

Unaudited First Quarter Financial Statements Announcement
For The Period From 1 July 2015 To 30 September 2015

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group		
	1Q FY2016	1Q FY2015	Increase/ (Decrease)
	S\$'000	S\$'000	%
Revenue	28,519	37,722	(24.4%)
Cost of sales	(23,454)	(30,457)	(23.0%)
Gross profit	5,065	7,265	(30.3%)
Other operating income	810	2,209	(63.3%)
Selling expenses	(407)	(555)	(26.7%)
Administrative expenses	(3,905)	(3,581)	9.0%
Other operating expenses	(618)	(2,537)	(75.6%)
Finance costs	(391)	(471)	(17.0%)
Share of results of associate	148	(57)	NM
Profit before income tax	702	2,273	(69.1%)
Income tax expenses	(337)	(849)	(60.3%)
Profit for the period	365	1,424	(74.4%)
Total profit attributable to:			
Owners of the Company	435	1,281	(66.0%)
Non-controlling interests	(70)	143	NM
	365	1,424	(74.4%)
Other comprehensive income:			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Transfer to profit or loss from equity on disposal of available-for-sale investments	-	(87)	NM
Fair value loss on available-for-sale investments	(109)	(35)	211.4%
Exchange differences on translation of foreign operations	(2,933)	108	NM
Total other comprehensive (loss) income, net of tax	(3,042)	73	NM
Total comprehensive (loss) income for the period	(2,677)	1,410	NM
Total comprehensive (loss) income attributable to:			
Owners of the Company	(2,209)	1,267	NM
Non-controlling interests	(468)	143	NM
	(2,677)	1,410	NM

1(a)(ii) Notes to consolidated statement of comprehensive income

Profit after tax was stated after
(charging)/ crediting :-

Depreciation of property, plant and equipment
 Currency exchange (loss) gain - net
 Gain on disposal of property, plant and equipment
 Gain on disposal of available-for-sale investments
 Interest income
 Interest expenses
 Unrealised fair value gain (loss) on forward currency contracts

Group		
1Q FY2016	1Q FY2015	Increase/ (Decrease)
S\$'000	S\$'000	%
(2,854)	(2,685)	6.3%
(582)	1,269	NM
101	26	288.5%
-	88	NM
34	47	(27.7%)
(391)	(471)	(17.0%)
105	(2,440)	NM

Denotes: NM - not meaningful

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

STATEMENT OF FINANCIAL POSITION

	The Group		The Company	
	As at 30/9/2015 S\$ '000	As at 30/6/2015 S\$ '000	As at 30/9/2015 S\$ '000	As at 30/6/2015 S\$ '000
ASSETS				
Current assets				
Cash and bank balances	44,054	45,391	17,603	16,018
Trade receivables	33,393	37,579	53,604	65,550
Other receivables	1,495	1,943	8,183	9,136
Derivative financial instruments	206	117	31	24
Inventories	17,856	17,404	4,079	6,810
Total current assets	<u>97,004</u>	<u>102,434</u>	<u>83,500</u>	<u>97,538</u>
Non-current assets				
Property, plant and equipment	120,610	122,099	47,930	49,813
Investment in subsidiaries	-	-	26,942	14,200
Investment in associates	2,716	2,568	1,200	1,200
Available-for-sale investments	410	519	410	519
Other assets	63	63	63	63
Total non-current assets	<u>123,799</u>	<u>125,249</u>	<u>76,545</u>	<u>65,795</u>
Total assets	<u>220,803</u>	<u>227,683</u>	<u>160,045</u>	<u>163,333</u>
LIABILITIES AND EQUITY				
Current liabilities				
Bills payable	49,417	54,093	49,417	54,093
Current portion of bank loans	6,400	1,400	5,400	400
Trade payables	1,943	2,190	1,288	1,478
Other payables	4,189	5,212	2,581	3,622
Current portion of finance leases	5,991	6,544	3,512	3,815
Income tax payable	2,345	2,256	-	-
Total current liabilities	<u>70,285</u>	<u>71,695</u>	<u>62,198</u>	<u>63,408</u>
Non-current liabilities				
Bank loans	1,950	2,300	200	300
Finance leases	10,564	12,813	5,461	6,501
Deferred tax liabilities	8,371	8,565	4,917	4,917
Total non-current liabilities	<u>20,885</u>	<u>23,678</u>	<u>10,578</u>	<u>11,718</u>
Total liabilities	<u>91,170</u>	<u>95,373</u>	<u>72,776</u>	<u>75,126</u>
NET ASSETS	<u>129,633</u>	<u>132,310</u>	<u>87,269</u>	<u>88,207</u>
Capital and reserves				
Share capital	41,846	41,846	41,846	41,846
Treasury shares	(83)	(83)	(83)	(83)
Retained earnings	92,252	91,817	45,764	46,593
Translation reserves	(4,396)	(1,861)	-	-
Fair value reserve	(258)	(149)	(258)	(149)
Capital reserve	(711)	(711)	-	-
Total equity attributable to owners of the Company	<u>128,650</u>	<u>130,859</u>	<u>87,269</u>	<u>88,207</u>
Non-controlling interests	983	1,451	-	-
Total Equity	<u>129,633</u>	<u>132,310</u>	<u>87,269</u>	<u>88,207</u>
Total liabilities and equity	<u>220,803</u>	<u>227,683</u>	<u>160,045</u>	<u>163,333</u>

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

	As at 30/9/2015		As at 30/6/2015	
	S\$'000		S\$'000	
	Secured	Unsecured	Secured	Unsecured
Amount repayable in one year or less, or on demand	5,991	6,400	6,544	1,400
Amount repayable after one year	10,564	1,950	12,813	2,300

As at 30 September 2015, The Group's finance leases of \$16.6m are secured over plant and equipment of the Group with carrying value of \$32.4m .

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

	Group	
	1Q FY2016	1Q FY2015
	S\$'000	S\$'000
<u>Operating activities</u>		
Profit before income tax	702	2,273
Adjustments for:		
Unrealised fair value (gain) loss from derivative financial instruments	(105)	2,440
Share of associate's results	(148)	57
Depreciation of property, plant & equipment	2,854	2,685
Interest expenses	391	471
Interest income	(34)	(47)
Net unrealised foreign exchange adjustments	(436)	(71)
Bad debt written off	-	7
Gain on disposal of property, plant and equipment	(101)	(26)
Gain on disposal of available-for-sale investments	-	(88)
Operating cash flows before movements in working capital	3,123	7,701
Trade receivables	3,344	9,632
Other receivables	391	(872)
Inventories	462	(10,374)
Trade payables	867	261
Other payables	(32)	2,771
Cash generated from operations	8,155	9,119
Income tax paid	(288)	(34)
Net cash from operating activities	7,867	9,085
<u>Investing activities</u>		
Proceeds from available-for-sale investments	-	140
Interest received	34	47
Purchase of property, plant and equipment	(6,353)	(1,639)
Proceeds from disposal of property, plant and equipment	181	164
Net cash used in investing activities	(6,138)	(1,288)
<u>Financing activities</u>		
Bills payable	(4,676)	(16,029)
Interest paid	(391)	(471)
Repayment of obligations under finance leases	(2,166)	(2,074)
Proceeds from finance leases	145	1,010
Repayment of bank loans	(350)	(208)
Proceeds from bank loans	5,000	-
Net cash used in financing activities	(2,438)	(17,772)
Net decrease in cash and cash equivalents	(709)	(9,975)
Cash and cash equivalents at beginning of the period	45,391	55,943
Effect of exchange rate changes on the balance of cash held in foreign	(628)	48
Cash and cash equivalents at end of the period	44,054	46,016

1(d)(i) A statement for (the issuer and the 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.

The Group	Attributable to equity holders of the Company								Total equity
	Share capital	Treasury shares	Capital reserve	Fair value reserve	Translation reserves	Retained earnings	Attributable to equity holders of the Company	Non-controlling interests	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 July 2015	41,846	(83)	(711)	(149)	(1,861)	91,817	130,859	1,451	132,310
<i>Total comprehensive income for the period</i>									
Profit for the period	-	-	-	-	-	435	435	(70)	365
Other comprehensive loss	-	-	-	(109)	(2,535)	-	(2,644)	(398)	(3,042)
Balance at 30 September 2015	41,846	(83)	(711)	(258)	(4,396)	92,252	128,650	983	129,633
Balance at 1 July 2014	41,846	(54)	(402)	(25)	(643)	86,695	127,417	356	127,773
<i>Total comprehensive income for the period</i>									
Profit for the period	-	-	-	-	-	1,281	1,281	143	1,424
Other comprehensive income	-	-	-	(122)	108	-	(14)	-	(14)
Total	41,846	(54)	(402)	(147)	(535)	87,976	128,684	499	129,183
<i>Transactions with owners, recognised directly in equity</i>									
Effect of acquiring non-controlling interest in a subsidiary	-	-	71	-	-	-	71	(356)	(285)
Non-controlling interest arising from issue of share capital in a subsidiary	-	-	(380)	-	-	-	(380)	1,087	707
Balance at 30 September 2014	41,846	(54)	(711)	(147)	(535)	87,976	128,375	1,230	129,605
The Company									
	Share capital	Treasury shares	Capital reserve	Fair value reserve	Translation reserves	Retained earnings	Total equity		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
Balance at 1 July 2015	41,846	(83)	-	(149)	-	46,593	88,207		
<i>Total comprehensive income for the period</i>									
Profit for the period	-	-	-	-	-	(829)	(829)		
Other comprehensive income	-	-	-	(109)	-	-	(109)		
Balance at 30 September 2015	41,846	(83)	-	(258)	-	45,764	87,269		
Balance at 1 July 2014	41,846	(54)	-	(25)	-	54,157	95,924		
<i>Total comprehensive income for the period</i>									
Loss for the period	-	-	-	-	-	(1,881)	(1,881)		
Other comprehensive income	-	-	-	(122)	-	-	(122)		
Balance at 30 September 2014	41,846	(54)	-	(147)	-	52,276	93,921		

- 1(d)(ii) Details of any changes in the company's share capital arising from right 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 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.**

There were no changes in the Company's share capital for the current quarter ended 30 September 2015. Total number of ordinary shares bought back and held as treasury share amounted to 600,900 shares as at 30 September 2015 (as at 30 September 2014: 420,000 shares). The total number of issued shares excluding treasury shares amounted to 573,844,100 as at 30 September 2015 (as at 30 September 2014: 574,025,000). The Company did not have any convertibles as at 30 September 2015 and 30 September 2014.

- 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.**

	30/09/2015	30/06/2015
Total number of issued ordinary shares	574,445,000	574,445,000
Less: Treasury shares	(600,900)	(600,900)
Total number of issued shares excluding treasury shares	573,844,100	573,844,100

- 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.**

No treasury shares were sold, transferred, disposed, cancelled and/or used as at the end of the current financial period reported on.

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard.**

The figures presented are not audited or reviewed by the Company's Auditor.

- 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.**

The Group has applied the same accounting policies and methods of computation in the preparation of the consolidated financial statements for the current reporting period as those applied in the audited financial statements for the year ended 30 June 2015.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard,**

There are no changes to the Group's accounting policies and the adoption of FRS and INT FRS that become effective in the financial period beginning on or after 1 July 2015 has no significant impact on the 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.**

	Group	
	1Q FY2016	1Q FY2015
EPS based on weighted average number of ordinary shares in issue (cents)	0.08	0.22
On a fully diluted basis (cents)	0.08	0.22
Weighted average number of ordinary shares in issue	573,844,100	574,025,000

There were no potential dilutive ordinary shares in existence for 1Q FY 2016 & 1Q FY 2015.

- 7. Net asset value (for the issuer and group) per ordinary share based on 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.

	The Group		The Company	
	30/09/2015	30/06/2015	30/09/2015	30/06/2015
Net asset value per ordinary share	22.59	23.06	15.21	15.37
Ordinary shares at the end of the current financial period and immediately preceding financial year	573,844,100	573,844,100	573,844,100	573,844,100

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 revenue, costs, 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.

INCOME STATEMENT

Revenue

	Group		% Change
	1Q FY2016	1Q FY2015	
	S\$'000	S\$'000	
Equipment rental business	10,749	11,821	(9.1%)
Trading business	17,770	25,901	(31.4%)
Total	28,519	37,722	(24.4%)

The Group registered total revenue of \$28.5m in 1Q FY2016 which was 24.4% lower than 1Q FY2015. The decrease was mainly due to lower rental revenue and significant decline in trading revenue.

Revenue from Equipment Rental business decreased by 9.1% to \$10.7m in 1Q FY2016 as compared to 1Q FY2015, mainly due to competitive rental environment.

Revenue from Trading business decreased by 31.4% to \$17.8m in 1Q FY2016 as compared to 1Q FY2015, mainly due to lower volume of equipment sold.

Gross Profit

	Group		% Change
	1Q FY2016	1Q FY2015	
	S\$'000	S\$'000	
Equipment rental business	3,428	3,796	(9.7%)
Trading business	1,637	3,469	(52.8%)
Total	5,065	7,265	(30.3%)

The Group registered total gross profit of \$5.1m in 1Q FY2016 which was 30.3% lower than 1Q FY2015, mainly due to lower gross profit from Equipment rental business and significant decline in gross profit from Trading business.

Gross profit from Equipment Rental business decreased by 9.7% to \$3.4m in 1Q FY2016 as compared to 1Q FY2015, in line with the lower revenue generated.

Gross profit from Trading business decreased by 52.8% to \$1.6m in 1Q FY2016 as compared to 1Q FY2015 as a result of significant decline in Trading business.

Net Profit

The Group registered net profit after tax of \$0.4m in 1Q FY2016, which was 74.4% lower than 1Q FY2015. This was mainly due to the net impact of the following:

- (a) lower gross profit;
- (b) lower other operating income as a result of unrealised foreign exchange loss suffered as compared to a gain recorded in 1Q FY2015;
- (c) higher administrative expenses mainly due to increase in staff costs and depreciation expenses; and
- (d) lower other operating expenses mainly from unrealised fair value gain on forward currency contracts as compared to a loss recorded in 1Q FY2015.

STATEMENT OF FINANCIAL POSITION

Current assets

As at 30 September 2015, total current assets amounted to \$97.0m or 43.9% of our total assets. Current assets comprised mostly of cash and bank balances, trade receivables and inventories. Total current assets decreased by \$5.4m as compared to 30 June 2015 was mainly due to decrease in trade receivables as a result of lower revenue.

Non-current assets

As at 30 September 2015, non-current assets amounted to \$123.8m or 56.1% of our total assets. Non-current assets comprised mostly of fixed assets and investments. Total non-current assets decreased by \$1.5m mainly due to depreciation charged.

Current liabilities

As at 30 September 2015, current liabilities amounted to \$70.3m or 77.1% of our total liabilities. Current liabilities comprised mostly of bills payable, trade payables, other payables, current portion of finance leases and bank loans. Total current liabilities decreased by \$1.4m as compared to 30 June 2015, mainly due to dawndown of bank loan, offset by lower bills payable.

Non-current liabilities

As at 30 September 2015, non-current liabilities amounted to approximately \$20.9m or 22.9% of our total liabilities. Non-current liabilities comprised mostly of non-current portion of finance leases, bank loans and deferred tax. Total non-current liabilities decreased by \$2.8m as compared to 30 June 2015, mainly due to repayment of finance leases and bank loans.

Working Capital

As at 30 September 2015, the Group registered a positive working capital of \$26.7m as compared to that of \$30.7m as at 30 June 2015.

Equity

The Group's equity decreased from \$132.3m as at 30 June 2015 to \$129.6m as at 30 September 2015 mainly due to the exchange differences on translation of foreign operations recorded in 1Q FY2016.

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

There was no forecast, or any prospect statement previously disclosed to shareholders.

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.**

In view of the weak macro environment, we expect to face difficult challenges ahead.

11. **Dividend**

(a) **Current Financial Period Reported on**

Any dividend declared for the current financial period reported on?

Nil

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

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

Nil

(c) **Date payable**

Not applicable

(d) **Book Closure date**

Not applicable

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

No dividend has been declared / recommended.

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.**

Name of Interested Person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)
	Nil
	Nil

Nil

Nil

There were no interested person transactions conducted pursuant to the general mandate for interested person transactions during the financial period.

14. **CONFIRMATION BY THE BOARD**

The Board of Directors of the Company hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render the unaudited consolidated financial results for the three-month ended 30 September 2015 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Tan Cheng Soon Don
Managing Director
28 October 2015