



TRIYARDS HOLDINGS LIMITED (CO. REG. NO.: 201210555Z)

Financial Statements And Dividend Announcement
For the Third Quarter ended 31 May 2017

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

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

CONSOLIDATED INCOME STATEMENT

	Group 3 months ended			Group 9 months ended		
	31 May 2017	31 May 2016	Incr/ (decr)	31 May 2017	31 May 2016	Incr/ (decr)
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Revenue	30,930	82,077	(62)	192,773	230,687	(16)
Cost of sales	(41,273)	(68,196)	(39)	(181,508)	(187,453)	(3)
Gross (loss)/profit	(10,343)	13,881	nm	11,265	43,234	(74)
Other income/(expenses), net	360	288	25	(236)	(303)	(22)
Administrative expenses	(7,817)	(7,502)	4	(20,862)	(21,255)	(2)
(Loss)/profit from operations	(17,800)	6,667	nm	(9,833)	21,676	nm
Allowance for impairment of assets	(45,075)	-	nm	(53,441)	-	nm
Financial income	39	27	44	85	187	(55)
Financial expenses	(2,159)	(1,762)	23	(5,467)	(4,044)	35
(Loss)/profit before tax	(64,995)	4,932	nm	(68,656)	17,819	nm
Tax credit/(expense)	1,722	(812)	nm	1,200	(2,260)	nm
(Loss)/profit after tax attributable to owners of the Company	(63,273)	4,120	nm	(67,456)	15,559	nm

nm – not meaningful

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group			Group		
	3 months ended		Incr/ (decr) %	9 months ended		Incr/ (decr) %
	31 May	31 May		31 May	31 May	
	2017	2016		2017	2016	
	US\$'000	US\$'000		US\$'000	US\$'000	
(Loss)/profit after tax	(63,273)	4,120	nm	(67,456)	15,559	nm
Other comprehensive income:						
Exchange differences on translating foreign operations	113	186	(39)	(303)	235	nm
Fair value changes on cash flow hedges	43	(135)	nm	(695)	178	nm
Other comprehensive income for the financial period, net of tax	156	51	>100	(998)	413	nm
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ATTRIBUTABLE TO OWNERS OF THE COMPANY	(63,117)	4,171	nm	(68,454)	15,972	nm

(Loss)/profit before tax was stated after (charging)/crediting:-

	Group			Group		
	3 months ended		Incr/ (decr) %	9 months ended		Incr/ (decr) %
	31 May	31 May		31 May	31 May	
	2017	2016		2017	2016	
	US\$'000	US\$'000		US\$'000	US\$'000	
Depreciation of fixed assets	(2,952)	(2,720)	9	(8,780)	(8,481)	4
(Loss)/gain on disposal of fixed assets	(1)	6	nm	(1)	(653)	(100)
Fixed assets written off	-	(5)	(100)	(10)	(5)	100
Amortisation of intangible assets	(124)	(34)	>100	(372)	(189)	97
Interest income	39	27	44	85	187	(55)
Fair value changes in respect of derivative instruments, net	235	-	nm	154	-	nm
Exchange (loss)/gain, net	(73)	359	nm	(403)	191	nm
Allowance for impairment of assets	(45,075)	-	nm	(53,441)	-	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 May 2017 US\$'000	31 August 2016 US\$'000	31 May 2017 US\$'000	31 August 2016 US\$'000
Non-current assets				
Fixed assets	126,649	137,640	-	-
Intangible assets	2,449	9,312	-	-
Investments in subsidiaries	-	-	182,568	182,568
Available-for-sale ("AFS") investments	36	37	-	-
Finance lease receivable	1,048	1,470	-	-
Deferred tax assets	1,932	1,231	-	-
Current assets				
Assets held for sale	220	4,550	-	-
Inventories and work-in-progress	49,620	64,529	-	-
Trade receivables	230,022	170,310	-	-
Other receivables	11,410	7,607	-	-
Other current assets	17,818	27,483	236	244
Finance lease receivable	562	550	-	-
Balances due from				
- subsidiaries	-	-	43,541	43,917
- related companies	590	15,596	87	52
Cash and cash equivalents	19,841	37,922	64	56
	<u>330,083</u>	<u>328,547</u>	<u>43,928</u>	<u>44,269</u>
Current liabilities				
Trade payables	74,603	44,066	-	-
Other payables	36,221	51,270	732	568
Balances due to				
- subsidiaries	-	-	7	100
- ultimate holding company	505	294	1	-
- related companies	2,832	1,280	-	-
- affiliated companies	-	209	-	-
Derivative financial instruments	1,721	1,187	-	-
Bills payable to banks	85,530	70,492	-	-
Lease obligations	45	44	-	-
Bank term loans	96,228	67,472	-	-
Provision for tax	2,383	3,698	-	-
	<u>300,068</u>	<u>240,012</u>	<u>740</u>	<u>668</u>
Net current assets	30,015	88,535	43,188	43,601
Non-current liabilities				
Lease obligations	(87)	(123)	-	-
Bank term loans	(4,595)	(11,927)	-	-
Deferred tax liabilities	(2,321)	(2,595)	-	-
	<u>155,126</u>	<u>223,580</u>	<u>225,756</u>	<u>226,169</u>
NET ASSETS				
EQUITY				
Share capital	209,544	209,544	209,544	209,544
Accumulated profits	127,511	194,967	16,212	16,625
Merger reserve	(179,347)	(179,347)	-	-
Translation reserve	(1,002)	(699)	-	-
Hedging reserve	(1,580)	(885)	-	-
TOTAL EQUITY	<u>155,126</u>	<u>223,580</u>	<u>225,756</u>	<u>226,169</u>

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

	31 May 2017		31 August 2016	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Amount repayable in one year or less, or on demand	120,918	60,885	85,864	52,144
Amount repayable after one year	4,682	-	10,163	1,887

Details of any collaterals

The Group's borrowings are primarily secured by way of legal mortgages on the property, plant and machinery and assignment over the benefits arising from shipbuilding contract including the work in progress, charge over earnings account, assignment of insurances and cash deposits of the Group.

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

	Group		Group	
	3 months ended 31 May 2017 US\$'000	3 months ended 31 May 2016 US\$'000	9 months ended 31 May 2017 US\$'000	9 months ended 31 May 2016 US\$'000
Cash flows from operating activities				
(Loss)/profit before tax	(64,995)	4,932	(68,656)	17,819
Adjustments:				
Depreciation of fixed assets	2,952	2,720	8,780	8,481
Loss/(gain) on disposal of fixed assets	1	(6)	1	653
Fixed assets written off	-	5	10	5
Amortisation of intangible assets	124	34	372	189
Fair value changes in respect of derivative instruments, net	(235)	-	(154)	-
Unrealised exchange (gain)/loss	(4)	(215)	291	(141)
Interest expense	2,159	1,762	5,467	4,044
Interest income	(39)	(27)	(85)	(187)
Allowance for impairment of assets	45,075	-	53,441	-
Operating (loss)/profit before working capital changes	(14,962)	9,205	(533)	30,863
(Increase)/decrease in:				
Inventories and work-in-progress	(1,761)	5,466	228	(2,712)
Trade receivables	3,375	(11,240)	(64,946)	(41,624)
Other receivables and other current assets	(831)	(3,215)	(4,147)	(10,505)
Finance lease receivable	150	-	450	-
Due from ultimate holding company	-	-	-	1,316
Due from related companies	806	(4,916)	6,768	(5,598)
Due from affiliated companies	-	17	-	-
Increase/(decrease) in:				
Trade payables	12,929	12,243	30,384	7,725
Other payables	(3,133)	(33,140)	(14,953)	(25,752)
Due to ultimate holding company	226	363	211	1,797
Due to related companies	1,346	1,139	1,552	(129)
Due to affiliated companies	(131)	(209)	(209)	(632)
Cash used in operations	(1,986)	(24,287)	(45,195)	(45,251)
Interest paid	(2,159)	(1,762)	(5,467)	(4,044)
Interest income received	27	27	46	187
Tax refunded/(paid)	46	(680)	(1,570)	(1,471)
Net cash used in operating activities	(4,072)	(26,702)	(52,186)	(50,579)
Cash flows from investing activities				
Purchase of fixed assets	(2,093)	(5,424)	(5,721)	(11,968)
Additions to intangible assets	(458)	-	(1,280)	(77)
Proceeds from disposal of fixed assets	19	6	19	3,419
Proceeds from disposal of assets held for sale	-	-	4,550	-
Net cash used in investing activities	(2,532)	(5,418)	(2,432)	(8,626)
Cash flows from financing activities				
Repayment of lease obligations	(12)	(7)	(32)	(1,395)
Proceeds from bank term loans and bills payable to banks	34,443	58,166	170,859	197,569
Repayment of bank term loans and bills payable to banks	(36,101)	(48,906)	(134,274)	(131,705)
(Increase)/decrease in cash pledged	(1,426)	4,603	5,498	(23,195)
Dividends paid on ordinary shares	-	-	-	(2,292)
Net cash (used in)/from financing activities	(3,096)	13,856	42,051	38,982
Net decrease in cash and cash equivalents	(9,700)	(18,264)	(12,567)	(20,223)
Effects of exchange on cash and cash equivalents	16	62	(16)	86
Cash and cash equivalents at beginning of financial period	12,725	38,588	15,624	40,523
Cash and cash equivalents at end of financial period	3,041	20,386	3,041	20,386
Cash and cash equivalents represented by:				
Cash at bank and on hand	19,841	46,519	19,841	46,519
Less: Cash pledged	(16,800)	(26,133)	(16,800)	(26,133)
	3,041	20,386	3,041	20,386

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

Group	Attributable to owners of the Company					
	Share capital US\$'000	Accumulated profits US\$'000	Merger reserve US\$'000	Translation reserve US\$'000	Hedging reserve US\$'000	Total US\$'000
Group						
Balance at 1 September 2015	209,544	179,466	(179,347)	(1,124)	(126)	208,413
Total comprehensive income for the financial period	-	15,559	-	235	178	15,972
Dividends on ordinary shares representing total transactions with owners in their capacity as owners	-	(2,292)	-	-	-	(2,292)
Balance at 31 May 2016	209,544	192,733	(179,347)	(889)	52	222,093
Balance at 1 September 2016	209,544	194,967	(179,347)	(699)	(885)	223,580
Total comprehensive income for the financial period	-	(67,456)	-	(303)	(695)	(68,454)
Balance at 31 May 2017	209,544	127,511	(179,347)	(1,002)	(1,580)	155,126
Company						
	Attributable to owners of the Company					
	Share capital US\$'000	Accumulated profits US\$'000	Total US\$'000			
Balance at 1 September 2015	209,544	13,671	223,215			
Total comprehensive income for the financial period	-	(704)	(704)			
Dividends on ordinary shares representing total transactions with owners in their capacity as owners	-	(2,292)	(2,292)			
Balance at 31 May 2016	209,544	10,675	220,219			
Balance at 1 September 2016	209,544	16,625	226,169			
Total comprehensive income for the financial period	-	(413)	(413)			
Balance at 31 May 2017	209,544	16,212	225,756			

- 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**

Issuance of 29,500,000 warrants to Ezion Holdings Limited

Each Warrant carrying the right to subscribe for one new ordinary share at US\$0.5626 per share. The Warrants are exercisable commencing on 6 July 2015 and shall expire on 6 July 2018.

As at date of this announcement, no warrant has been exercised.

As at 31 May 2017 and 2016, the Company's total number of issued shares is 324,508,913. The Company does not hold any treasury shares.

- 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**

The Company's total number of issued shares is 324,508,913 as at 31 May 2017 (31 August 2016: 324,508,913).

- 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 auditors.

- 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 preparation of the financial statements for the third quarter ended 31 May 2017 as the most recently audited financial statements for the financial year ended 31 August 2016.

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

The Group has adopted the new and revised FRSs and Interpretation of FRS (INT FRS) that are effective for annual periods beginning on or after 1 September 2016. The adoption of these new/revised FRS and INT FRSs did not have material effect on the financial performance or position of the Group.

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: -

	9 months ended 31 May 2017	9 months ended 31 May 2016
Net (loss)/profit attributable to owners of the Company (US\$'000)	(67,456)	15,559
Weighted average number of ordinary shares on issue for calculation of ('000):		
- Basic earnings per share	324,509	324,509
- Diluted earnings per share (^)	324,509	324,509
(Loss)/earnings per ordinary share (US cents) of the Group:		
(a) Based on the weighted average number of ordinary shares on issue	(20.79)	4.79
(b) On a fully diluted basis	(20.79)	4.79
(^) There is no dilutive impact on the earnings from the Warrants issued to Ezion Holdings Limited as the average market price is lower than the exercise price of the warrants.		

7. Net asset value (for the issuer and group) per ordinary share based on 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	
	As at 31 May 2017	As at 31 August 2016	As at 31 May 2017	As at 31 August 2016
Net asset value per ordinary share (US cents)	47.80	68.90	69.57	69.70

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

REVIEW OF PERFORMANCE:

Revenue

Group's revenue decreased by US\$37.9 million (16%) for the nine months ended 31 May 2017 ("9M17") and US\$51.1 million (62%) for the three months ended 31 May 2017 ("3Q17") respectively, when compared to the corresponding periods for the nine months ended 31 May 2016 ("9M16") and three months ended 31 May 2016 ("3Q16").

The decreases were mainly due to:

- (i) Absence of contribution from one unit of self-elevating unit ("SEU") – BH320 which was delivered during FY16 and two units of SEU – M300/4 which were delivered during the first half of FY17;
- (ii) Lower contribution from four units of SEU, of which three units were essentially completed by the end of 3Q17. As a result, there was minimal contribution during 9M17 whereas contribution from these three units were significant in 9M16; and
- (iii) Lower contribution from Strategic Marine Group for the construction of aluminum vessel projects.

REVIEW OF PERFORMANCE (CONT'D):

Revenue (cont'd)

The decreases were partially offset by contributions from two units of multi-purpose support vessel, three units of chemical tanker, four units of escort tugs, one unit of scientific research vessel, two units of oil tankers and one unit of floating dock during the financial periods.

Gross (loss)/profit

9 months ended 31 May 2017 ("9M17")

Gross profit decreased by US\$32.0 million (74%) in 9M17 from its comparative period was mainly due to cost overruns from certain projects, in addition to lower gross profit margins mainly due to competitive market environment.

3 months ended 31 May 2017 ("3Q17")

Gross loss for 3Q17 was US\$10.3 million, as compared with gross profit of US\$13.9 million in 3Q16. Gross loss in 3Q17 was mainly attributable to cost overruns from certain projects and lower gross profit margins amidst competitive market environment.

Other income/(expenses), net

9 months ended 31 May 2017 ("9M17")

Other expenses for 9M17 was US\$0.2 million as compared with US\$0.3 million in 9M16. These expenses in 9M17 and 9M16 were mainly related to foreign exchange loss and loss on disposal of one of the properties in Houston respectively.

3 months ended 31 May 2017 ("3Q17")

Other income increased by US\$0.1 million (25%) in 9M17 from its comparative period was mainly due to fair value gain on derivative instruments.

Administrative expenses

No material changes in 9M17 and 3Q17 from its comparative periods.

Allowance for impairment of assets

Due to the prolonged depressed state of oil & gas industry as well as the extremely competitive market environment, the carrying value of certain assets was negatively impacted. As a result after due consideration, the Group has made an allowance amounting to US\$45.1 million for impairment of these assets in 3Q17.

The Group had provided US\$8.3 million in second quarter of FY2017 for the allowance for doubtful receivables from related/affiliated entities of Ezra Holdings Limited which either face a potential going concern issue or have filed for Chapter 11 of the United States Bankruptcy Code as at the date of this announcement.

Financial expenses

Financial expenses for 9M17 and 3Q17 increased by US\$1.4 million (35%) and US\$0.4 million (23%) respectively, compared to 9M16 and 3Q16. The increases were mainly as a result of higher amount of borrowings to finance the working capital for the on-going projects.

REVIEW OF PERFORMANCE (CONT'D):

(Loss)/profit before tax

Loss before tax for 9M17 and 3Q17 was US\$68.7 million and US\$65.0 million respectively, compared to profit before tax for 9M16 and 3Q16 of US\$17.8 million and US\$4.9 million respectively. The loss before tax for 9M17 and 3Q17 were mainly due to lower gross profit/gross loss and allowance for impairment of assets as mentioned above.

Tax

Tax credit for 9M17 and 3Q17 was US\$1.2 million and US\$1.7 million respectively, compared to tax expense for 9M16 and 3Q16 of US\$2.3 million and US\$0.8 million respectively. The tax credit for 9M17 and 3Q17 were in line with the loss before tax incurred during the financial periods.

REVIEW OF STATEMENT OF FINANCIAL POSITION AND CASH FLOWS:

Non-current assets

The decrease in non-current assets was mainly due to depreciation charge during the financial period and allowance for impairment of certain fixed and intangible assets as mentioned above. The decrease was partially offset by purchase of operating equipment and upgrade of facilities at two of the yards in Vietnam and additions of the development cost of intangible assets.

Current assets

The increase in current assets was mainly due to increase in trade and other receivables, as a result of progressive revenue recognised on the on-going projects and higher amount of value added tax claimable for purchase of materials and equipment in Vietnam.

The above increases were partially offset by:

- (i) Completion of the transaction for assets held for sale during the financial period;
- (ii) Allowance for impairment of assets as explained above;
- (iii) Decrease in amount due from related companies, mainly due to payment received and allowance for doubtful receivables as explained above; and
- (iv) Decrease in cash and cash equivalents (including cash pledged to financial institutions).

Current liabilities

The increase in current liabilities was mainly due to:

- (i) Increase in trade payables as a result of purchase of materials and equipment for the on-going projects;
- (ii) Increase in amount due to ultimate holding company and related companies in relation to services rendered to the Group; and
- (iii) Increase in bills payable to banks and bank term loans to fund working capital for the on-going shipbuilding and fabrication projects.

The above increases were partially offset by decrease in other payables, resulting from lower advance billings to customers and accrual for project related expenses as well as lower provision for tax.

Following by the net loss incurred during the financial period, the Group anticipated that certain financial covenants of certain loan agreements would be in breach by the end of FY17. The Group will engage with the relevant banks for further action as it would be required by the banks. All the related bank borrowings has been classified under current liabilities.

Non-current liabilities

The decrease in non-current liabilities was mainly due to reclassification from non-current liabilities to current liabilities for bank term loans during the financial period.

REVIEW OF STATEMENT OF FINANCIAL POSITION AND CASH FLOWS (CONT'D):

Equity

The decrease in shareholders' equity was mainly due to net loss incurred during the financial period.

Cash flows

The Group recorded net cash outflow from operating activities of US\$52.2 million in 9M17, mainly due to:

- (i) Net increase in trade receivables and other receivables, mainly due to progressive revenue recognised during the financial period; and
- (ii) Net decrease in other payables resulting from lower amount of advance billings to customers and accrual for project related expenses.

The above were partially offset by:

- (iii) Net decrease in amount due from related companies, mainly due to payment received; and
- (iv) Net increase in trade payables as a result of purchase of materials and equipment for the on-going projects.

The Group recorded net cash outflow from operating activities of US\$4.1 million in 3Q17, mainly due to net decrease in other payables resulting from lower amount of accrual for project related expenses.

The above were partially offset by:

- (i) Net decrease in trade receivables resulting from receipts from customers; and
- (ii) Net increase in trade payables as a result of purchase of materials and equipment for the on-going projects.

Net cash used in investing activities was US\$2.4 million in 9M17, mainly due to purchase of certain operating equipment and upgrade of the facilities at two of the yards in Vietnam and purchase of intangible assets. This was partially offset by proceeds from disposal of assets held for sale.

Net cash used in investing activities was US\$2.5 million in 3Q17, mainly resulting from purchase of certain operating equipment and upgrade of the facilities at two of the yards in Vietnam and purchase of intangible assets.

Net cash from financing activities was US\$42.1 million in 9M17, as a result of net loan drawdown for working capital and decrease in cash pledged.

Net cash used in financing activities was US\$3.1 million in 3Q17, mainly due to net loan repayment and increase in cash pledged.

Financial ratios

The Group's net debt to equity ratio (defined as ratio of total external indebtedness (net of cash and cash equivalents including cash pledged) owing to bank and financial institutions to shareholders' equity) increased from 0.50 to 1.07 times, in 3Q17 compared to FY16. Approximately 98% of the Group borrowings as at 31 May 2017 relates to working capital financing.

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

The actual results announced are in line with the profit guidance statement announced on 7 July 2017.

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 Marine, Shipping as well as Oil and Gas (“O&G”) Industries continues to be in a prolonged depressed and uncertain business environment. This coupled with related/affiliated entities of Ezra Holdings Limited which either face a potential going concern issue or have filed Chapter 11 of the United States Bankruptcy Code, the Group foresees that in next 12 months it will be extremely challenging in terms of business environment which would result in margin compression as well as difficulty in gaining access to new sources of liquidity. Meantime, the Group has undertaken certain measures with an aim to control cost and improve operational efficiency.

In view of the above, the Group has undertaken an exercise to rationalize and reassess the carrying value of certain assets of the Group. These assets were acquired or developed by the Group previously with plans and intentions to deploy for new projects or business ventures. Full or appropriate impairment allowance have been made to reflect the fair position of the Group using the existing operations and projects. The Group will continue to monitor its projects and assets.

In the event that any material changes occur in relation to any of the existing banking facilities of the Group, the Company will review and assess its ability to continue as a going concern.

11. Dividend

(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/recommendeded, a statement to that effect

No dividend has been declared or recommended for the current financial period reported on.

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.

Aggregate value of interested person transactions, pursuant to the IPT mandate renewed on 21 December 2016, is as follows.

Name of interested person	Aggregate value of all interested person transactions during 9 months ended 31 May 2017 (excluding transactions less than US\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual during 9 months ended 31 May 2017(excluding transactions less than US\$100,000)
	US\$'000	US\$'000
<u>Revenue (Recognised)</u>		
Emas Offshore Services Pte Ltd	340	2,060
Emas-AMC Pte Ltd	212	53
<u>Purchase of Goods and Services</u>		
Ezra Holdings Limited	—	523
EMAS IT Solutions Pte Ltd	—	719
Ezra Marine Services Pte Ltd	1,702	90
Emas Offshore Pte Ltd	—	310

14. Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1)

Pursuant to Rule 720(1) of the Listing Manual, the Company has procured undertakings from all its directors and executive officers.

**Confirmation by the Board
Pursuant to SGX Listing Rule 705(5)**

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the third quarter ended 31 May 2017 to be false or misleading.

On behalf of the Board of Directors



Lee Kian Soo
Chairman (Non-Executive)

21 July 2017



Lim Kuan Meng
Independent Director