



**TIONG WOON CORPORATION HOLDING LTD**  
(Company Registration No. 199705837C)

**Second Quarter and First Half Financial Statements and Dividend Announcement for the Period Ended 31 December 2018**

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

	Group		Increase/ (Decrease) %	Group		Increase/ (Decrease) %
	2QFY2019 S\$'000	2QFY2018 S\$'000		1HFY2019 S\$'000	1HFY2018 S\$'000	
Revenue	28,496	28,200	1	56,951	51,685	10
Cost of sales	(19,772)	(20,333)	(3)	(39,108)	(38,568)	1
Gross profit	8,724	7,867	11	17,843	13,117	36
Other income	73	495	(85)	187	639	(71)
Other gains/(losses) - net	369	81	356	(872)	102	NM
Expenses						
- Administrative	(333)	(345)	(3)	(675)	(661)	2
- Other operating	(6,611)	(6,299)	5	(12,198)	(11,962)	2
- Finance	(672)	(787)	(15)	(1,464)	(1,589)	(8)
Share of profit/(loss) of associated companies	105	(106)	NM	312	(99)	NM
Share of profit of a joint venture	3	12	(75)	1	7	(86)
<b>Profit/(Loss) before income tax</b>	<b>1,658</b>	<b>918</b>	<b>81</b>	<b>3,134</b>	<b>(446)</b>	<b>NM</b>
Income tax expense	(643)	(490)	31	(953)	(705)	35
<b>Total profit/(loss)</b>	<b>1,015</b>	<b>428</b>	<b>137</b>	<b>2,181</b>	<b>(1,151)</b>	<b>NM</b>
<b>Other comprehensive income/(loss):</b>						
Items that may be subsequently reclassified to profit or loss:						
Currency translation differences arising from consolidation - (loss)/gain	(276)	665	NM	(438)	1,197	NM
Fair value (loss)/gain on cash flow hedges	(1)	6	NM	(2)	14	NM
	(277)	671	NM	(440)	1,211	NM
<b>Total comprehensive income</b>	<b>738</b>	<b>1,099</b>	<b>(33)</b>	<b>1,741</b>	<b>60</b>	<b>2802</b>
<b>Profit/(Loss) attributable to:</b>						
Equity holders of the Company	1,026	520	97	2,202	(917)	NM
Non-controlling interest	(11)	(92)	(88)	(21)	(234)	(91)
	1,015	428	137	2,181	(1,151)	NM
<b>Total comprehensive income/(loss) attributable to:</b>						
Equity holders of the Company	764	1,186	(36)	1,788	269	565
Non-controlling interest	(26)	(87)	(70)	(47)	(209)	(78)
	738	1,099	(33)	1,741	60	2802

Denotes: NM - not meaningful

**1(a)(ii) Note to the Statement of Comprehensive Income**

	Group		Increase/ (Decrease)	Group		Increase/ (Decrease)
	2QFY2019	2QFY2018		1HFY2019	1HFY2018	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Profit/(Loss) after income tax was stated after crediting/(charging):</b>						
Depreciation of property, plant and equipment	<b>(7,292)</b>	(7,598)	(4)	<b>(14,757)</b>	(15,321)	(4)
Currency exchange gain/(loss) - net	<b>438</b>	(165)	NM	<b>(830)</b>	(591)	40
Gain on disposal of property, plant and equipment	<b>79</b>	678	(88)	<b>186</b>	1,073	(83)
Loss on disposal of a subsidiary	-	(461)	(100)	-	(461)	(100)
Fair value (loss)/gain on financial assets at fair value through profit or loss	<b>(40)</b>	50	NM	<b>(117)</b>	107	NM
Impairment loss on trade receivables	<b>(381)</b>	-	NM	<b>(381)</b>	-	NM
Write-back of impairment loss on trade receivables	<b>94</b>	163	(42)	<b>141</b>	206	(32)
Interest income	<b>8</b>	9	(11)	<b>16</b>	14	14
Interest expense	<b>(780)</b>	(806)	(3)	<b>(1,575)</b>	(1,613)	(2)
Under provision in prior years' current income tax	<b>(144)</b>	(10)	1340	<b>(144)</b>	(10)	1340
Over provision in prior years' deferred tax	<b>12</b>	-	NM	<b>12</b>	4	200

Denotes: NM - not meaningful

**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.**

	Group		Company	
	As at 31/12/2018	As at 30/06/2018	As at 31/12/2018	As at 30/06/2018
	S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	13,126	8,502	237	252
Financial assets at fair value through profit or loss	369	488	-	-
Trade and other receivables	49,404	42,937	394	384
Tax recoverable	116	67	-	-
Inventories	1,417	1,347	-	-
Other current assets	2,046	1,199	5	9
Derivative financial instruments	-	2	-	-
	<b>66,478</b>	<b>54,542</b>	<b>636</b>	<b>645</b>
<b>Non-current assets</b>				
Other receivables	-	-	47,345	47,044
Investment in associated companies	2,980	2,676	1,020	1,020
Investment in a joint venture	2,060	2,060	2,074	2,074
Investment in subsidiaries	-	-	40,939	40,939
Property, plant and equipment	350,919	353,239	-	-
Deferred income tax assets	566	578	-	-
	<b>356,525</b>	<b>358,553</b>	<b>91,378</b>	<b>91,077</b>
<b>Total assets</b>	<b>423,003</b>	<b>413,095</b>	<b>92,014</b>	<b>91,722</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	38,332	29,030	1,843	1,831
Current income tax liabilities	1,264	1,075	-	-
Borrowings	20,952	21,456	-	-
	<b>60,548</b>	<b>51,561</b>	<b>1,843</b>	<b>1,831</b>
<b>Non-current liabilities</b>				
Borrowings	84,288	85,263	-	-
Deferred income tax liabilities	26,693	26,538	-	-
	<b>110,981</b>	<b>111,801</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>171,529</b>	<b>163,362</b>	<b>1,843</b>	<b>1,831</b>
<b>NET ASSETS</b>	<b>251,474</b>	<b>249,733</b>	<b>90,171</b>	<b>89,891</b>
<b>EQUITY</b>				
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital	87,340	87,340	87,340	87,340
Other reserves	(2,988)	(2,574)	-	-
Retained earnings	166,971	164,769	2,831	2,551
	<b>251,323</b>	<b>249,535</b>	<b>90,171</b>	<b>89,891</b>
<b>Non-controlling interest</b>	<b>151</b>	<b>198</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>251,474</b>	<b>249,733</b>	<b>90,171</b>	<b>89,891</b>

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

	<b>Group</b>	
	<b>As At 31/12/2018</b>	<b>As At 30/06/2018</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Amount repayable in one year or less (secured)</b>		
- Bank borrowings	7,674	7,203
- Finance lease liabilities	13,278	14,253
	<b>20,952</b>	<b>21,456</b>
<b>Amount repayable after one year (secured)</b>		
- Bank borrowings	61,186	63,434
- Finance lease liabilities	23,102	21,829
	<b>84,288</b>	<b>85,263</b>
<b>Total borrowings</b>	<b>105,240</b>	<b>106,719</b>

**Details of any collateral:**

- (a) Bank borrowings of the Group are secured by a first legal charge over certain of the Group's property, plant and equipment.
- (b) Finance lease liabilities of the Group are secured over the leased plant and equipment and motor vehicles.

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**

	Group		Group	
	2QFY2019 S\$'000	2QFY2018 S\$'000	1HFY2019 S\$'000	1HFY2018 S\$'000
<b>Cash flows from operating activities</b>				
Total profit/(loss)	1,015	428	2,181	(1,151)
Adjustments for:				
Income tax expense	643	490	953	705
Depreciation of property, plant and equipment	7,292	7,598	14,757	15,321
Gain on disposal of property, plant and equipment	(79)	(678)	(186)	(1,073)
Loss on disposal of a subsidiary	-	461	-	461
Fair value loss/(gain) on financial assets at fair value through profit or loss	40	(50)	117	(107)
Impairment loss/(written back) on trade receivables	287	(163)	240	(206)
Interest income	(8)	(9)	(16)	(14)
Interest expense	780	806	1,575	1,613
Share of (profit)/loss of associated companies	(105)	106	(312)	99
Share of profit of a joint venture	(3)	(12)	(1)	(7)
Translation differences	(295)	(14)	571	230
<b>Operating cashflow before working capital changes</b>	<b>9,567</b>	<b>8,963</b>	<b>19,879</b>	<b>15,871</b>
Change in operating assets and liabilities:				
Inventories	(59)	1,618	(70)	54
Trade and other receivables	(136)	651	(6,684)	25
Other current assets	253	255	(848)	(137)
Trade and other payables	9,483	(4,792)	12,186	(4,443)
Cash generated from operations	19,108	6,695	24,463	11,370
Income tax paid	(519)	(513)	(621)	(736)
<b>Net cash provided by operating activities</b>	<b>18,589</b>	<b>6,182</b>	<b>23,842</b>	<b>10,634</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	-	(1,065)	(9,658)	(3,735)
Disposal of subsidiary, net of cash disposed of	-	(99)	-	(99)
Interest received	8	9	16	14
Deposit (pledged)/unpledged	(705)	-	(705)	2,204
Proceeds from disposal of property, plant and equipment	144	2,076	849	2,631
<b>Net cash (used in)/provided by investing activities</b>	<b>(553)</b>	<b>921</b>	<b>(9,498)</b>	<b>1,015</b>
<b>Cash flows from financing activities</b>				
Proceeds from borrowings	-	1,800	11,219	9,947
Repayment of borrowings	(10,363)	(3,861)	(12,395)	(9,323)
Repayment of finance lease liabilities	(3,638)	(4,952)	(7,686)	(10,182)
Interest paid	(773)	(795)	(1,564)	(1,600)
<b>Net cash used in financing activities</b>	<b>(14,774)</b>	<b>(7,808)</b>	<b>(10,426)</b>	<b>(11,158)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>3,262</b>	<b>(705)</b>	<b>3,918</b>	<b>491</b>
Cash and cash equivalents at beginning of financial period	9,157	9,586	8,501	8,390
<b>Cash and cash equivalents at end of financial period</b>	<b>12,419</b>	<b>8,881</b>	<b>12,419</b>	<b>8,881</b>
Cash and cash equivalents at end of financial period	13,126	9,166	13,126	9,166
Less: Deposit pledged	(707)	(285)	(707)	(285)
<b>Cash and cash equivalents per statement of cash flows</b>	<b>12,419</b>	<b>8,881</b>	<b>12,419</b>	<b>8,881</b>

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

<u>Group</u>	<u>Attributable to equity holders of the Company</u>					Total Equity S\$'000
	Share Capital S\$'000	Other Reserves S\$'000	Retained Earnings S\$'000	Total S\$'000	Non- controlling Interest S\$'000	
<b>Balance at 1 July 2018</b>	87,340	(2,574)	164,769	249,535	198	249,733
Total comprehensive income/(loss)	-	(152)	1,176	1,024	(21)	1,003
<b>Balance at 30 September 2018</b>	<b>87,340</b>	<b>(2,726)</b>	<b>165,945</b>	<b>250,559</b>	<b>177</b>	<b>250,736</b>
Total comprehensive income/(loss)	-	(262)	1,026	764	(26)	738
<b>Balance at 31 December 2018</b>	<b>87,340</b>	<b>(2,988)</b>	<b>166,971</b>	<b>251,323</b>	<b>151</b>	<b>251,474</b>
<b>Balance at 1 July 2017</b>	87,340	(4,200)	163,574	246,714	874	247,588
Total comprehensive (loss)/(loss)	-	520	(1,437)	(917)	(122)	(1,039)
<b>Balance at 30 September 2017</b>	<b>87,340</b>	<b>(3,680)</b>	<b>162,137</b>	<b>245,797</b>	<b>752</b>	<b>246,549</b>
Total comprehensive income/(loss)	-	666	520	1,186	(87)	1,099
Disposal of a subsidiary	-	-	-	-	(443)	(443)
<b>Balance at 31 December 2017</b>	<b>87,340</b>	<b>(3,014)</b>	<b>162,657</b>	<b>246,983</b>	<b>222</b>	<b>247,205</b>
<u>Company</u>						
	Share Capital S\$'000	Retained Earnings S\$'000	Total Equity S\$'000			
<b>Balance at 1 July 2018</b>	87,340	2,551	89,891			
Total comprehensive loss	-	(83)	(83)			
<b>Balance at 30 September 2018</b>	<b>87,340</b>	<b>2,468</b>	<b>89,808</b>			
Total comprehensive income	-	363	363			
<b>Balance at 31 December 2018</b>	<b>87,340</b>	<b>2,831</b>	<b>90,171</b>			
<b>Balance at 1 July 2017</b>	87,340	3,685	91,025			
Total comprehensive loss	-	(73)	(73)			
<b>Balance at 30 September 2017</b>	<b>87,340</b>	<b>3,612</b>	<b>90,952</b>			
Total comprehensive loss	-	(927)	(927)			
<b>Balance at 31 December 2017</b>	<b>87,340</b>	<b>2,685</b>	<b>90,025</b>			

**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.**

There were no treasury shares and outstanding convertibles as at 31 December 2018 and 31 December 2017.

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

The total number of issued shares as at 31 December 2018 was 232,235,253 (30 June 2018: 232,235,253).

**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, transfers, disposal, cancellation and/or use of treasury shares during the six months ended 31 December 2018.

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

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

**3 Whether 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.**

Save as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those used in the most recently audited annual financial statements.

**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.**

Except for the adoption of the new financial reporting framework as discussed in the paragraph below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current period compared to the Group's most recently audited financial statements for the year ended 30 June 2018.

On 1 July 2018, the Group has adopted a new financial reporting framework, Singapore Financial Reporting Standards (International) (SFRS(I)s) and has prepared its financial information under SFRS(I)s with effect from the first quarter ended 30 September 2018. In adopting SFRS(I)s, the Group is required to apply all of the specific transition requirements in SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International). The Group's opening balance sheet under SFRS(I)s has been prepared as at 1 July 2017, which is the Group's date of transition to SFRS(I)s. The Group has also concurrently applied new major accounting standards (1) SFRS(I) 9 Financial Instruments and (2) SFRS(I) 15 Revenue from Contracts with Customers. The adoption of the new financial reporting framework has no material impact to the Group's accounting policies and 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.**

<u>Earnings/(Loss) per Share</u>	<b>Group</b>			
	<b>2QFY2019</b>	2QFY2018	<b>1HFY2019</b>	1HFY2018
(i) Based on weighted average number of ordinary shares in issue (cents)	<b>0.44</b>	0.22	<b>0.95</b>	(0.39)
(ii) On a fully diluted basis (cents)	<b>0.44</b>	0.22	<b>0.95</b>	(0.39)

Earnings/(Loss) per ordinary share on existing issued share capital are computed based on the weighted average number of ordinary shares in issue during the period of 232,235,253 (31 December 2017: 232,235,253).

There is no difference between the basic and diluted earnings per share.

- 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.

	<b>Group</b>		<b>Company</b>	
	<b>As At 31/12/2018</b>	As At 30/06/2018	<b>As at 31/12/2018</b>	As At 30/06/2018
Net asset value per ordinary share (cents)	<b>108.22</b>	107.45	<b>38.83</b>	38.71
Number of shares in issue	<b>232,235,253</b>	232,235,253	<b>232,235,253</b>	232,235,253

- 8 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**  
 (a) any significant factors that affected the turnover, 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.

#### **Review on Group's Financial Results**

#### **3 Months ended 31 December 2018 (2QFY2019) vs 3 Months ended 31 December 2017 (2QFY2018)**

#### **Revenue**

	<b>2QFY2019</b>	2QFY2018	Increase/ (Decrease)	<b>1HFY2019</b>	1HFY2018	Increase/ (Decrease)
	<b>S\$'000</b>	S\$'000	%	<b>S\$'000</b>	S\$'000	%
Heavy Lift and Haulage	<b>27,368</b>	25,010	9	<b>54,810</b>	47,804	15
Marine Transportation	<b>996</b>	593	68	<b>1,999</b>	968	107
Engineering Services	-	681	(100)	-	920	(100)
Trading	<b>132</b>	1,916	(93)	<b>142</b>	1,993	(93)
	<b>28,496</b>	28,200	1	<b>56,951</b>	51,685	10

**Revenue** was S\$28.5 million in 2QFY2019, an increase of S\$0.3 million or 1% from S\$28.2 million in 2QFY2018. The increase was mainly attributable to the increase in contributions from Heavy Lift and Haulage and Marine Transportation segments offset by decrease in contributions from Engineering Services and Trading segments.

## Review on Group's Financial Results (Cont'd)

Heavy Lift and Haulage segment revenue increased by S\$2.4 million or 9% from S\$25.0 million in 2QFY2018 to S\$27.4 million in 2QFY2019, mainly due to more projects executed in Singapore and Brunei.

Marine Transportation segment revenue increased by S\$0.4 million or 68% from S\$0.6 million in 2QFY2018 to S\$1.0 million in 2QFY2019, mainly due to more chartering jobs.

Engineering Services segment revenue decreased by S\$0.7 million or 100% from S\$0.7 million in 2QFY2018 to S\$Nil in 2QFY2019, due to the completion of the engineering project in the Middle East and the disposal of an engineering services subsidiary in FY2018.

Trading segment revenue decreased by S\$1.8 million or 93% from S\$1.9 million in 2QFY2018 to S\$0.1 million in 2QFY2019, mainly due to fewer equipment sold in 2QFY2019.

**Gross Profit** was S\$8.7 million in 2QFY2019, an increase of S\$0.8 million or 11% from S\$7.9 million in 2QFY2018. **Gross Profit Margin** was higher at 31% in 2QFY2019 as compared to 28% in 2QFY2018, mainly due to improved utilisation of equipment by the Heavy Lift and Haulage segment.

**Other Income** was S\$0.1 million in 2QFY2019, a decrease of S\$0.4 million or 85% from S\$0.5 million in 2QFY2018, mainly due to lower insurance claims received in 2QFY2019.

**Other Gains -net** was S\$0.4 million in 2QFY2019, an increase of S\$0.3 million or 356% from S\$0.1 million in 2QFY2018. This was mainly attributable to higher gain on disposal of plant and equipment of S\$0.1 million and operational exchange gain of S\$0.3 million in 2QFY2019 as compared to gain on disposal of plant and equipment of S\$0.7 million which was offset by loss on disposal of a subsidiary of S\$0.5 million and operational exchange loss of S\$0.2 million in 2QFY2018.

**Finance Expenses** were S\$0.7 million in 2QFY2019, a decrease of S\$0.1 million or 15% from S\$0.8 million in 2QFY2018, mainly due to lower interest expenses on reduced finance lease liabilities.

### Profit/(Loss) before Income Tax

	2QFY2019	2QFY2018	Increase/ (Decrease)	1HFY2019	1HFY2018	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Heavy Lift and Haulage	2,142	1,732	24	3,939	1,277	208
Marine Transportation	(468)	(488)	(4)	(777)	(963)	(19)
Engineering	-	(397)	(100)	-	(856)	(100)
Trading	(16)	71	NM	(28)	96	NM
	<b>1,658</b>	<b>918</b>	<b>81</b>	<b>3,134</b>	<b>(446)</b>	<b>NM</b>

**Profit before Income Tax** was S\$1.7 million in 2QFY2019, an increase of S\$0.8 million or 81%, from S\$0.9 million in 2QFY2018.

Heavy Lift and Haulage segment recorded a profit before income tax of S\$2.1 million in 2QFY2019, an increase of S\$0.4 million or 24%, from S\$1.7 million in 2QFY2018, mainly due to higher turnover in 2QFY2019.

Marine Transportation segment incurred a loss before income tax of S\$0.5 million for both 2QFY2019 and 2QFY2018 despite the higher turnover in 2QFY2019. This was mainly attributable to the increases in fuel and other maintenance costs in 2QFY2019.

Engineering Services segment reported a loss before income tax of S\$0.4 million in 2QFY2018 as compared to S\$Nil in 2QFY2019, due to the completion of the engineering project in the Middle East and the disposal of an engineering services subsidiary in FY2018.

Trading segment registered a loss before income tax of S\$0.02 million in 2QFY2019 as compared to a profit before income tax of S\$0.07 million in 2QFY2018, mainly due to lower turnover in 2QFY2019.

## Review of Statements of Financial Position and Cash Flows

**Cash and cash equivalents** per consolidated statement of cash flow increased by S\$3.9 million from S\$8.5 million as at 30 June 2018 to S\$12.4 million as at 31 December 2018 mainly due to net cash inflows from operating activities of S\$23.8 million. This was offset by the net cash outflow from investing activities and financing activities of S\$9.5 million and S\$10.4 million respectively. Net cash outflow from financing activities of S\$10.4 million resulted mainly from the repayment of borrowings of S\$20.1 million offset by proceeds from borrowings of S\$11.2 million.

**Trade and other receivables** increased by S\$6.5 million from S\$42.9 million as at 30 June 2018 to S\$49.4 million as at 31 December 2018, mainly due to the higher turnover recorded in the current period.

**Other current assets** increased by S\$0.8 million from S\$1.2 million as at 30 June 2018 to S\$2.0 million as at 31 December 2018, mainly due to the increase in prepayments for insurance premium and advances paid to suppliers.

**Trade and other payables** increased by S\$9.3 million from S\$29.0 million as at 30 June 2018 to S\$38.3 million as at 31 December 2018, mainly due to the increase in purchases of equipment and services; and advances received from customers.

**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 operating environment continues to be challenging and competitive amid the slowdown in demand in the key markets we operate in. The Group expects that the on-going public sector infrastructure development in Singapore will provide support for more business opportunities.

The Group remains committed to effectively manage operating costs and business risks to stay competitive. It will continue to explore strategic collaborations and leverage on its capabilities and track record as a one-stop integrated heavy lift specialist and service provider to target complex and high value projects to grow the business.

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

No interim dividend for the six months ended 31 December 2018 is recommended (31 December 2017: Nil).

**12 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.**

The Company does not have a shareholder's mandate for interested person transactions pursuant to Rule 920(1)(a)(ii) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

**13 Negative Confirmation of Interim Financial Results Pursuant to Rule 705(5) of the SGX-ST Listing Manual**

The Directors of the Company confirm that, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial statements of the Company and the Group for Second Quarter and Half Year ended 31 December 2018 to be false or misleading, in any material aspect.

**14 Undertakings from Directors and Executive Officers Pursuant to Rule 720(1) of the SGX-ST Listing Manual**

The Company confirms that it had procured undertakings from all Directors and Executive Officers in the format set out in Appendix 7.7 under Rule 720(1) of the SGX-ST Listing Manual.

**By Order of the Board  
Mr Ang Kah Hong  
Executive Chairman and Managing Director  
14 February 2019**