800 Super Holdings Limited

Company Registration No.: 201108701K

UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"), for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement including the accuracy, completeness, or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Joseph Au, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg)

800 Super Holdings Limited

Company Registration No.: 201108701K

UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

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

	Group					
	(Unaudited) 3 months ended 30/06/2018 S$'000	(Unaudited) 3 months ended 30/06/2017 S$'000	+ / (-) %	(Unaudited) 12 months ended 30/06/2018 S$'000	(Audited) 12 months ended 30/06/2017 S$'000	+ / (-) %
Revenue	37,900	38,576	(1.8)	151,115	156,923	(3.7)
Other income	121	133	(9.0)	497	427	16.4
Other gains/(losses)-net	2	(91)	(102.2)	(198)	(104)	90.4
Purchase of supplies and disposal charges	(7,776)	(5,454)	42.6	(26,939)	(23,730)	13.5
Sub-contractor charges	(1,033)	(696)	48.4	(3,596)	(2,796)	28.6
Depreciation of property, plant and equipment	(3,055)	(2,276)	34.2	(10,085)	(9,019)	11.8
Other expenses	(7,058)	(5,486)	28.7	(24,559)	(21,233)	15.7
Employee benefits expense	(19,411)	(20,562)	(5.6)	(73,587)	(78,855)	(6.7)
Finance expenses	(384)	(172)	123.3	(901)	(853)	5.6
(Loss)/profit before income tax	**(694)**	**3,972**	(117.5)	**11,747**	**20,760**	(43.4)
Income tax expense	(977)	(1,252)	(22.0)	(2,629)	(3,665)	(28.3)
Net (loss)/profit for the financial period/ year	**(1,671)**	**2,720**	(161.4)	**9,118**	**17,095**	(46.7)
Other comprehensive income/(loss)						
Items that may be reclassified subsequently to profit or loss:						
- Net fair value gain on available-for-sale financial assets	(*)	-	N.M.	(*)	1	N.M.
- Currency translation differences arising from consolidation – gain	10	-	N.M.	34	11	209.1
Total comprehensive (loss)/income for the financial period/ year	**(1,661)**	**2,720**	(161.1)	**9,152**	**17,107**	(46.5)

N.M. : Not meaningful
* : Less than $1,000

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Company Registration No.: 201108701K

UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

	Group					
	(Unaudited) 3 months ended 30/06/2018 S$'000	(Unaudited) 3 months ended 30/06/2017 S$'000	+ / (-) %	(Unaudited) 12 months ended 30/06/2018 S$'000	(Audited) 12 months ended 30/06/2017 S$'000	+ / (-) %
Profit/(loss) attributable to:						
Equity holders of the Company	(1,654)	2,722	(160.8)	9,155	17,121	(46.5)
Non-controlling interests	(17)	(2)	N.M.	(37)	(26)	42.3
	(1,671)	**2,720**	(161.4)	**9,118**	**17,095**	(46.7)
Total comprehensive income/(loss) attributable to:						
Equity holders of the Company	(1,645)	2,722	(160.4)	9,186	17,133	(46.4)
Non-controlling interests	(16)	(2)	N.M.	(34)	(26)	30.8
	(1,661)	**2,720**	(161.1)	**9,152**	**17,107**	(46.5)

N.M. : Not meaningful

800 Super Holdings Limited

Company Registration No.: 201108701K

UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

Notes to Consolidated Statement of Comprehensive Income

The Group's (loss)/profit before income tax is arrived at after charging/ (crediting):

	Group					
	(Unaudited) 3 months ended 30/06/2018 S$'000	(Unaudited) 3 months ended 30/06/2017 S$'000	+ / (-) %	(Unaudited) 12 months ended 30/06/2018 S$'000	(Audited) 12 months ended 30/06/2017 S$'000	+ / (-) %
Depreciation of property, plant and equipment	3,055	2,276	34.2	10,085	9,019	11.8
Finance expenses	384	172	123.3	901	853	5.6
Interest income	(7)	(52)	(86.5)	(67)	(133)	(49.6)
(Gain)/loss on disposal of property, plant and equipment	-	-	-	(1)	38	(102.6)
Foreign exchange (gain)/loss	(2)	54	(103.7)	187	29	544.8
Bad debts written-off	12	13	(7.7)	46	38	21.1
Allowance for impairment of trade receivables	-	-	-	25	-	N.M.
Impairment loss on goodwill	446	-	N.M.	446	-	N.M.
Property, plant and equipment written-off	-	37	N.M.	12	37	(67.6)

N.M. : Not meaningful

800 Super Holdings Limited

Company Registration No.: 201108701K

UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

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	
	(Unaudited) 30/06/2018 S$'000	(Audited) 30/06/2017 S$'000	(Unaudited) 30/06/2018 S$'000	(Audited) 30/06/2017 S$'000
ASSETS				
Current assets				
Cash and cash equivalents	5,605	25,086	556	4,038
Trade and other receivables	34,698	30,312	16,319	12,048
Inventories	1,367	680	-	-
Other assets	1,786	1,687	181	215
	43,456	57,765	17,056	16,301
Non-current assets				
Other assets	1,313	926	*-	1
Available-for-sale financial assets	2	2	-	-
Investment in subsidiary corporations	-	-	19,358	18,358
Property, plant and equipment	166,023	99,429	105,028	52,944
Deferred income tax assets	149	567	-	-
	167,487	100,924	124,386	71,303
Total assets	**210,943**	**158,689**	**141,442**	**87,604**
LIABILITIES				
Current liabilities				
Trade and other payables	31,894	20,173	42,252	22,124
Current income tax liabilities	1,127	2,887	-	-
Borrowings	18,545	11,009	6,856	2,346
	51,566	34,069	49,108	24,470
Non-current liabilities				
Borrowings	70,523	41,001	62,379	30,739
Deferred income tax liabilities	3,770	2,323	898	-
	74,293	43,324	63,277	30,739
Total liabilities	**125,859**	**77,393**	**112,385**	**55,209**
Net Assets	**85,084**	**81,296**	**29,057**	**32,395**
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	22,772	22,772	22,772	22,772
Other reserves	3,079	48	-	-
Retained profits	59,273	58,482	6,285	9,623
	85,124	81,302	29,057	32,395
Non-controlling interests	(40)	(6)	-	-
Total Equity	**85,084**	**81,296**	**29,057**	**32,395**

* : Less than $1,000

800 Super Holdings Limited

Company Registration No.: 201108701K

UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

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

Amount repayable in one year or less, or on demand

As at 30/06/2018 (Unaudited)		As at 30/06/2017 (Audited)	
Secured	**Unsecured**	**Secured**	**Unsecured**
S$'000	**S$'000**	**S$'000**	**S$'000**
18,545	-	11,009	-

Amount repayable after one year

As at 30/06/2018 (Unaudited)		As at 30/06/2017 (Audited)	
Secured	**Unsecured**	**Secured**	**Unsecured**
S$'000	**S$'000**	**S$'000**	**S$'000**
70,523	-	41,001	-

Details of any collateral

The borrowings of the Group are secured as follows:

(i) First legal mortgage over the leasehold land and leasehold buildings of the Group;

(ii) Charge over the leased motor vehicles, leased bins and containers and leased machinery of the Group;

(iii) Legal corporate guarantees from the Company for its subsidiary corporations' banking and finance lease facilities; and

(iv) Legal corporate guarantees from a subsidiary corporation for the Company's banking facilities.

800 Super Holdings Limited

Company Registration No.: 201108701K

UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

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			
	Unaudited 3 months ended 30/06/2018 S$'000	Unaudited 3 months ended 30/06/2017 S$'000	Unaudited 12 months ended 30/06/2018 S$'000	Audited 12 months ended 30/06/2017 S$'000
Cash flows from operating activities				
Net (loss)/profit	(1,671)	2,720	9,118	17,095
Adjustments for:				
Income tax expense	977	1,252	2,629	3,665
Depreciation of property, plant and equipment	3,055	2,276	10,085	9,019
(Gain)/loss on disposal of property, plant and equipment	-	-	(1)	38
Property, plant and equipment written off	-	37	12	37
Impairment loss on goodwill	446	-	446	-
Interest income	(7)	(52)	(67)	(133)
Interest expense	384	172	901	853
Unrealised currency translation loss/(gain)	11	(1)	77	(76)
Operating cash flows before movements in working capital	3,195	6,404	23,200	30,498
Changes in working capital:				
Trade and other receivables	(2,784)	(984)	(3,332)	3,208
Inventories	(91)	(404)	(687)	(680)
Other assets	414	476	(369)	422
Trade and other payables	(447)	5,182	(601)	(434)
Cash generated from operations	287	10,674	18,211	33,014
Interest received	7	40	81	125
Income tax refunded/(paid)	-	14	(2,524)	(2,658)
Net cash provided by operating activities	**294**	**10,728**	**15,768**	**30,481**

800 Super Holdings Limited

Company Registration No.: 201108701K

UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

	Group			
	Unaudited 3 months ended 30/06/2018 S$'000	Unaudited 3 months ended 30/06/2017 S$'000	Unaudited 12 months ended 30/06/2018 S$'000	Audited 12 months ended 30/06/2017 S$'000
Cash flows from investing activities				
Acquisition of a subsidiary corporation, net of cash acquired	-	-	(4,317)	-
Additions of property, plant and equipment	(11,566)	(12,402)	(56,101)	(24,602)
Proceeds from disposal of property, plant and equipment	-	1	22	28
Interest paid	(220)	(180)	(1,143)	(348)
Net cash used in investing activities	**(11,786)**	**(12,581)**	**(61,539)**	**(24,922)**
Cash flows from financing activities				
Proceeds from issuance of ordinary shares to non-controlling interests of subsidiary corporation	-	-	-	20
Repayments of finance lease liabilities	(1,911)	(1,954)	(7,802)	(8,033)
Repayments of borrowings	(1,402)	(577)	(7,142)	(2,861)
Proceeds from borrowings	9,114	5,490	47,484	16,861
Dividends paid	-	-	(5,364)	(6,258)
Interest paid	(425)	(172)	(879)	(857)
Net cash provided/ (used in) financing activities	**5,376**	**2,787**	**26,297**	**(1,128)**
Net (decrease)/increase in cash and cash equivalents	**(6,116)**	**934**	**(19,474)**	**4,431**
Cash and cash equivalents				
Effects of currency translation on cash and cash equivalents	(1)	(2)	(7)	84
At the beginning of the financial period/ year	11,722	24,154	25,086	20,571
At the end of the financial period/ year	**5,605**	**25,086**	**5,605**	**25,086**

800 Super Holdings Limited

Company Registration No.: 201108701K

UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

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

	Share capital	Fair value reserve	Foreign currency translation reserve	Capital reserve	Retained profits	Total equity attributable to owners of the Company	Non-controlling interests	Total
Group	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
(Unaudited)								
Balance as at 1 July 2017	**22,772**	**37**	**11**	**-**	**58,482**	**81,302**	**(6)**	**81,296**
Total comprehensive Income/ (loss) for the financial period	-	(*)	3	-	4,400	4,403	(8)	4,395
Balance as at 30 September 2017	**22,772**	**37**	**14**	**-**	**62,882**	**85,705**	**(14)**	**85,691**
Dividends paid for FY2017	-	-	-	-	(5,364)	(5,364)	-	(5,364)
Total comprehensive Income/(loss) for the financial period	-	(*)	6	-	2,471	2,477	(4)	2,473
Balance as at 31 December 2017	**22,772**	**37**	**20**	**-**	**59,989**	**82,818**	**(18)**	**82,800**
Total comprehensive Income/ (loss) for the financial period	-	(*)	13	-	3,938	3,951	(6)	3,945
Transfer to capital reserve arising from issue of bonus shares by a subsidiary	-	-	-	3,000	(3,000)	-	-	-
Balance as at 31 March 2018	**22,772**	**37**	**33**	**3,000**	**60,927**	**86,769**	**(24)**	**86,745**
Total comprehensive Income/ (loss) for the financial period	-	(*)	9	-	(1,654)	(1,645)	(16)	(1,661)
Balance as at 30 June 2018	**22,772**	**37**	**42**	**3,000**	**59,273**	**85,124**	**(40)**	**85,084**

* Less than S$1,000

800 Super Holdings Limited

Company Registration No.: 201108701K

UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

Group	Share capital	Fair value reserve	Foreign currency translation reverse	Capital reserve	Retained profits	Total equity attributable to owners of the Company	Non-controlling interests	Total
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
(Unaudited)								
Balance as at 1 July 2016	**22,772**	**36**	**-**	**-**	**47,619**	**70,427**	**-**	**70,427**
Issuance of ordinary share to non-controlling interests	-	-	-	-	-	-	20	20
Total comprehensive Income/(loss) for the financial period	-	-	-	-	4,513	4,513	(1)	4,512
Balance as at 30 September 2016	**22,772**	**36**	**-**	-	**52,132**	**74,940**	19	**74,959**
Dividend paid for financial year 2016	-	-	-	-	(4,470)	(4,470)	-	(4,470)
Total comprehensive income for the financial period	-	-	-	-	3,632	3,632	-	3,632
Balance as at 31 December 2016	**22,772**	**36**	**-**	**-**	**51,294**	**74,102**	**19**	**74,121**
Interim dividends	-	-	-	-	(1,788)	(1,788)	-	(1,788)
Total comprehensive Income/(loss) for the financial period	-	1	11	-	6,254	6,266	(23)	6,243
Balance as at 31 March 2017	**22,772**	**37**	**11**	**-**	**55,760**	**78,580**	**(4)**	**78,576**
Total comprehensive Income/(loss) for the financial period	**-**	-	-	-	2,722	2,722	(2)	2,720
Balance as at 30 June 2017	**22,772**	**37**	**11**	**-**	**58,482**	**81,302**	**(6)**	**81,296**

800 Super Holdings Limited

Company Registration No.: 201108701K

UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

Company	Share capital S$'000	Retained profits S$'000	Total S$'000
(Unaudited)			
Balance as at 1 July 2017	22,772	9,623	32,395
Total comprehensive loss for the financial period	-	(739)	(739)
Balance as at 30 September 2017	**22,772**	**8,884**	**31,656**
Dividends	-	(5,364)	(5,364)
Total comprehensive loss for the financial period	-	(935)	(935)
Balance as at 31 December 2017	**22,772**	**2,585**	**25,357**
Total comprehensive loss for the financial period	-	(101)	(101)
Balance as at 31 March 2018	**22,772**	**2,484**	**25,256**
Total comprehensive income for the financial period	-	3,801	3,801
Balance as at 30 June 2018	**22,772**	**6,285**	**29,057**
(Unaudited)			
Balance as at 1 July 2016	22,772	8,545	31,317
Total comprehensive loss for the financial period	-	(885)	(885)
Balance as at 30 September 2016	**22,772**	**7,660**	**30,432**
Dividends	-	(4,470)	(4,470)
Total comprehensive loss for the financial period	-	(739)	(739)
Balance as at 31 December 2016	**22,772**	**2,451**	**25,223**
Dividends	-	(1,788)	(1,788)
Total comprehensive income for the financial period	-	8,899	8,899
Balance as at 31 March 2017	**22,772**	**9,562**	**32,334**
Total comprehensive income for the financial period	-	61	61
Balance as at 30 June 2017	**22,772**	**9,623**	**32,395**

800 Super Holdings Limited

Company Registration No.: 201108701K

UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as the end of the corresponding period of the immediately preceding financial year.

There was no change in the issued and paid-up share capital of the Company from 31 March 2018 up to 30 June 2018. The Company's share capital was S$22,772,000 comprising 178,800,000 shares as at 30 June 2018 and 31 March 2018.

There were no outstanding convertibles, treasury shares or subsidiary holdings as at 30 June 2018 and 30 June 2017. The Company has 178,800,000 issued shares (excluding treasury shares and subsidiary holdings) as at 30 June 2018 and 30 June 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

	Company	
	30/06/2018	**30/06/2017**
Total number of issued shares excluding treasury shares	178,800,000	178,800,000

The Company did not have any treasury shares as at 30 June 2018 and 30 June 2017.

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

Not applicable. The Company did not have any treasury shares during and as at the end of the financial year reported on.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. The Company did not have any subsidiary holdings during and as at the end of the financial year reported on.

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

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

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of 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 preparation of the financial statements for the current reporting period as compared to its audited financial statements for the financial year ended 30 June 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

The Group has adopted all applicable financial reporting standards ("FRS") that become effective for the financial periods beginning on or after 1 July 2017. The adoption of these standards did not result in substantial changes to the Group's accounting policies and methods of computation, and there is no material impact to the financial statements of the Group for the current financial year reported on.

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

	Group		Group	
	Unaudited	Unaudited	Unaudited	Audited
	3 months ended	3 months ended	12 months ended	12 months ended
	30/06/2018	30/06/2017	30/06/2018	30/06/2017
(Loss)/profit attributable to equity holders of the Company (S$'000)	(1,654)	2,722	9,155	17,121
Basic and diluted (Loss)/earnings per share (**"LPS"**/"**EPS**") in Singapore cents	(0.93)	1.52	5.12	9.58

LPS/EPS for the respective financial periods/years are computed based on the (loss)/profit attributable to equity holders of the Company and weighted average number of shares of 178,800,000 shares.

Diluted and basic LPS/EPS are the same as there were no potentially dilutive ordinary shares outstanding as at 30 June 2018 and 30 June 2017.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year

	Group		Company	
	(Unaudited) 30/06/2018	(Audited) 30/06/2017	(Unaudited) 30/06/2018	(Audited) 30/06/2017
Net asset value per ordinary share based on issued share capital (Singapore cents)	47.59	45.47	16.25	18.12
Number of ordinary shares	178,800,000	178,800,000	178,800,000	178,800,000

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.

REVIEW OF INCOME STATEMENT

Revenue

In FY2018, the Group achieved revenue of S$151.1 million, a decrease of S$5.8 million or 3.7% from S$156.9 million in FY2017, mainly due to the completion of term contracts and the renewal of certain contracts at more competitive prices.

Other gains/(losses) net

Other losses increased by S$0.1 million or 90.4% to S$0.2 million in FY2018 mainly due to foreign exchange losses from a depreciation of Indonesian Rupiah against the Singapore Dollar arising from its plastic recycling operations.

Purchase of supplies and disposal charges

Purchase of supplies and disposal charges increased by S$3.2 million or 13.5% to S$26.9 million in FY2018, mainly due to (i) higher production levels for plastic recycling plant, (ii) the acquisition of Iwash Laundry (Senoko) Pte. Ltd., which was consolidated into the Group in Q22018 (the "Acquisition") and (iii) higher fuel costs impacted by rise in fuel price.

Sub-contractor charges

Sub-contractors charges increased by S$0.8 million or 28.6% to S$3.6 million in FY2018, mainly attributable to the Acquisition.

Depreciation expense

Depreciation expense increased by S$1.1 million or 11.8% from S$9.0 million in FY2017 to S$10.1 million in FY2018, mainly attributable to (i) the Acquisition, (ii) Waste-to-energy ("WTE") plant located in Tuas South becoming operational and (iii) additional motor vehicles and machineries purchased to support the Group's business operations.

Other expenses

Other expenses increased by S$3.3 million or 15.7% to S$24.6 million in FY2018, mainly due to (i) the Acquisition, (ii) operating costs on WTE plant located in Tuas South becoming operational and (iii) increase in legal, professional fees related to professional services rendered for mergers and acquisitions and business operations.

Employee benefits expense

Employee benefits expense decreased by S$5.3 million or 6.7% from S$78.9 million in FY2017 to S$73.6 million in FY2018, mainly due to a lower employee headcount following the completion of term contracts.

Finance expenses

Finance expenses increased by 5.6% from S$0.8 million in FY2017 to S$0.9 million in FY2018, mainly due to higher utilization from additional bank borrowings.

Income tax expense

Income tax expense decreased by S$1.0 million or 28.3% to S$2.6 million in FY2018 mainly due to lower taxable profits generated during the financial year. The increase in effective tax rate was mainly due to non-deductible expenses and non-recognition of deferred tax assets from certain subsidiaries.

REVIEW OF FINANCIAL POSITION

Non-current assets

As at 30 June 2018, non-current assets amounted to S$167.5 million as compared to S$100.9 million as at 30 June 2017, mainly due to an increase in property, plant and equipment relating to the construction of the WTE plant and sludge treatment facility in Tuas South and arising from the Acquisition.

Net current liabilities / assets

The Group had net current liabilities of S$8.1 million as at 30 June 2018, as compared to net current assets of S$23.7 million as at 30 June 2017. This decrease was primarily attributable to (i) the decrease in cash and cash equivalents of S$19.5 million, (ii) the increase in trade and other payables of S$11.7 million relating to the procurement of motor vehicles and machineries for public waste collection contract, purchase of key components for the construction of sludge treatment facility and the Acquisition and (iii) the increase in borrowings of S$7.5 million drawn down for payment of property, plant and equipment relating to the construction of the WTE plant and sludge treatment facility in Tuas South and the Acquisition.

The overall increase in net current liabilities was partially offset by the increase in trade and other receivables of S$4.4 million arising from the increased receivables of S$0.9 million from the Acquisition and S$3.5 million from environmental service operations. There was also an increase in inventories of S$0.7 million relating to the plastic recycling plant and purchase of consumables for business operations.

Notwithstanding the net current liabilities position, the Board is of the reasonable opinion that, after having made due and careful enquiry and after taking into account our Group's positive cash flows generated from our operating activities, together with the credit facilities available to us and our existing cash and cash equivalents, the working capital available to us as at 30 June 2018 is sufficient for our present requirements and for the next 12 months.

Non-current liabilities

As at 30 June 2018, non-current liabilities amounted to S$74.3 million as compared to S$43.3 million as at 30 June 2017, mainly due to increased bank borrowings to finance the purchase of property, plant and equipment for the WTE plant and sludge treatment facility in Tuas South.

REVIEW OF CASH FLOW STATEMENT

Net decrease in cash and cash equivalents of S$19.5 million in FY2018 was mainly a result of net cash used in investing activities of S$61.5 million mainly due to additions of property, plant and equipment. The overall decrease in cash and cash equivalents was partially offset by net cash provided by financing activities of S$26.3 million and net cash provided by operating activities of S$15.8 million.

Net cash provided by operating activities was mainly due to (i) net profit of S$9.1 million, and (ii) adjustment for depreciation of property, plant and equipment of S$10.1 million.

Net cash generated from financing activities was mainly attributable to net proceeds from borrowings, partially offset by dividends payment and repayments of financial lease liabilities.

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

In the Company's Q32018 results announcement for the financial period ended 31 March 2018, it was mentioned that "the Group is expected to remain profitable for the next financial reporting period". There is no variation in the Group's profitability for in FY2018, between the aforementioned statement and the unaudited results presented in this 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 industry which the Group is operating, i.e. the provision of waste management, cleaning and conservancy and horticultural services is highly competitive. As a comprehensive environmental solutions provider, the Group is competing on the basis of the range and quality of services provided, timeliness of service delivery and pricing.

The development of the sludge treatment facility at Tuas South is currently undergoing testing and commissioning, it has started to treat sludge from water reclamation plants operated by the Public Utilities Board. The facility is expected to be fully operational by December 2018.

Barring any unforeseen circumstances, the Group is expected to remain profitable for the next financial reporting period.

11. Dividend

(a) Current Financial Period Reported On

The Directors are pleased to recommend a tax exempt one-tier final dividend of S$0.01 per ordinary share in respect of FY2018 for approval by shareholders at the next annual general meeting to be convened.

Name of dividend	Proposed Cash Dividend
Dividend type	Final
Dividend per ordinary share	S$0.01
Tax rate	One-tier Tax exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of dividend	Proposed Cash Dividend
Dividend type	Final
Dividend per ordinary share	S$0.03
Tax rate	One-tier Tax exempt

(c) Date payable

The payment date for the proposed final dividend will be announced after the annual general meeting.

(d) Books closure date

Notice of books closure date will be announced in due course.

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

Not applicable.

13. If the group has obtained a general mandate from shareholders for interested person transactions ("IPT"), 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 Group does not have a general mandate from its shareholders for interested person transactions. There were no interested person transactions of S$100,000 or more for FY2018.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

Business segments

	Environmental service	Laundry	Total
2018	**S$'000**	**S$'000**	**S$'000**
Revenue			
Total segment revenue	146,143	4,989	151,132
Inter-segment revenue	16	1	17
Revenue to external parties	146,127	4,988	151,115
Adjusted EBITDA	23,234	(568)	22,666
Depreciation	9,630	455	10,085
Assets			
Segment assets	196,647	8,540	205,187
Unallocated assets			5,756
Total assets			210,943
Segment assets include:-			
Additions to:			
Property, plant and equipment	67,734	179	67,913
Intangible assets	-	446	446
Liabilities			
Segment liabilities	25,534	6,360	31,894
Unallocated liabilities			93,965
Total liabilities			125,859

Geographical information

The Group's operations are primarily carried out in Singapore. Accordingly, no geographical segment assets and revenue from external customers' information are presented.

2017
No segmented information by business or geographical location was presented as the Group provides predominantly environmental services and the Group's revenue mostly was derived in Singapore.

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments

Not applicable.

16. A breakdown of Group's revenue and profit/(loss) after tax for first half year and second half year

	Group		
	FY2018 S$'000	**FY2017 S$'000**	**Change %**
Sales reported for first half year	76,133	78,838	(3.4)
Profit after tax reported for first half year	6,859	8,144	(15.8)
Sales reported for second half year	74,982	78,085	(4.0)
Profit after tax reported for second half year	2,259	8,951	(74.8)

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

	FY2018 S$'000	**FY2017 S$'000**
Ordinary Shares		
Interim	-	1,788
Final	1,788[(1)]	5,364
Total	1,788	7,152

Note:

(1) The proposed final dividend of S$0.01 per ordinary share of the Company will be subject to approval by the Company's shareholders at the forthcoming annual general meeting to be convened.

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement

Name	**Age**	**Family relationship with any director, CEO and/or substantial shareholder**	**Current position and duties, and the year the position was first held**	**Details of changes in duties and position held, if any, during the year**
Lee Kim Eng	52	Lee Kim Eng is a sibling of the Company's Chairman, Lee Koh Yong, the Company's Chief Executive Officer, Lee Cheng Chye, and the Company's controlling shareholder, Lee Hock Seong.	Administrative and Human Resources Manager since April 1995, Ms Lee oversees the Group's human resource management and administrative matters.	None

Lee Chuan Heng	43	Lee Chuan Heng is a sibling of the Company's Chairman, Lee Koh Yong, the Company's Chief Executive Officer, Lee Cheng Chye, and the Company's controlling shareholder, Lee Hock Seong.	Projects Manager since December 2007, Mr Lee oversees the entire tender process to invitees of tenders, matters relating to technology and technical management of projects in the Group, as well as being a management representative of the Group's quality and environmental management system.	None
Lee Hock Seong	63	Lee Hock Seong is a sibling of the Company's Chairman, Lee Koh Yong, the Company's Chief Executive Officer, Lee Cheng Chye.	Maintenance Director since June 2017, Mr Lee oversees the Group's in-house maintenance workshop.	None

19. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)

The Company confirms that it has procured undertakings from all of its directors and executive officers in the required format.

BY ORDER OF THE BOARD

Lee Cheng Chye
Chief Executive Officer
28 August 2018