



TERRATECH GROUP LIMITED (Now known as Capital World Limited)
(Company Registration No: CT-276295)
(Incorporated in the Cayman Islands on 15 March 2013)

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

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 Sponsor has also not drawn on any specific technical expertise in its review of this announcement.

The contact person for the Sponsor is Mr Joseph Au, Associate Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.

Background

Terratech Group Limited (*now known as Capital World Limited*) (the "Company") had, on 4 May 2017, announced the completion of the acquisition of all the issued and paid-up shares of Altimate Ventures Limited, Rise Expedition Global Limited and First Star Ventures Limited (collectively the "Capital City Group") ("RTO Completion") ("Announcement"). Please refer to the Company's circular dated 29 March 2017 for further details ("Circular").

Following the Announcement, the unaudited consolidated full year financial statements ended 31 March 2017 of Terratech Group Limited are prepared and presented solely based on Terratech Group Limited prior to the RTO Completion and does not include those of Capital City Group (as defined in the Circular) ("Terratech FY2017 Results").

The unaudited combined financial information for the third quarter and nine months ended 31 March 2017 of Capital City Group are also prepared and presented to be read in conjunction and entirety with Terratech FY2017 Results as additional information, which is released in a separate announcement ("Capital City Group Results").

Following the above and the RTO Completion, the unaudited full year consolidated financial statements ending 30 June 2017 for the Enlarged Group, being the Company and its subsidiaries and the Capital City Group, will be released on or before 29 August 2017.

PART I INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

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

	Financial year ended 31 March		
	2017	2016	Change
	(unaudited)	(audited)	%
	S\$'000	S\$'000	
Revenue	8,961	10,042	(11)
Cost of sales	(8,284)	(9,583)	(14)
Gross profit	677	459	47
Other income	78	951	(92)
Distribution expenses	(104)	(187)	(44)
Administrative expenses	(3,486)	(4,220)	(17)
Other expenses	(3,179)	(272)	n.m.
Finance costs	(16)	(22)	(27)
Loss before income tax	(6,030)	(3,291)	83
Income tax expense	(165)	(330)	(50)
Loss for the year	(6,195)	(3,621)	71
Other comprehensive income:			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising from translation of foreign operations	(352)	(455)	(23)
Total comprehensive loss for the financial year	(6,547)	(4,076)	61
Loss attributable to:			
Owners of the Company	(6,058)	(3,547)	71
Non-controlling interest	(137)	(74)	85
	(6,195)	(3,621)	71
Total comprehensive loss attributable to:			
Owners of the Company	(6,410)	(3,997)	60
Non-controlling interest	(137)	(79)	73
	(6,547)	(4,076)	61

n.m. denotes not meaningful

1(a) A consolidated statement of comprehensive income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year. (continued)

Loss before income tax of the Group is arrived at after (charging)/crediting:

	Financial year ended 31 March		
	2017	2016	Change
	(unaudited)	(audited)	
	S\$'000	S\$'000	%
Other income			
Reversal of impairment loss of other receivables	-	176	n.m.
Reversal of impairment loss of inventory	-	258	n.m.
Foreign exchange gain	11	-	n.m.
Sundry income	6	471	(99)
Cost of sales, distribution, administrative and other expenses			
Depreciation of property, plant and equipment	(663)	(663)	-
Amortisation of intangible assets	(16)	(18)	(11)
Operating lease expense	-	(159)	n.m.
Interest expense	(16)	(22)	(27)
Foreign exchange loss	(33)	(63)	(48)
Provision of impairment loss of trade receivables	(69)	(216)	(68)
Provision of impairment loss of inventory	(691)	-	n.m.
Write off of property, plant and equipment	(55)	(10)	450
Loss on disposal of property, plant and equipment	(10)	-	n.m.

n.m. denotes 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 31.03.17	As at 31.03.16	As at 31.03.17	As at 31.03.16
	(unaudited)	(audited)	(unaudited)	(audited)
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Property, plant and equipment	4,999	5,435	-	-
Intangible assets	661	690	-	-
Goodwill	1,260	1,299	-	-
Investments in subsidiaries	-	-	32,573	32,573
	6,920	7,424	32,573	32,573
Current assets				
Inventories	3,299	3,819	-	-
Trade receivables	4,020	1,540	-	-
Amounts due from contract customers	320	120	-	-
Prepayments, deposits and other receivables	674	999	2,023	43
Due from a fellow subsidiary	-	10	-	-
Due from subsidiaries	-	-	8,624	6,169
Cash and cash equivalents	1,338	793	15	3
	9,651	7,281	10,662	6,215
Current liabilities				
Trade payables	4,076	767	-	-
Other payables and accruals	5,628	2,448	3,134	1,003
Tax payable	125	330	6	-
Amount due to immediate holding company	-	365	-	365
Amounts due to contract customers	85	79	-	-
Finance lease	27	157	-	-
	9,941	4,146	3,140	1,368
Net current assets	(290)	3,135	7,522	4,847
Non-current liability				
Finance lease	-	27	-	-
	-	27	-	-
Net assets	6,630	10,532	40,095	37,420
Capital and reserves				
Issued capital	6,835	6,150	6,835	6,150
Reserves	(119)	4,331	33,260	31,270
Equity attributable to owners of the Company	6,716	10,481	40,095	37,420
Non-controlling interest	(86)	51	-	-
Total equity	6,630	10,532	40,095	37,420

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

	Group			
	As at 31.03.17 (unaudited)		As at 31.03.16 (audited)	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Insecured S\$'000
Amount repayable within one year	27	-	157	-
Amount repayable after one year	-	-	27	-
	27	-	184	365

Note:

The secured amount of banking facilities of the Group in FY2017 relates to finance lease obligations which is secured by the lessor's title to the leased assets.

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	
	Financial year ended	
	31.03.17	31.03.16
	S\$'000	S\$'000
	(Unaudited)	(Audited)
Operating activities:		
Loss before income tax	(6,030)	(3,291)
Adjustments for:		
Amortisation of intangible assets	16	18
Depreciation of property, plant and equipment	663	663
Provision of impairment loss of trade receivable, net	69	216
Interest Income	(1)	(1)
Interest expense	17	22
Property, plant & equipment written off	55	10
Reversal on impairment loss of inventory, net	691	(258)
Reversal on impairment loss of other receivable	-	(176)
Loss on disposal of property, plant & equipment	10	-
Operating cash flows before working capital changes	(4,510)	(2,797)
Working capital changes:		
Inventories	(171)	(44)
Trade receivables	(2,549)	(824)
Prepayments, deposits and other receivables	325	929
Trade payables	3,310	463
Other payables and accruals	2,811	794
Amounts due from contract customers	(194)	234
Amount due from related companies	10	213
Cash used in operations	(968)	(1,032)
Interest paid	(17)	(22)
Interest received	1	1
Net cash used in operating activities	(984)	(1,053)
Investing activities:		
Purchases of property, plant and equipment	(588)	(701)
Proceed from disposal of plant & equipment	26	-
Fixed deposit pledged	-	99
Net cash used in investing activities	(562)	(602)
Financing activities:		
Proceeds from issue of shares	685	-
Share Premium	1,959	-
Loan from immediate holding company	(365)	365
Repayments of bank borrowing	-	(331)
Repayments of finance lease obligations	(157)	(223)
Net cash from/(used in) financing activities	2,122	(189)
Net increase / (decrease) in cash and cash equivalents	576	(1,844)
Effect of foreign exchange rate changes, net	(31)	(251)
Cash and cash equivalents at beginning of financial period	793	2,888
Cash and cash equivalents at end of financial period	1,338	793

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.

	Issued capital	Share premium	Capital reserve	Foreign currency translation reserve	Accumulated losses	Total	Non-controlling interest	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group (unaudited)								
Balance at 1.4.2016	6,150	39,545	157	185	(35,556)	10,481	51	10,532
Issue of new share	685	2,090	-	-	-	2,775	-	2,775
Share Issue expenses	-	(130)	-	-	-	(130)	-	(130)
Loss for the financial year	-	-	-	-	(6,058)	(6,058)	(137)	(6,195)
Other comprehensive income for the financial year								
Exchange differences arising from translation of foreign operations	-	-	-	(352)	-	(352)	-	(352)
Total comprehensive loss for the financial year	-	-	-	(352)	(6,058)	(6,410)	(137)	(6,547)
Balance at 31.03.2017	6,835	41,505	157	(167)	(41,614)	6,716	(86)	6,630

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

	Issued capital	Share premium	Capital reserve	Foreign currency translation reserve	Accumulated losses	Total	Non-controlling interest	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group (audited)								
Balance at 1.4.2015	6,150	39,545	157	635	(32,009)	14,478	130	14,608
Loss for the financial year	-	-	-	-	(3,547)	(3,547)	(74)	(3,621)
Other comprehensive income for the financial year								
Exchange differences arising from translation of foreign operations	-	-	-	(450)	-	(450)	(5)	(455)
Total comprehensive loss for the financial year	-	-	-	(450)	(3,547)	(3,997)	(79)	(4,076)
Balance at 31.03.2016	6,150	39,545	157	185	(35,556)	10,481	51	10,532

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

	Issued capital	Share premium	Capital reserve	Accumulated losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Company (unaudited)					
Balance at 1.04.2016	6,150	39,545	157	(8,432)	37,420
Issue of new share	685	2,090			2,775
Share Issue expenses	-	(130)			(130)
Profit for the financial year	-	-	-	30	30
Total comprehensive profit for the financial year	-	-	-	30	30
Balance at 31.03.2017	6,835	41,505	157	(8,402)	40,095
Company (audited)					
Balance at 1.04.2015	6,150	39,545	157	(6,696)	39,156
Loss for the financial year	-	-	-	(1,736)	(1,736)
Total comprehensive loss for the financial year	-	-	-	(1,736)	(1,736)
Balance at 31.03.2016	6,150	39,545	157	(8,432)	37,420

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 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. 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 at 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 December 2016 up to 31 March 2017. The Company's share capital was S\$6,835,420 comprising 683,542,003 shares as at 31 March 2017 and 31 December 2016.

The Company did not have any outstanding options, convertibles, treasury shares or subsidiary holdings as at 31 March 2017 and 31 March 2016.

1(d)(iii) 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.

	As at 31.03.17	As at 31.03.16
Total number of issued shares	683,542,003	615,042,003

The Company has no treasury shares as at 31 March 2017 and 31 March 2016 respectively.

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 current 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 current financial year reported on.

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

Except for the comparative statements, 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. The current year figures have not been audited or reviewed by the Company's auditors.

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 and the Company have applied the same accounting policies and methods of computation in preparation of the financial statements for the current reporting year as those applied in the audited financial statements for the financial year ended 31 March 2016.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

In the current reporting period, the Group adopted all of the new or revised International Financial Reporting Standards ("IFRS") that are relevant to its operations and are effective for first-time adoption during the current financial year. The adoption of these new and/or revised IFRS has no material impact on the unaudited financial statements for the financial year ended 31 March 2017.

6. Loss 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.

	Financial year ended	
	31.03.17 (unaudited)	31.03.16 (audited)
(a) Basic loss per ordinary share (SGD cents)	(0.89)	(0.58)
(b) Diluted loss per ordinary share (SGD cents)	(0.89)	(0.58)

(a) Basic loss per ordinary share of the Group for the financial year ended 31 March 2017 are calculated based on the weighted average number of ordinary shares in issue of 679,788,578 after adjusted for the increase in issued shares arising from the completion of placement on 21 April 2016.

Basic loss per ordinary share of the Group for the financial year ended 31 March 2016 are calculated based on the actual number of ordinary shares in issue of 615,042,003.

(b) Diluted loss per ordinary share for the financial year ended 31 March 2017 and 31 March 2016 is the same as the basic loss per share as there were no potentially dilutive securities as at 31 March 2017 and 31 March 2016.

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:-

- current financial period reported on; and
- immediately preceding financial year.

	Group		Company	
	31.03.17 (unaudited)	31.03.16 (audited)	31.03.17 (unaudited)	31.03.16 (audited)
Net asset value per ordinary share (SGD cents)	0.98	1.71	5.87	6.08

The net asset value per ordinary share of the Group and the Company as at 31 March 2017 was calculated based on the total issued number of ordinary shares (excluding treasury shares) of 683,542,003.

The net asset value per ordinary share of the Group and the Company as at 31 March 2016 was calculated based on the total issued number of ordinary shares (excluding treasury shares) of 615,042,003.

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 OF STATEMENT OF COMPREHENSIVE INCOME OF THE GROUP

Financial year ended 31 March 2017 ("FY2017") vs financial year ended 31 March 2016 ("FY2016")

The Group's revenue decreased by S\$1.08 million from S\$10.04 million in FY2016 to S\$8.96 million in FY2017 mainly due to the decrease in revenue contribution from its PRC operation, Shaanxi Hengyu Architectural Interior Engineering Co., ("Hengyu"). Hengyu is a licensed provider of interior and exterior decoration work services for construction projects in the PRC and is currently the main platform by which the Group has been promoting and marketing its marble and marble-related products in the PRC since its acquisition by the Group. The decrease in revenue of Hengyu was mainly due to lesser projects undertaken in FY2017.

The Group's gross profit increased by S\$0.22 million from S\$0.46 million in FY2016 to S\$0.68 million in FY2017 due to higher profit margin achieved from marble sales during the financial year.

Other income decreased by \$0.87 million in FY2017 as compared with FY2016, mainly attributable to (i) higher sundry income; and (ii) the reversal on provision for impairment of other receivables and inventory in FY2016 which was absent in FY2017.

Administrative expenses decreased by S\$0.73 million from S\$4.22 million in FY2016 to S\$3.49 million in FY2017 mainly due to cost-cutting measures implemented by the Group.

Other expenses increased by S\$2.91 million in FY2017 mainly due to professional fees incurred pursuant to the reverse takeover transaction of \$1.98 million ("RTO Fees") and provision of impairment loss of inventory of S\$0.69 million in FY2017.

As a result of the aforementioned, the Group recorded a higher net loss of S\$6.20 million in FY2017 as compared to a net loss of S\$3.62 million in FY2016. Excluding the above mentioned one-off RTO Fees, the net loss in FY2017 would have been reduced to S\$4.22 million.

REVIEW OF STATEMENT OF FINANCIAL POSITION

Non-current assets decreased by S\$0.50 million to S\$6.92 million as at 31 March 2017 from S\$7.42 million as at 31 March 2016. The decrease was mainly a result of depreciation of property, plant and equipment during the financial year.

Current assets increased by S\$2.37 million from S\$7.28 million as at 31 March 2016 to S\$9.65 million as at 31 March 2017, which was mainly due to increase in trade receivables of S\$2.48 million from Hengyu. These receivables are related to current year transactions and no provision of impairment is required.

Current liabilities increased by S\$5.79 million from S\$4.15 million as at 31 March 2016 to S\$9.94 million as at 31 March 2017. The increase was mainly due to: i) increase in trade payables of S\$3.31 million arising from accrual of sub-contractor costs during the financial year; ii) the increase in other payables and accruals (comprising accruals of management salaries, directors' fees and professional fees relating to the reverse takeover) of S\$3.18 million. The increase is offset by repayment of amount due to immediate holding company of S\$0.36 million.

REVIEW OF STATEMENT OF FINANCIAL POSITION (continued)

Issued capital increased by S\$0.68 million from S\$6.15 million as at 31 March 2016 to S\$6.83 million as at 31 March 2017 as a result of new shares issuance pursuant to the share placement in April 2016.

As a result, the Group had net assets of S\$6.6 million as at 31 March 2017.

REVIEW OF STATEMENT OF CASH FLOWS

In FY2017, the Group's net cash used in operating activities amounted to S\$0.98 million. This comprised mainly operating cash outflow before working capital change of S\$4.51 million, adjusted for net working capital inflow of S\$3.54 million.

The net working capital inflow of S\$3.54 million was mainly due to: i) increase in trade payables of S\$3.31 million; ii) increase in other payables and accruals of S\$2.81 million. The increase was offset by the increase in trade receivables of S\$2.55 million.

Net cash used in investing activities of S\$0.56 million in FY2017 was mainly due to the purchase of property, plant and equipment.

Net cash from financing activities of S\$2.12 million in FY2017 was mainly due to net proceeds received from share placement of \$2.64 million, which was offset by the repayment of loan due to immediate holding company of S\$0.36 million and repayment of finance lease obligations amounting to S\$0.16 million.

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

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Notwithstanding the RTO Completion, the Group's marble business will continue its extraction works whilst intensifying its marketing efforts of the marble and related products.

As at the date of this announcement, the Company's name has changed to Capital World Limited and its businesses now include the property developer business focusing on working with landowners on a joint venture basis to minimise initial capital outlay. For commentary relating to property developer business, please refer to the Capital City Group Results which is released in a separate announcement.

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

(a) Whether an interim (final) dividend has been declared (recommended); and

None.

(b)(i) Amount per share (cents)

(Optional) Rate (%)

Not applicable.

(b)(ii) Previous corresponding period (cents)

(Optional) Rate (%)

None.

(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 where 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 receive by the Company (up to 5.00pm) 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.

No dividend has been declared or recommended for FY2017.

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENTS

13. 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.

The Group's revenue contribution to the consolidated results in FY2017 was mainly derived from Hengyu. Such revenue together with the revenue derived from the Group's sale of marble and marble related products is regarded as a single reportable segment as Hengyu's business is regarded as an integral part of the Group's business of sales of marble and marble related products, and in line with the way in which information is reported internally to the Group's senior management for purposes of resource allocation and performance assessment. Accordingly, no segment reporting is presented for the aforesaid revenue streams of the Group.

Geographical information

Revenue based on geographical location of customers was as follows:

	FY2017	FY2016
	S\$'000	S\$'000
Singapore	36	356
Malaysia	493	33
PRC	8,432	9,653
	<u>8,961</u>	<u>10,042</u>

Non-current assets based on the geographical location of assets was as follows:

	31 March 2017	31 March 2016
	S\$'000	S\$'000
Malaysia	6,901	7,379
PRC	19	45
	<u>6,920</u>	<u>7,424</u>

Non-current assets presented above consist of intangible assets, property, plant and equipment and goodwill as presented in the statements of financial position.

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

Not applicable, there is no operating segment reported.

15. A breakdown of sales as follows:

Group	FY2017 S\$'000	FY2016 S\$'000	Change %
a) Revenue			
-first half Year	5,644	5,206	8
-second half Year	3,317	4,836	(31)
	<u>8,961</u>	<u>10,042</u>	(10)
b) Operating loss after tax before deducting non-controlling interest			
-first half Year	(1,910)	(1,533)	25
-second half Year	(4,285)	(2,088)	N.M
	<u>(6,195)</u>	<u>(3,621)</u>	71

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

Not applicable.

17. 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 person, the issuer must make an appropriate negative statement.

There is no person occupying a managerial position in the issuer or any of its subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

18. 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 IPTs. There was no IPT with value of more than S\$100,000 entered into during the financial year.

19. Update on use of proceeds

The Company had fully utilized the proceeds of S\$2.69 million arising from the share placements as announced in the unaudited third quarter 2017 results announcement on 13 February 2017.

ADDITIONAL DISCLOSURE REQUIRED FOR MINERAL, OIL AND GAS COMPANIES

20. Rule 705(6)(a) of the Catalyst Listing Manual

Use of funds/cash for the quarter:-

In 4Q2017, funds/cash was mainly used for the following production activities:-

Purpose	Amount (S\$'000) Actual Usage	Amount (S\$'000) Projected Usage	Amount (S\$'000) Variance	Remarks
Excavation and production activities	88	141	(53)	(a)
Payments for property, plant and equipment	91	114	(23)	(a)
Royalties and tributes fees	0	10	(10)	(b)
Upkeep of equipment and motor vehicles	5	38	(33)	(a)
General working capital	92	142	(50)	(a)
Total	276	445	(169)	

- a) The decrease in actual payments for excavation and production activities, property, plant and equipment, upkeep of equipment and motor vehicles and general working capital was mainly due to cost cutting measures implemented by the Group.
- b) There was no payment of royalties and tribute fees made in this quarter and it is deferred to the next quarter.

Projection on the use of funds/cash for the next immediate quarter, including principal assumptions:-

For the next immediate quarter (financial period from 1 April 2017 to 30 June 2017), the Group's use of fund/cash for production activities are expected to be as follows:-

Purpose	Amount (S\$'000) Projected Usage
Excavation and production activities	146
Payments for property plant and equipment	134
Royalties and tribute fees	10
Upkeep of equipment and motor vehicles	39
General working capital	151
Total	480

Principal Assumptions

Projected use of funds/cash for certain items, including, but not limited to payments for excavation and production activities, and royalties and tribute fees will vary depending on, *inter alia*, the Group's marble sales. Accordingly, in the event that the Group's marble sales varies from the Group's projections, the use of funds/cash for production activities will change accordingly as well.

21. Rule 705(6)(b) of the Catalist Listing Manual

The Board of Directors of the Company hereby confirms that, to the best of their knowledge, nothing has come to their attention which may render the above information provided to be false or misleading in any material aspect.

22. Rule 705(7)(a) of the Catalist Listing Manual

Details of exploration (including geophysical surveys), development and/or production activities undertaken by the Company and a summary of the expenditure incurred on those activities, including explanations for any material variances with previous projections, for the period under review. If there has been no exploration, development and/or production activity respectively, that fact must be stated.

Gua Musang Quarry	4Q2017		Cumulative from 1Q2017 to 3Q2017		Total	
	Excavation Gross Volume (m ³)	Production of marble block (m ³)	Excavation Gross Volume (m ³)	Production of marble block (m ³)	Excavation Gross Volume (m ³)	Production of marble block (m ³)
Hill 2B						
January 2017	1,300	160				
February 2017	1,200	170				
March 2017	2,000	150	15,100	2,575	19,600	3,055

Hill 2A

January 2017	2,700	-				
February 2017	2,700	-				
March 2017	1,700	40	53,900	-	61,000	40

Hill 1*

January 2017	-	-				
February 2017	-	-				
March 2017	-	-	-	-	-	-

Total cash used for excavation and production activities at Gua Musang Quarry was S\$0.09 million in 4Q2017.

* Marble extraction works in Hill 1 had been put on hold since January 2016 to focus on excavation and extraction of resources in Hill 2A and Hill 2B.

23. Rule 705(7)(b) of the Catalist Listing Manual

Update on its reserves and resources, where applicable, in accordance with the requirements as set out in Practice Note 4C, including a summary of reserves and resources as set out in Appendix 7D.

The qualified person's report ("QPR") on the updated marble resources and ore reserve estimates as at 31 March 2016 is contained in the Annual Report for the financial year ended 31 March 2016 ("Annual Report FY2016"). Soft copy of the Annual Report FY2016 is available for download on the SGXNET.

There were no material updates as at 31 March 2017 to the QPR.

24. Confirmation pursuant to Rule 720(1) of the Catalyst Listing Manual

The Company has procured undertakings from all its directors and executive officers under Rule 720(1).

BY ORDER OF THE BOARD

Mr. Siow Chien Fu
Executive Director and Chief Executive Officer
29 May 2017