

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

- 1(a) 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.

	Notes	GROUP					
		3 months ended		Change %	6 months ended		Change %
		30/06/2019 S\$'000	30/06/2018 S\$'000		30/06/2019 S\$'000	30/06/2018 S\$'000	
Revenue		72,729	66,195	10	129,512	118,971	9
Cost of sales		(69,745)	(62,845)	11	(122,980)	(112,599)	9
Gross profit		2,984	3,350	-11	6,532	6,372	3
Other income	1	28	50	-44	67	162	-59
Other gains - net	2	278	1,793	-85	383	1,878	-80
Selling and distribution expenses		36	(245)	N.M.	(92)	(343)	-73
Administrative expenses		(2,089)	(2,327)	-10	(4,306)	(4,789)	-10
Finance expenses		(507)	(220)	130	(873)	(348)	151
Share of profit from associated companies, net of tax		399	9	N.M.	399	9	N.M.
Profit before income tax	3	1,129	2,410	-53	2,110	2,941	-28
Income tax expense	4	(118)	(297)	-60	(359)	(438)	-18
Profit after income tax		1,011	2,113	-52	1,751	2,503	-30
Other comprehensive (loss)/income, net of tax:							
Fair value (loss)/gain on debt financial assets, at FVOCI		(28)	43	N.M.	(37)	43	N.M.
Currency translation differences arising from consolidation		(215)	(28)	667	(53)	447	N.M.
Other comprehensive (loss)/income, net of tax		(243)	15	N.M.	(90)	490	N.M.
Total comprehensive income		768	2,128	-64	1,661	2,993	-45
Profit attributable to:							
Equity holders of the Company		992	1,934	-49	1,672	2,297	-27
Non-controlling interests		19	179	-89	79	206	-62
Total comprehensive income attributable to:		1,011	2,113	-52	1,751	2,503	-30
Equity holders of the Company		737	1,955	-62	1,594	2,717	-41
Non-controlling interests		31	173	-82	67	276	-76
		768	2,128	-64	1,661	2,993	-45

N.M. - Not meaningful

Notes to the Statement of Comprehensive Income

Note 1

Other income include the following :

Rental income
Interest income
Other income

Note 2

Other gains include the following :

Fair value loss on financial assets at fair value through profit or loss
Gain on disposal of property, plant and equipment
Net foreign exchange gains/(losses)
Others

Note 3

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

Write-back of allowance for/(allowance for) impairment of trade and non-trade receivables
Depreciation of property, plant and equipment

Note 4

Income tax expense includes the following :

Current income tax
- in respect of current period

GROUP			
3 months ended		6 months ended	
30/06/2019 S\$'000	30/06/2018 S\$'000	30/06/2019 S\$'000	30/06/2018 S\$'000
-	1	-	42
22	35	60	85
6	14	7	35
28	50	67	162
-	(12)	-	(11)
91	1,383	109	1,438
187	422	274	(33)
-	-	-	484
278	1,793	383	1,878
185	(47)	240	8
(1,823)	(1,270)	(3,596)	(2,585)
118	297	359	438

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	
	30/06/2019 S\$'000	31/12/2018 S\$'000	30/06/2019 S\$'000	31/12/2018 S\$'000
ASSETS				
CURRENT ASSETS				
Cash and bank balances	19,607	20,553	265	429
Trade and other receivables	44,978	53,536	15,188	12,496
Inventories	190	116	-	-
Contract assets	127,547	105,077	-	-
Financial assets, at FVOCI	717	763	-	-
Income tax receivables	843	773	-	-
Other current assets	3,229	3,229	-	-
	197,111	184,047	15,453	12,925
NON-CURRENT ASSETS				
Trade and other receivables	14,136	5,640	29,000	30,000
Contract assets	1,400	10,882	-	-
Investments in associated companies	2,164	1,765	640	640
Investments in subsidiaries	-	-	48,238	37,238
Property, plant and equipment	43,624	40,854	4	6
Goodwill	6,857	6,857	-	-
Deferred tax asset	52	52	-	-
	68,233	66,050	77,882	67,884
TOTAL ASSETS	265,344	250,097	93,335	80,809
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	83,928	73,145	83,928	73,145
Other reserves	3,080	3,900	3,724	4,507
Retained profits	15,976	15,868	3,150	2,189
Currency translation reserve	(2,558)	(2,517)	-	-
	100,426	90,396	90,802	79,841
Non-controlling interests	2,477	3,079	-	-
TOTAL EQUITY	102,903	93,475	90,802	79,841
LIABILITIES				
CURRENT LIABILITIES				
Trade and other payables	80,786	98,803	2,533	968
Contract liabilities	11,473	4,990	-	-
Short term borrowings and finance leases	54,039	45,895	-	-
	146,298	149,688	2,533	968
NON-CURRENT LIABILITIES				
Trade and other payables	2,453	4,808	-	-
Finance lease	13,196	1,632	-	-
Deferred tax liabilities	494	494	-	-
	16,143	6,934	-	-
TOTAL LIABILITIES	162,441	156,622	2,533	968
TOTAL EQUITY AND LIABILITIES	265,344	250,097	93,335	80,809

1(b)(ii) Aggregate amount of the group's borrowings and debt securities as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year.

	As at 30/06/2019		As at 31/12/2018	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on demand	5,539	48,500	2,556	43,339
Amount repayable after one year	13,196	-	1,632	-

Details of any collateral

The Group's secured borrowings are secured by the Group's plant and machinery and motor vehicles.

- 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.

	6 months ended	
	30/06/2019 S\$'000	30/06/2018 S\$'000
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit after income tax	1,751	2,503
Adjustments for non-cash items :		
Income tax expense	359	438
Depreciation of property, plant and equipment	3,596	2,585
Fair value loss on financial assets at fair value through profit or loss	-	11
Gain on disposal of property, plant and equipment	(109)	(1,438)
Share of profit from associated companies	(399)	(9)
Interest expense	873	348
Interest income	(60)	(85)
Unrealised foreign exchange loss	71	159
Operating profit before working capital changes	6,082	4,512
Working capital changes :		
- Receivables	54	(37,268)
- Inventories	(74)	(57)
- Contract assets and liabilities	(6,505)	(21,118)
- Payables	(20,471)	30,928
Cash used in operations	(20,914)	(23,003)
Income tax paid	(432)	(1,982)
Interest paid	(976)	(385)
Net cash used in operating activities	(22,322)	(25,370)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchase of property, plant and equipment	(340)	(840)
Proceeds from disposal of property, plant and equipment	161	3,660
Proceeds from redemption of financial assets, at FVOCI	-	25
Interest received	76	78
Net cash (used in)/generated from investing activities	(103)	2,923
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Deposit pledged	-	(61)
Proceeds from exercise of warrants	10,000	-
Proceeds from bank borrowings	19,000	18,500
Repayment of bank borrowings	(2,000)	-
Payment of finance lease instalments	(3,174)	(1,217)
Dividends paid to equity holders of the Company	(1,564)	(1,047)
Dividends paid to non-controlling interest	(669)	-
Net cash generated from financing activities	21,593	16,175
NET CHANGE IN CASH AND BANK BALANCES	(832)	(6,272)
CASH AND BANK BALANCES AT BEGINNING OF THE FINANCIAL PERIOD	20,553	23,509
EFFECTS OF CURRENCY TRANSLATION ON CASH AND BANK BALANCES	(114)	244
CASH AND BANK BALANCES AT END OF THE FINANCIAL PERIOD	19,607	17,481
Represented by :		
CASH AND BANK BALANCES		
Cash and bank balances	19,607	18,897
Restricted cash	-	(1,416)
	19,607	17,481

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.

	Attributable to equity holders of the Group					TOTAL	NON-CONTROLLING INTERESTS	TOTAL EQUITY
	Share Capital	Warrants Reserve	Other Reserves	Retained Profits	Currency Translation Reserve			
GROUP (S\$'000)								
Balance as at 01/01/2019	73,145	4,507	(607)	15,868	(2,517)	90,396	3,079	93,475
Exercise of warrants	10,783	(783)	-	-	-	10,000	-	10,000
Profit for the financial period	-	-	-	1,672	-	1,672	79	1,751
Other comprehensive loss for the financial period	-	-	(37)	-	(41)	(78)	(12)	(90)
Dividend paid	-	-	-	(1,564)	-	(1,564)	(669)	(2,233)
Balance as at 30/06/2019	83,928	3,724	(644)	15,976	(2,558)	100,426	2,477	102,903
Balance as at 01/01/2018	52,143	2,482	(655)	11,308	(2,289)	62,989	3,045	66,034
Profit for the financial period	-	-	-	2,297	-	2,297	206	2,503
Other comprehensive income for the financial period	-	-	43	-	377	420	70	490
Dividend paid	-	-	-	(1,047)	-	(1,047)	-	(1,047)
Balance as at 30/06/2018	52,143	2,482	(612)	12,558	(1,912)	64,659	3,321	67,980

	Attributable to equity holders of the Company			
	Share Capital	Warrants Reserve	Retained Profits	TOTAL
COMPANY (S\$'000)				
Balance as at 01/01/2019	73,145	4,507	2,189	79,841
Exercise of warrants	10,783	(783)	-	10,000
Profit for the financial period	-	-	2,525	2,525
Dividend paid	-	-	(1,564)	(1,564)
Balance as at 30/06/2019	83,928	3,724	3,150	90,802
Balance as at 01/01/2018	52,143	2,482	1,730	56,355
Profit for the financial period	-	-	1,087	1,087
Dividend paid	-	-	(1,047)	(1,047)
Balance as at 30/06/2018	52,143	2,482	1,770	56,395

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.

As at 30 June 2019, the Company's issued and fully paid-up capital (excluding treasury shares and subsidiary holdings) comprises 1,764,128,735 (31 March 2019: 1,564,128,735) ordinary shares. Movements in the Company's issued and fully paid-up capital since the end of the previous period reported on were as follows:

	<u>No. of shares</u>
As at 31/03/2019	1,564,128,735
Exercise of warrants	200,000,000
As at 30/06/2019	<u>1,764,128,735</u>

The number of shares that may be issued on conversion of all the outstanding convertibles against the total number of issued shares excluding treasury shares and subsidiary holdings of the Company 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 was as follows:

	<u>No. of shares</u>
As at 30/06/2018	298,961,682
Issue of new warrants	556,685,495
Exercise of warrants	(200,000,000)
As at 30/06/2019	<u>655,647,177</u>

As at 30 June 2019, the Company does not have any treasury shares or subsidiary holdings.

The number of issued shares excluding treasury shares and subsidiary holdings of the Company as at 30 June 2019 and 30 June 2018 was 1,764,128,735 and 1,564,128,735 respectively.

Warrants

(a) Pursuant to the renounceable non-underwritten rights cum warrants issue announced on 15 May 2017 (the "2017 Rights cum Warrants Issue"), the Company issued 299,021,682 warrants on 14 November 2017. Each warrant carries the right to subscribe for one (1) ordinary share in the capital of the Company at the exercise price ranging from S\$0.09 to S\$0.11 per warrant for each new share depending on the date of exercise. Each warrant may be exercised at any time during the period of four (4) years commencing on and including the date of issue of the warrants and expiring on the 4th anniversary of the date of issue of the warrants. 60,000 warrants were exercised at S\$0.09 per warrant for each new share as at 30 June 2019. The remaining 298,961,682 warrants ("Existing Warrants") will expire on 12 November 2021. As announced by the Company on 13 April 2018, the net proceeds raised from the renounceable non-underwritten rights cum warrants issue have been fully utilised.

Pursuant to the terms and conditions of the deed poll dated 13 October 2017 (the "Deed Poll" relating to the 2017 Rights cum Warrants Issue), the renounceable non-underwritten rights cum warrants issue, as announced by the Company on 29 June 2018 (the "2018 Rights cum Warrants Issue"), constitutes an event giving rise to an adjustment to the exercise price and the number of the Existing Warrants. Accordingly, 39,192,649 adjusted warrants have been issued and allotted on 18 October 2018 (the "Adjustment Warrants"). Following the allotment and issuance of the Adjustment Warrants, the total number of Existing Warrants has increased from 298,961,682 to 338,154,331. Each one Adjustment Warrant carries the right to subscribe for one (1) new ordinary share in the capital of the Company at exercise price ranging from S\$0.08 to S\$0.10.

(b) Pursuant to the 2018 Rights cum Warrants Issue, the Company issued 517,492,846 warrants on 26 September 2018. Each warrant carries the right to subscribe for one (1) new ordinary share in the capital of the Company at an exercise price of S\$0.05 per warrant for each new share. Each warrant may be exercised at any time during the period of five (5) years commencing on and including the date of issue of the warrants and expiring on the 5th anniversary of the date of issue of the warrants. 200,000,000 warrants were exercised at S\$0.05 per warrant for each new share as at 30 June 2019. The remaining 317,492,846 warrants will expire on 25 September 2023. On 12 March 2019, the Company announced that the net proceeds raised from the 2018 Rights cum Warrants Issue have been fully utilised.

Save as disclosed above, the Company has no outstanding convertibles and no treasury shares or 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 the immediately preceding year.

Total number of issued shares excluding treasury shares

No. of shares	
30/06/2019	31/12/2018
1,764,128,735	1,564,128,735

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

Not applicable as there were no treasury shares as at the end of the current financial period reported on.

1(d)(v) A statement showing all sales, transfer, disposal, cancellation and/or use of subsidiary holdings as at end of the current financial period reported on.

Not applicable as there were no subsidiary holdings as at 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 neither been audited nor reviewed.

3 Where the figures have been audited or reviewed, a statement on whether there are 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.

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements as at 31 December 2018.

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 new /revised SFRS(I) that are effective for the financial periods beginning on or after 1 January 2019.

SFRS(I) 16 Leases

SFRS(I) 16 Leases introduced a single, on-balance sheet lease accounting model for lessees. A lessee recognised 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 only exceptions are short-term leases and leases of low value assets. The accounting for lessors has not changed significantly.

ROU assets are measured using the cost model and are carried at cost less accumulated depreciation and accumulated impairment loss, if any, subsequent to initial recognition. The carrying amount for lease liabilities subsequent to initial recognition would take into account interest on the outstanding lease liabilities.

The Group has applied the simplified transition approach and will not restate comparative amounts for the financial year ended 31 December 2018. The Group is still in the progress of finalising its assessment of impact arising from adoption of SFRS (I) 16 and account for the impact accordingly once finalised.

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.

Earnings per ordinary share for the period after deducting any provision for preference dividends:

GROUP			
3 months ended		6 months ended	
30/06/2019 (cent)	30/06/2018 (cent)	30/06/2019 (cent)	30/06/2018 (cent)
0.06	0.19	0.10	0.22
0.06	0.19	0.10	0.22

(i) Basic

(ii) On a fully diluted basis

The basic earning per share is calculated by dividing the net profit attributable to equity holders of the Company over the weighted average number of ordinary shares in issue during the current financial period of 1,614,957,464 ordinary shares (financial period ended 30 June 2018: 1,046,635,889 ordinary shares).

Fully diluted earnings per ordinary share is computed based on the weighted average number of ordinary shares in issue during the period. The Company's warrants are not included in the calculation of diluted earnings per share above because they are antidilutive for the financial period presented.

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 as at the end of the (a) current financial period reported on and (b) immediately preceding financial year.

GROUP		COMPANY	
30/06/2019 (cents)	31/12/2018 (cents)	30/06/2019 (cents)	31/12/2018 (cents)
5.69	5.78	5.15	5.10

Net asset value per ordinary share based on total number of issued shares at the end of period

The net asset value per ordinary share is computed based on the issued share capital of 1,764,128,735 ordinary shares as at 30 June 2019 (31 December 2018: 1,564,128,735 ordinary shares).

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 currency financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flows, working capital, assets or liabilities of the Group during the current financial period reported on.

Review of operating result

Revenue

For the 3-month period ended 30 June 2019 ("2Q 2019"), Group's revenue amounted to S\$72.7 million, a increase of 10% as compared to S\$66.2 million recognised in the corresponding period a year ago ("2Q 2018"). This was mainly due to increase in revenue from the Engineering and Construction division.

The Group's revenue for the half year ended 30 June 2019 ("1H 2019") increased from S\$119.0 million in the corresponding period in 2018 ("1H 2018") to S\$129.5 million. This was mainly due to increase in revenue from the Engineering and Construction division.

Cost of sales

The Group's cost of sales showed an increase from S\$62.8 million in 2Q 2018 to S\$69.7 million in 2Q 2019 and from S\$112.6 million in 1H 2018 to S\$123.0 million in 1H 2019, mainly due to higher cost of sales incurred by the Engineering and Construction division.

Gross profit

The Group's gross profit retreated by 11% in 2Q 2019 as compared to 2Q 2018, mainly due to lower gross profit contribution from the Bio-Refinery and Bio-Energy division.

The Group's gross profit recorded an increase of 3% in 1H 2019 as compared to 1H 2018, mainly due to higher gross profit contribution from the Engineering and Construction division.

Other income

Other income decreased by 44% in 2Q 2019 and 59% in 1H 2019 as compared to the corresponding periods 2Q 2018 and 1H 2018, mainly due to lower interest income and absence of rental income in 2Q 2019 and 1H 2019.

Other gains - net

Other gains reduced by 85% in 2Q 2019 and 80% in 1H 2019 as compared to the corresponding periods 2Q 2018 and 1H 2018, mainly due to higher gain on disposal of property, plant and equipment a year ago.

Selling and distribution expenses

Selling and distribution expenses recorded a credit of S\$36,000 in 2Q 2019 and a decrease of S\$251,000 in 1H 2019 as compared to 1H 2018 mainly due to write-back of allowance made for impairment of trade receivables.

Administrative expenses

Administrative expenses decreased from S\$2.3 million in 2Q 2018 to S\$2.1 million in 2Q 2019 and from S\$4.8 million in 1H 2018 to S\$4.3 million in 1H 2019. This was mainly due to lower professional fees and tender expenses.

Depreciation expenses

Depreciation expenses increased by 44% to S\$1.8 million in 2Q 2019 and 39% to S\$3.6 million in 1H 2019, mainly due to increase in depreciable assets.

Finance expenses

Increase in finance expenses for both 2Q 2019 and 1H 2019 comparisons was mainly due to increase in the Group's bank borrowings.

Profit before income tax

Overall, the Group's profit before income tax decreased by 53% from S\$2.4 million in 2Q 2018 to S\$1.1 million in 2Q 2019. The Group's profit before income tax decreased by 28% from S\$2.9 million in 1H 2018 to S\$2.1 million in 1H 2019.

Profit after income tax

Overall, the Group's profit after income tax decreased by 52% from S\$2.1 million in 2Q 2018 to S\$1.0 million in 2Q 2019. The Group's profit after income tax decreased by 30% from S\$2.5 million in 1H 2018 to S\$1.8 million in 1H 2019. This decrease was mainly due to the absence of a one-time gain of S\$1.4 million that the Group received in 1H 2018 from the sale of a property. Excluding this one-time gain of S\$1.4 million, profit after income tax for 1H 2019 would have increased by 88%.

Review of financial position

The Group's net asset value attributable to shareholders increased from S\$90.4 million as at 31 December 2018 to S\$100.4 million as at 30 June 2019 mainly due to increase in share capital.

The Group's current assets recorded an increase of S\$13.1 million mainly due to increase in contract assets. The increase in contract assets was mainly due to revenue recognised during the period but which has not yet billed to the customers, and reclassification of retention receivables for certain construction projects from non-current to current in view of those projects nearing completion stage.

The Group's non-current assets recorded an increase of S\$2.2 million. Increase in trade and other receivables was due to increase in deposits received from customers. Contract assets decreased mainly due to reclassification of retention receivables as explained above. Property, plant and equipment increased mainly due to purchase of plant and equipment under the Engineering and Construction division.

The Group's current liabilities recorded a decrease of S\$3.4 million resulting from decrease in trade and other payables, partially offset by increase in contract liabilities and short term borrowings and finance leases. Trade and other payables decreased mainly due to settlement of amount owing to creditors. Contract liabilities increased mainly due to advances received from customers for construction contracts for Bio-Refinery and Bio-Energy division. Short-term borrowings and finance leases increased mainly due to increase in working capital requirements for Engineering and Construction division.

The Group's non-current liabilities showed an increase of S\$9.2 million mainly due to increase in finance lease payables, partially offset by decrease in trade and other payables.

Review of cash flow

The Group reported a net cash outflow of S\$0.8 million in 1H 2019.

Net cash of S\$22.3 million was used in operating activities mainly for settlement of payables during the period.

Net cash generated from financing activities was S\$21.6 million mainly contributed by proceeds from exercise of warrants and bank borrowings.

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

The current announced results are in line with the general prospect commentary previously disclosed in the results announcement for the financial period ended 31 March 2019.

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.

Engineering and Construction Sector

On 12 July 2019, the Ministry of Trade and Industry announced that based on advance estimates, the Singapore economy grew by 0.1% on a year-on-year basis in the second quarter of 2019, slower than the 1.1% growth in the first quarter of 2019. The construction sector grew by 2.2% on a year-on-year basis extending the 2.7% expansion in the previous quarter. Growth was mainly supported by an increase in public sector construction activities.

Construction demand, according to the Building and Construction Authority, is expected to be between S\$27.0 billion to S\$32.0 billion in 2019. This is due to both public sector construction demand, such as the Cross-Island Line, developments at Jurong Lake District and Changi Terminal 5, and private sector construction activities.

In spite of the increase in demand, the construction industry is expected to continue to face keen competition and higher operating costs. We have a strong track record in civil engineering projects and are well positioned to continue to secure more projects. In this regard, the Group's order book, as at 30 June 2019, is S\$566.4 million. With the recent award of the Influent Pumping Stations Contract for Tuas Water Reclamation Plant from the PUB, under a joint venture with China Harbour (Singapore) Engineering Company Pte Ltd, the order book has been lifted to S\$984.7 million.

Bio-Refinery and Bio-Energy Sector

Oiltek Sdn. Bhd. ("Oiltek"), our subsidiary, is an integrated supplier with process expertise that covers the complete global supply chain in the edible oil industry, renewable and bioenergy sector, as well as high value downstream processes. Oiltek owns leading and advance sophisticated proprietary technologies in the industries and will continue to develop new technologies in the refining process so as to provide continual innovation to the industry. Oiltek remains optimistic about the long term growth prospects despite the current challenges faced in the commodities industry.

11 Dividend

(a) Current Financial Period Reported On:

(i) Any dividend declared for the current financial period reported on?

No.

(ii) Any dividend recommended for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

Not applicable. It is not the practice for the Company to declare quarterly dividend.

13 Interested Person Transaction

The general mandate for interested persons transactions was approved at the Annual General Meeting held on 17 April 2019.

Name of Interested Person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under Shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under Shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$ 100,000)
	\$'000	\$'000
<u>Transactions for the Sale of Goods and Services</u>		
KBD Westwood Pte Ltd	-	819
KBD Holland Pte Ltd	-	791
<u>Transactions for the Purchase of Goods and Services</u>		
G & W Ready-Mix Pte Ltd	-	1,150
G & W Precast Pte Ltd	-	124
G & W Industries Pte Ltd	-	401
Koh Brothers Group Limited	-	1,544
Koh Brothers Holdings Pte Ltd	-	235

14 Requirement under Rule 705(5) of the Listing Manual Section B: Rules of Catalyst

We, Koh Keng Siang and Shin Yong Seub, being Directors of Koh Brothers Eco Engineering Limited (the "Company"), do hereby confirm on behalf of the Board of Directors of the Company that, to the best of our knowledge, nothing has come to our attention which may render the financial statements for the second quarter and half year ended 30 June 2019 to be false or misleading in any material aspect.

15 Requirement under Rule 720(1) of the Listing Manual Section B: Rules of Catalyst

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Stamford Corporate Services Pte Ltd, for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "Exchange").

This announcement has not been examined or approved by the Exchange and the Exchange 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 Mr Ng Joo Khin:
Telephone number: 6389 3000 Email: jookhin.ng@morganlewis.com*