

First Quarter Financial Statement Announcement for the Period Ended 31 December 2014

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

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	GROUP \$'000	
	3 Months ended 31 Dec 2014	3 Months ended 31 Dec 2013
Revenue	3,997	1,326
Other income including interest income	29	70
Construction costs	(2,158)	-
Raw materials and consumables used	-	(528)
Employee benefits expense	(132)	(382)
Depreciation and amortisation charge	(153)	(152)
Rental expense	(36)	(50)
Other expenses	(116)	(503)
Finance costs	(31)	(8)
Exceptional items	-	-
Profit/(loss) before income tax	1,400	(227)
Income tax expense	(80)	-
Profit/(loss) for the period after tax	1,320	(227)
Other comprehensive income:		
Exchange differences on translating foreign operation and other currency translation differences, net of tax.	(85)	(50)
Other comprehensive (loss) income, net of tax	(85)	(50)
Total comprehensive profit/(loss) for the period	1,235	(277)

Profit/(Loss) attributable to:		
Equity holders of the Company	564	(303)
Non-controlling interests	756	76
	1,320	(227)

Total comprehensive income/(loss) attributable to:		
Equity holders of the Company	479	(353)
Non-controlling interests	756	76
	1,235	(277)

NM = not meaningful

Notes to the above income statement:

	GROUP \$'000	
	3 Months ended 31 Dec 2014	3 Months ended 31 Dec 2013
Foreign exchange gain	-	45
Interest on borrowings	(31)	(8)

Other Operating Income is as follows:

	GROUP \$'000	
	3 Months ended 31 Dec 2014	3 Months ended 31 Dec 2013
Rental income	12	68
Interest income	2	2
Others	15	-

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

STATEMENT OF FINANCIAL POSITION

	GROUP \$'000		COMPANY \$'000	
	31-Dec-14	30-Sep-14	31-Dec-14	30-Sep-14
ASSETS				
Current assets:				
Cash and bank balances	721	2,380	411	854
Fixed deposits with financial institutions	770	770	-	-
Trade receivables	1,333	1,118	-	-
Other receivables	396	228	-	446
Construction work-in-progress	688	433	-	-
Inventories	-	-	-	-
Prepaid land lease	153	153	-	-
Amount due from associates	401	401	-	-
Total current assets	4,462	5,483	411	1,300
Non current assets:				
Prepaid land lease	4,519	4,553	-	-
Investments in subsidiaries	-	-	7,386	7,386
Investments in associate	5,078	5,078	5,000	5,000
Amount due from associates	25,145	21,347	11,000	11,000
Other receivables	32	17	13,704	12,035
Property, plant and equipment	5,279	5,332	-	-
Investment properties	3,402	3,402	-	-
Deferred tax asset	4	4	-	-
Total non current assets	43,459	39,733	37,090	35,421
Total assets	47,921	45,216	37,501	36,721
LIABILITIES AND EQUITY				
Current liabilities:				
Trade payables	1,949	2,604	-	-
Other payables	932	1,012	277	395
Bank borrowings - secured	801	801	-	-
Obligation under finance lease	-	-	-	-
Amount due to associate	475	475	-	-
Current tax liabilities	218	138	-	-
Total current liabilities	4,375	5,030	277	395
Non current liabilities:				
Obligation under finance lease	-	-	-	-
Bank borrowings - secured	4,473	3399	-	-
Amount due to non-controlling interest	1,802	979	823	-
Other payables	228	-	120	-
Deferred tax liabilities	47	47	-	-
Total non current liabilities	6,550	4,425	943	-
Equity				
Share capital	41,182	41,182	41,182	41,182
Translation reserve	(3,283)	(3,198)	-	-
Asset revaluation reserve	936	936	-	-
Accumulated losses	(3,996)	(4,560)	(4,901)	(4,856)
Shareholders interests	34,839	34,360	36,281	36,326
Non-controlling interests	2,157	1,401	-	-
Total equity	36,996	35,761	36,281	36,326
Total liabilities and equity	47,921	45,216	37,501	36,721

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

Amount repayable in one year or less, or on demand

As at 31/12/2014		As at 30/09/2014	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
801	-	801	-

Amount repayable after one year

As at 31/12/2014		As at 30/9/2014	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
4,473	-	3,399	-

Details of any collateral

Fixed deposits up to amount drawdown by a subsidiary company
 Chattel mortgage on various machineries of a subsidiary company
 Corporate Suretyship of Amplefield Ltd

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

CONSOLIDATED STATEMENT OF CASH FLOW

GROUP

	3 Months ended 31 Dec 2014 \$'000	3 Months ended 31 Dec 2013 \$'000
Cash flows from operating activities:		
Profit/(loss) before income tax and share of results of associates	1,400	(227)
Adjustments for non cashflow items:		
Depreciation and amortisation	153	152
Interest expense	31	8
Interest income	(2)	(2)
Operating profit/(loss) before working capital changes	1,582	(69)
Changes in operating assets and liabilities:		
(Increase)/decrease in inventories	-	(10)
(Increase)/decrease in construction work-in-progress	(255)	-
(Increase)/decrease in receivables	(398)	109
Amount due from associate	-	33
(Decrease)/increase in payables	(507)	243
Cash generated from operations	422	306
Interest paid	(31)	(8)
Interest received	2	2
Income tax paid	-	-
Net cash from operating activities	393	300
Cash flows from investing activities:		
Purchase of property, plant and equipment	(100)	(56)
Investment in associate	-	-
Net cash used in investing activities	(100)	(56)
Cash flows from financing activities:		
Drawdown/(repayment) of term loans, hire purchase and lease creditors	1,074	(173)
Amount due from associate	(3,798)	-
Increase in amount owing to non-controlling interests	823	-
Decrease in fixed deposits pledged	-	98
Net cash used in financing activities	(1,901)	(75)
Translation adjustment- exchange difference	(51)	(94)
Net (decrease)/increase in cash and cash equivalents	(1,659)	75
Cash and cash equivalent as at beginning of period	2,380	757
Cash and cash equivalent as at end of period	721	832

Cash and cash equivalent comprises:		
Cash and bank balances	721	832
Fixed deposits with financial institutions	770	1,092
	1,491	1,924
Less: Pledged fixed deposits	(770)	(1,092)
	721	832

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 THE PERIOD ENDED 31 DECEMBER 2014

	Issued capital	Foreign exchange translation loss	Asset revaluation reserve	Accumulated losses	Total attributable to shareholders of the Company	Non-controlling interests	Total equity
GROUP							
Balance as at 1 Oct 2013	20,753	(2,769)	936	(5,218)	13,702	235	13,937
Loss for the period	-	-	-	(303)	(303)	76	(227)
Other comprehensive income/(loss)	-	(50)	-	-	(50)	-	(50)
Balance as at 31 Dec 2013	20,753	(2,819)	936	(5,521)	13,349	311	13,660
Balance as at 1 Oct 2014	41,182	(3,198)	936	(4,560)	34,360	1,401	35,761
Profit for the period	-	-	-	564	564	756	1,320
Other comprehensive income/(loss)	-	(85)	-	-	(85)	-	(85)
Balance as at 31 Dec 2014	41,182	(3,283)	936	(3,996)	34,839	2,157	36,996
COMPANY							
Balance as at 1 Oct 2013	20,753	-	-	(4,409)	16,344	-	16,344
Net loss for Q1 FY2014	-	-	-	(40)	(40)	-	(40)
Balance as at 31 Dec 2013	20,753	-	-	(4,449)	16,304	-	16,304
Balance as at 1 Oct 2014	41,182	-	-	(4,856)	36,326	-	36,326
Net loss for Q1 FY2015	-	-	-	(45)	(45)	-	(45)
Balance as at 31 Dec 2014	41,182	-	-	(4,901)	36,281	-	36,281

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 or 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 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

None

1(d)(iii) and (iv).Statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial year reported on

Information pursuant to clause 1(d)(iii):

	As at 31 Dec 14	As at 30 Sept 14
Total number of issued shares excluding treasury shares	3,458,811,630	3,458,811,630

Information pursuant to clause 1(d)(iv):

The Company does not have any treasury shares as at end of the immediately preceding financial year on 30th September 2014 and during the first quarter of the current financial year.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited or reviewed by 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 financial information have been prepared in accordance with the same accounting policies and methods of computation adopted in the audited financial statements of the last financial year.

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

None

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

GROUP		
	Quarter ended 31 Dec 14	Quarter ended 31 Dec 13
Based on the weighted average number of ordinary shares in issue	0.016 cents	(0.043) cents
On a fully diluted basis	0.016 cents	(0.043) cents

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

	31-Dec-2014	30-Sep-2014
GROUP	1.07 cents	1.03 cents
COMPANY	1.05 cents	1.05 cents

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

The Group's revenue for Q1 FY15 was S\$4.0 million compared to S\$1.3 million in Q1 FY14. The revenue was due mainly to billings from the Group's property development and construction business in the Philippines which commenced in July 2014. Meanwhile Raw Materials costs decreased from S\$0.53 million in Q1 FY2014 to Nil in Q1 FY2015 while Employee Benefits expense dropped from S\$0.38 million to S\$0.13 million and Other Expenses dropped from S\$0.5 million to S\$0.12 million. The decreases were due to discontinuation of manufacturing activities as we move to our new businesses in development & construction.

The Group made an operating profit after tax of \$1.32 million in Q1 FY2015 compared to a loss of \$0.22 million in Q1 FY14. The profits attributable to the shareholders of the company and non-controlling interest are S\$0.56 million and S\$0.76 million respectively

Bank borrowings increased from S\$4.2 million as at 31 Sept 2014 to S\$5.3 million as at 31 Dec 2014 or by \$1.1 million during the quarter due mainly to further drawdown of loans from a financial institution to finance the Group's construction and development business in the Philippines

Similarly, amount due to non-controlling interest increased from S\$1.0 million to S\$1.8 million or by \$0.82 million during the quarter due to advances and loans from the non-controlling interest to fund the Group's construction and development business in the Philippines

Amount receivable from associate companies increased by S\$3.8 million during the quarter due mainly to progress billings for a development and construction project in the Philippines.

Update on Usage of Rights Proceed

The proceeds from the Rights Issue that was completed in May 2014 has been utilized in the following manner.

Net proceeds utilised for development and construction business:-

Subscription of shares in associate company in business of development and construction	\$5.0 million	i)
Shareholders' loans to associate company in business of development and construction	\$11.0 million	ii)
Purchase of materials and expenses for development of Lima Land in Philippines	\$1.2 million	iii)
	Total \$17.2 million	Net
proceeds utilized for working capital purposes:-		Repayment of
loan from a director	\$1.34 million	
Repayment of outstanding directors' and ex-director's salaries	\$0.86 million	Payment of
directors' fees approved at previous AGMs	\$0.27 million	Payment to suppliers
\$0.23 million		Total \$2.70 million

The use of the proceeds is in accordance with the stated use and is in accordance with the percentage allocated in the Offer Information Statement dated 25 April 2014.

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

None

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

The Group will continue to focus its efforts on its new core business of property development, construction and facilities provider in the Philippines and Vietnam. The economies of Philippines and Vietnam are expected to perform better than their ASEAN counterparts due to lower global oil prices and continuing reforms.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? None

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

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

No dividend has been declared/recommendeded by the Company for the current financial period reported on.

13. If no IPT mandate has been obtained, please make a statement to that effect

The Group has not obtained a general mandate from shareholders for IPTs.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. Segmented revenue and results for business or geographical 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

N.A.

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

N.A.

15. A breakdown of sales

N.A.

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

N.A.

17. Directors confirmation

To the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results for the quarter ended 31 Dec 2014, to be false or misleading

BY ORDER OF THE BOARD

Yap Weng Yau
CFO/Director
13-Feb-15