



**MOYA HOLDINGS ASIA LIMITED**  
Registration number: 201301085G

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**Unaudited Financial Statements and Dividend Announcement  
For The First Quarter and Three Months Ended 31 March 2014**

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Canaccord Genuity Singapore Pte. Ltd. (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). Canaccord Genuity Singapore Pte. Ltd. has not independently verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

*The contact person for the Sponsor is Mr Alex Tan, Chief Executive Officer, Canaccord Genuity Singapore Pte. Ltd. at 77 Robinson Road #21-02 Singapore 068896, telephone (65) 6854 6160.*

## IMPORTANT NOTE

On 22 July 2013, Moya Holdings Asia Limited (“MHAL” or “Company”) completed the acquisition of the entire paid-up share capital of Moya Asia Limited (“MAL”) following the completion of the restructuring exercise (“Restructuring Exercise”) undertaken by MAL by way of a scheme of arrangement under section 210 of the Companies Act, Chapter 50 of Singapore (“Scheme”). Pursuant to the terms of the implementation agreement entered into between the Company and MAL on 28 February 2013 (“Implementation Agreement”) in relation to, *inter alia*, the Restructuring Exercise and the Scheme, upon the Scheme becoming effective in accordance with its terms and the completion of the Restructuring Exercise, all profit or loss attributable to MAL shall be taken to have accrued to the Company with effect from 1 January 2013. The financial information of the MHAL group was prepared using the “pooling-of-interest” method as if the MHAL group has been in existence prior to the Restructuring Exercise, the consolidated assets, liabilities and reserves of the pooled enterprises are recorded at the existing carrying amounts as at 1 January 2013. Please refer to the document issued by MAL dated 17 May 2013 in relation to, *inter alia*, the Restructuring Exercise and the Scheme for further details.

## PART I – INFORMATION REQUIRED FOR RESULTS ANNOUNCEMENT OF FIRST QUARTER (“1Q”) ENDED 31 MARCH 2014

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

#### 1(a)(i) Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Group		
	Unaudited 3 months ended 31.03.2014 (S\$'000)	Unaudited 3 months ended 31.03.2013 (S\$'000)	Change + / (-) %
<b>Continuing operations</b>			
Revenue	5,380	7,350	(27)
Cost of sales	(4,164)	(6,364)	(35)
<b>Gross profit</b>	<b>1,216</b>	<b>986</b>	23
<b>Other items of income:</b>			
Interest income	8	3	167
Other credits	12	50	(76)
<b>Other items of expenses:</b>			
Administrative expenses	(468)	(325)	44
Other expenses	(66)	(57)	16
Other charges	(70)	(8)	775
<b>Profit before tax from continuing operations</b>	<b>632</b>	<b>649</b>	(3)
Income tax expense	(105)	(13)	708
<b>Profit from continuing operations, net of tax</b>	<b>527</b>	<b>636</b>	(17)
<b>Loss from discontinued operations, net of tax <sup>(1)</sup></b>	<b>(1)</b>	<b>(215)</b>	(100)
<b>Profit net of tax for the financial period</b>	<b>526</b>	<b>421</b>	25
<b>Other comprehensive income:</b>			
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Exchange differences on translating foreign operations, net of tax	2,979	802	271
<b>Other comprehensive income for the financial period, net of tax</b>	<b>2,979</b>	<b>802</b>	271
<b>Total comprehensive income for the financial period</b>	<b>3,505</b>	<b>1,223</b>	187

<sup>(1)</sup> The Group intends to wind down its Engineering, Procurement and Construction (“EPC”) business and focus on the Build-Operate-Transfer (“BOT”) or Build-Own-Operate projects. The Group will continue to complete all existing EPC projects and is seeking prospective interested parties to dispose of its interest in Moya Asia Pte. Ltd. (“MAL”) (being the entity carrying on the EPC business). As such, MAL has been classified as discontinued operations in accordance with FRS 105.

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

**1(a)(i) Consolidated Statement of Profit or Loss and Other Comprehensive Income (continued)**

	Group		
	Unaudited 3 months ended 31.03.2014 (S\$'000)	Unaudited 3 months ended 31.03.2013 (S\$'000)	Change + / (-) %
<b>Profit attributable to:</b>			
Owners of the Parent	486	421	15
Non-controlling interests	40	-	N.M
<b>Profit net of tax for the financial period</b>	<b>526</b>	<b>421</b>	<b>25</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the Parent	3,442	1,223	181
Non-controlling interests	63	-	N.M
<b>Total comprehensive income for the financial period</b>	<b>3,505</b>	<b>1,223</b>	<b>187</b>

N.M – not meaningful

**1(a)(ii) Notes to Consolidated Statement of Profit or Loss**

Profit before income tax is arrived at after (charging) / crediting the following:

	Group		
	Unaudited 3 months ended 31.03.2014 (S\$'000)	Unaudited 3 months ended 31.03.2013 (S\$'000)	Change + / (-) %
<b><u>Continuing operations</u></b>			
Trading of water sales <sup>(1)</sup>	972	228	326
Service concession construction revenue <sup>(1)</sup>	4,167	7,122	(41)
Financial income on financial assets arising from service concession arrangements <sup>(1), (2)</sup>	241	-	N.M
Depreciation of plant and equipment	(36)	(26)	38
Net foreign exchange adjustment (losses) <sup>(3)</sup> /gains <sup>(4)</sup>	(70)	42	N.M
Loss on disposal of plant and equipment	-	(8)	N.M
<b><u>Discontinued operations</u></b>			
Construction contract sales	470	2,318	(80)
Cost of sales	(471)	(2,533)	(81)

N.M – not meaningful

<sup>(1)</sup> Classified as revenue in consolidated statement of profit or loss

<sup>(2)</sup> For accounting purposes, when the Group (as operator) receives payment during the period of the service concession arrangement, it will apportion such payment between (i) a repayment of the financial asset arising from the construction activities of the service concession arrangement, reducing the carrying amount of the financial assets on its statement of financial position, (ii) interest income, which will be recognised as finance income in its statement of profit or loss and (iii) revenue from operating and maintaining the water treatment plant in its statement of profit or loss.

For the three months ended 31 March 2014, finance income is recognised as the BOT project in Bekasi Regency, Indonesia commenced commercial operation in December 2013.

<sup>(3)</sup> Classified as other charges in consolidated statement of profit or loss.

<sup>(4)</sup> Classified as other credits in consolidated statement of profit or loss.

**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**

	<b>Group</b>		<b>Company</b>	
	<b>Unaudited 31.03.2014 (S\$'000)</b>	<b>Audited 31.12.2013 (S\$'000)</b>	<b>Unaudited 31.03.2014 (S\$'000)</b>	<b>Audited 31.12.2013 (S\$'000)</b>
<b>Assets</b>				
<b>Non-current assets</b>				
Plant and equipment	250	256	-	-
Investments in subsidiaries	-	-	41,210	41,210
Financial assets arising from service concession arrangements	34,620	27,363	-	-
<b>Total non-current assets</b>	<b>34,870</b>	<b>27,619</b>	<b>41,210</b>	<b>41,210</b>
<b>Current assets</b>				
Inventories	15	8	-	-
Construction contracts work-in-progress	568	202	-	-
Trade and other receivables	2,822	1,950	32,767	30,687
Retention sum on construction contracts	2,361	4,722	-	-
Cash and cash equivalents	5,216	7,027	1,014	2,012
<b>Total current assets</b>	<b>10,982</b>	<b>13,909</b>	<b>33,781</b>	<b>32,699</b>
<b>Total assets</b>	<b>45,852</b>	<b>41,528</b>	<b>74,991</b>	<b>73,909</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Share capital	41,210	41,210	41,210	41,210
Capital reserve <sup>(1)</sup>	5,826	5,826	-	-
Share option reserve	668	668	-	-
Foreign currency translation reserve	(3,849)	(6,805)	-	-
Accumulated losses	(2,763)	(3,249)	(456)	(288)
<b>Equity, attributable to owners of the parent</b>	<b>41,092</b>	<b>37,650</b>	<b>40,754</b>	<b>40,922</b>
Non-controlling interests	181	118	-	-
<b>Total equity</b>	<b>41,273</b>	<b>37,768</b>	<b>40,754</b>	<b>40,922</b>
<b>Non-current liabilities</b>				
Other payables	368	336	-	-
Deferred tax liabilities	662	566	-	-
<b>Total non-current liabilities</b>	<b>1,030</b>	<b>902</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>				
Construction contracts work-in-progress	122	164	-	-
Trade and other payables	3,427	2,694	34,237	32,987
<b>Total current liabilities</b>	<b>3,549</b>	<b>2,858</b>	<b>34,237</b>	<b>32,987</b>
<b>Total liabilities</b>	<b>4,579</b>	<b>3,760</b>	<b>34,237</b>	<b>32,987</b>
<b>Total equity and liabilities</b>	<b>45,852</b>	<b>41,528</b>	<b>74,991</b>	<b>73,909</b>

**Note:**

- <sup>(1)</sup> Capital reserve comprised merger reserve which arose as a result of the difference between the consideration for the acquisition by the Company of MAL pursuant to the Restructuring Exercise and the Scheme and the issued share capital of MAL. Such merger reserve is a non-distributable reserve due to its capital nature.

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

The Group does not have any outstanding borrowings as at 31 March 2014 and 31 December 2013.

**Details of any collateral**

Banking facilities (bankers' guarantees) utilised by the Group are secured by fixed deposits pledged with the bank:

	<b>Group</b>	
	<b>31.03.2014</b>	<b>31.12.2013</b>
	<b>(S\$'000)</b>	<b>(S\$'000)</b>
Fixed deposits	2,554	2,707

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

(\$'000)	Unaudited 3 months ended 31.03.2014	Unaudited 3 months ended 31.03.2013
<b>Cash flows from operating activities</b>		
Profit before tax	632	649
<u>Adjustments for:</u>		
Depreciation of plant and equipment	36	26
Loss on disposal of plant and equipment	-	8
Interest income	(8)	(3)
Cash flows from discontinued operating activities (Note 1)	1,692	1,540
Effects of exchange rate fluctuations on translation of foreign operations	253	802
<b>Operating cash flows before changes in working capital</b>	<b>2,605</b>	<b>3,022</b>
<u>Changes in working capital:</u>		
Construction contracts work-in-progress	56	(205)
Financial assets arising from service concession arrangements	(4,634)	(3,786)
Inventories	(6)	6
Trade and other receivables	(944)	3
Trade and other payables	1,161	203
<b>Net cash flows used in operating activities</b>	<b>(1,762)</b>	<b>(757)</b>
<b>Cash flows from investing activities</b>		
Interest received	8	3
Non-trade amount due from the associate	-	(19)
Purchase of plant and equipment	(12)	(31)
Disposal of plant and equipment	-	1
<b>Net cash flows used in investing activities</b>	<b>(4)</b>	<b>(46)</b>
<b>Cash flows from financing activities</b>		
Issue of shares (net)	-	10,173
Cash flows from discontinued financing activities (Note 1)	153	-
<b>Net cash flows from financing activities</b>	<b>153</b>	<b>10,173</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(1,613)</b>	<b>9,370</b>
<b>Cash and cash equivalents, statement of cash flows, beginning balance</b>	<b>4,320</b>	<b>4,358</b>
Net effects of exchange rate changes	(45)	(5)
<b>Cash and cash equivalents, statement of cash flows, closing balance (Note 2)</b>	<b>2,662</b>	<b>13,723</b>

Note 1: The impact of the discontinued operations on the cash flows of the Group is as follows:

Operating cash inflows	1,692	1,540
Financing cash inflows	153	-
<b>Total cash inflows</b>	<b>1,845</b>	<b>1,540</b>

Note 2: Cash and cash equivalents reconciliation

Cash and cash equivalents per statement of financial position	5,216	16,724
Less: Fixed deposits pledged for bank facilities	(2,554)	(3,001)
<b>Cash and cash equivalents in statement of cash flows</b>	<b>2,662</b>	<b>13,723</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**

<b>Group</b>	<b>Share capital (S\$'000)</b>	<b>Capital reserve<sup>(1)</sup> (S\$'000)</b>	<b>Share option reserve (S\$'000)</b>	<b>Foreign currency translation reserve (S\$'000)</b>	<b>Retained earnings/ (Accumulated losses) (S\$'000)</b>	<b>Equity attributable to parent Subtotal (S\$'000)</b>	<b>Non-controlling interests (S\$'000)</b>	<b>Total Equity (S\$'000)</b>
<b>At 1 January 2013, as previously reported</b>	36,863	-	690	(1,444)	1,426	37,535	57	37,592
Impact of restructuring by way of the Scheme	(5,826)	5,826	-	-	-	-	-	-
At 1 January 2013, as restated <sup>(2)</sup>	31,037	5,826	690	(1,444)	1,426	37,535	57	37,592
Profit for the financial period	-	-	-	-	421	421	-	421
<b>Other comprehensive Income</b>								
Foreign currency translation differences of foreign operations	-	-	-	802	-	802	-	802
<b>Total comprehensive income for the financial period</b>	-	-	-	802	421	1,223	-	1,223
Issue of share capital, net of expenses	10,173	-	-	-	-	10,173	-	10,173
Share option forfeited	-	-	(20)	-	20	-	-	-
<b>Transactions with owners of parent, recognised directly in equity</b>	10,173	-	(20)	-	20	10,173	-	10,173
<b>At 31 March 2013</b>	<b>41,210</b>	<b>5,826</b>	<b>670</b>	<b>(642)</b>	<b>1,867</b>	<b>48,931</b>	<b>57</b>	<b>48,988</b>
<b>At 1 January 2014</b>	<b>41,210</b>	<b>5,826</b>	<b>668</b>	<b>(6,805)</b>	<b>(3,249)</b>	<b>37,650</b>	<b>118</b>	<b>37,768</b>
Profit for the financial period	-	-	-	-	486	486	40	526
<b>Other comprehensive Income</b>								
Foreign currency translation differences of foreign operations	-	-	-	2,956	-	2,956	23	2,979
<b>Total comprehensive Income for the financial period</b>	-	-	-	2,956	486	3,442	63	3,505
<b>At 31 March 2014</b>	<b>41,210</b>	<b>5,826</b>	<b>668</b>	<b>(3,849)</b>	<b>(2,763)</b>	<b>41,092</b>	<b>181</b>	<b>41,273</b>

**Notes:**

<sup>(1)</sup> Capital reserve comprised merger reserve which arose as a result of the difference between the consideration for the acquisition by the Company of MAL pursuant to the Restructuring Exercise and the Scheme and the issued share capital of MAL. Such merger reserve is a non-distributable reserve due to its capital nature.

<sup>(2)</sup> On 9 January 2013, MHAL was newly incorporated as part of the Restructuring Exercise to become the holding company of MAL (now known as "Moya Asia Pte. Ltd."). On 22 July 2013, the Company completed the acquisition of the entire paid-up share capital of MAL following the completion of the Restructuring Exercise undertaken by MAL by way of the Scheme. Pursuant to the terms of the Implementation Agreement entered into between the Company and MAL in relation to, *inter alia*, the Restructuring Exercise and the Scheme, upon the Scheme becoming effective in accordance with its terms and the completion of the Restructuring Exercise, all profit or loss attributable to MAL shall be taken to have accrued to the Company with effect from 1 January 2013.

**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 (continued)**

Company	Share capital (S\$'000)	Accumulated losses (S\$'000)	Total equity (S\$'000)
<b>At 9 January 2013 (being date of incorporation) and at 31 March 2013</b>	- <sup>(1)</sup>	-	- <sup>(1)</sup>
<b>At 1 January 2014</b>	41,210	(288)	40,922
Loss and total comprehensive loss for the financial period	-	(168)	(168)
<b>At 31 March 2014</b>	41,210	(456)	40,754

<sup>(1)</sup> The Company was incorporated on 9 January 2013 and its issued share capital was S\$1 comprising one (1) ordinary share at the date of incorporation.

**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**

Issued share capital	Number of shares	Share capital (S\$'000)
As at 1 January 2014 and at 31 March 2014	899,838,543	41,210

The Company does not have any treasury shares as at 31 March 2014 and 31 March 2013.

Outstanding share options under the Employee Share Option Scheme	Number of options
As at 1 January 2014	12,400,000
Options expired	(1,000,000)
As at 31 March 2014	11,400,000

As at 31 March 2014, the number of outstanding share options under the Employee Share Option Scheme was 11,400,000 (as at 31 March 2013: 12,430,000).

**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 (excluding treasury shares) as at 31 March 2014 was 899,838,543 (as at 31 December 2013: 899,838,543).

**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. Please state whether the figures have been audited or reviewed, and if so which auditing standard or practice has been followed**

The figures have neither been audited nor reviewed by the Company's auditors.

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

Not applicable.



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

Except as disclosed in paragraph 5 below, the Group has consistently applied the same accounting policies and methods of computation in the Group's financial statements for the current reporting period as compared with the audited financial statements for the financial year ended 31 December 2013.

**5. If there are any changes in 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 the applicable new and revised Singapore Financial Reporting Standards ("FRS") and Interpretations of Financial Reporting Standards ("INT FRS") which became effective for the accounting period beginning on or after 1 January 2014. The adoption of these new and revised FRS and INT FRS is not expected to result in material adjustments to the financial position, results of operations or cash flows of the Group for the financial year ending 31 December 2014.

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

Earnings/(Loss) per ordinary share based on - net profit/(loss) attributable to equity holders (numerator), and - weighted average number of ordinary shares on issue (denominator)	3 months ended 31.03.2014 (cents)	3 months ended 31.03.2013 <sup>(1)</sup> (cents)
(i) On a basic basis; and - continuing operations - discontinued operations	0.06 - <sup>(2)</sup>	0.09 (0.03)
	0.06	0.06
(ii) On a fully diluted basis - continuing operations - discontinued operations	0.06 - <sup>(2)</sup>	0.09 (0.03)
	0.06	0.06
Weighted average number of ordinary shares in issue:		
- for the purpose of basic earnings per share	899,838,543	733,715,684
- for the purpose of diluted earnings per share	899,838,543	733,715,684

As at 31 March 2014, share options granted under the Employee Share Option Scheme (see note 1(d)(ii)) were excluded from the diluted weighted average number of ordinary shares calculation as its effect would have been anti-dilutive.

<sup>(1)</sup> For comparative purposes, the average number of ordinary shares issued presented have been adjusted to take into consideration the rights issue exercise completed in March 2013.

<sup>(2)</sup> Less than S\$0.01.

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

	Group		Company	
	31.03.2014	31.12.2013	31.03.2014	31.12.2013
Net asset value per ordinary share based on issued share capital <sup>(3)</sup> (cents)	4.57	4.18	4.53	4.55

<sup>(3)</sup> Based on an issued share capital of 899,838,543 ordinary shares as at 31 March 2014 (31 December 2013: 899,838,543 ordinary shares).

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**

**8.1 Statement of Profit or Loss and Other Comprehensive Income (1Q2014 vs 1Q2013)**

**8.1 (a) Revenue (Continuing Operations)**

The Group's revenue decreased by S\$1.97 million, from S\$7.35 million for the three-month financial period ended 31 March 2013 ("1Q2013") to S\$5.38 million for the three-month financial period ended 31 March 2014 ("1Q2014"). The decrease was mainly attributable to the lower percentage of completion achieved for the construction revenue of the BOT projects in Indonesia.

**8.1 (b) Gross Profit (Continuing Operations)**

The Group's gross profit increased by S\$0.23 million, from S\$0.99 million in 1Q2013 to S\$1.22 million in 1Q2014. Gross profit margin increased from 13.4% in 1Q2013 to 22.6% in 1Q2014, mainly due to the contribution of the trading of water sales from the BOT project at the Bekasi Regency, Indonesia, which has commenced commercial operation in December 2013 and recognition of finance income on the financial assets arising from the construction activities of the Bekasi Regency BOT project for accounting purposes (refer to note 1(a)(ii) footnote 2 on page 3).

**8.1 (c) Other Credits (Continuing Operations)**

Other credits decreased by S\$0.04 million, from S\$0.05 million in 1Q2013 to S\$0.01 million in 1Q2014, mainly due to net foreign exchange adjustment losses in 1Q2014.

**8.1 (d) Administrative Expenses (Continuing Operations)**

Administrative expenses increased by S\$0.14 million, from S\$0.33 million in 1Q2013 to S\$0.47 million in 1Q2014. The increase was mainly due to the increase in overhead costs, professional fees incurred by the expanding Indonesia operations of S\$67,000 and corporate overhead expenses of S\$43,000.

**8.1 (e) Other Operating Expenses (Continuing Operations)**

Other operating expenses increased marginally by S\$0.01 million, from S\$0.06 million in 1Q2013 to S\$0.07 million in 1Q2014.

**8.1 (f) Other Charges (Continuing Operations)**

Other charges of S\$0.07 million in 1Q2014 is due to the net foreign exchange adjustment losses in 1Q2014, compared to the net foreign exchange adjustment gains of S\$0.04 million accounted in 1Q2013.

**8.1 (g) Income Tax Expense (Continuing Operations)**

Income tax expense of S\$0.11 million in 1Q2014 was mainly attributable to the provision of deferred taxes on construction profits for the Group's Indonesia operations in relation to the BOT projects.

**8.1 (h) Loss After Tax From Discontinued Operations**

The Group's discontinued operations refer the EPC projects in Cambodia. The decrease in loss of S\$1,000 in 1Q2014 from S\$0.22 million in 1Q2013, was mainly due to the absence of project costs in 1Q2014 as the projects were substantially completed in FY2013. Higher project completion costs were incurred in FY2013 due to design changes and increase in materials cost and installation cost. The Group have undertaken an independent engineer review of the Cambodia projects in FY2013 and are in negotiation with the customer for potential additional variation claims.

### **8.1 (i) Exchange Differences On Translating Foreign Operations, Net of Tax**

The Group experienced currency translation differences from the consolidation of its foreign operations as the reporting currency of the Group's consolidated financials is in the Singapore Dollar ("S\$").

The Group recognised S\$2.98 million currency translation gain in 1Q2014 as the Indonesian Rupiah ("IDR") appreciated against the S\$ during the financial period.

### **8.2 Statement of Financial Position (31.03.2014 vs 31.12.2013)**

The Group's total equity increased by S\$3.5 million or 9.3%, from S\$37.77 million as at 31 December 2013 to S\$41.27 million as at 31 March 2014. The increase was mainly due to the improvement in currency translation reserve of S\$2.96 million as the IDR appreciated against the S\$ for the Group's Indonesia investment.

#### **8.2 (a) Non-current Assets**

The Group's non-current assets increased by S\$7.25 million or 26.2%, from S\$27.62 million as at 31 December 2013 to S\$34.87 million as at 31 March 2014. This was mainly due to increase in recognition of financial assets of S\$7.26 million in accordance with INT FRS 112 for the BOT projects in Indonesia.

#### **8.2 (b) Current Assets**

The Group's current assets decreased by S\$2.93 million or 21.1%, from S\$13.91 million as at 31 December 2013 to S\$10.98 million as at 31 March 2014. The decrease was due to (i) decrease in retention sum on construction contracts of S\$2.36 million; and (ii) utilisation of cash resources for the Group's operating activities of S\$1.76 million; and partially offset by (iii) increase in trade and other receivables of S\$0.87 million due to construction activities for the BOT projects in Indonesia.

#### **8.2 (c) Current Liabilities**

The Group's current liabilities increased by S\$0.69 million or 24.1%, from S\$2.86 million as at 31 December 2013 to S\$3.55 million as at 31 March 2014. This was mainly due to the increase in trade and other payables for the Group's BOT projects in Indonesia.

#### **8.2 (d) Non-current Liabilities**

The Group's non-current liabilities increased by S\$0.13 million or 14.4%, from S\$0.90 million as at 31 December 2013 to S\$1.03 million as at 31 March 2014. This was mainly due to the provision of deferred taxes on construction profits operations in relation to the BOT projects and employee benefits for the Group's Indonesia operations.

#### **8.2 (e) Working Capital (defined as current assets less current liabilities)**

The Group reported a positive working capital of S\$7.43 million as at 31 March 2014 as compared to S\$11.05 million as at 31 December 2013.

### **8.3 Statement of Cash Flows (1Q2014 vs 1Q2013)**

The Group's operating cash flows before changes working capital was S\$2.61 million for 1Q2014. Net cash used in operating activities for 1Q2014 was S\$1.76 million due mainly to (i) recognition of financial assets of S\$4.63 million in accordance with INT FRS 112 for the BOT projects in Indonesia; (ii) increase in trade and other receivables of S\$0.94 million; and partially offset by (iii) cash flows generated from discontinued operating activities mainly due to collection of retention sum on construction contracts from Cambodia projects of S\$2.36 million.

Net cash used in investing activities for 1Q2014 was S\$4,000, mainly due to purchase of plant and equipment.

Net cash generated from financing activities for 1Q2014 of S\$0.15 million was attributable to the decrease in fixed deposits being pledged to the bank for bank guarantees.

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

No forecast or prospect statement has been previously disclosed to shareholders.

**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 Group intends to wind down its Engineering, Procurement and Construction (“**EPC**”) business and focus on the Build-Operate-Transfer (“**BOT**”) or Build-Own-Operate projects. The Group will continue to wind down its existing EPC projects and is seeking prospective interested parties to dispose of its interest in MAL (being the entity carrying on the EPC business).

Going forward, the Group remains focused on executing its 3 BOT contracts in the Bekasi Regency, the Tangerang City and the Makassar City, Indonesia. Barring any unforeseen circumstances, these contracts will underpin the Group’s prospects for the next 12 months. The Group expects its revenue in FY2014 and subsequent periods to be substantially denominated in the IDR, reflecting the effective currency denomination of projects in the Group’s target markets. Future results may be affected by fluctuations in the rate of exchange between the IDR and the S\$.

**11. If a decision regarding dividend has been made:**

**(a) Whether an interim (final) ordinary dividend has been declared (recommended)**

No.

**(b)(i) Amount per share**

Not applicable.

**(b)(ii) Previous corresponding period**

No.

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country whether the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)**

Not applicable.

**(d) The date the dividend is payable**

Not applicable.

**(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined**

Not applicable.

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

The Board does not recommend any dividends to be declared for the financial period ended 31 March 2014.

**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**

No general mandate for IPT has been obtained from shareholders.

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)  (S\$'000)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)  (S\$'000)
Gulf One Investment Bank B.S.C. - Management fees for business support services	- <sup>(1)</sup>	-

<sup>(1)</sup> Amount less than S\$100,000.

**14. Confirmation by the Board pursuant to Rule 705(5) of the Catalist Rules**

We, Simon A. Melhem and Ling Yew Kong, being Directors of the Company, do hereby confirm, on behalf of the board of directors of the Company (“Board”) that, to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited financial results for the first quarter and three months results ended 31 March 2014 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Simon A. Melhem  
Chief Executive Officer / Managing Director

Ling Yew Kong  
Non-Executive Chairman

15 May 2014