TAT HONG HOLDINGS LTD

**Registration Number: 199105392H**

**Audited Full Year Financial Statements Announcement**
**For The Quarter and Year Ended 31 March 2017**

**PART 1 – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS**

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

| | Group (Fourth Quarter) | | | Group | | |
|---|---|---|---|---|---|---|
| | 3 months ended | | | 12 months ended | | |
| | 31 March 2017 | 31 March 2016 | % Change | 31 March 2017 | 31 March 2016 | % Change |
| | S$'000 | S$'000 | | S$'000 | S$'000 | |
| Revenue | 110,225 | 126,717 | (13) | 458,293 | 528,228 | (13) |
| Cost of sales | (83,481) | (93,381) | (11) | (330,876) | (368,743) | (10) |
| **Gross profit** | 26,744 | 33,336 | (20) | 127,417 | 159,485 | (20) |
| Other operating income including interest income | 5,599 | 17,864 | (69) | 30,454 | 42,463 | (28) |
| Distribution expenses | (10,739) | (14,085) | (24) | (38,355) | (38,772) | (1) |
| Administrative expenses | (33,647) | (33,062) | 2 | (118,872) | (126,958) | (6) |
| Other operating expenses | (7,094) | (40,937) | (83) | (8,962) | (49,343) | (82) |
| Finance expense | (6,654) | (6,579) | 1 | (23,012) | (24,626) | (7) |
| Share of results of associates (net of tax) | (487) | (203) | 140 | 996 | 389 | 156 |
| Share of results of joint ventures (net of tax) | 250 | (119) | NM | (148) | (537) | (72) |
| **Loss before income tax** | (26,028) | (43,785) | (41) | (30,482) | (37,899) | (20) |
| Income tax (expense)/credit | (5,121) | 3,291 | NM | (6,446) | (2,018) | 219 |
| **Loss for the period** | (31,149) | (40,494) | (23) | (36,928) | (39,917) | (7) |
| **Attributable to:** | | | | | | |
| Owners of the Company | (29,239) | (39,812) | (27) | (38,009) | (39,312) | (3) |
| Non-controlling interests | (1,910) | (682) | 180 | 1,081 | (605) | NM |
| **Loss for the period** | (31,149) | (40,494) | (23) | (36,928) | (39,917) | (7) |

NM: Not meaningful

**1(a)(ii) Statement Of Comprehensive Income**

| | Group (Fourth Quarter) | | | Group | | |
|---|---|---|---|---|---|---|
| | 3 months ended | | | 12 months ended | | |
| | 31 March 2017 | 31 March 2016 | % Change | 31 March 2017 | 31 March 2016 | % Change |
| | S$'000 | S$'000 | | S$'000 | S$'000 | |
| **Loss for the period** | (31,149) | (40,494) | (23) | (36,928) | (39,917) | (7) |
| Other comprehensive loss | | | | | | |
| Items that are or may be reclassified subsequently to profit or loss: | | | | | | |
| Net loss on translation of net investment in foreign entities | (3,351) | (10,155) | (67) | (4,531) | (24,123) | (81) |
| Effective portion of changes in fair value of cash flow hedges | (614) | (655) | (6) | (407) | (383) | 6 |
| Termination of cash flow hedges | 407 | - | NM | 407 | - | NM |
| Foreign currency translation reclassified to profit or loss on liquidation of an associate | - | - | NM | - | 45 | NM |
| Net change in fair value of available-for-sale financial assets | 670 | 284 | 136 | 788 | 284 | 177 |
| **Other comprehensive loss for the period/year, net of income tax** | (2,888) | (10,526) | (73) | (3,743) | (24,177) | (85) |
| **Total comprehensive loss for the period/year** | (34,037) | (51,020) | (33) | (40,671) | (64,094) | (37) |
| **Attributable to:** | | | | | | |
| Owners of the Company | (31,263) | (48,580) | (36) | (37,697) | (61,043) | (38) |
| Non-controlling interests | (2,774)) | (2,440) | 14 | (2,974) | (3,051) | (3) |
| **Total comprehensive loss for the period** | (34,037) | (51,020) | (33) | (40,671) | (64,094) | (37) |

NM: Not meaningful

**1(a)(iii) Notes to income statement**

| | Group (Fourth Quarter) | | | Group | | |
|---|---|---|---|---|---|---|
| | 3 months ended | | | 12 months ended | | |
| | 31 March 2017 | 31 March 2016 | % Change | 31 March 2017 | 31 March 2016 | % Change |
| | S$'000 | S$'000 | | S$'000 | S$'000 | |
| Depreciation of property, plant and equipment | (18,861) | (19,922) | (5) | (73,597) | (80,865) | (9) |
| Gain on disposal of property, plant and equipment | 2,444 | 15,964 | (85) | 14,270 | 33,054 | (57) |
| Property, plant and equipment written off | (151) | (16) | 844 | (151) | (40) | 278 |
| Disbursement received in respect of guaranteed trade receivables | - | - | NM | 6,477 | - | NM |
| Amortisation of intangible assets | (296) | (278) | 6 | (1,097) | (661) | 66 |
| Allowance recognised for inventories | (3,281) | (518) | 533 | (4,133) | (1,110) | 272 |
| Allowance recognised for trade receivables | (2,726) | (6,711) | (59) | (9,411) | (6,044) | 56 |
| Bad debts (written off)/reversed | (8) | 1 | NM | (8) | (840) | (99) |
| Trade receivables recovered | 1 | 31 | (97) | 1 | 34 | (97) |
| Realised foreign exchange (loss)/gain, net, included in "other operating expenses" | 472 | (988) | NM | (2,104) | 630 | NM |
| Unrealised foreign exchange gain/(loss), net, included in "other operating expenses" | (5,646) | (6,701) | (16) | (1,499) | (15,493) | (90) |
| Gain/(Loss) on fair value adjustment on derivatives, net, included in "unrealised foreign exchange gain/(loss)" | 890 | (284) | NM | 505 | (680) | NM |
| Impairment loss on property, plant and equipment | (300) | (5,333) | (94) | (1,148) | (5,502) | (79) |
| Impairment loss on investment in associates, net | (2,760) | (10,000) | (72) | (3,500) | (10,000) | (65) |
| Impairment loss on remeasurement of assets held for sale | (737) | (885) | (17) | (1,337) | (885) | 51 |
| Impairment loss on intangible assets | - | (16,337) | NM | - | (16,337) | NM |
| Dividend income from investment in other financial assets | - | - | NM | 136 | 306 | (56) |
| Interest income | 257 | 210 | 22 | 921 | 759 | 21 |
| Share-based payment expenses | (1) | (9) | (89) | (34) | (93) | (63) |
| Loss/(gain) on disposal of a subsidiary | - | - | NM | (148) | 222 | NM |
| (Under)/over provision of income tax expense | (389) | 896 | NM | (1,344) | 1,980 | NM |
| Cost of long service and annual leave | (987) | (1,996) | (51) | (3,278) | (5,274) | (38) |

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 March 2017 S$'000 | 31 March 2016 S$'000 | 31 March 2017 S$'000 | 31 March 2016 S$'000 |
| **Non-current assets** | | | | |
| Property, plant and equipment | 738,009 | 802,445 | 1,057 | 1,349 |
| Subsidiaries | - | - | 372,435 | 368,980 |
| Associates | 40,791 | 44,075 | 12,466 | 12,647 |
| Joint ventures | 3,806 | 3,882 | 4,716 | 4,439 |
| Other financial assets | 1,033 | 1,128 | 949 | 1,044 |
| Deferred tax assets | 10,757 | 8,830 | - | - |
| Intangible assets | 9,243 | 4,491 | - | - |
| Trade and other receivables | 62 | 797 | - | - |
| | 803,701 | 865,648 | 391,623 | 388,459 |
| **Current assets** | | | | |
| Assets held for sale | 4,065 | 5,660 | - | - |
| Inventories | 145,013 | 146,981 | - | - |
| Trade and other receivables | 193,065 | 222,099 | 225,322 | 229,581 |
| Cash and cash equivalents | 114,284 | 130,702 | 26,065 | 5,007 |
| | 456,427 | 505,442 | 251,387 | 234,588 |
| **Total assets** | 1,260,128 | 1,371,090 | 643,010 | 623,047 |
| **Equity attributable to owners of the Company** | | | | |
| Share capital | 366,879 | 325,849 | 366,879 | 325,849 |
| Reserve for own shares | (2,622) | (2,673) | (2,622) | (2,673) |
| Share-based payment reserve | 392 | 517 | 392 | 517 |
| Capital reserves | 28,638 | 29,564 | (1,926) | (1,938) |
| Fair value reserve | 962 | 174 | 808 | 134 |
| Currency translation reserve | (43,753) | (43,410) | - | - |
| Accumulated profits | 236,867 | 275,680 | 39,716 | 46,112 |
| | 587,363 | 585,701 | 403,247 | 368,001 |
| **Non-controlling interests** | 34,628 | 43,982 | - | - |
| **Total equity** | 621,991 | 629,683 | 403,247 | 368,001 |
| **Non-current liabilities** | | | | |
| Trade and other payables | 2,590 | 2,340 | 121 | - |
| Financial liabilities | 209,883 | 202,048 | 87,384 | 72,010 |
| Notes payable | 98,235 | 98,041 | 98,235 | 98,041 |
| Deferred tax liabilities | 28,326 | 22,994 | - | - |
| | 339,034 | 325,423 | 185,740 | 170,051 |
| **Current liabilities** | | | | |
| Trade and other payables | 157,159 | 168,298 | 37,482 | 65,287 |
| Financial liabilities | 141,779 | 245,061 | 16,519 | 19,688 |
| Current tax payable | 165 | 2,625 | 22 | 20 |
| | 299,103 | 415,984 | 54,023 | 84,995 |
| **Total liabilities** | 638,137 | 741,407 | 239,763 | 255,046 |
| **Total equity and liabilities** | 1,260,128 | 1,371,090 | 643,010 | 623,047 |

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

**Amount repayable in one year or less, or on demand**

| As at 31 March 2017 | | As at 31 March 2016 | |
|---|---|---|---|
| Secured | Unsecured | Secured | Unsecured |
| S$'000 | S$'000 | S$'000 | S$'000 |
| 75,000 | 66,779 | 82,695 | 162,366 |

**Amount repayable after one year**

| As at 31 March 2017 | | As at 31 March 2016 | |
|---|---|---|---|
| Secured | Unsecured | Secured | Unsecured |
| S$'000 | S$'000 | S$'000 | S$'000 |
| 118,373 | 91,510 | 125,179 | 76,869 |

**Details of any collateral**

Included in the Group's secured borrowings are borrowings of:-

(i) S$6,358,000 (31 March 2016: S$10,565,000) secured by a charge over four barges and a work boat of a subsidiary with a carrying value of S$15,784,000 (31 March 2016: S$26,496,000);

(ii) S$91,899,000 (31 March 2016: S$110,383,000) in respect of property, plant and equipment acquired under finance leases with a carrying value of S$161,371,000 (31 March 2016: S$182,658,000);

(iii) S$74,979,000 (31 March 2016: S$75,533,000) secured by equipment of subsidiaries with a carrying value of S$162,447,000 (31 March 2016: S$153,369,000);

(iv) S$4,164,000 (31 March 2016: S$8,089,000) secured by a charge over leasehold land and building of subsidiaries with a carrying value of S$21,570,000 (31 March 2016: S$21,485,000); and

(v) S$2,700,000 (31 March 2016: S$3,304,000) secured by a charge over freehold land and building of a subsidiary with a carrying value of S$4,629,000 (31 March 2016: S$4,984,000).

(vi) S$13,274,000 (31 March 2016: S$nil) secured by amounts owing by certain customers to the Group's subsidiaries.

Several of the Group's subsidiaries have pledged to certain lenders of short-term loans ("Lenders") amounts owing by certain customers to guarantee the repayment of those short-term loans ("Arrangement"). The aforesaid financing amounting to S$6,066,000 as at 31 December 2016, was incorrectly classified as unsecured borrowings, instead of secured borrowings, in the Company's unaudited third quarter financial statements for the quarter ended 31 December 2016 because the Arrangement was inadvertently misunderstood to be a form of comfort to the Lenders that the Group would be able to repay the loans when they fall due, instead of security. The Group has, however, since sought legal advice and confirmation that the Arrangement is in fact security, and accordingly, the Group has reclassified such short-term loans to secured borrowings.

**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.**

| | Group | |
|---|---|---|
| | 12 months ended | |
| | 31 March 2017 | 31 March 2016 |
| | S$'000 | S$'000 |
| **Operating activities:** | | |
| Loss for the period | (36,928) | (39,917) |
| **Adjustments for:** | | |
| Depreciation of property, plant and equipment | 73,597 | 80,865 |
| Gain on disposal of property, plant and equipment | (14,270) | (33,054) |
| (Gain)/Loss on fair value adjustment on derivatives, net | (505) | 680 |
| Property, plant and equipment written off | 151 | 40 |
| Amortisation of intangible assets | 1,097 | 661 |
| Cost of long service and annual leave | 3,278 | 5,274 |
| Loss/(gain) on disposal of a subsidiary | 148 | (222) |
| Dividend income from investment in other financial assets | (136) | (306) |
| Share of results of associates | (996) | (389) |
| Share of results of joint ventures | 148 | 537 |
| Provisions made | 280 | 1,160 |
| Share-based payment expenses | 34 | 93 |
| Finance income | (921) | (759) |
| Finance expense | 23,012 | 24,626 |
| Impairment loss on property, plant and equipment | 1,148 | 5,502 |
| Impairment loss on remeasurement of assets held for sale | 1,337 | 885 |
| Impairment loss on investment in associates, net | 3,500 | 10,000 |
| Impairment loss on intangible assets | - | 16,337 |
| Income tax expense | 6,446 | 2,018 |
| **Operating profit before working capital changes** | 60,420 | 74,031 |
| Changes in working capital: | | |
| Inventories | 26,888 | 26,872 |
| Trade and other receivables | 21,593 | 2,439 |
| Trade and other payables | (13,255) | (8,070) |
| **Cash generated from operations** | 95,646 | 95,272 |
| Income taxes paid | (6,717) | (7,144) |
| Payment for warranties | (213) | (51) |
| Payment for long service and annual leave and others | (3,539) | (5,903) |
| **Net cash from operating activities** | 85,177 | 82,174 |
| **Investing activities:** | | |
| Purchase of property, plant and equipment | (13,441) | (29,052) |
| Purchase of intangible assets | (4,722) | (1,114) |
| Proceeds from disposal of property, plant and equipment | 60,637 | 73,536 |
| Distribution from liquidation of an associate | - | 321 |
| Dividends received from associates | - | 2,590 |
| Dividends received from other financial assets | 136 | 306 |
| Loan repaid by/(made to) associates | 3,386 | (3,800) |
| Cash inflow on disposal of a subsidiary | 9 | - |
| Acquisition of non-controlling interests | (5,825) | - |
| Return of investment/(investment made) in other financial assets | 767 | (87) |
| Interest received | 921 | 759 |
| **Net cash from investing activities** | 41,868 | 43,459 |

| | Group | |
|---|---|---|
| | 12 months ended | |
| | 31 March 2017 | 31 March 2016 |
| | S$'000 | S$'000 |
| **Financing activities:** | | |
| Purchase of treasury shares | - | (1,058) |
| Purchase of notes payable | - | (1,500) |
| Net repayment of trust receipts | (4,147) | (32,373) |
| Proceeds from bank loans | 232,600 | 153,651 |
| Repayment of bank loans | (304,639) | (110,230) |
| Net proceeds from rights issue | 41,030 | - |
| Proceeds from finance lease obligations | 14,362 | 11,523 |
| Repayment of finance lease obligations | (98,526) | (75,899) |
| Dividends paid to shareholders of the Company | - | (6,298) |
| Dividends paid to non-controlling interests | (3,070) | (1,039) |
| Change in bank balances earmarked for certain banking facilities | (21,116) | 399 |
| Interest paid | (21,935) | (23,795) |
| **Net cash used in financing activities** | (165,441) | (86,619) |
| **Net (decrease)/increase in cash and cash equivalents during the period** | (38,396) | 39,014 |
| Cash and cash equivalents at beginning of the period | 130,072 | 92,237 |
| Effect of exchange rate fluctuations on cash held | 862 | (1,179) |
| **Cash and cash equivalents at end of the period** | 92,538 | 130,072 |

| | Group | |
|---|---|---|
| | 31 March 2017 | 31 March 2016 |
| | S$'000 | S$'000 |
| **Cash and cash equivalents** | | |
| Cash, bank balances and fixed deposits with banks | 114,284 | 130,702 |
| Bank balances earmarked for certain banking facilities | (21,746) | (630) |
| Cash and cash equivalents at end of the period | 92,538 | 130,072 |

**Notes:**

During the year ended 31 March 2017, the Group acquired property, plant and equipment with an aggregate cost of S$67,208,000 (31 March 2016: S$49,175,000) of which S$53,767,000 (31 March 2016: S$20,123,000) was acquired by means of finance leases.

In addition, property, plant and equipment of S$14,884,000 (31 March 2016: S$18,900,000) was transferred from inventories during the year ended 31 March 2017, of which S$14,362,000 (31 March 2016: S$11,523,000) was financed by means of finance leases.

During the year ended 31 March 2017, property, plant and equipment with carrying amount amounting to S$24,900,000 (31 March 2016: S$6,252,000) was transferred to inventories due to change in the use of assets.

During the three months ended 31 March 2017, the Company raised S$41.0 million from the issue of 125,521,284 shares pursuant to a renounceable underwritten rights issue on the basis of 1 rights share for every 5 existing shares. Of the total net proceeds of S$41.0 million, S$16.4 million has been utilised for the repayment of loans. This is in accordance with its stated use.

**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.**

**The Group**

| | Share capital S$'000 | Reserve for own shares S$'000 | Share-based payment reserve S$'000 | Capital reserves S$'000 | Fair value reserve S$'000 | Currency translation reserve S$'000 | Accumulated profits S$'000 | Total attributable to owners of the Company S$'000 | Non-controlling interests S$'000 | Total equity S$'000 |
|---|---|---|---|---|---|---|---|---|---|---|
| **At 1 April 2015** | **325,849** | **(1,766)** | **779** | **26,258** | **273** | **(22,234)** | **321,670** | **650,829** | **50,571** | **701,400** |
| **Total comprehensive income for the year** | | | | | | | | | | |
| Loss for the year | - | - | - | - | - | - | (39,312) | (39,312) | (605) | (39,917) |
| **Other comprehensive loss** | | | | | | | | | | |
| Foreign currency translation reclassified to profit or loss on liquidation of an associate | - | - | - | - | - | 45 | - | 45 | - | 45 |
| Net loss on translation of net investment in foreign entities | - | - | - | (456) | - | (21,221) | - | (21,677) | (2,446) | (24,123) |
| Effective portion of changes in fair value of cash flow hedges | - | - | - | - | (383) | - | - | (383) | - | (383) |
| Net change in fair value of available-for-sale financial assets | - | - | - | - | 284 | - | - | 284 | - | 284 |
| Total other comprehensive loss | - | - | - | (456) | (99) | (21,176) | - | (21,731) | (2,446) | (24,177) |
| Total comprehensive loss for the year | - | - | - | (456) | (99) | (21,176) | (39,312) | (61,043) | (3,051) | (64,094) |
| **Transactions with owners of the Company, recognised directly in equity** | | | | | | | | | | |
| **Contributions by and distributions to owners of the Company** | | | | | | | | | | |
| Value of employee services received for issue of performance shares | - | - | 93 | - | - | - | - | 93 | - | 93 |
| Performance shares awarded using treasury shares | - | 151 | (164) | 13 | - | - | - | - | - | - |
| Purchase of treasury shares | - | (1,058) | - | - | - | - | - | (1,058) | - | (1,058) |
| Dividends paid to shareholders of the Company | - | - | - | - | - | - | (6,298) | (6,298) | (360) | (6,658) |
| Cancellation of share options | - | - | (191) | - | - | - | 191 | - | - | - |
| Total contributions by and distributions to owners of the Company | - | (907) | (262) | 13 | - | - | (6,107) | (7,263) | (360) | (7,623) |

**The Group**

| | Share capital S$'000 | Reserve for own shares S$'000 | Share-based payment reserve S$'000 | Capital reserves S$'000 | Fair value reserve S$'000 | Currency translation reserve S$'000 | Accumulated profits S$'000 | Total attributable to owners of the Company S$'000 | Non-controlling interests S$'000 | Total equity S$'000 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Changes in ownership Interest in subsidiaries** | | | | | | | | | | |
| Changes in ownership Interests in subsidiaries with no change in control | - | - | - | 3,178 | - | - | - | 3,178 | (3,178) | - |
| Total changes in ownership interest in subsidiaries | - | - | - | 3,178 | - | - | - | 3,178 | (3,178) | - |
| **Total transactions with owners** | **-** | **(907)** | **(262)** | **3,191** | **-** | **-** | **(6,107)** | **(4,085)** | **(3,538)** | **(7,623)** |
| Transfer from accumulated profits to statutory reserve funds | - | - | - | 571 | - | - | (571) | - | - | - |
| **At 31 March 2016** | **325,849** | **(2,673)** | **517** | **29,564** | **174** | **(43,410)** | **275,680** | **585,701** | **43,982** | **629,683** |

**The Group**

| | Share capital S$'000 | Reserve for own shares S$'000 | Share-based payment reserve S$'000 | Capital reserves S$'000 | Fair value reserve S$'000 | Currency translation reserve S$'000 | Accumulated profits S$'000 | Total attributable to owners of the Company S$'000 | Non-controlling interests S$'000 | Total equity S$'000 |
|---|---|---|---|---|---|---|---|---|---|---|
| **At 1 April 2016** | **325,849** | **(2,673)** | **517** | **29,564** | **174** | **(43,410)** | **275,680** | **585,701** | **43,982** | **629,683** |
| **Total comprehensive income for the year** | | | | | | | | | | |
| Loss for the period | - | - | - | - | - | - | (38,009) | (38,009) | 1,081 | (36,928) |
| **Other comprehensive loss** | | | | | | | | | | |
| Net loss on translation of net investment in foreign entities | - | - | - | (133) | - | (343) | - | (476) | (4,055) | (4,531) |
| Effective portion of changes in fair value of cash flow hedges | - | - | - | - | (407) | - | - | (407) | - | (407) |
| Termination of cash flow hedges | - | - | - | - | 407 | - | - | 407 | - | 407 |
| Net change in fair value of available-for-sale financial assets | - | - | - | - | 788 | - | - | 788 | - | 788 |
| Total other comprehensive loss | - | - | - | (133) | 788 | (343) | - | 312 | (4,055) | (3,743) |
| Total comprehensive loss for the year | - | - | - | (133) | 788 | (343) | (38,009) | (37,697) | (2,974) | (40,671) |
| **Transactions with owners of the Company, recognised directly in equity** | | | | | | | | | | |
| **Contributions by and distributions to owners of the Company** | | | | | | | | | | |
| Issuance of shares | 41,030 | - | - | - | - | - | - | 41,030 | - | 41,030 |
| Cancellation of share options | - | - | (96) | - | - | - | 96 | - | - | - |
| Value of employee services received for issue of performance shares | - | - | 34 | - | - | - | - | 34 | - | 34 |
| Performance shares awarded using treasury shares | | 51 | (63) | 12 | - | - | - | - | - | - |
| Dividends declared | - | - | - | - | - | - | - | - | (2,260) | (2,260) |
| Total contributions by and distributions to owners of the Company | 41,030 | 51 | (125) | 12 | - | - | 96 | 41,064 | (2,260) | 38,804 |

**The Group**

| | Share capital S$'000 | Reserve for own shares S$'000 | Share-based payment reserve S$'000 | Capital reserves S$'000 | Fair value reserve S$'000 | Currency translation reserve S$'000 | Accumulated profits S$'000 | Total attributable to owners of the Company S$'000 | Non-controlling interests S$'000 | Total equity S$'000 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Changes in ownership Interest in subsidiaries** | | | | | | | | | | |
| Acquisition of contribution by non-controlling interest | - | - | - | (1,705) | - | - | - | (1,705) | (4,120) | (5,825) |
| Total changes in ownership interest in subsidiaries | - | - | - | (1,705) | - | - | - | (1,705) | (4,120) | (5,825) |
| **Total transactions with owners** | **41,030** | **51** | **(125)** | **(1,693)** | **-** | **-** | **96** | **39,359** | **(6,380)** | **32,979** |
| Transfer from accumulated profits to statutory reserve funds | - | - | - | 900 | - | - | (900) | - | - | - |
| **At 31 March 2017** | **366,879** | **(2,622)** | **392** | **28,638** | **962** | **(43,753)** | **236,867** | **587,363** | **34,628** | **621,991** |

| The Company | Share capital S$'000 | Reserve for own shares S$'000 | Share based payment reserve S$'000 | Capital reserves S$'000 | Fair value reserves S$'000 | Accumulated profits S$'000 | Total equity S$'000 |
|---|---|---|---|---|---|---|---|
| **At 1 April 2015** | **325,849** | **(1,766)** | **779** | **(1,951)** | **273** | **43,286** | **366,470** |
| **Total comprehensive income for the year** | | | | | | | |
| Profit for the year | - | - | - | - | - | 8,933 | 8,933 |
| **Other comprehensive income** | | | | | | | |
| Effective portion of changes in fair value of cash flow hedges | - | - | - | - | (383) | - | (383) |
| Net changes in fair value of available-for-sale financial assets | - | - | - | - | 244 | - | 244 |
| Total other comprehensive loss | - | - | - | - | (139) | - | (139) |
| Total comprehensive income for the year | - | - | - | - | (139) | 8,933 | 8,794 |
| **Contributions by and distributions to owners of the Company** | | | | | | | |
| Value of employee services received for issue of performance shares | - | - | 93 | - | - | - | 93 |
| Performance shares awarded using treasury shares | - | 151 | (164) | 13 | - | - | - |
| Cancellation of share options | - | - | (191) | - | - | 191 | - |
| Purchase of treasury shares | - | (1,058) | - | - | - | - | (1,058) |
| Dividends paid to shareholders of the Company | - | - | - | - | - | (6,298) | (6,298) |
| Total contributions by and distributions to owners of the Company | - | (907) | (262) | 13 | - | (6,107) | (7,263) |
| **At 31 March 2016** | **325,849** | **(2,673)** | **517** | **(1,938)** | **134** | **46,112** | **368,001** |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **At 1 April 2016** | **325,849** | **(2,673)** | **517** | **(1,938)** | **134** | **46,112** | **368,001** |
| **Total comprehensive loss for the year** | | | | | | | |
| Loss for the year | - | - | - | - | - | (6,492) | (6,492) |
| **Other comprehensive income/(loss)** | | | | | | | |
| Effective portion of changes in fair value of cash flow hedges | - | - | - | - | (407) | - | (407) |
| Termination of cash flow hedges | - | - | - | - | 407 | - | 407 |
| Net change in fair value of available-for-sale financial assets | - | - | - | - | 674 | - | 674 |
| Total other comprehensive income | - | - | - | - | 674 | - | 674 |
| Total comprehensive income/(loss) for the year | - | - | - | - | 674 | (6,492) | (5,818) |
| **Contributions by and distributions to owners of the Company** | | | | | | | |
| Issuance of shares | 41,030 | - | - | - | - | - | 41,030 |
| Value of employee services received for issue of performance shares | - | - | 34 | - | - | - | 34 |
| Performance shares awarded using treasury shares | - | 51 | (63) | 12 | - | - | - |
| Cancellation of share options | - | - | (96) | - | - | 96 | - |
| Total contributions by and distributions to owners of the Company | 41,030 | 51 | (125) | 12 | - | 96 | 41,064 |
| **At 31 March 2017** | 366,879 | (2,622) | 392 | (1,926) | 808 | 39,716 | **403,247** |

**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 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

During the 3 months ended 31 March 2017, the Company issued 125,521,284 ordinary shares for cash pursuant to a renounceable underwritten rights issue on the basis of 1 rights share for every 5 existing shares in the capital of the Company and raised net proceeds of S$41.0 million. These shares were listed and quoted on the Main Board of SGX-ST on 13 February 2017.

Performance Shares

There were 77,500 performance shares granted but not vested as at 31 March 2017 (31 March 2016: 155,000).

Share Option

No share options under the Tat Hong Employee Share Option Scheme 2006 were exercised during the 3 months ended 31 March 2017 (31 March 2016: nil).

During the 3 months ended 31 March 2017, 150,000 share options were cancelled (31 March 2016: 88,000). As at 31 March 2017, there were 1,103,000 (31 March 2016: 1,418,000) outstanding share options exercisable at the price of S$1.08 per share.

**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.**

As at 31 March 2017, the Company's issued and paid up capital less treasury shares comprised 753,127,707 ordinary shares (31 March 2016: 627,528,923).

**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.**

| | FY2017 | FY2016 |
|---|---|---|
| Balance as at 1 April | 4,063,900 | 2,029,500 |
| Performance shares awarded using treasury shares | (77,500) | (173,500) |
| Purchase of treasury shares | - | 2,207,900 |
| Balance as at 31 March | 3,986,400 | 4,063,900 |

**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.**

As at 31 March 2017, there were no sales, transfers, cancellation and/or use of subsidiary holdings.

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

The figures have been audited in accordance with Singapore Standards on Auditing.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Refer to the attached auditors' report.

**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 preparation of the consolidated financial statements for the current reporting period as those applied in the audited financial statements for the year ended 31 March 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.**

In the current financial period, the Group adopted the applicable new and revised Singapore Financial Reporting Standards ("FRSs") and related Interpretations ("INT FRSs") that are relevant to its operations and effective for annual periods beginning on or after 1 April 2016. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group's accounting policies and has no material effect on the financial statements.

During the 3 months ended 31 March 2017, the Company issued 125,521,284 ordinary shares for cash pursuant to a renounceable underwritten rights issue on the basis of 1 rights share for every 5 existing shares in the capital of the Company. The comparatives for earnings per share, net asset value per ordinary share and net tangible asset per ordinary share have been restated to account for the effect of the rights issue.

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

| | Group (Fourth Quarter) | | Group | |
|---|---|---|---|---|
| | 3 months ended | 3 months ended | 12 months ended | 12 months ended |
| | 31 March 2017 | 31 March 2016 (restated) | 31 March 2017 | 31 March 2016 (restated) |
| Net profit/(loss) attributable to owners of the Group (S$'000) | (29,239) | (39,812) | (38,009) | (39,312) |
| Weighted average ordinary shares ('000) for calculation of: | | | | |
| - Basic earnings per share | 690,367 | 630,620 | 643,376 | 631,600 |
| - Diluted earnings per share | 690,367 | 630,620 | 643,376 | 631,600 |
| Earnings/(loss) per ordinary share ("EPS") (SGD cents) of the Group: | | | | |
| (a) Based on the weighted average number of ordinary shares on issue | (4.24) | (6.31) | (5.91) | (6.22) |
| (b) On a fully diluted basis | (4.24) | (6.31) | (5.91) | (6.22) |

During the 3 months ended 31 March 2017, the Company issued 125,521,284 ordinary shares for cash pursuant to a renounceable underwritten rights issue on the basis of 1 rights share for every 5 existing shares in the capital of the Company. The comparatives have been restated to account for the effect of the rights issue.

As at 31 March 2017, there were 1,103,000 (31 March 2016: 1,418,000) share options which were granted on 30 September 2009 available for conversion to ordinary shares. The share options are deemed to be anti-dilutive (31 March 2016: anti-dilutive) and are not included in the weighted average number of ordinary shares for the purpose of computing diluted earnings per share.

**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 financial period reported on and (b) immediately preceding financial year.**

| | Group | | Company | |
|---|---|---|---|---|
| | 31 March 2017 | 31 March 2016 (restated) | 31 March 2017 | 31 March 2016 (restated) |
| Net asset value per ordinary share (S$) | 0.78 | 0.93 | 0.54 | 0.58 |
| Net tangible asset per ordinary share (S$) | 0.77 | 0.92 | 0.54 | 0.58 |

Net asset value and net tangible asset per ordinary share as at 31 March 2017 and 31 March 2016 were computed based on 753,127,707 and 630,620,197[1] shares respectively.

[1] During the 3 months ended 31 March 2017, the Company issued 125,521,284 ordinary shares for cash pursuant to a renounceable underwritten rights issue on the basis of 1 rights share for every 5 existing shares in the capital of the Company. The comparatives for earnings per share, net asset value per ordinary share and net tangible asset per ordinary share have been restated to account for the effect of the rights issue.

**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 cashflow, working capital, assets or liabilities of the group during the current financial period reported on.**

**Income statement**

The Group's revenue in the 3 months and full year ended 31 March 2017 ("4QFY2017" and "FY2017" respectively) declined by 13% in each period to S$110.2 million and S$458.3 million compared with revenues posted in the corresponding quarter and financial year ended 31 March 2016 ("4QFY2016" and "FY2016" respectively) of S$126.7 million and S$528.2 million.

A breakdown of the Group's revenue by business segments is set out below:

| | Group (Fourth Quarter) | | | Group (Full Year) | | |
|---|---|---|---|---|---|---|
| Revenue | FY2017 | FY2016 | % Change | FY2017 | FY2016 | % Change |
| | S$'000 | S$'000 | | S$'000 | S$'000 | |
| Crane Rental | 30,573 | 45,115 | -32% | 132,489 | 188,456 | -30% |
| Tower Crane Rental | 20,771 | 23,366 | -11% | 98,098 | 93,605 | 5% |
| General Equipment Rental | 11,155 | 9,827 | 14% | 44,808 | 44,409 | 1% |
| Distribution | 47,726 | 48,408 | -1% | 182,898 | 201,758 | -9% |
| **Total** | 110,225 | 126,716 | -13% | 458,293 | 528,228 | -13% |

Compared to their respective corresponding periods, Crane Rental revenue in 4QFY2017 and FY2017 fell by 32% and 30% to S$30.6 million and S$132.5 million respectively. The decrease was mainly attributable to lower utilisation rates primarily in Australia and Singapore due to the completion of projects, downward pressure on rental rates and closure of the specialised transport business in Australia from April 2016.

Tower Crane Rental division posted a 11% decrease in revenue to S$20.8 million in 4QFY2017, primarily due to delay in commencement of new projects in 4QFY2017 and the impact of a weaker RMB. On the other hand, revenue for FY2017 increased by 5% to S$98.1 million. The increase in revenue was mainly attributable to higher utilisation rates arising from the participation in new projects in the first three quarters of the financial year, partially offset by the weaker RMB:SGD. Excluding the impact of the weaker RMB, revenue would have decreased 7% or S$1.7m in 4QFY2017 and increased 10.9% or S$10.2m in FY2017.

General Equipment Rental division recorded a 14% and 1% increase in revenue to S$11.2 million and S$44.8 million in 4QFY2017 and FY2017 respectively as a result of new projects commencing in the second half of FY2017. The division's revenue for the full year was however impacted by the consolidation of branches as well as the completion of projects in the first half of FY2017.

Revenue generated by the Distribution division in 4QFY2017 decreased marginally by 1% to S$47.7 million, mainly due to lower equipment sales to Malaysia and overseas markets such as Japan, partially offset by higher equipment sales in Thailand. The FY2017 revenue declined by 9% to S$182.9 million, mainly due to lower demand for cranes in Singapore, Hong Kong, and overseas markets such as Middle East and Philippines, partially offset by higher equipment and parts sales in Malaysia and Thailand. Equipment and parts sales in Australia remained stable in both 4QFY2017 and FY2017. FY2016 revenue had included the sales of excavators in Indonesia, a business which the Group had exited.

The overall decrease in 4QFY2017 and FY2017 revenue led to a 20% reduction in the Group's gross profit in each period to S$26.7 million and S$127.4 million respectively. Gross profit margin fell to 24% and 28% in 4QFY2017 and FY2017 respectively. The decline was primarily attributable to lower margins in the crane rental division arising from lower utilisation rates particularly in Australia and Singapore and tower crane rental division due to additional costs incurred to complete projects on schedule and lower rental rates, partially mitigated by higher gross profit margin for the other divisions.

The Group's other operating income decreased 69% and 28% to S$5.6 million and S$30.5 million in 4QFY2017 and FY2017 respectively, mainly attributable to lower gains on disposal of properties and equipment. Other operating income in FY2017 also included disbursement received amounting to S$6.5 million in respect of guaranteed trade receivables.

The Group's total operating costs decreased 42% and 23% to S$51.5 million and S$166.2 million in 4QFY2017 and FY2017 respectively, due to lower staff costs, travelling and repair and maintenance expenses as a result of the Group's continuous cost containment efforts, lower net foreign exchange losses and lower impairment losses. Operating costs in 4QFY2017 and FY2017 included non-cash impairment losses on assets and investments amounting to S$3.8 million (4QFY2016: S$32.6 million) and S$6.0 million (FY2016: S$32.7 million) respectively.

While finance costs increased marginally in 4QFY2017 to S$6.7 million, it declined 7% to S$23.0 million in FY2017, primarily due to the repayment of loans, partially offset by higher interest rates.

The Group recorded a pre-tax loss of S$26.0 million and S$30.5 million in 4QFY2017 and FY2017 respectively. The reversal of deferred tax assets related to Australia and higher income tax incurred in China brought net loss attributable to shareholders to S$29.2 million and S$38.0 million in 4QFY2017 and FY2017 respectively. Excluding the non-cash impairment charges in 4QFY2017 and FY2017, the attributable loss would have been S$25.4 million and S$32.0 million respectively.

**Balance Sheet Analysis (as at 31 March 2017 vs 31 March 2016)**

- The decrease of S$64.4 million in the Group's net carrying amount of property, plant and equipment was mainly attributable to disposals of plant and equipment, transfer of research and development costs relating to patents to intangible assets, depreciation charges, impairment losses as well as the effect of the weaker RMB, partially offset by additions of property, plant and equipment.
- Intangible assets increased by S$4.8 million due to transfer of research and development costs from "Assets under construction" plus additional research and development costs incurred, partially offset by amortisation charges.
- Equipment with a net book value of S$5.7 million previously reclassified as "Assets held for sale" had been fully disposed during FY2017, with additional impairment losses of S$1.3 million being recognised in FY2017. In addition, property, plant and equipment with net book value of S$4.1 million was reclassified to "Assets held for sale" as at 31 March 2017 as the Group had committed to a plan to sell the assets.
- Inventories decreased by S$2.0 million mainly due to prudent inventory management, partially offset by net reclassification from property, plant and equipment and assets under construction to inventories due to the change in the usage of assets.
- Trade and other receivables decreased by S$29.0 million due to collection and the timing of sales.
- Total financial liabilities decreased by S$95.5 million mainly due to net repayment.
- Net gearing as at 31 March 2017 was 0.57 times (31 March 2016: 0.71 times).

**Cash flow**

The Group recorded a healthy cash and cash equivalents of S$114.3m of which S$21.7 million was earmarked for certain banking facilities, resulting from net cash flow generated from operating activities, disposal of property, plant and equipment and proceeds of rights issue. However these were partially offset by the net repayment of trust receipts, bank loans and finance lease obligations, interest payments, and purchase of property, plant and equipment and intangible assets. As a result, cash and cash equivalents declined by S$16.4 million in FY2017 from a balance of S$130.7 million (of which S$0.6 million was earmarked for certain banking facilities) as at 31 March 2016.

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

The macro environment was largely similar to that disclosed in Paragraph 10 of the Group's Financial Statements for 3QFY2017 ended 31 December 2016 which was released via the SGXNET on 14 February 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 Group anticipates that trading conditions will continue to be challenging in most of its key markets in FY2018.

The market weakness and competitive pricing pressures in the ASEAN countries and in Australia will continue to impact the Crane Rental Division.

The Tower Crane Rental Division in the People's Republic of China is expected to perform well on the back of a strong pipeline of committed projects in the building, infrastructure, transport and power generation sectors.

Australia's General Equipment Rental Division should see some improvement soon because of greater infrastructure spending.

Challenging trading conditions for the Distribution Division is expected to continue due to weak demand for heavy equipment in the ASEAN countries.

Notwithstanding that the net gearing ratio has improved markedly, the Group will continue its cost restructuring efforts and intensify its fleet rationalisation activities. The Group is also beginning to see initial results of its earlier efforts to use its strong China presence to participate in China's One Belt, One Road initiative.

**11. Dividend**

**(a) Current financial period reported on**

Any dividend recommended for the current financial period reported on? No

**(b) Corresponding period of the immediately preceding financial year**

Any dividend recommended 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.**

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

**13. Interested Person Transactions**

| Name of interested person | Aggregate value of all interested person transactions during the financial year 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 the shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000) | | | |
|---|---|---|---|---|---|---|---|---|
| | Group (Fourth Quarter) 3 months ended | | Group 12 months ended | | Group (Fourth Quarter) 3 months ended | | Group 12 months ended | |
| | 31 March 2017 | 31 March 2016 | 31 March 2017 | 31 March 2016 | 31 March 2017 | 31 March 2016 | 31 March 2017 | 31 March 2016 |
| | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 |
| **(A) Sale** | | | | | | | | |
| CS Construction & Geotechnic Pte Ltd | - | - | - | - | - | - | 620 | - |
| L&M Foundation Specialist Pte Ltd | - | - | - | - | 101 | 126 | 390 | 1,844 |
| THL Foundation Equipment Pte Ltd | - | - | - | - | 331 | - | 1,315 | 400 |
| CS Bored Pile System Pte Ltd | - | - | - | - | 134 | - | 559 | - |
| DW Foundation Pte Ltd | - | - | - | - | 114 | - | 114 | - |
| ICE Far East Sdn Bhd | - | - | - | - | - | 586 | - | 586 |
| Tat Hong Training Services Pte Ltd | - | - | - | - | - | - | 185 | - |
| Chwee Cheng & Sons Pte Ltd | - | - | - | - | 120 | - | 120 | - |
| Ng Sun Ho | - | - | 410 | - | - | - | - | - |
| **(B) Purchase** | | | | | | | | |
| CMC Construction Pte Ltd | - | - | - | - | - | - | 771 | 264 |
| CS Bored Pile System Pte Ltd | - | - | - | - | - | 175 | - | 175 |
| ICE Far East Pte Ltd | - | - | - | - | - | - | 720 | 400 |
| Chwee Cheng & Sons Pte Ltd | - | - | - | - | 373 | 383 | 373 | 383 |
| BP-Ubi Industrial Pte Ltd | - | - | - | - | 155 | 152 | 615 | 603 |
| (**C) Others** | | | | | | | | |
| Corporate guarantee granted by Chwee Cheng & Sons Pte Ltd relating to trade receivables owing by two unrelated third parties to a subsidiary of the Group | - | - | 6,477 | - | - | - | - | - |

**14. Confirmation of Procuring Undertakings from Directors and Executive Officers**

The Company has procured undertakings from all its Directors and executive officers (in the format set out in Appendix 7.7 of the Listing Manual) under Rule 720(1) of the Listing Manual.

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

**15. Segmental 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**

**a. Business segments**

| 2017 | Crane rental | Tower crane rental | General equipment rental | Distribution | Total |
|---|---|---|---|---|---|
| | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 |
| Total revenue from external customers | 132,489 | 98,098 | 44,808 | 182,898 | 458,293 |
| Inter-segment revenue | 13,640 | 8,224 | - | 29,807 | 51,671 |
| Total revenue | 146,129 | 106,322 | 44,808 | 212,705 | 509,964 |
| Reportable segment profit/(loss) | (17,069) | 14,416 | (3,319) | 2,996 | (2,976) |
| Adjustment for inter-segment profits | | | | | 4,570 |
| Unallocated amounts: | | | | | |
| - other corporate expenses | | | | | (32,925) |
| Share of results of associates (net of tax) | (521) | - | - | 1,517 | 996 |
| Share of results of joint ventures (net of tax) | (7) | - | - | (140) | (147) |
| Loss before income tax | | | | | (30,482) |
| **Other material non-cash items:** | | | | | |
| - Allowance reversed/(made) for receivables | (15,248) | (12) | (115) | 5,964 | (9,411) |
| - Allowance made for inventories | - | - | - | (4,133) | (4,133) |
| - Impairment loss on property, plant and equipment | (1,149) | - | - | - | (1,149) |
| - Impairment loss on remeasurement of assets held for sale | (1,337) | - | - | - | (1,337) |
| - Gain on disposal of property, plant and equipment | 5,244 | 310 | 4,065 | 4,651 | 14,270 |

| 2016 | Crane rental | Tower crane rental | General equipment rental | Distribution | Total |
|---|---|---|---|---|---|
| | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 |
| Total revenue from external customers | 188,456 | 93,605 | 44,409 | 201,758 | 528,228 |
| Inter-segment revenue | 16,400 | 9,277 | - | 44,716 | 70,393 |
| Total revenue | 204,856 | 102,882 | 44,409 | 246,474 | 598,621 |
| Reportable segment profit/(loss) | 872 | 6,722 | (3,099) | (855) | 3,640 |
| Adjustment for inter-segment profits | - | - | - | - | 2,701 |
| Unallocated amounts: | | | | | |
| - other corporate expenses | | | | | (44,092) |
| Share of results of associates (net of tax) | 773 | - | - | (384) | 389 |
| Share of results of joint ventures (net of tax) | (394) | - | - | (143) | (537) |
| Loss before income tax | | | | | (37,899) |
| **Other material non-cash items:** | | | | | |
| - Allowance made for receivables | (1,924) | (2,728) | (218) | (1,174) | (6,044) |
| - Allowance made for inventories | - | - | - | (1,110) | (1,110) |
| - Impairment loss on property, plant and equipment | (5,502) | - | - | - | (5,502) |
| - Impairment loss on remeasurement of assets held for sale | (885) | - | - | - | (885) |
| - Impairment loss on intangible assets | (9,735) | - | (6,602) | - | (16,337) |
| - Gain on disposal of property, plant and equipment | 26,413 | 338 | 2,974 | 3,329 | 33,054 |

**b. Geographical segments**

| 2017 | Singapore | Australia | People's Republic of China | Other countries | Total |
|---|---|---|---|---|---|
| | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 |
| Total revenue from external customers | 70,613 | 210,261 | 98,098 | 79,321 | 458,293 |

| 2016 | Singapore | Australia | People's Republic of China | Other countries | Total |
|---|---|---|---|---|---|
| | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 |
| Total revenue from external customers | 95,510 | 237,705 | 93,605 | 101,408 | 528,228 |

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

Refer to paragraph 8 above.

**17. A breakdown of sales**

| | Group | | |
|---|---|---|---|
| | S$'000 | | |
| | 31 March 2017 | 31 March 2016 | % Change |
| Revenue reported for first half-year | 226,581 | 276,682 | (18) |
| Operating (loss)/profit after tax before non-controlling interests reported for first half-year | (7,030) | 7,341 | NM |
| Revenue reported for second half-year | 231,712 | 251,546 | (8) |
| Operating loss after tax before non-controlling interests reported for second half-year | (29,898) | (47,258) | (37) |

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

| | FY2017 (S$'000) | FY2016 (S$'000) |
|---|---|---|
| Ordinary Shares:<br>- Interim dividend<br>- Final dividend | <br>-<br>- | <br>-<br>- |
| Preference Shares:<br>- Interim dividend<br>- Final dividend | <br>-<br>- | <br>-<br>- |
| Total | - | - |

**19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13). If there is no such person, the issuer must make an appropriate negative statement.**

| Name | Age | Family relationship with any director and/or chief executive officer and/or substantial shareholder | Current position and duties, and the year the position was first held | Details of changes in duties and position held, if any, during the year |
|---|---|---|---|---|
| **Directors of the Company** | | | | |
| Ng San Tiong | 65 | - | Managing Director/Group CEO | - |
| Ng Sang Kuey | 60 | Sibling of Ng San Tiong | Executive Director | - |
| Ng Chen Wei | 40 | Son of Ng San Tiong | Managing Director of several subsidiaries | - |
| **Directors of Subsidiaries** | | | | |
| Ng Sun Ho | 64 | Sibling of Ng San Tiong | Director of several subsidiaries | - |
| Ng Sun Hoe | 62 | Sibling of Ng San Tiong | Director of several subsidiaries | - |
| Ng San Guan | 59 | Sibling of Ng San Tiong | Director of several subsidiaries | - |
| Ng San Wee | 58 | Sibling of Ng San Tiong | Director of several subsidiaries | - |
| Ng Sun Oh | 48 | Sibling of Ng San Tiong | Director of several subsidiaries | - |

By Order of the Board
Jennie Hong Chok Hane
Group CFO / Company Secretary
30 May 2017