



Unaudited Financial Statements for the 2nd Quarter and Half Year Ended 31 December 2018

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

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

1(a)(i) Consolidated statement of comprehensive income for the 2nd quarter and half year ended 31 December 2018

	Group					
	2 nd quarter ended 31 December			Half year ended 31 December		
	2018	2017	+ / (-)	2018	2017	+ / (-)
	USD'000	USD'000	%	USD'000	USD'000	%
Revenue	48,940	95,538	(48.8)	113,109	180,225	(37.2)
Raw material and consumables	(31,893)	(61,978)	(48.5)	(74,149)	(116,170)	(36.2)
Manufacturing expenses	(5,914)	(6,880)	(14.0)	(12,098)	(13,545)	(10.7)
Business development expenses	(273)	(220)	24.1	(483)	(895)	(46.0)
Other operating expenses	(49)	(56)	(12.5)	(97)	(107)	(9.3)
Property development expense	(3,773)	(15,161)	(75.1)	(7,927)	(27,031)	(70.7)
Changes in fair value of investment securities	(2,599)	(346)	nm	(2,908)	(119)	nm
Changes in fair value of derivative financial instruments	73	(204)	nm	241	(388)	nm
Impairment loss on available-for-sale financial assets	-	(94)	nm	-	(300)	nm
Employee benefits expense	(2,029)	(4,003)	(49.3)	(5,802)	(8,065)	(28.1)
Depreciation/amortisation expense	(953)	(893)	6.7	(1,893)	(1,661)	14.0
Other expenses	(842)	(861)	(2.2)	(1,747)	(1,763)	(0.9)
Other (losses)/gains, net (note 1(a)(ii))	(451)	(275)	64.0	(449)	415	nm
Finance costs	(66)	(46)	43.5	(132)	(90)	46.7
Share of results of associate	(806)	(139)	nm	(1,027)	(404)	nm
(Loss)/Profit before tax	(635)	4,382	nm	4,638	10,102	(54.1)
Income tax expense	(308)	(1,144)	(73.1)	(1,872)	(2,420)	(22.6)
(Loss)/Profit for the period	(943)	3,238	nm	2,766	7,682	(64.0)
Other comprehensive income:						
Items that will not be reclassified to profit or loss:						
Financial assets, at FVOCI:						
Changes in fair value	(733)	-	nm	(1,210)	-	nm
Fair value changes reclassified to accumulated profits	(19)	-	nm	(19)	-	nm
Items that may be reclassified subsequently to profit or loss:						
Available-for-sale financial assets:						
Changes in fair value	-	(70)	nm	-	176	nm
Fair value changes reclassified to profit or loss	-	88	nm	-	205	nm
Currency translation	(744)	779	nm	(2,789)	3,123	nm
Share of reserves of associate	(16)	129	nm	(257)	146	nm
Other comprehensive income for the period, net of tax	(1,512)	926	nm	(4,275)	3,650	nm
Total comprehensive income for the period	(2,455)	4,164	nm	(1,509)	11,332	nm
(Loss)/Profit attributable to:						
Equity holders of the Company	(1,472)	2,330	nm	1,420	5,775	(75.4)
Non-controlling interests	529	908	(41.7)	1,346	1,907	(29.4)
	(943)	3,238	nm	2,766	7,682	(64.0)
Total comprehensive income attributable to:						
Equity holders of the Company	(3,017)	3,165	nm	(2,744)	9,261	nm
Non-controlling interests	562	999	(43.7)	1,235	2,071	(40.4)
	(2,455)	4,164	nm	(1,509)	11,332	nm

nm: not meaningful

1(a)(ii) Profit for the 2nd quarter and half year ended 31 December 2018 included the following items:

	Group					
	2 nd quarter ended 31 December			Half year ended 31 December		
	2018	2017	+ / (-)	2018	2017	+ / (-)
	USD'000	USD'000	%	USD'000	USD'000	%
Gain on disposal of available-for-sale financial assets	-	60	nm	-	60	nm
Gain on disposal of plant and equipment	1	10	(90.0)	31	39	(20.5)
Gain on disposal of other assets	-	-	nm	-	32	nm
Other income	242	127	90.6	505	298	69.5
Foreign exchange loss	(694)	(472)	47.0	(985)	(14)	nm
Other (losses)/gains, net	(451)	(275)	64.0	(449)	415	nm

nm: not meaningful

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

	Group			Company		
	31/12/2018	30/6/2018 (restated)	1/7/2017 (restated)	31/12/2018	30/6/2018 (Note 1)	1/7/2017 (Note 1)
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Assets						
Non-current assets						
Plant and equipment	10,865	10,923	8,827	260	320	444
Prepaid lease payments	17,369	17,734	18,580	-	-	-
Investment properties	24,189	24,196	23,816	-	-	-
Subsidiaries	-	-	-	72,154	57,497	57,497
Associates	58,926	62,447	58,709	40,740	40,143	33,400
Investment securities	33,712	26,789	28,964	903	4,537	5,419
Other receivables	52	62	28,871	-	-	-
Other assets	80	80	261	-	-	-
Deferred tax assets	339	244	96	-	-	-
	<u>145,532</u>	<u>142,475</u>	<u>168,124</u>	<u>114,057</u>	<u>102,497</u>	<u>96,760</u>
Current assets						
Development properties	19,193	25,882	66,116	-	-	-
Inventories	43,396	38,793	36,809	-	-	-
Trade and other receivables	49,609	61,528	61,090	148	122	42
Tax recoverable	386	357	285	-	-	-
Amounts due from subsidiaries	-	-	-	74,497	53,052	88,988
Investment securities	18,534	19,663	11,255	15,593	15,650	8,920
Derivative financial instruments	-	-	12	-	-	-
Cash and cash equivalents	110,389	116,958	102,639	45,846	39,060	32,083
	<u>241,507</u>	<u>263,181</u>	<u>278,206</u>	<u>136,084</u>	<u>107,884</u>	<u>130,033</u>
Total assets	<u>387,039</u>	<u>405,656</u>	<u>446,330</u>	<u>250,141</u>	<u>210,381</u>	<u>226,793</u>
Equity and liabilities						
Current liabilities						
Borrowings	7,493	7,633	7,720	-	-	-
Trade and other payables	63,413	81,562	114,958	1,779	3,362	3,376
Amounts due to subsidiaries	-	-	-	32,076	4,006	1,694
Income tax payable	3,529	5,230	5,429	-	-	-
Derivative financial instruments	82	323	175	82	226	95
	<u>74,517</u>	<u>94,748</u>	<u>128,282</u>	<u>33,937</u>	<u>7,594</u>	<u>5,165</u>
Non-current liabilities						
Other payables	385	461	270	28	28	-
Deferred tax liabilities	1,453	1,385	1,981	-	-	-
	<u>1,838</u>	<u>1,846</u>	<u>2,251</u>	<u>28</u>	<u>28</u>	<u>-</u>
Total liabilities	<u>76,355</u>	<u>96,594</u>	<u>130,533</u>	<u>33,965</u>	<u>7,622</u>	<u>5,165</u>
Equity						
Share capital	150,863	150,863	150,863	150,863	150,863	150,863
Reserves	2,681	(1,695)	873	(1,679)	(2)	258
Accumulated profits	134,104	136,418	143,665	66,992	51,898	70,507
Equity attributable to equity holders of the Company	<u>287,648</u>	<u>285,586</u>	<u>295,401</u>	<u>216,176</u>	<u>202,759</u>	<u>221,628</u>
Non-controlling interests	23,036	23,476	20,396	-	-	-
Total equity	<u>310,684</u>	<u>309,062</u>	<u>315,797</u>	<u>216,176</u>	<u>202,759</u>	<u>221,628</u>
Total equity and liabilities	<u>387,039</u>	<u>405,656</u>	<u>446,330</u>	<u>250,141</u>	<u>210,381</u>	<u>226,793</u>

Note 1: No restatement at company level

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

	As at 31/12/2018		As at 30/6/2018 (restated)	
	Secured	Unsecured	Secured	Unsecured
	USD'000	USD'000	USD'000	USD'000
Amount repayable in one year or less, or on demand	7,493	-	7,633	-
Amount repayable after one year	-	-	-	-

Details of any collateral

Borrowings are secured by borrowing subsidiary's cash and cash equivalents and investment securities.

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.**

	2 nd quarter ended 31 December		Half year ended 31 December	
	2018	2017	2018	2017
	USD'000	USD'000	USD'000	USD'000
Operating activities				
(Loss)/Profit before tax	(635)	4,382	4,638	10,102
Adjustments for:				
Share of results of associate	806	139	1,027	404
Depreciation/amortisation expense	953	893	1,893	1,661
Dividend income	(249)	(141)	(916)	(350)
Interest income	(446)	(448)	(823)	(1,026)
Finance costs	66	46	132	90
Unrealised translation loss	454	261	435	522
Gain on disposal of plant and equipment	(1)	(10)	(31)	(39)
Gain on disposal of other assets	-	-	-	(32)
Gain on disposal of available-for-sale financial assets	-	(60)	-	(60)
Changes in fair value of investment securities	2,599	346	2,908	119
Changes in fair value of derivative financial instruments	(73)	204	(241)	388
Impairment loss on available-for-sale financial assets	-	94	-	300
Operating cash flows before changes in working capital	3,474	5,706	9,022	12,079
Changes in working capital:				
Decrease in development properties	3,741	13,586	6,689	21,330
(Increase)/decrease in inventories	(5,984)	5,758	(4,603)	(10,916)
Increase in held-for-trading investments	(991)	(3,060)	(1,779)	(6,320)
Decrease/(increase) in receivables	7,256	(388)	11,819	(7,061)
Decrease in payables	(10,568)	(18,259)	(18,250)	(13,267)
Cash flows (used in)/from operations	(3,072)	3,343	2,898	(4,155)
Interest paid	(64)	(37)	(130)	(81)
Interest received	619	536	963	1,068
Dividends received from held-for-trading investments	89	69	308	173
Income tax paid	(2,201)	(1,886)	(3,506)	(4,103)
Net cash flows (used in)/from operating activities	(4,629)	2,025	533	(7,098)
Investing activities				
Purchase of plant and equipment	(951)	(1,485)	(1,666)	(3,308)
Proceeds from disposal of plant and equipment	30	10	82	39
Purchase of available-for-sale financial assets	-	(6,230)	-	(6,230)
Proceeds from disposal of financial assets, at FVOCI	3,362	6,281	3,442	6,281
Dividends received from financial assets, at FVOCI	139	57	578	704
Proceeds from disposal of other assets	-	-	-	213
Dividends received from an associate	-	-	1,222	1,086
Additional investment in an associate	-	-	(597)	-
Increase in property development loans to an associate	-	(200)	-	(527)
Repayment of property development loans by an associate	-	13,716	-	13,716
Net cash flows from investing activities	2,580	12,149	3,061	11,974
Financing activities				
Dividends paid to equity holders of the Company	(6,789)	(20,521)	(6,789)	(20,521)
Dividends paid to non-controlling interests of a subsidiary	(1,675)	(1,193)	(1,675)	(1,193)
Drawdown of bank loans	-	188	-	188
Repayment of bank loans	(71)	(47)	(140)	(116)
Net cash flows used in financing activities	(8,535)	(21,573)	(8,604)	(21,642)
Net decrease in cash and cash equivalents	(10,584)	(7,399)	(5,010)	(16,766)
Effect of exchange rate changes on cash and cash equivalents	(731)	85	(1,559)	394
Cash and cash equivalents at beginning of period	121,704	93,581	116,958	102,639
Cash and cash equivalents at end of period	110,389	86,267	110,389	86,267

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.

Consolidated statement of changes in equity for half year ended 31 December 2018

Group	Attributable to equity holders of the Company						Total	Non-controlling interests	Total equity
	Share capital	Currency translation reserve	Investment revaluation reserve	FVOCI reserve	Capital reserve	Accumulated profits			
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Balance at 1 July 2018 (As previously stated)	150,863	(1,485)	(280)	-	343	136,145	285,586	23,476	309,062
Effects of adoption of SFRS(I)	-	(273)	280	6,585	-	5,003	11,595	-	11,595
Balance at 1 July 2018 (As restated)	150,863	(1,758)	-	6,585	343	141,148	297,181	23,476	320,657
Profit for the period	-	-	-	-	-	2,892	2,892	817	3,709
<u>Other comprehensive income</u>									
Financial assets, at FVOCI									
Changes in fair value	-	-	-	(477)	-	-	(477)	-	(477)
Currency translation	-	(1,901)	-	-	-	-	(1,901)	(144)	(2,045)
Share of reserves of associate	-	(241)	-	-	-	-	(241)	-	(241)
Other comprehensive income, net of tax	-	(2,142)	-	(477)	-	-	(2,619)	(144)	(2,763)
Total comprehensive income for the period	-	(2,142)	-	(477)	-	2,892	273	673	946
Balance at 30 September 2018	150,863	(3,900)	-	6,108	343	144,040	297,454	24,149	321,603
Profit for the period	-	-	-	-	-	(1,472)	(1,472)	529	(943)
<u>Other comprehensive income</u>									
Financial assets, at FVOCI									
Changes in fair value	-	-	-	(733)	-	-	(733)	-	(733)
Fair value changes reclassified to accumulated profits	-	-	-	-	-	(19)	(19)	-	(19)
Currency translation	-	(777)	-	-	-	-	(777)	33	(744)
Share of reserves of associate	-	(16)	-	-	-	-	(16)	-	(16)
Other comprehensive income, net of tax	-	(793)	-	(733)	-	(19)	(1,545)	33	(1,512)
Total comprehensive income for the period	-	(793)	-	(733)	-	(1,491)	(3,017)	562	(2,455)
<u>Contributions by and distributions to owners</u>									
Dividends paid to equity holders of the Company	-	-	-	-	-	(6,789)	(6,789)	-	(6,789)
Dividends paid to non-controlling interests of a subsidiary	-	-	-	-	-	-	-	(1,675)	(1,675)
Total contributions by and distributions to owners	-	-	-	-	-	(6,789)	(6,789)	(1,675)	(8,464)
<u>Others</u>									
Transfer of fair value reserves of financial assets at FVOCI upon disposal	-	-	-	1,656	-	(1,656)	-	-	-
Total others	-	-	-	1,656	-	(1,656)	-	-	-
Balance at 31 December 2018	150,863	(4,693)	-	7,031	343	134,104	287,648	23,036	310,684

Consolidated statement of changes in equity for half year ended 31 December 2017

Group	Attributable to equity holders of the Company						Non-controlling interests	Total equity
	Share capital	Currency translation reserve	Investment revaluation reserve	Capital reserve	Accumulated profits	Total		
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Balance at 1 July 2017 (As previously stated)	150,863	273	530	343	143,392	295,401	20,396	315,797
Effects of adoption of SFRS(I)	-	(273)	-	-	273	-	-	-
Balance at 1 July 2017 (As restated)	150,863	-	530	343	143,665	295,401	20,396	315,797
Profit for the period	-	-	-	-	3,445	3,445	999	4,444
Other comprehensive income								
Available-for-sale financial assets:								
Changes in fair value	-	-	246	-	-	246	-	246
Fair value changes reclassified to profit or loss	-	-	117	-	-	117	-	117
Currency translation	-	2,271	-	-	-	2,271	73	2,344
Share of reserves of associate	-	17	-	-	-	17	-	17
Other comprehensive income, net of tax	-	2,288	363	-	-	2,651	73	2,724
Total comprehensive income for the period	-	2,288	363	-	3,445	6,096	1,072	7,168
Balance at 30 September 2017	150,863	2,288	893	343	147,110	301,497	21,468	322,965
Profit for the period	-	-	-	-	2,330	2,330	908	3,238
Other comprehensive income								
Available-for-sale financial assets:								
Changes in fair value	-	-	(70)	-	-	(70)	-	(70)
Fair value changes reclassified to profit or loss	-	-	88	-	-	88	-	88
Currency translation	-	688	-	-	-	688	91	779
Share of reserves of associate	-	129	-	-	-	129	-	129
Other comprehensive income, net of tax	-	817	18	-	-	835	91	926
Total comprehensive income for the period	-	817	18	-	2,330	3,165	999	4,164
Contributions by and distributions to owners								
Dividends paid to equity holders of the Company	-	-	-	-	(20,521)	(20,521)	-	(20,521)
Dividends paid to non-controlling interests of a subsidiary	-	-	-	-	-	-	(1,193)	(1,193)
Total contributions by and distributions to owners	-	-	-	-	(20,521)	(20,521)	(1,193)	(21,714)
Balance at 31 December 2017	150,863	3,105	911	343	128,919	284,141	21,274	305,415

Statement of changes in equity for half year ended 31 December 2018

Company	Share capital USD'000	Investment revaluation reserve USD'000	FVOCI reserve USD'000	Accumulated profits USD'000	Total equity USD'000
Balance at 1 July 2018 (As previously stated)	150,863	(2)	-	51,898	202,759
Effects of adoption of SFRS(I)	-	2	(2,906)	2,904	-
Balance at 1 July 2018 (As restated)	150,863	-	(2,906)	54,802	202,759
Profit for the period	-	-	-	16,742	16,742
<u>Other comprehensive income</u>					
Financial assets, at FVOCI					
Changes in fair value	-	-	(417)	-	(417)
Other comprehensive income, net of tax	-	-	(417)	-	(417)
Total comprehensive income for the period	-	-	(417)	16,742	16,325
Balance at 30 September 2018	150,863	-	(3,323)	71,544	219,084
Profit for the period	-	-	-	3,893	3,893
<u>Other comprehensive income</u>					
Financial assets, at FVOCI					
Changes in fair value	-	-	(12)	-	(12)
Other comprehensive income, net of tax	-	-	(12)	-	(12)
Total comprehensive income for the period	-	-	(12)	3,893	3,881
<u>Contributions by and distributions to owners</u>					
Dividends paid to equity holders of the Company	-	-	-	(6,789)	(6,789)
Total contributions by and distributions to owners	-	-	-	(6,789)	(6,789)
<u>Others</u>					
Transfer of fair value reserves of financial assets at FVOCI upon disposal	-	-	1,656	(1,656)	-
Total others	-	-	1,656	(1,656)	-
Balance at 31 December 2018	150,863	-	(1,679)	66,992	216,176

Statement of changes in equity for half year ended 31 December 2017

Company	Share capital USD'000	Investment revaluation reserve USD'000	Accumulated profits USD'000	Total equity USD'000
Balance at 1 July 2017	150,863	258	70,507	221,628
Profit for the period	-	-	412	412
<u>Other comprehensive income</u>				
Available-for-sale financial assets:				
Changes in fair value	-	117	-	117
Fair value changes reclassified to profit or loss	-	117	-	117
Other comprehensive income, net of tax	-	234	-	234
Total comprehensive income for the period	-	234	412	646
Balance at 30 September 2017	150,863	492	70,919	222,274
Profit for the period	-	-	3,952	3,952
<u>Other comprehensive income</u>				
Available-for-sale financial assets:				
Changes in fair value	-	(162)	-	(162)
Fair value changes reclassified to profit or loss	-	88	-	88
Other comprehensive income, net of tax	-	(74)	-	(74)
Total comprehensive income for the period	-	(74)	3,952	3,878
<u>Contributions by and distributions to owners</u>				
Dividends paid to equity holders of the Company	-	-	(20,521)	(20,521)
Total contributions by and distributions to owners	-	-	(20,521)	(20,521)
Balance at 31 December 2017	150,863	418	54,350	205,631

- 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 and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Not applicable.

- 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.**

	31 December 2018	30 June 2018
Total number of issued shares, excluding treasury shares	928,272,850	928,272,850

- 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.

- 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.

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

The figures have neither been audited nor reviewed by the 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 annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those of the audited financial statements for the year ended 30 June 2018 except as stated in paragraph 5 below.

- 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.**

As required by the listing requirements of the Singapore Exchange, the Group has adopted a new financial reporting framework, Singapore Financial Reporting Standards (International) (SFRS(I)s), on 1 July 2018. The SFRS(I)s were introduced by the Singapore Accounting Standards Council and are identical to the International Financial Reporting Standards as issued by the International Accounting Standards Board.

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

Application of SFRS(I) 1

The Group has elected for the optional exemption to reset its cumulative translation differences for all foreign operations to nil at the date of transition at 1 July 2017. As a result, the Group reclassified US\$273,000 of cumulative translation gains from currency translation reserve to accumulated profits as at 1 July 2017.

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. The Group's gain on disposal of a subsidiary in 4Q FY2018 did not have any foreign exchange impact.

Adoption of SFRS(I)

The Group has concurrently adopted the new SFRS(I)s, amendments and interpretations of SFRS(I)s that are effective on 1 July 2018. The new or amended FRS that are relevant to the Group include:

- SFRS(I) 9 Financial Instruments
- SFRS(I) 15 Revenue from Contracts with Customers

Except for SFRS(I) 9, the adoption of these new SFRS(I)s, amendments and interpretations of SFRS(I)s did not have any significant impact on the financial statements of the Group.

Adoption of SFRS(I) 9 Financial Instruments

The Group has elected to apply the short-term exemption under SFRS(I) 1, which exempt the Group from applying SFRS(I) 9 to comparative information. Accordingly, requirements of FRS 39 Financial Instruments: Recognition and Measurement will continue to apply to financial instruments up to the financial year ended 30 June 2018.

SFRS(I) 9 introduces new requirements for classification and measurement of financial instruments, impairment of financial assets, and hedge accounting. SFRS(I) 9 also introduces expanded disclosure requirements and changes in presentation.

The Group has assessed the business models for managing the financial assets and the contractual cash flow characteristics of the financial assets to determine the appropriate classification for each financial asset under SFRS(I) 9. The Group has elected to measure its previously held available-for-sale financial assets at fair value through other comprehensive income ("FVOCI"). As a result, certain balance sheet and reserve items were adjusted as at 1 July 2018:

- Impairment loss of US\$4,730,000 and US\$2,904,000 previously recognised in profit or loss were reclassified from accumulated profits to FVOCI reserve for the Group and the Company respectively,
- Unquoted equity securities previously held at cost were remeasured at fair value, resulting in a fair value gain of US\$11,595,000 recognised in FVOCI reserve for the Group, and
- Investment revaluation reserve of US\$280,000 and US\$2,000 were reclassified to FVOCI reserve for the Group and the Company respectively.

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

	Group			
	2 nd quarter ended 31 December		Half year ended 31 December	
	2018	2017	2018	2017
Earnings per ordinary share for the period based on profit attributable to equity holders of the Company after deducting any provision for preference dividends:	US cents	US cents	US cents	US cents
(i) Based on weighted average number of ordinary shares on issue	(0.16)	0.25	0.15	0.62
(ii) On a fully diluted basis	(0.16)	0.25	0.15	0.62

Group basic and fully diluted earnings per ordinary share for the second quarter and half year ended 31 December 2018 are calculated based on the weighted average number of ordinary shares on issue during the period of 928,272,850 shares (2017: 928,272,850) and 928,272,850 shares (2017: 928,272,850) respectively.

Note: Group basic earnings per share was the same as the fully diluted earnings per share as the Group did not have any potential dilutive ordinary shares outstanding as at 31 December 2018 and 2017.

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

	Group		Company	
	31/12/2018	30/6/2018 (restated)	31/12/2018	30/6/2018
	US cents	US cents	US cents	US cents
Net asset value per ordinary share based on existing issued share capital	30.99	30.77	23.29	21.84

- 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.**

Second quarter ended 31 December 2018 (“2Q19”) vs second quarter ended 31 December 2017 (“2Q18”)

Group revenue of USD 48.94 million was 48.8% lower than USD 95.54 million in 2Q18. This was attributable to decrease in revenue from electronics manufacturing services and property sales.

Loss after tax of USD 0.94 million was recorded in 2Q19 as compared to profit after tax in 2Q18 of USD 3.24 million. This was mainly due to lower profit contributions from electronics manufacturing services and property sales, mark-to-market losses on financial investments of USD 2.53 million, and share of losses of an associate.

Employee benefits and other expenses decreased in 2Q19 due to lower provision for staff cost and accrual of expenses respectively. Other losses of USD 0.45 million resulted mainly from unrealised foreign exchange loss. Other comprehensive income of USD 1.51 million comprised mainly fair value loss on financial assets measured at fair value through other comprehensive income, and foreign exchange translation loss from a weaker Australian dollar against US dollar.

Loss per share of US cents 0.16 was recorded in 2Q19 as compared to earnings per share of US cents 0.25 in 2Q18.

Share of results of associate

Share of results of associate recorded a loss of USD 0.81 million in 2Q19. This related to share of Pacific Star Development Limited's loss for the current quarter, and amortization of fair value uplift on Puteri Cove project. Share of results in relation to Finbar Group Limited was not recorded in the current quarter as its financial results for half year ended 31 December 2018 was not available on the Australian Securities Exchange at the date of this announcement.

Half year ended 31 December 2018 (“1H19”) vs half year ended 31 December 2017 (“1H18”)

Group revenue of USD 113.11 million was 37.2% lower than USD 180.23 million in 1H18. Revenue from electronics manufacturing services was lower by 32.6% due to weaker market demand. Revenue from property sales was lower due to fewer Concerto units sold in 1H19 and absence of contribution from Unison on Tenth in 2Q19 as project was fully sold and settled in 1Q19.

Profit after tax of USD 2.77 million was lower than the USD 7.68 million for 1H18. This was mainly due to lower profit contributions from electronics manufacturing services and property sales, mark-to-market losses on financial investments, and share of losses of an associate.

Decrease in employee benefits expense of 28.1% related to provision for staff cost. Higher depreciation expense resulted from factory equipment acquired. Other losses amounted to USD 0.45 million mainly due to unrealised foreign exchange loss. Finance costs related to investments in leveraged bond funds. Other comprehensive income of USD 4.28 million was attributed to foreign exchange translation loss from a weaker Australian dollar against US dollar, and fair value loss on financial assets measured at fair value through other comprehensive income.

Earnings per share was US cents 0.15, lower than US cents 0.62 in 1H18.

Review of financial position and cash flow

As at 31 December 2018, the Group continued to be in a healthy position. Net assets attributable to equity holders of the Company increased by 0.7% to USD 287.65 million.

Cash and cash equivalents had decreased by 5.6% to USD 110.39 million from the previous year end. Net cash outflows resulted mainly from payment of dividends in respect of financial year 2018, partially offset by proceeds from the disposal financial assets and dividend income.

Group total assets of USD 387.04 million as at 31 December 2018 had decreased by USD 18.62 million from 30 June 2018. The decrease in current assets of USD 21.67 million was mainly due to decrease in trade receivables, development properties and cash & cash equivalents, partially offset by an increase in inventories. Increase in non-current assets amounted to USD 3.06 million mainly due to fair value uplift to investment securities arising from the adoption of SFRS(I) 9, partially offset by a decrease in investment in associates following the weakening of Australian dollar against US dollar.

Group total liabilities of USD 76.36 million as at 31 December 2018 had decreased by 21.0% from 30 June 2018. This was mainly due to decrease in trade and other payables for electronics manufacturing services segment and accruals for property development costs.

Net asset value per share was US cents 30.99, higher than US cents 30.77 as at 30 June 2018.

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

Not applicable.

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

As announced on 4 January 2019, the Company proposes to dispose ("Proposed Disposal") all of its shares in PCI Limited ("PCI") to Pagani Holding III Limited (the "Offeror") in connection with the proposed acquisition by the Offeror of all the issued shares in PCI to be effected by way of a scheme of arrangement ("Scheme"). More details of the Proposed Disposal and the Scheme can be found in the SGXNET announcements released on 4 January 2019 by (i) the Company and (ii) the Offeror and PCI.

The directors will continue to exercise prudence when considering new investments. Save as disclosed herein, there are no known material factors or events which may affect the earnings of the Group between this date up to which the report refers and the date on which the report is issued.

11 If a decision regarding dividend has been made:

(a) Whether an interim ordinary dividend has been recommended;

No.

(b)(i) Amount per share

Not applicable.

(b)(ii) Previous corresponding period

Not applicable.

(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 received 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 for the period ended 31 December 2018.

13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Not applicable as the Group has not obtained a general mandate from shareholders for Interested Person Transactions.

14 Confirmation pursuant to Rule 705(5) of the Listing Manual

The Board of Directors of the Company hereby confirms that to the best of its knowledge, nothing has come to the attention of the Directors of the Company which may render the unaudited financial results for the second quarter and half year ended 31 December 2018 to be false or misleading, in any material respect.

15 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

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

BY ORDER OF THE BOARD

Valerie Tan
Company Secretary
14 February 2019