



DYNA-MAC HOLDINGS LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No: 200305693E)

UNAUDITED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2018

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

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE

	Group			Group		
	3 months ended 30-Jun-18	3 months ended 30-Jun-17	Change	6 months ended 30-Jun-18	6 months ended 30-Jun-17	Change
	\$'000	(*Restated) \$'000	%	\$'000	(*Restated) \$'000	%
Revenue	32,999	4,993	NM	59,780	13,479	NM
Cost of sales	(27,278)	(10,838)	NM	(49,046)	(23,810)	NM
Gross profit/ (loss)	5,721	(5,845)	NM	10,734	(10,331)	NM
Gross profit/(loss) margin	17.3%	-117.1%		18.0%	-76.6%	
Other Income/ (expenses)	(367)	(896)	-59.0%	506	(748)	NM
Administrative expenses	(4,383)	(5,636)	-22.2%	(10,015)	(11,721)	-14.6%
Finance costs	(59)	(60)	-1.7%	(103)	(127)	-18.9%
Profit/(loss) before tax	912	(12,437)	NM	1,122	(22,927)	NM
Income tax expenses	-	(20)	NM	-	(25)	NM
Net profit/(loss) for the financial period	912	(12,457)	NM	1,122	(22,952)	NM
Net profit margin	2.8%	NM		1.9%	NM	
Attributable to:-						
Equity holders of the Company	1,038	(12,482)	NM	1,213	(22,208)	NM
Non-controlling interest	(126)	25	NM	(91)	(744)	-87.8%
Net profit/(loss) for the financial period	912	(12,457)	NM	1,122	(22,952)	NM
Other comprehensive income:-						
Items that may be subsequently reclassified to profit or loss:-						
Currency translation differences arising from consolidation	1,484	(429)	NM	494	(4,872)	NM
Total comprehensive income for the financial period	2,396	(12,886)	NM	1,616	(27,824)	NM
Attributable to:-						
Equity holders of the Company	2,508	(12,890)	NM	1,741	(26,967)	NM
Non-controlling interest	(112)	4	NM	(125)	(857)	-85.4%
Total comprehensive income for the financial period	2,396	(12,886)	NM	1,616	(27,824)	NM

NM- not meaningful

**Restated – refer to note 5*

1(a)(ii) The statement of comprehensive income is arrived at after charging/(crediting) the following:-

The Group's profit is stated after charging/(crediting):-

	Group			Group		
	3 months ended	3 months ended	Change	6 months ended	6 months ended	Change
	30-Jun-18	30-Jun-17		30-Jun-18	30-Jun-17	
	\$'000	\$'000	%	\$'000	\$'000	%
The Group's profit/(loss) is stated after charging/(crediting):-						
Rental income ^(Note 1)	(149)	(107)	39.3%	(164)	(107)	53.3%
Interest income - bank deposits	(109)	(120)	-9.2%	(166)	(314)	-47.1%
Finance costs	60	62	-3.2%	103	128	-19.5%
Amortisation of club memberships	4	-	NM	8	-	NM
Depreciation of property, plant and equipment	1,861	2,563	-27.4%	3,868	5,202	-25.6%
Foreign exchange (gain)/loss, net	774	991	-21.9%	44	1,423	-96.9%
Reversal of impairment losses on property, plant and equipment	(1,213)	-	NM	(1,213)	-	NM
Reversal of prepayment written off	(243)	-	NM	(243)	-	NM
Gain on disposal of property, plant and equipment	(70)	(6)	NM	(86)	(11)	NM
Government Grants	(55)	-	NM	(90)	-	NM

Note 1 - Rental income comprises mainly rental income of yard facilities to subcontractors.

NM - not meaningful

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

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE

	Group		Company	
	30-Jun-18	31-Dec-17	30-Jun-18	31-Dec-17
	\$'000	(*Restated) \$'000	\$'000	\$'000
ASSETS				
Current Assets				
Cash and cash equivalents	36,360	37,088	351	361
Trade and other receivables	26,406	15,617	10,308	9,912
Contract assets	13,452	11,986	-	-
Inventories	1,783	2,056	-	-
Other current assets	826	711	26	12
	78,827	67,458	10,685	10,285
Assets held for sale	32,124	32,124	-	-
	110,951	99,582	10,685	10,285
Non-Current Assets				
Club memberships	311	319	-	-
Investment in subsidiaries	-	-	126,821	126,821
Property, plant and equipment	43,010	45,019	-	-
	43,321	45,338	126,821	126,821
Total Assets	154,272	144,920	137,506	137,106
LIABILITIES				
Current Liabilities				
Income tax payables	-	314	-	-
Trade and other payables	39,254	32,542	115	163
Contract liabilities	-	1,226	-	-
Borrowings	9,026	6,704	-	-
	48,280	40,786	115	163
Non-Current Liabilities				
Borrowings	305	63	-	-
Deferred income tax liabilities	18	18	-	-
	323	81	-	-
Total Liabilities	48,603	40,867	115	163
Net Assets	105,669	104,053	137,391	136,943
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	145,271	145,271	145,271	145,271
Foreign currency translation reserves	111	(417)	-	-
Asset revaluation reserve	633	633	-	-
Accumulated losses	(40,955)	(42,168)	(7,880)	(8,328)
Share capital & reserve	105,060	103,319	137,391	136,943
Non-controlling interest	609	734	-	-
Total Equity	105,669	104,053	137,391	136,943

*Restated – refer to note 5

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:-

	As at 30-Jun-18		As at 31-Dec-17	
	Secured	Unsecured	Secured	Unsecured
	\$'000	\$'000	\$'000	\$'000
Amount repayable in one year or less	121	8,905	33	6,671
Amount repayable after one year	305	-	63	-

Details of any collateral: -

The Group's borrowings are secured by the rights to the leased site equipment and tools and motor vehicles.

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

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE

	Group		Group	
	3 months ended	3 months ended	6 months ended	6 months ended
	30-Jun-18	30-Jun-17	30-Jun-18	30-Jun-17
	S\$'000	(*Restated) S\$'000	S\$'000	(*Restated) S\$'000
Cash Flows From Operating Activities				
Profit/(loss) before tax	912	(12,437)	1,122	(22,927)
Adjustment for:				
- Depreciation of property, plant and equipment	1,861	2,563	3,868	5,202
- Loss/(Gain) on disposal of property, plant and equipment	(70)	(6)	(86)	(11)
- Reversal of impairment losses on property, plant and equipment	(1,213)	-	(1,213)	-
- Reversal of prepayment written off	(243)	-	(243)	-
- Interest income	(109)	(120)	(166)	(314)
- Finance Costs	60	62	103	128
- Amortisation of club memberships	4	-	8	-
- Unrealised translation (gain)/loss	775	(736)	44	212
	1,977	(10,674)	3,437	(17,710)
Changes in working capital				
- Trade and other receivables	8,856	67,610	(10,833)	70,151
- Contract assets	(9,910)	(27,235)	(1,466)	(17,722)
- Contract liabilities	(12,248)	987	(1,226)	987
- Inventories	323	(27)	273	21
- Other current assets	(335)	(45)	(115)	2,663
- Trade and other payables	9,992	(13,815)	7,231	(32,697)
Cash flows (used in)/from operations	(1,345)	16,801	(2,699)	5,693
Interest received	109	120	166	314
Income tax paid	-	(782)	(314)	(787)
Net cash flows (used in)/generated by operating activities	(1,236)	16,139	(2,847)	5,220
Cash flows from investing activities				
- Additions to property, plant and equipment	(125)	(631)	(513)	(646)
- Proceeds from disposal of property, plant and equipment	-	29	196	34
Net cash used in investing activities	(125)	(602)	(317)	(612)
Cash flows from financing activities				
- Draw down/(Repayments) of bank borrowings	1,810	10,641	2,648	(15,389)
- Repayments of finance lease liabilities	(29)	(10)	(84)	(20)
- Interest expense paid	(60)	(62)	(103)	(128)
Net cash flows generated by/(used in) financing activities	1,721	10,569	2,461	(15,537)
Net increase/(decrease) in cash and cash equivalents	360	26,106	(703)	(10,929)
Cash and cash equivalents at the beginning of the financial	35,879	32,131	37,088	69,535
Effect of currency translation on cash and cash equivalents	121	(302)	(25)	(671)
Cash and cash equivalents at the end of the financial period	36,360	57,935	36,360	57,935

*Restated – refer to note 5

The Group is required to maintain certain minimum deposits with banks for banking facilities. Included in cash and cash equivalents are fixed deposits of S\$24m designated by the Group for this purpose.

- 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.

STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Company				Non-controlling interest	Total equity	
	Share capital	Accumulated losses	Other reserves	Foreign currency translation reserve			
	\$'000	(*Restated) \$'000	\$'000	(*Restated) \$'000			
Group							
Balance at 31 December 2017	145,271	(42,124)	633	(340)	103,440	734	104,174
Adoption of SFRS(I) 1	-	77	-	(77)	-	-	-
Adoption of SFRS(I) 15	-	(121)	-	-	(121)	-	(121)
Balance at 1 January 2018	145,271	(42,168)	633	(417)	103,319	734	104,053
Profit for the year	-	1,213	-	-	1,213	(91)	1,122
Other comprehensive income	-	-	-	528	528	(34)	494
Total comprehensive income for the period	-	1,213	-	528	1,741	(125)	1,616
Balance at 30 June 2018	145,271	(40,955)	633	111	105,060	609	105,669
Company							
Balance at 1 January 2018	145,271	(8,328)	-	-	136,943	-	136,943
Total comprehensive income for the period	-	448	-	-	448	-	448
Balance at 30 June 2018	145,271	(7,880)	-	-	137,391	-	137,391

	Attributable to equity holders of the Company				Non-controlling interest	Total equity	
	Share capital	Retained profits	Asset revaluation reserve	Foreign currency translation reserve			
	\$'000	\$'000	\$'000	\$'000			
Group							
Balance at 1 January 2017	145,271	15,002	633	77	160,983	2,220	163,203
Adoption of SFRS(I) 1	-	77	-	(77)	-	-	-
Balance at 1 January 2017	145,271	15,079	633	-	160,983	2,220	163,203
Loss for the year	-	(22,208)	-	-	(22,208)	(744)	(22,952)
Other comprehensive loss	-	-	-	(4,759)	(4,759)	(113)	(4,872)
Total comprehensive loss for the period	-	(22,208)	-	(4,759)	(26,967)	(857)	(27,824)
Dividend declared by a subsidiary	-	-	-	-	-	(612)	(612)
Balance at 30 June 2017	145,271	(7,129)	633	(4,759)	134,016	751	134,767
Company							
Balance at 1 January 2017	145,271	(2,927)	-	-	142,344	-	142,344
Total comprehensive loss for the period	-	(347)	-	-	(347)	-	(347)
Balance at 30 June 2017	145,271	(3,274)	-	-	141,997	-	141,997

*Restated – refer to note 5

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.

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

	Number of Ordinary Shares	Resultant issued share capital \$
Balance at 30 June 2018	1,023,211,000	145,271,346

The Company did not hold any treasury shares as at 30 June 2018 and 31 December 2017. The Company's total number of issued shares excluding treasury shares as at 30 June 2018 and 31 December 2017 is 1,023,211,000.

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

Not applicable.

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

The figures have not been audited or reviewed by the Group's independent auditor.

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

Not applicable.

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

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period, as those used for the audited consolidated financial statements as at 31 December 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 a new financial reporting framework, Singapore Financial Reporting Standards (International) (SFRS (I)s), on 1 January 2018 and has prepared its financial information under SFRS (I)s for the second quarter and half year ended 30 June 2018.

In adopting SFRS(I)s, the Group is required to apply the specific transition requirements in SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International). The Group's opening balance under SFRS(I)s has been prepared as at 1 January 2017, which is the Group's date of transition to SFRS(I)s.

Application of SFRS(I) 1

Foreign currency translation reserves (“FCTR”)

The Group has elected the optional exemption in SFRS(I) 1 to reset its cumulative FCTR for all foreign operations to nil at the date of transition and reclassify the cumulative FCTR of \$76,286 as at 1 January 2017 determined in accordance with SFRS(I) 1 at that date to retained earnings.

After the date of transition, any gain or loss on disposal of any foreign operations will exclude translation differences that arose before the date of transition.

Adoption of SFRS(I) 15

Revenue from Contracts with Customers

SFRS(I) 15 is effective for financial years beginning on or after 1 January 2018. In accordance with the requirements of SFRS(I) 1, the Group will adopt SFRS(I) 15 retrospectively.

Under SFRS(I) 15, the Group recognizes revenue when a performance obligation is satisfied, i.e. when ‘control’ of the goods or services underlying the particular performance obligation is transferred to the customer.

Following the presentation requirements in SFRS(I) 15, the Group has presented certain amounts in the Group’s balance sheet as follows:

- i) Amounts due from customers on construction contracts was presented as contract assets.
- ii) Amounts due to customers on construction contracts was presented as contract liabilities.

Adoption of SFRS (I) 9

Financial Instrument

SFRS(I) 9 is effective for financial years beginning on or after 1 January 2018. The Group has elected to apply the short-term exemption under SFRS(I) 1 allowing it not to restate comparative information in the 2018 SFRS(I) financial statements. Accordingly, requirements of FRS39 *Financial Instruments: Recognition and Measurement* will continue to apply to financial instruments up to the financial year ended 31 December 2017.

Under SFRS(I) 9, the Group has adopted the simplified approach under SFRS(I) 9 and recorded lifetime ECL on all trade receivables and contract assets.

Impacts on initial application of SFRS (I)

The following reconciliations summarize the effects of adopting SFRS(I)s on the Group’s financial statements.

Consolidated Income Statement

	3 months ended 30 June 2017			6 months ended 30 June 2017		
	As previously reported \$’000	Effects of SFRS (I)s \$’000	As restated \$’000	As previously reported \$’000	Effects of SFRS (I)s \$’000	As restated \$’000
Revenue	5,403	(410)	4,993	15,488	(2,009)	13,479
Cost of sales	(11,592)	754	(10,838)	(26,038)	2,228	(23,810)
Others	(6,592)	-	(6,592)	(12,596)	-	(12,596)
(Loss)/profit before tax	(12,781)	344	(12,437)	(23,146)	219	(22,927)

Impacts on initial application of SFRS (I) (cont'd)

Balance Sheet as at 31 December 2017

	31-Dec-17		
	As previously reported \$'000	Effects of SFRS (I)s \$'000	As restated \$'000
Assets			
Trade and other receivables	26,205	(10,588)	15,617
Contract assets	-	11,986	11,986
Construction contracts work-in-progress	1,430	(1,430)	-
Others	117,319	(5)	117,314
Total Assets	144,954	(37)	144,917
Liabilities			
Trade and other payables	33,681	(1,139)	32,542
Contract liabilities	-	1,226	1,226
Others	7,099	-	7,099
Total Liabilities	40,780	87	40,867
Equity			
Retained profits	(42,124)	(44)	(42,168)
Foreign currency translation reserves	(340)	(77)	(417)
Others	146,638		146,638
Total Equity	104,174	(121)	104,053

Consolidated Statement of Cash Flows

	3 months ended 30 June 2017			6 months ended 30 June 2017		
	As previously reported \$'000	Effects of SFRS (I)s \$'000	As restated \$'000	As previously reported \$'000	Effects of SFRS (I)s \$'000	As restated \$'000
Cash Flows From Operating Activities						
Net (loss)/profit	(12,781)	344	(12,437)	(23,146)	219	(22,927)
Others	2,353	(590)	1,763	5,804	(587)	5,217
Operating profit before working capital changes	(10,428)	(246)	(10,674)	(17,342)	(368)	(17,710)
Changes in working capital						
Trade and other receivables	39,353	28,257	67,610	51,407	18,744	70,151
Contract assets	-	(27,235)	(27,235)	-	(17,722)	(17,722)
Contract liabilities	-	987	987	-	987	987
Trade and other payables	(12,052)	(1,763)	(13,815)	(31,056)	(1,641)	(32,697)
Others	(734)	-	(734)	2,211	-	2,211
Net cash provided by operating activities	16,139	-	16,139	5,220	-	5,220
Net cash used in investing activities	(602)	-	(602)	(612)	-	(612)
Net cash provided/(used in) by financing activities	10,569	-	10,569	(15,537)	-	(15,537)
Net increase/(decrease) in cash and cash equivalents	26,106	-	26,106	(10,929)	-	(10,929)
Effect of currency translation on cash and cash equivalents	(302)	-	(302)	(671)	-	(671)
Cash and cash equivalents at the beginning of the financial period	32,131	-	32,131	69,535	-	69,535
Cash and cash equivalents at the end of the financial period	57,935	-	57,935	57,935	-	57,935

6. Earnings/(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:-

	Group			
	3 months ended	3 months ended (*Restated)	6 months ended	6 months ended (*Restated)
	30-Jun-18	30-Jun-17	30-Jun-18	30-Jun-17
Earnings/(Loss) Per Share (based on consolidated net profit/(loss) attributable to equity holders):-				
Based on weighted average number of ordinary shares in issue (cents)	0.10	(1.22)	0.12	(2.17)
On a fully diluted basis (cents)	0.10	(1.22)	0.12	(2.17)
Weighted average number of ordinary shares in issue for calculation of basic earnings per share ('000)	1,023,211	1,023,211	1,023,211	1,023,211
Weighted average number of ordinary shares in issue for calculation of diluted earnings per share ('000)	1,023,211	1,023,211	1,023,211	1,023,211

There were no potentially dilutive shares for the financial period ended 30 June 2018.

**Restated – refer to note 5*

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

	Group		Company	
	30-Jun-18	(*Restated) 31-Dec-17	30-Jun-18	31-Dec-17
Net asset value per ordinary share based on existing share capital (cents)	10.27	10.10	13.43	13.38
Number of shares ('000)	1,023,211	1,023,211	1,023,211	1,023,211

**Restated – refer to note 5*

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.**

Income Statement Overview

Revenue

Revenue increased by \$28.0m from \$5.0m in the second quarter ended 30 June 2017 ("2Q2017") to \$33.0m in the second quarter ended 30 June 2018 ("2Q2018"). The increase was mainly due to higher volume of projects carried out in 2Q2018.

Gross Profit

Gross profit increased from a loss of \$5.8m in 2Q2017 to a profit of \$5.7m in 2Q2018. This was in line with higher revenue recognized in 2Q2018.

Other Income/(expenses)

Other Income /(expense) recorded a loss of \$0.4m in 2Q2018 due to reversal of unrealized exchange gain.

Administrative Expenses

Administrative expenses decreased by \$1.2m from \$5.6m in 2Q2017 to \$4.4m in 2Q2018. The decrease was mainly due to reversal of impairment and write back of property, plant and equipment in 2Q2018.

Finance Expenses

Finance expenses were mainly interest expenses on bank borrowings which were minimal for both quarters under review.

Income Tax Expense

The Group did not recognize deferred tax asset on its carried forward trade losses and capital allowances due to the uncertainty of utilization. Correspondingly, the Group did not recognize the income tax expense in 2Q2018.

Statement of Financial Position

Current Assets

Total current assets increased by \$11.4m from \$99.6m as at 31 December 2017 to \$111.0m as at 30 June 2018. This was mainly due to an increase of \$10.8m and \$1.5m in trade and other receivables and contract assets respectively but partially offset by a decrease of \$0.3m and \$0.7m in inventories and cash and cash equivalents respectively.

Cash and cash equivalents decreased by \$0.7m from \$37.1m as at 31 December 2017 to \$36.4m as at 30 June 2018 mainly due to working capital requirements.

Trade and other receivables increased by \$10.8m from \$15.6m as at 31 December 2017 to \$26.4m as at 30 June 2018 mainly due to higher receivables recorded in line with higher volume of business.

Non-Current Assets

Non-current assets decreased by \$2.0m from \$45.3m as at 31 December 2017 to \$43.3m as at 30 June 2018 mainly due to depreciation on property, plant and equipment of \$3.9m, but partially offset by reversal of impairment and write back of property, plant and equipment of \$1.5m.

Current Liabilities

Total current liabilities increased by \$7.5m from \$40.8m as at 31 December 2017 to \$48.3m as at 30 June 2018 mainly due to an increase of \$6.7m in trade and other payables, increase in short-term borrowings of \$2.3m, but partially offset by decrease in contract liabilities of \$1.2m, and decrease in income tax payables of \$0.3m.

Trade and other payables increased by \$6.8m from \$32.5m as of 31 December 2017 to \$39.3m as at 30 June 2018 mainly due to higher payables recorded in line with higher volume of business.

Statement of Cash Flows

The Group registered a decrease in cash and cash equivalent of \$0.7m from \$37.1m as of 31 December 2017 to \$36.4m as at 30 June 2018.

Net cash flow used in operating activities in 2Q2018 was \$1.2m mainly due to working capital requirements.

Net cash used in investing activities in 2Q2018 was \$0.1m mainly due to purchase of minor tools.

Net cash generated from financing activities in 2Q2018 was \$1.7m. This was mainly due to drawdown of bank borrowings.

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 the 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.

The Group has a net order book of \$40.3 million as at 30 June 2018 with completion and deliveries extending into 4Q2018.

The Group is pleased to report an increase in revenue as compared with 2Q2017. However, the Group is still cautious as recovery is in its early stages. We will continue with our marketing efforts to secure new orders in our segment as well as in other segments such as land module and power plant projects. At the same time, we remain prudent in the management and monitoring of our expenses.

11. Dividends

**(a) Current financial period reported on
Any dividend declared for the current financial period reported on?**

No.

**(b) Corresponding period of the immediately preceding financial year
Any dividend declared for the corresponding period of the immediately preceding financial year?**

No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared for the quarter ended 30 June 2018.

13. **Interested person transaction disclosure**

Name of Interested Person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual (excluding transactions less than \$100,000)	
	6 months ended 30-Jun-18 \$'000	6 months ended 30-Jun-17 \$'000	6 months ended 30-Jun-18 \$'000	6 months ended 30-Jun-17 \$'000
PURCHASES AND OTHER EXPENSES				
Transactions with L&W Marine Engineering Pte. Ltd. ("L&WM") Subcontracting services for steel and piping fabrication	-	146	-	-
Transactions with Lim Lie Tjing Consultant services in respect of Human Resources	-	16	-	-
Keppel Subic Shipyard Inc Backcharge of utilities and water supply	1	-	-	-
Backcharge of office maintenance	3	-	-	-
REVENUE				
Keppel FELS Limited Fabrication of structural blocks	-	-	-	49
Other Adhoc projects (other services)ie: Barge Hiring/Provision of Berthing Space	-	-	43	-
Keppel Shipyard Limited Subcontracting services rendered for steel and piping fabrication	-	-	-	1,396

14. Confirmation pursuant to Rule 720(1) of the listing manual

The Company confirms that it has procured undertakings from its Board of Directors and executive officers under Rule 720(1) of the listing manual.

15. Confirmation pursuant to the Rule 705(5) of the listing manual

The Board of Directors of the Company hereby confirms to the best of its knowledge nothing has come to its attention which may render the unaudited interim financial results for the second quarter ended 30 June 2018 to be false or misleading in any material respect.

BY ORDER OF THE BOARD

Lim Tze Jong
Executive Chairman and CEO
07 August 2018