

**Unaudited Half-Year Financial Statements and Dividend Announcement for the Financial Period Ended 30 June 2019**
**PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENT**
**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.**

The Group	Six Months Period Ended		
	30-Jun-19 (Unaudited) S\$ '000	30-Jun-18 (Unaudited) S\$ '000	Increase/ (Decrease) %
Revenue	11,844	9,427	25.6
Cost of sales	(9,169)	(6,771)	35.4
<b>Gross profit</b>	2,675	2,656	0.7
Other income	161	174	(7.5)
Selling and distribution expenses	(44)	(44)	-
Administrative expenses	(2,391)	(1,808)	32.2
Other operating expenses	(35)	(34)	2.9
Finance Expenses	(4)	(2)	100.0
<b>Profit before income tax</b>	362	942	(61.6)
Income tax expense	(35)	(106)	(67.0)
<b>Net profit</b>	327	836	(60.9)
<b>Other comprehensive income:</b>			
Items that will not be reclassified to profit or loss:			
Net fair value losses on equity instruments at fair value through other comprehensive income	(1)	(3)	(33.3)
<b>Other comprehensive loss, net of tax</b>	(1)	(3)	(33.3)
<b>Total comprehensive income</b>	<b>326</b>	<b>833</b>	(60.9)
<b>Profit attributable to :</b>			
Equity holders of the Company	327	836	(60.9)
<b>Total comprehensive income attributable to:</b>			
Equity holders of the Company	326	833	(60.9)
<b>Earnings per share (Singapore cents)</b>			
Basic	0.17	0.44	
Diluted	0.17	0.44	

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

The Group	Six Months Period Ended		Increase/ (Decrease) %
	30-Jun-19 (Unaudited) S\$ '000	30-Jun-18 (Unaudited) S\$ '000	
Interest income	(137)	(86)	59.3
Depreciation of property, plant and equipment	147	101	45.5
Gain on disposal of property, plant and equipment	(1)	(64)	(98.4)

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

	<b>Group</b>		<b>Company</b>	
	<b>30-Jun-19 (Unaudited)</b>	<b>31-Dec-18 (Audited)</b>	<b>30-Jun-19 (Unaudited)</b>	<b>31-Dec-18 (Audited)</b>
	<b>S\$ '000</b>	<b>S\$ '000</b>	<b>S\$ '000</b>	<b>S\$ '000</b>
<b>ASSETS</b>				
<b>Non-current Assets</b>				
Property, plant and equipment	736	709	284	324
Investments in subsidiaries	-	-	27,950	27,950
Investment securities	25	26	-	-
	<u>761</u>	<u>735</u>	<u>28,234</u>	<u>28,274</u>
<b>Current Assets</b>				
Inventories	19	4	-	-
Trade and other receivables	3,961	3,248	25	23
Contract assets	2,073	1,650	-	-
Cash and bank balances	20,487	20,838	1,603	1,939
	<u>26,540</u>	<u>25,740</u>	<u>1,628</u>	<u>1,962</u>
<b>Total Assets</b>	<b>27,301</b>	<b>26,475</b>	<b>29,862</b>	<b>30,236</b>
<b>LIABILITIES</b>				
<b>Non-current Liabilities</b>				
Finance lease liabilities	51	83	48	74
<b>Current Liabilities</b>				
Trade and other payables	6,253	4,980	1,102	1,284
Contract liabilities	1,078	1,602	-	-
Finance lease liabilities	86	62	50	48
Current income tax liabilities	125	176	-	-
	<u>7,542</u>	<u>6,820</u>	<u>1,152</u>	<u>1,332</u>
<b>Total Liabilities</b>	<b>7,593</b>	<b>6,903</b>	<b>1,200</b>	<b>1,406</b>
<b>Net Assets</b>	<b>19,708</b>	<b>19,572</b>	<b>28,662</b>	<b>28,830</b>
<b>EQUITY</b>				
Share capital	4,477	4,477	40,072	40,072
Treasury shares	(630)	(630)	(630)	(630)
Other reserves	(258)	(257)	-	-
Retained profits / (accumulated losses)	16,119	15,982	(10,780)	(10,612)
<b>Total Equity</b>	<b>19,708</b>	<b>19,572</b>	<b>28,662</b>	<b>28,830</b>

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

	<b>30-Jun-19 (Unaudited)</b>		<b>31-Dec-18 (Audited)</b>	
	<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Amount repayable in one year or less, or on demand	86	-	62	-
Amount repayable after one year	51	-	83	-
	<u>137</u>	<u>-</u>	<u>145</u>	<u>-</u>

**Details of collateral:**

1. The Group's secured borrowings relates to hire purchase facilities secured against the respective motor vehicles with carrying amount of approximately S\$454,000 (31 Dec 2018: S\$379,000).

**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.**

<b><u>The Group</u></b>	<b>Six Months Period Ended 30-Jun-19 (Unaudited) S\$'000</b>	<b>30-Jun-18 (Unaudited) S\$'000</b>
<b>Cash flows from operating activities</b>		
Net profit	327	836
Adjustments for:		
Income tax expense	35	106
Depreciation of property, plant and equipment	147	101
Interest expenses	4	2
Interest income	(137)	(86)
Gain on disposal of PPE	(1)	(64)
<b>Operating profit before working capital changes</b>	<b>375</b>	<b>895</b>
<b>Change in working capital:</b>		
Inventories	(15)	-
Trade and other receivables, contract assets	(1,162)	3,101
Trade and other payables, contract liabilities	749	(1,612)
<b>Cash (used in) / generated from operations</b>	<b>(53)</b>	<b>2,384</b>
Income tax paid	(86)	(42)
<b>Net cash (used in) / generated from operating activities</b>	<b>(139)</b>	<b>2,342</b>
<b>Cash flows from investing activities</b>		
Additions to property, plant & equipment	(144)	(393)
Proceed on disposal of PPE	1	64
Interest received	163	105
<b>Net cash provided by / (used in) investing activities</b>	<b>20</b>	<b>(224)</b>
<b>Cash flows from financing activities</b>		
Fixed deposits pledged to banks	-	(504)
Repayment of finance lease liabilities	(38)	(45)
Interest paid	(4)	(2)
Issuance of shares upon exercise of share options	-	21
Dividends paid to equity holders of the Company	(190)	(190)
<b>Net cash used in financing activities</b>	<b>(232)</b>	<b>(720)</b>
<b>Net (Decrease) / increase in cash and cash equivalents</b>	<b>(351)</b>	<b>1,398</b>
Cash and cash equivalents at beginning of the period	19,728	16,966
<b>Cash and cash equivalents at end of the period</b>	<b>19,377</b>	<b>18,364</b>

**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.**

Non-cash transaction:

During the financial period ended 30 June 2019, the Group acquired property, plant and equipment with an aggregate cost of S\$174,000 (30 June 2018: S\$543,000), of which S\$30,000 (30 June 2018: S\$150,000) was acquired under finance leases and the remaining of S\$144,000 (30 June 2018: S\$393,000) via cash payment.

Reconciliation of liabilities arising from financing activities

	<b>1-Jan-19</b>	<b>Principal &amp; Interest</b>	<b>Acquisition</b>	<b>Interest Expense</b>	<b>30-Jun-19</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Lease liabilities	145	(42)	30	4	137

  

	<b>1-Jan-18</b>	<b>Principal &amp; Interest</b>	<b>Acquisition</b>	<b>Interest Expense</b>	<b>30-Jun-18</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Lease liabilities	70	(47)	150	2	175

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following:

<b>The Group</b>	<b>Six Months As At</b>	
	<b>30-Jun-19 (Unaudited) S\$'000</b>	<b>30-Jun-18 (Unaudited) S\$'000</b>
Short-term bank deposits	12,631	9,734
Cash and bank balances	7,856	9,736
	20,487	19,470
Less: Fixed deposits pledged to banks	(1,110)	(1,106)
	<b>19,377</b>	<b>18,364</b>

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

<b>The Group (Unaudited)</b>	<b>Attributable to equity holders of the Company</b>				
	<b>Share Capital</b>	<b>Treasury Shares</b>	<b>Other Reserves</b>	<b>Retained Profits</b>	<b>Total Equity</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>At 1 January 2019</b>	4,477	(630)	(257)	15,982	19,572
Profit for the period	-	-	-	327	327
<u>Other comprehensive income</u>					
Net fair value losses on equity securities at fair value through OCI	-	-	(1)	-	(1)
<b>Total comprehensive income for the period</b>	-	-	(1)	327	326
<u>Contribution by and distributions to owners</u>					
Dividends	-	-	-	(190)	(190)
Issuance of share on exercise of share options	-	-	-	-	-
<b>Total contributions by and distributions to owners representing total transactions with owners in their capacity as owners</b>	-	-	-	(190)	(190)
<b>At 30 June 2019</b>	4,477	(630)	(258)	16,119	19,708
<b>At 1 January 2018</b>	4,449	(630)	(186)	14,948	18,581
Cumulative effect of adopting new accounting standards SFRS(I)9	-	-	(63)	63	-
<b>At 1 January 2018 (restated)</b>	4,449	(630)	(249)	15,011	18,581
Profit for the period	-	-	-	836	836
<u>Other comprehensive income</u>					
Net fair value losses on equity securities at fair value through OCI	-	-	(3)	-	(3)
<b>Total comprehensive income for the period</b>	-	-	(3)	836	833
<u>Contribution by and distributions to owners</u>					
Dividends	-	-	-	(190)	(190)
Issuance of share on exercise of share options	28	-	(7)	-	21
<b>Total contributions by and distributions to owners representing total transactions with owners in their capacity as owners</b>	28	-	(7)	(190)	(169)
<b>At 30 June 2018</b>	4,477	(630)	(259)	15,657	19,245

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

<b>The Company (Unaudited)</b>	<b>Attributable to equity holders of the Company</b>				
	<b>Share Capital</b>	<b>Treasury Shares</b>	<b>Other Reserves</b>	<b>(Accumulated Losses)</b>	<b>Total Equity</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>At 1 January 2019</b>	40,072	(630)	-	(10,612)	28,830
Total comprehensive income for the period	-	-	-	22	22
Dividends	-	-	-	(190)	(190)
Issuance of share on exercise of share options	-	-	-	-	-
<b>At 30 June 2019</b>	<b>40,072</b>	<b>(630)</b>	<b>-</b>	<b>(10,780)</b>	<b>28,662</b>
<b>At 1 January 2018</b>	40,044	(630)	7	(10,636)	28,785
Total comprehensive loss for the period	-	-	-	(531)	(531)
Dividends	-	-	-	(190)	(190)
Issuance of share on exercise of share options	28	-	(7)	-	21
<b>At 30 June 2018</b>	<b>40,072</b>	<b>(630)</b>	<b>-</b>	<b>(11,357)</b>	<b>28,085</b>

**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.**

#### Ordinary Shares

There was no change in the Company's share capital from 31 December 2018 to 30 June 2019.

	<b>Number of shares</b>	<b>Share capital</b>
Ordinary shares (excluding treasury shares) as at 31 December 2018 and 30 June 2019	189,823,497	S\$ 39,442,252

#### Outstanding Convertibles

There were no outstanding convertibles as at 30 June 2019 and 30 June 2018.

#### Treasury Shares

The Company has 6,300,000 treasury shares as at 30 June 2019 and 30 June 2018, which represented 3.32% of the Company's ordinary shares (excluding treasury shares) of 189,823,497 as at 30 June 2019 and 30 June 2018 respectively.

#### Subsidiary Holdings

There were no subsidiary holdings as at 30 June 2019 and 30 June 2018.

**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 immediately preceding year.**

	<b><u>Company</u></b>	
	<b><u>30 Jun 2019</u></b>	<b><u>31 Dec 2018</u></b>
Total number of issued shares (excluding treasury shares)	<u>189,823,497</u>	<u>189,823,497</u>

The Company holds 6,300,000 treasury shares as at 30 June 2019 and 31 December 2018.

**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. There were no sales, transfers, cancellations and/or use of treasury shares during the financial period ended 30 June 2019.

**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. There were no subsidiary holdings during and as the end of the current financial period reported on.

**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 Company's 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.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited annual financial statements for the year ended 31 December 2018, except for the adoption of the new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)") which are effective for its financial year beginning 1 January 2019.

**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 the new Singapore Financial Reporting Standards (International) ("SFRS(I)") 16 Leases, which took effect on 1 January 2019, using the modified retrospective approach. SFRS(I) 16 introduces a single, on-balance sheet lessee accounting model. The rationale of the change is to better reflect the economic substance of lease transactions. It requires a lessee to recognise a right-of-use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

The adoption of SFRS(I) 16 did not result in any substantial changes to the Group's accounting policies nor has any material impact on the financial statements of the Group for the current financial period reported on as the underlying lease asset is of low value even though the lease term is 26 months from 1 January 2019.

**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.**

	<b>Six months ended</b>	
	<b>30-Jun-19 (Unaudited)</b>	<b>30-Jun-18 (Unaudited)</b>
Earnings per ordinary share of the Group based on weighted average number of ordinary shares in issue:		
(a) Basic (Singapore cents)	0.17	0.44
(b) Fully diluted (Singapore cents)	0.17	0.44
Earnings per share was calculated based on weighted average number of ordinary shares in issue ('000):		
(a) Basic	189,823	189,798
(b) Fully diluted	189,823	189,798

Basic and diluted earnings per share of the Group were the same for the six-month ended 30 June 2019 and 30 June 2018 as there were no potentially dilutive securities in issue as at 30 June 2019 and 30 June 2018.

**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 financial year.**

	<b>The Group</b>		<b>The Company</b>	
	<b>30-Jun-19 (Unaudited)</b>	<b>31-Dec-18 (Audited)</b>	<b>30-Jun-19 (Unaudited)</b>	<b>31-Dec-18 (Audited)</b>
Net asset value per ordinary share (Singapore cents/share)	10.38	10.31	15.10	15.19

The calculation of net asset value per ordinary share is based on 189,823,497 issued ordinary shares as at 30 June 2019 and 31 December 2018.

**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**

**Six months ended 30 June 2019 ("HY2019") vs Six months ended 30 June 2018 ("HY2018")**

**REVIEW OF RESULTS OF OPERATIONS**

**i) Revenue**

	<b>GROUP</b>					
	<b>Six Months Ended 30 June</b>					
	<b>2019</b>		<b>2018</b>		<b>Increase</b>	
<b>S\$'000</b>	<b>%</b>	<b>S\$'000</b>	<b>%</b>	<b>S\$'000</b>	<b>%</b>	
Mechanical Engineering	6,524	55.1	4,187	44.4	2,337	55.8
Electrical Engineering	558	4.7	517	5.5	41	7.9
Facilities Management	4,762	40.2	4,723	50.1	39	0.8
<b>Total</b>	<b>11,844</b>	<b>100.0</b>	<b>9,427</b>	<b>100.0</b>	<b>2,417</b>	<b>25.6</b>

**ii) Gross Profit**

	<b>GROUP</b>					
	<b>Six Months Ended 30 June</b>					
	<b>2019</b>		<b>2018</b>		<b>Increase/ (decrease)</b>	
<b>S\$'000</b>	<b>%</b>	<b>S\$'000</b>	<b>%</b>	<b>S\$'000</b>	<b>%</b>	
Mechanical Engineering	1,131	42.3	786	29.6	345	43.9
Electrical Engineering	30	1.1	28	1.0	2	7.1
Facilities Management	1,514	56.6	1,842	69.4	(328)	(17.8)
<b>Total</b>	<b>2,675</b>	<b>100.0</b>	<b>2,656</b>	<b>100.0</b>	<b>19</b>	<b>0.7</b>

**iii) Gross Profit Margin**

	<b>30 June</b>	<b>30 June</b>	<b>Increase/</b>
	<b>2019</b>	<b>2018</b>	<b>(decrease)</b>
	<b>%</b>	<b>%</b>	<b>%</b>
Mechanical Engineering	17.3	18.8	(1.5)
Electrical Engineering	5.4	5.4	-
Facilities Management	31.8	39.0	(7.2)
<b>Total</b>	<b>22.6</b>	<b>28.2</b>	<b>(5.6)</b>

Total revenue increased by 25.6% to S\$11.8 million for HY2019, mainly attributable to the increase in revenue from mechanical engineering segment. Revenue contribution from the mechanical engineering segment increased by 55.8% to S\$6.5 million, mainly attributable to on-going projects and a new project which commenced in January 2019. Revenue contribution from electrical engineering segment increased by 7.9% to approximately S\$0.6 million, mainly due to an increase in variation works carried out in HY2019.

Cost of sales increased by 35.4% to S\$9.2 million for HY2019. The increase was in line with the increase in revenue. Gross Profit increased slightly by 0.7% to approximately S\$2.7 million for HY2019, whilst gross profit margin decreased from 28.2% in HY2018 to 22.6% in HY2019, mainly due to lower profit margin from the facilities management segment.

The decrease in gross profit margin for facilities management segment from 39.0% in HY2018 to 31.8% in HY2019 is mainly due to a decrease in variation works carried out as some projects approached the end of contract period.

#### **iv) Other Income**

Other income decreased by S\$13,000 to approximately S\$161,000 in HY2019, mainly due to a decrease in gain on disposal of motor vehicle of S\$63,000, offset by an increase in interest income of S\$51,000.

#### **v) Administrative Expenses**

Administrative expenses increased by 32.2% from S\$1.8 million in HY2018 to S\$2.4 million in HY2019, mainly due to an increase in staff cost for the projects commenced in late 2018 and early 2019. The staff cost increased by S\$0.5 million as a result of the increase in hiring. In addition, there was an increase in rental expenses of worker quarters as well as depreciation expenses. The increase in depreciation expenses of S\$46,000 is mainly attributed to an addition of motor vehicle.

**8(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 FINANCIAL POSITION**

**Total assets as at 30 June 2019 have increased as compared to 31 December 2018, and are mainly attributable to the following :-**

- 1. Property, plant and equipment** increased by S\$0.03 million or 3.8%, from S\$0.71 million as at 31 December 2018 to S\$0.74 million as at 30 June 2019. The increase was mainly due to the purchase of motor vehicle for new project.
- 2. Trade and other receivables** increased by S\$0.7 million or 21.9%, from S\$3.2 million as at 31 December 2018 to S\$3.9 million as at 30 June 2019. The trade receivables turnover days increased slightly from 45 days to 54 days as at end of HY2019 as customers take longer period to pay.
- 3. Contract assets** increased by S\$0.4 million or 25.6% from S\$1.7 million as at 31 December 2018 to S\$2.1 million as at 30 June 2019. The increase was due to the work completed but not yet billed to the customer.
- 4. Cash and bank balances** decreased by S\$0.3 million or 1.7% from S\$20.8 million as at 31 December 2018 to S\$20.5 million as at 30 June 2019.

**Total liabilities as at 30 June 2019 have increased as compared to 31 December 2018, and are mainly attributable to the following :-**

- 1. Trade and other payables** increased by S\$1.3 million or 25.6%, from S\$5.0 million as at 31 December 2018 to S\$6.3 million as at 30 June 2019. The increase was due to an increase in payment payable to subcontractors which is in line with the Group's increased revenue and the reclassification from contract liabilities as explained in item 2.
- 2. Contract liabilities** decreased by S\$0.5 million or 32.7% from S\$1.6 million as at 31 December 2018 to S\$1.1 million as at 30 June 2019. The decrease is due to the contract liabilities had been reclassified to trade payables at the point at which was invoiced by the supplier/sub-contractors.

## REVIEW OF STATEMENT OF CASH FLOWS

The Group generated positive operating cash flow before changes in working capital of S\$0.4 million. The increase in trade and other receivables and contract assets of S\$1.2 million as well as the increase of S\$15,000 in inventories, offset by a decrease in trade and other payables and contract liabilities of S\$0.7 million, resulted in net cash used in operating activities of S\$0.1 million.

The net cash generated from investing activities amounting to S\$20,000 was mainly due to interest income, offset by the purchase of property, plant and equipment.

The net cash used in financing activities amounting to S\$0.2 million was mainly due to the payment of S\$0.2 million for dividends declared in respect of FY2018.

As at 30 June 2019, the Group has cash and cash equivalents of S\$19.4 million after excluding fixed deposits of S\$1.1 million pledged to banks.

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

Not applicable. No forecast or prospect statement had been previously disclosed to shareholders for the current reporting period.

### **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.**

At the date of this announcement, the Group has approximately S\$90.8 million worth of contracts on hand, with completion dates ranging from financial years 2019 to 2026. The Group expects the industry to remain challenging in the next 12 months. As such, the Group may continue to explore for revenue/profit accretive acquisitions as part of its growth strategies.

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

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

No dividends have been declared or recommended for the current reporting period.

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

Not applicable.

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

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 the shareholders, this must be stated).**

Not applicable.

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

Not applicable.

#### **(e) Book closure date**

Not applicable.

**12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision**

No dividend has been declared or recommended for HY2019. It is not the practice of the Company to declare or recommend dividend in the first half of the year.

**13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("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.**

There were no Interested Party Transactions of S\$100,000 and above during the current financial period reported on. The Group does not have a general mandate from shareholders for IPT.

**14. CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKINGS FROM ALL ITS DIRECTORS AND EXECUTIVE OFFICERS (IN THE FORMAT SET OUT IN APPENDIX 7H) UNDER RULE 720(1)**

The Company confirms that it has procured undertakings from all its directors and executive officers in the required format.

**15. CONFIRMATION PURSUANT TO THE RULE 705(5) OF THE LISTING MANUAL**

We, Messrs Foo Chek Heng and Foo Suay Wei, being two directors of Koyo International Limited (the "Company"), do hereby confirm on behalf of the Board of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of the Company which would render the unaudited financial results for the half year ended 30 June 2019 to be false or misleading in any material aspect.

On behalf of the Board

**Foo Chek Heng**  
Managing Director

**Foo Suay Wei**  
Executive Director

**BY ORDER OF THE BOARD**

Mr Foo Chek Heng  
Managing Director  
6th August 2019

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") in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms. Gillian Goh, Director, Head of Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: [sponsorship@ppcf.com.sg](mailto:sponsorship@ppcf.com.sg))