1,266	5,050

* Restated the results of relevant subsidiaries from discontinued operations to continuing operations.

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group

	Attributable to equity holders of the Company							Total equity \$'000
	Share capital \$'000	Currency translation reserves \$'000	Equity component of convertible loan notes \$'000	Reserve of disposal group classified as held-for-sale \$'000	Accumulated losses \$'000	Total \$'000	Non-Controlling interests \$'000	
At 1 January 2018	43,461	268	36	(32)	(7,454)	36,279	(5,209)	31,070
Currency translation differences arising on consolidation, net of tax	-	434	-	-	-	434	(190)	244
Loss for the period	-	-	-	-	(1,988)	(1,988)	(371)	(2,359)
A 31 March 2018	43,461	702	36	(32)	(9,442)	34,725	(5,770)	28,955

Group

	Attributable to equity holders of the Company							Total equity \$'000
	Share capital \$'000	Currency translation reserves \$'000	Equity component of convertible loan notes \$'000	Reserve of disposal group classified as held-for-sale \$'000	Retained earnings \$'000	Total \$'000	Non-Controlling interests \$'000	
At 1 January 2017	43,461	602	-	-	16,788	60,851	(3,151)	57,700
Effect of transition to SFRS(I)s (Note 1)	-	(602)	-	-	602	-	-	-
At 1 January 2017	43,461	-	-	-	17,390	60,851	(3,151)	57,700
Currency translation differences arising on consolidation, net of tax	-	53	-	-	-	53	(67)	(14)
Profit/(loss) for the period	-	-	-	-	367	367	(108)	259
At 31 March 2017	43,461	53	-	-	17,757	61,271	(3,326)	57,945

Note 1-

The Group has adopted SFRS(I) for the financial year ending 31 December 2018 and has applied SFRS(I) 1 with 1 January 2017 as the date of transition for the Group.

The Group has elected the optional exemption in SFRS(I) 1 to reset its cumulative Currency Translation Reserve for all foreign operations to NIL at the date of transition, and reclassify the cumulative Currency Translation Reserve of approximately S\$602k as at 1 January 2017 as determined in accordance with the previous Financial Reporting Standards at that date to retained earnings. After the date of transition, any gain or loss on disposal of any foreign operations will exclude translation difference that arose before the date of transition.

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd).

Company

	Share capital \$'000	Accumulated losses \$'000	Total \$'000
Balance at 1 January 2018	43,461	(45,067)	(1,606)
Profit for the period	-	172	172
Balance at 31 March 2018	43,461	(44,895)	(1,434)
Balance at 1 January 2017	43,461	(24,259)	19,202
Loss for the period	-	67	67
Balance at 31 March 2017	43,461	(24,192)	19,269

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.

Not applicable.

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.

	31.3.2018	31.3.2017
Total number of issued shares (excluding treasury shares)	119,999,995	119,999,995

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

Not applicable.

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

The figures have not been audited or reviewed by the 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’s financial statements for the financial year ending 31 December 2018 is prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)”) issued by the Accounting Standard Council (“ASC”) and International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”).

Other than the adoption of the new framework and the new SFRS(I)s, which took effect from the current financial year, there were no changes in accounting policies and methods of computation adopted in the financial statements for the current reporting period as compared to the latest audited annual financial statements for the financial year ended 31 December 2017.

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.

In adoption the new SFRS(I) 1 framework with effect from 1 January 2018, the Group is required to apply the specific transition requirement in SFRS(I) 1 First-time Adoption of International Financial Reporting Standards.

In additional, during the current financial year, the Group and the Company have adopted the SFRS(I) 9 Financial Instruments and SFRS(I) 15 Revenue from Contracts with Customers.

The adoption of the new SFRS(I)s is assessed to have no material impact to the results and financial position of the Group and of the Company for the year ending 31 December 2018.

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 dividends.

(Loss)/Profit per ordinary share for the period based on net loss attributable to shareholders:-

Group

	1st quarter ended 31.3.2018	1st quarter ended 31.3.2017
		(Restated*)
(i) Based on number of ordinary shares in issue	(1.66) cents	0.31 cents
Net loss per ordinary share for the period	(1.66) cents	0.31 cents
Number of ordinary shares in issue	119,999,995	119,999,995
(ii) On a fully diluted basis	(1.66) cents	0.31 cents
Net loss per ordinary share for the period	(1.66) cents	0.31 cents
Diluted number of ordinary shares in issue	119,999,995	119,999,995

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

- (a) current financial period reported on; and
(b) immediately preceding financial year

	Group		Company	
	31.3.2018	31.12.2017	31.3.2018	31.12.2017
Net asset value per ordinary share based on existing share capital	29 cents	30 cents	(1) cents	(1) cents

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 followings:-

- (a) 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; and

Key changes in the Group's financials:

Revenue
(1Q2018 Vs 1Q2017)

	Group		% Change
	1Q2018	1Q2017	
	\$'000	\$'000	
		(Restated)*	
Supply Chain Management			
Marine cables and accessories	3,853	4,624	(17%)
Marine lighting equipment and accessories	2,126	2,164	(2%)
Lamp and others	948	1,344	(29%)
	6,927	8,132	(15%)
Security	341	805	(58%)
Engineering Services	63	2,536	(98%)
Total sales revenue	7,331	11,473	(36%)

* Restated the results of relevant subsidiaries from discontinued operations to continuing operations.

Supply Chain Management

Supply Chain Management Division accounts for 94% of the Group's turnover in 1Q2018, of which marine cables and accessories contributed 56%, marine lighting equipment and accessories 31% and others 14%. Revenue from the division decreased by 15% due to continuing slowdown in activities in marine and offshore sectors.

Security

Security Division mainly provides security products and solutions relating to information technology. The division accounts for 5% of the Group's turnover in 1Q2018.

Engineering Services

Engineering Services Division accounts for 1% of the Group's turnover in 1Q2018. Revenue from Engineering Services Division decreased by 98% due mainly to termination of an engineering contract by a customer in 4Q2017. There is no other significant contract in 1Q2018.

1Q2018 vs 1Q2017

Geographical segment

Revenue derived from Singapore decreased by \$2.6 million or 39% from \$6.6 million in 1Q2017 to \$4.0 million in 1Q2018 due mainly to continuing slowdown in activities in marine and offshore sectors.

Revenue derived from overseas decreased by \$1.5 million or 32% from \$4.8 million in 1Q2017 to \$3.3 million in 1Q2018 due mainly to termination of an engineering contract by a customer in 4Q2017.

Gross profit

The Group's overall gross profit decreased by \$1.8 million or 43% from \$4.3 million in 1Q2017 to \$2.4 million in 1Q2018 due to lower revenue. The Group's overall gross margin decreased marginally by 5% from 38% in 1Q2017 to 33% in 1Q2018 due to product mix.

Operating expenses

The Group's operating expenses comprise of mainly selling & distribution and administrative expenses. Selling & distribution expenses increased by 33% to \$2.7 million due to higher provision for doubtful debts and stock obsolescence. Administrative expenses decreased by 9% to \$1.3 million is a result of the cost cutting measures implemented by the Group.

Share of results of associated companies

The higher Group's share of loss in associated companies is due mainly to performance of associated companies. In particular, the performance of GL Lighting Holding Pte Ltd ("GLH") was affected by supplier-related issues which disrupted production and the associate company's ability to meet its sales orders.

Interest on borrowings

Interest on borrowings remains comparable.

Depreciation

The lower depreciation is due mainly to cessation of depreciation of the Group's Batam Land which was reclassified as disposal group assets as held for sale in 4Q2017.

Foreign exchange loss

The Group reported a foreign exchange loss of \$342k in 1Q2018 is due mainly to the depreciation of IDR against S\$ of a subsidiary's payables denominated in S\$ and translation of US\$ denominated bank balances and receivables as a result of weaker US\$ against S\$.

Provision for stock obsolescence

The higher provision for stock obsolescence is in accordance to the Group's stock policy.

Provision for doubtful debts

In view of the weak marine and offshore markets where payment from customers are slower coupled with poor performance announced by certain customers, the Group has provided a higher provision for doubtful debts.

Net (loss)/profit for the period

The Group registered a net loss of \$2.36 million in 1Q2018 as compared to a net profit of \$0.26 million in 1Q2017 due mainly to lower revenue, higher provision for doubtful debts and stock obsolescence.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Balance Sheet and Cash Flow Analysis**Investment in associated companies**

The increase in investment in associated companies is due mainly to a loan to GLH offset by the share of loss in GLH.

Intangible assets

Intangible assets remain comparably unchanged.

Purchase deposit to a supplier

The purchase deposit is paid to a main cable supplier which will be offset from future purchases over a five-year period (refer to the Group's announcement on 9 June 2015 to the SGX). The decrease is due to a weaker USD against SGD as the purchase deposit is denominated in USD.

Inventories

Inventories decreased by \$137k from \$24.7 million in FY2017 to \$24.6 million in 1Q2018 is due mainly to higher provision for stock obsolescence.

Trade receivables

Trade receivables decreased by \$1.5 million from \$8.9 million in FY2017 to \$7.4 million in 1Q2018 due mainly to lower sales and higher provision for doubtful debts.

Other receivables

The increase in other receivables of \$800k is due mainly to deposit paid to suppliers and deferred cost.

Tax payable

The decrease in tax payable is due to repayment made in 1Q2018.

Disposal group assets classified as held for sale

Asset held for sale relate to the Batam Land where the Group subsequently disposed in 2Q2018.

Convertible loan notes

One of the Group's subsidiary, Omnisense Systems Pte Ltd ("OMS") and its shareholders entered into a convertible loan agreement ("CLA") dated 7 September 2017, pursuant to which its shareholders have agreed, subject to the terms of the CLA, to grant a convertible note of up to aggregate principle amount of up to \$4 million to the Company at an interest rate at 6.0% per annum. Subscription of the convertible loan closed on 30th December 2017.

Trade payables

The lower trade payables is due mainly to lower purchases as a result of lower revenue.

Other payables

The increase in other payables of \$306k is due mainly to deferred revenue billed in advance to customer and deposits from customer.

Provisions

The decrease in provisions of \$1.2 million is due mainly to settlement of provision for liabilities in GSSI.

Cash flow

Net cash used in operating activities amounted to \$2.1 million in 1Q2018 as compared to a net cash generated from operating activities of \$1.0 million in 1Q2017. Net cash and cash equivalent decreased by \$5.1 million in 1Q2018 compared to a decrease of \$2 million in 1Q2017. The decrease is due mainly to loan to an associated company and settlement of provision for liabilities.

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.

The Group's core business, the Supply Chain Management division, saw a decrease in revenue for 1Q2018. The Group aims to focus on enhancing its business functions and maintaining a lean operating structure which will help stabilize and subsequently bolster performance in the long run.

The Security division was formed in 2Q2016 and focuses on cybersecurity, enterprise IT operation management and sensing security products for both public and private sectors in Singapore and the region. This division has shown considerable growth and potential with orders from both government agencies and private companies. The Group aims to further its exposure in regional markets.

The Group's associated company, GLH, continues to face supplier-related issues which affected production and resulted in lower sales to major customers. The construction of the new factory is poised to be completed by 2Q2018. The Group will focus on ramping up production and sales once the factory is operational.

The Group's galvanized steel wire factory in Oman showed no improvement and the Group has made the necessary provisions in its FY2017 financial statements. In 1Q2018, the Group has entered into a non-binding Letter of intent ("LOI") to dispose its 51% equity interest in GSSI subject to fulfillment of certain terms and conditions outlined in the LOI. The proposed disposal is expected to be completed within 12 months from the end of previous financial year end.

On its Engineering Services division, the liquidation of OGS remains ongoing. On PTE, the Group has disposed the Batam Land in 2Q2018 (refer to the Group's announcements on 4 May 2018 and 9 May 2018).

11. Dividend

(a) Current Financial Period Reported On?

Any dividend declared for the current financial period reported on?

None

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

None

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

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared or recommended for the quarter ended 31 March 2018.

13. Confirmation that the issuer has procured undertakings from all its directors and executive officer under Rules 720(1) of the listing manual

The Company hereby confirms that it has procured undertakings from all its directors and executive officer under Rule 720(1) of the listing manual.

14. Interested Person Transactions

[Note Rule 920(1)(a)(ii) – An issuer must announce the aggregate value of transactions conducted pursuant to the general mandate for interested person transactions for the financial periods which it is required to report on pursuant to Rule 705.]

The Group has not obtained a shareholder's mandate pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

15. Negative assurance confirmation

The Board of Directors confirms that, to the best of its knowledge, nothing has come to its attention which may render the unaudited interim financial results for the financial period ended 31 March 2018 to be false or misleading, in any material respect.

On behalf of the Board of Directors

Vincent Lim Hui Eng
Executive Chairman and
Chief Executive Officer
14 May 2018

Patrick Lim Hui Peng
Chief Operating Office