

Background

GSS Energy Limited ("GSSEL" or "Company", and together with its subsidiaries, the "Group") was incorporated on 31 October 2014 and had upon incorporation adopted 31 December as its financial year-end ("FYE"). The Company's first set of audited results would be for the period ending 31 December 2015.

On 12 February 2015, the Company acquired the entire issued and paid-up share capital of Giken Sakata (S) Limited ("GSSL") pursuant to the completion of the restructuring exercise ("Restructuring Exercise") undertaken by GSSL by way of a scheme of arrangement under Section 210 of Companies Act (Cap.50). GSSL's financial year end was 31 August. Pursuant to the terms of the implementation agreement entered into between the Company and GSSL on 10 November 2014 ("Implementation Agreement" in relation to, *inter alia*, the Restructuring Exercise and the Scheme, upon the Scheme become effective in accordance with its terms and the completion of the Restructuring Exercise, all profit or loss attributable to GSSL shall, with effect from 1 September 2014, accrue to the Group.

Further to the Restructuring Exercise, and due to the different financial year end of GSSEL and GSSL, the Company will be presenting financial information of the Group for the four months 1 September 2014 to 31 December 2014 and the first quarter period from 1 January 2015 to 31 March 2015. The financial information of the Group for the four months from 1 September 2014 to 31 December 2014 and the first quarter period from 1 January 2015 to 31 March 2015 was prepared using the "pooling-of-interest" method as if the Group has been in existence prior to the Restructuring Exercise. Consolidated assets, liabilities and reserves of the pooled enterprises are recorded at the existing carrying amounts as at 1 September 2014. The comparative figures as at 31 December and 31 March 2014 have been presented assuming the Group has been in existence since 1 September 2013.

Further to the Restructuring Exercise, the Company has taken steps to change the financial year end of its subsidiaries, including GSSL, to 31 December. The financial year end of GSSL has been changed from 31 August to 31 December, accordingly.

Unaudited Financial Statements and Related Announcement For Period Ended 31 March 2015

1(a)(i) A consolidated statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated statement of comprehensive income for the four months ended 31 December 2014 and first quarter ended 31 March 2015. These figures have not been audited.

	Unaudited		Group		Unaudited		Unaudited		Change in	
	1 Sep 2014 to 31 Dec 2014 (4 months) (S\$'000)	1 Sep 2013 to 31 Dec 2013 (4 months) (S\$'000)	Change in %	Unaudited 1Q2015 ¹ (3 months) (S\$'000)	Unaudited 1Q2014 ² (3 months) (S\$'000)	Change in %	Unaudited 1 Sep 2014 to 31 Mar 2015 (7 months) (S\$'000)	Unaudited 1 Sep 2013 to 31 Mar 2014 (7 months) (S\$'000)	Change in %	
Revenue	26,164	26,452	(1.09)%	18,158	17,947	1.18%	44,322	44,399	(0.17)%	
Cost of Sales	(17,937)	(22,865)	(21.55)%	(12,609)	(15,142)	(16.73)%	(30,546)	(38,007)	(19.63)%	
Gross Profit	8,227	3,587	NM	5,549	2,805	97.83%	13,776	6,392	NM	
Other items of income										
Other income	145	165	(12.12)%	343	116	NM	488	281	73.67%	
Interest income	11	7	57.14%	22	15	46.67%	33	22	50.00%	
Other items of expenses										
Distribution and selling expenses	(4,123)	(1,897)	NM	(2,204)	(1,527)	44.34%	(6,327)	(3,424)	84.78%	
Administration expenses	(2,816)	(1,305)	NM	(2,180)	(863)	NM	(4,996)	(2,168)	NM	
Other operating expenses	(147)	(63)	NM	(12)	-	NM	(159)	(63)	NM	
Finance costs	-	(34)	100.00%	(1)	(19)	(94.74)%	(1)	(53)	(98.11)%	
Profit before income tax	1,297	460	NM	1,517	527	NM	2,814	987	NM	
Income tax expense	(922)	(13)	NM	(458)	(28)	NM	(1,380)	(41)	NM	
Profit for the financial period	375	447	(16.11)%	1,059	499	NM	1,434	946	51.59%	
Other comprehensive income:										
<i>Items that may be reclassified subsequently to profit or loss</i>										
Exchange differences arising from translating of foreign operations	259	19	NM	147	(126)	NM	406	(107)	NM	
Other comprehensive income for the financial period, net of tax	259	19	NM	147	(126)	NM	406	(107)	NM	
Total comprehensive income for the financial period	634	466	36.05%	1,206	373	NM	1,840	839	NM	
(Loss)/Profit attributable to:-										
Owners of the parent	(321)	447	NM	957	496	92.94%	636	943	(32.56)%	
Non-controlling interests	696	-	NM	102	3	NM	798	3	NM	
	375	447	(16.11)%	1,059	499	NM	1,434	946	51.59%	
Other comprehensive income attributable to:-										
Owners of the parent	(63)	465	NM	1,135	376	NM	1,072	841	27.47%	
Non-controlling interests	697	1	NM	71	(3)	NM	768	(2)	NM	
	634	466	36.05%	1,206	373	NM	1,840	839	NM	

1(a) (ii) Other information

	Group								
	Unaudited 1 Sep 2014 to 31 Dec 2014 (4 months) (S\$'000)	Unaudited 1 Sep 2013 to 31 Dec 2013 (4 months) (S\$'000)	Change in %	Unaudited 1Q2015 ¹ (3 months) (S\$'000)	Unaudited 1Q2014 ² (3 months) (S\$'000)	Change in %	Unaudited 1 Sep 2014 to 31 Mar 2015 (7 months) (S\$'000)	Unaudited 1 Sep 2013 to 31 Mar 2014 (7 months) (S\$'000)	Change in %
Interest income	11	7	57.14%	22	15	46.67%	33	22	50.00%
Compensation from customer	-	118	(100.00)%	-	-	NM	-	-	NM
Finance cost	-	(34)	100.00%	(1)	(19)	(94.74)%	(1)	(53)	(98.11)%
Amortisation of intangible assets	(490)	-	NM	(387)	-	NM	(877)	-	NM
Depreciation of property, plant and equipment	(450)	(458)	(1.75)%	(307)	(332)	(7.53)%	(757)	(790)	(4.18)%
Foreign exchange gain/(loss), net	63	(63)	NM	230	8	NM	293	(55)	NM
Gain on disposal of property, plant and equipment	-	3	NM	18	11	63.64%	18	14	28.57%

Notes

¹ "1Q2015": Period from 1 January 2015 to 31 March 2015

² "1Q2014": Period from 1 January 2014 to 31 March 2014

³ "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 period.

Statements of Financial Position

	Group			Company		
	31 March 2015 S\$ '000	As at 31 August 2014 ¹ S\$ '000	Change in %	31 March 2015 S\$ '000	As at 31 August 2014 ² S\$ '000	Change in %
ASSETS						
Non-current assets						
Property, plant and equipment	4,913	4,618	6.39%	-	NA	NM
Intangible assets	11,898	113	NM	-	NA	NM
Investment in subsidiaries	-	-	NM	111,914	NA	NM
Goodwill	42,871	112	NM	-	NA	NM
Due from subsidiaries	-	-	NM	6,425	NA	NM
	<u>59,682</u>	<u>4,843</u>	<u>NM</u>	<u>118,339</u>	<u>NA</u>	<u>NM</u>
Current assets						
Inventories	4,182	4,573	(8.55)%	-	NA	NM
Trade receivables	30,794	14,277	NM	-	NA	NM
Other receivables and deposits	530	351	51.00%	-	NA	NM
Prepayment	195	106	83.96%	-	NA	NM
Cash and cash equivalents	9,016	4,444	NM	-	NA	NM
	<u>44,717</u>	<u>23,751</u>	<u>88.27%</u>	<u>-</u>	<u>NA</u>	<u>NM</u>
Total assets	<u>104,399</u>	<u>28,594</u>	<u>NM</u>	<u>118,339</u>	<u>NA</u>	<u>NM</u>
EQUITY AND LIABILITIES						
Current liabilities						
Trade payables	16,210	9,489	70.83%	-	NA	NM
Other payables and accruals	4,826	2,885	67.28%	-	NA	NM
Due to a related party	13,121	-	NM	-	NA	NM
Due to subsidiaries	-	-	NM	47,182	NA	NM
Current income tax payable	2,436	182	NM	-	NA	NM
Loan and borrowings	73	31	NM	-	NA	NM
	<u>36,666</u>	<u>12,587</u>	<u>NM</u>	<u>47,182</u>	<u>NA</u>	<u>NM</u>
Net current assets	<u>8,051</u>	<u>11,164</u>	<u>(27.88)%</u>	<u>(47,182)</u>	<u>NA</u>	<u>NM</u>
Non-current liabilities						
Provisions	444	444	-	-	NA	NM
	<u>444</u>	<u>444</u>	<u>-</u>	<u>-</u>	<u>NA</u>	<u>NM</u>
Total liabilities	<u>37,110</u>	<u>13,031</u>	<u>NM</u>	<u>47,182</u>	<u>NA</u>	<u>NM</u>
Net assets	<u>67,289</u>	<u>15,563</u>	<u>NM</u>	<u>71,157</u>	<u>NA</u>	<u>NM</u>
Equity attributable to owners of the parent						
Share Capital	73,458	26,178	NM	73,458	NA	NM
Accumulated losses	(10,791)	(11,427)	(5.57)%	(2,301)	NA	NM
Other reserves	951	515	84.66%	-	NA	NM
	<u>63,618</u>	<u>15,266</u>	<u>NM</u>	<u>71,157</u>	<u>NA</u>	<u>NM</u>
Non-controlling interests	<u>3,671</u>	<u>297</u>	<u>NM</u>	<u>-</u>	<u>NA</u>	<u>NM</u>
Total equity	<u>67,289</u>	<u>15,563</u>	<u>NM</u>	<u>71,157</u>	<u>NA</u>	<u>NM</u>
Total equity and liabilities	<u>104,399</u>	<u>28,594</u>	<u>NM</u>	<u>118,339</u>	<u>NA</u>	<u>NM</u>

Note:

¹ The Company was incorporated on 31 October 2014 and had upon incorporation adopted 31 December as its financial year-end. The financial information of the Group was prepared using the "pooling-of interest" method and the comparative figures as at 31 August 2014 have been presented assuming the Group has been in existence since 1 September 2013.

² Not applicable as the Company was incorporated on 31 October 2014.

"NA": Not applicable

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

Amount repayable in one year or less, or on demand

As at 31.03.2015		As at 31.08.2014 ¹	
Secured S\$ ' 000	Unsecured S\$ ' 000	Secured S\$ ' 000	Unsecured S\$ ' 000
73	-	31	-

Amount repayable after one year

As at 31.03.2015		As at 31.08.2014 ¹	
Secured S\$ ' 000	Unsecured S\$ ' 000	Secured S\$ ' 000	Unsecured S\$ ' 000
-	-	-	-

Note:

¹ The Company was incorporated on 31 October 2014 and had upon incorporation adopted 31 December as its financial year-end. The financial information of the Group was prepared using the "pooling-of interest" method and the comparative figures as at 31 August 2014 have been presented assuming the Group has been in existence since 1 September 2013.

Details of any collateral

The short-term bank loan of a subsidiary company is secured by fixed deposit placed with the bank.

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

	Group					
	Unaudited 1 Sep 2014 to 31 Dec 2014 (4 months) (S\$'000)	Unaudited 1 Sep 2013 to 31 Dec 2013 (4 months) (S\$'000)	Unaudited 1Q2015 (3 months) (S\$'000)	Unaudited 1Q2014 (3 months) (S\$'000)	Unaudited 1 Sep 2014 to 31 Mar 2015 (7 months) (S\$'000)	Unaudited 1 Sep 2013 to 31 Mar 2014 (7 months) (S\$'000)
Cash flows from operating activities						
Profit before income tax	1,297	460	1,517	527	2,814	987
Adjustments for:						
Allowance for inventory obsolescence						
Amortisation of intangible assets	490	-	387	-	877	-
Depreciation of property, plant and equipment	450	458	307	332	757	790
Finance costs	-	47	1	19	1	66
Gain on disposal of property, plant and equipment	-	(3)	(18)	(11)	(18)	(14)
Interest income	(11)	(21)	(23)	(15)	(34)	(36)
Property, plant and equipment written off						
Operating cash flows before working capital changes	2,226	941	2,171	852	4,397	1,793
Working capital changes						
Inventories	640	(481)	(261)	739	379	258
Trade receivables	(4,316)	(170)	(4,953)	(88)	(9,269)	(258)
Other receivables and deposits	(98)	(200)	103	138	5	(62)
Prepayments	(14)	7	(76)	(83)	(90)	(76)
Due from a related company	-	1	-	2	-	3
Trade payables	2,006	(830)	1,761	(1,462)	3,767	(2,292)
Other payables and accruals	(490)	(181)	411	390	(79)	209
Due to previous related companies	-	32	-	(150)	-	(118)
Due to previous holding company	-	(123)	-	-	-	(123)
Cash (used in)/generated from operations	(46)	(1,004)	(844)	338	(890)	(666)
Interest received	11	21	23	15	34	36
Interest paid	-	(47)	(1)	(19)	(1)	(66)
Income tax paid	(88)	(8)	(50)	(10)	(138)	(18)
Net cash (used in)/generated from operating activities	(123)	(1,038)	(872)	324	(995)	(714)
Cash flows from investing activities						
Payment for purchase of intangible assets	(3,670)	-	(582)	-	(4,252)	-
Payment for purchase of property, plant and equipment	(131)	(235)	(358)	(365)	(489)	(600)
Proceed from disposal of property, plant and equipment	-	4	18	11	18	15
Net cash used in acquisition of subsidiary	(14,939)	-	-	-	(14,939)	-
Net cash used in investing activities	(18,740)	(231)	(922)	(354)	(19,662)	(585)
Cash flows from financing activities						
Bank balances pledged	(110)	-	-	-	(110)	-
Proceeds from issue of shares	24,000	3,156	-	1,690	24,000	4,846
Proceeds from bank loans	90	-	-	-	90	-
Proceeds from loan from a related party	-	-	1,030	-	1,030	-
Repayment of bank loans	-	(474)	(24)	(1,148)	(24)	(1,622)
Repayment of obligations under finance leases	(14)	(155)	(10)	(312)	(24)	(467)
Net cash generated from financing activities	23,966	2,527	996	230	24,962	2,757
<i>Net increase/(decrease) in cash and cash equivalents</i>	5,103	1,258	(798)	200	4,305	1,458
<i>Effect of foreign exchange rate changes in cash and cash equivalents</i>	72	(9)	85	(3)	157	(12)
<i>Cash and cash equivalents at beginning of period</i>	4,444	4,026	9,619	5,275	4,444	4,026
Cash and cash equivalents at end of the period	9,619	5,275	8,906	5,472	8,906	5,472
Reconciliation of cash and cash equivalents						
Cash and bank balances	6,963	3,430	6,317	3,655	6,317	3,655
Fixed deposits	2,766	1,845	2,699	1,817	2,699	1,817
	9,729	5,275	9,016	5,472	9,016	5,472
Less: Bank balances pledged	(110)	-	(110)	-	(110)	-
	9,619	5,275	8,906	5,472	8,906	5,472

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

	Share capital	Statutory reserve fund	Foreign currency translation reserves	Accumulated losses	Total attributable to owners of the parent	Non-controlling Interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group							
Balance at 1 September 2014	26,178	380	135	(11,427)	15,266	297	15,563
Net loss for the financial period	-	-	-	(321)	(321)	696	375
Other comprehensive income for the financial period							
Exchange differences arising from translation of foreign operations	-	-	258	-	258	1	259
Other comprehensive income for the financial period, net of tax	-	-	258	-	258	1	259
Total comprehensive income for the financial period	-	-	258	(321)	(63)	697	634
Transactions with owners of the parent recognised directly in equity							
<i>Contributions by and distributions to owners</i>							
Issue of ordinary shares pursuant to the Scheme	47,280	-	-	-	47,280	-	47,280
Total contributions by and distributions to owners	47,280	-	-	-	47,280	-	47,280
<i>Changes in ownership of interests in subsidiaries</i>							
Acquisition of subsidiary with non-controlling interests	-	-	-	-	-	2,606	2,606
Total changes in ownership of interests in subsidiaries	-	-	-	-	-	2,606	2,606
Total transactions with owners	47,280	-	-	-	47,280	2,606	49,886
Balance at 31 December 2014	73,458	380	393	(11,748)	62,483	3,600	66,083
Net profit for the financial period	-	-	-	957	957	102	1,059
Other comprehensive income for the financial period							
Exchange differences arising from translation of foreign operations	-	-	178	-	178	(31)	147
Other comprehensive income for the financial period, net of tax	-	-	178	-	178	(31)	147
Total comprehensive income for the financial period	-	-	178	957	1,135	71	1,206
Balance at 31 March 2015	73,458	380	571	(10,791)	63,618	3,671	67,289
Balance at 1 September 2013¹	21,332	353	227	(13,532)	8,380	288	8,668
Net profit for the financial period	-	-	-	447	447	-	447
Other comprehensive income for the financial period							
Exchange differences arising from translation of foreign operations	-	-	18	-	18	1	19
Other comprehensive income for the financial period, net of tax	-	-	18	-	18	1	19
Total comprehensive income for the financial period	-	-	18	447	465	1	466
Transactions with owners of the parent recognised directly in equity							
Issue of ordinary shares	3,156	-	-	-	3,156	-	3,156
Total transactions with owners	3,156	-	-	-	3,156	-	3,156
Balance at 31 December 2013	24,488	353	245	(13,085)	12,001	289	12,290
Net profit for the financial period	-	-	-	496	496	3	499
Other comprehensive income for the financial period							
Exchange differences arising from translation of foreign operations	-	-	(121)	-	(121)	(6)	(127)
Other comprehensive income for the financial period, net of tax	-	-	(121)	-	(121)	(6)	(127)
Total comprehensive income for the financial period	-	-	(121)	496	375	(3)	372
Transactions with owners of the parent recognised directly in equity							
Issue of ordinary shares	1,690	-	-	-	1,690	-	1,690
Total transactions with owners	1,690	-	-	-	1,690	-	1,690
Balance at 31 March 2014	26,178	353	124	(12,589)	14,066	286	14,352

Note

¹ The Company was incorporated on 31 October 2014 and had upon incorporation adopted 31 December as its financial year-end. The financial information of the Group was prepared using the "pooling-of interest" method and the comparative figures as at 31 August 2014 have been presented assuming the Group has been in existence since 1 September 2013.

	Share capital	Accumulated losses	Total
	S\$'000	S\$'000	S\$'000
The Company			
Balance at 31 October 2014 ¹ (date of incorporation)	-	-	-
Net profit for the financial period	-	-	-
Total comprehensive income for the financial period	-	-	-
Balance at 31 December 2014	-	-	-
Loss for the financial period	-	(2,301)	(2,301)
Total comprehensive income for the financial period	-	(2,301)	(2,301)
Issue of ordinary shares pursuant to the Scheme	73,458	-	73,458
	73,458	-	73,458
Balance at 31 March 2015	73,458	(2,301)	71,157

Note

¹ The Company was incorporated on 31 October 2014 with one (1) share at S\$1. The comparative for corresponding period immediately preceding financial year is not available.

- 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 issue of equity securities, issues 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.**

The Company was incorporated on 31 October 2014 with an issued share capital of S\$1 comprising (1) ordinary share ("Share"). In connection with the Restructuring Exercise and the Scheme, 472,618,656 Shares ("Scheme shares") were allotted and issued by the Company to the shareholders of GSSL on 12 February 2015. Following the issuance of the Scheme Shares, the total issued share capital of the Company increased from one (1) Share as at date incorporation to 472,618,657 Shares. The movement in the Company's issued and fully paid-up share capital from 31 October 2014 (date of incorporation) was as follows:

	Company	
	No. of shares	S\$'000
Number of shares at 31 October 2014 (date of incorporation)	1	-
Number of shares at 31 December 2014	1	-
Issue of Scheme Shares pursuant to the Restructuring Exercise and the Scheme	472,618,656	73,458
Number of shares at 31 March 2015	472,618,657	73,458

The Company has no outstanding convertibles or treasury shares as at 31 March 2015 (as at 31 August 2014: not applicable*). It should be noted that GSSL did not have outstanding convertibles or treasury shares as at 31 August 2014.

* Not applicable as the Company was incorporated on 31 October 2014 with one (1) share at S\$1.

- 1 (d) (iii) **Total number of issued shares excluding treasury shares as at the end of the current financial period and as at end of the immediately preceding year.**

	Company	
	31 March 2015	31 Aug 2014
Total number of issued shares (excluding treasury shares)	472,618,657	NA*

* Not applicable as at the Company was incorporated on 31 October 2014. It should be noted that the total number of issued shares (excluding treasury shares) for GSSL as at 31 August 2014 was 472,618,657.

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

There were no sales, transfer, disposal, cancellation and/or use of treasury shares for the financial period ended 31 March 2015.

- 2 **Whether are the figures have been audited, or reviewed and in accordance with which auditing standard or practice (e.g. the Singapore Standard on Auditing 910 (Engagement to review Financial Statement), or an equivalent standard.**

The figures have not been audited or reviewed by the external auditors of the Company.

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

Not applicable.

- 4 **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The 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 for the financial year ended 31.08.2014 as well as applicable Financial Reporting Standards (FRS) which became effective for financial years beginning on or after 01.09.2014.

- 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 effects of, the change.**

The adoption of the new/revised FRS did not result in any material impact on the Group's results.

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

	Group					
	1 Sep 2014 to 31 Dec 2014 (4 months) S'pore cents	1 Sep 2013 to 31 Dec 2013 (4 months) S'pore cents	1Q FY2015 (3 months) S'pore cents	1Q FY2014 (3 months) S'pore cents	1 Sep 2014 to 31 Mar 2015 (7 months) S'pore cents	1 Sep 2013 to 31 Mar 2014 (7 months) S'pore cents
Based on the No. of shares in issue during the period	0.08	0.22	0.22	0.18	0.31	0.40
On fully diluted basis	0.08	0.22	0.22	0.18	0.31	0.40

Item 6: The earnings per share for the period from 1 September 2014 to 31 December 2014, 1 January 2015 to 31 March 2015 and 1 September 2014 to 31 December 2015 are calculated based on the weighted average share capital in issue during the period of 460,992,427 ordinary shares, 472,618,657 ordinary shares and 465,928,091 ordinary shares (1 September 2013 to 31 December 2013: 208,043,583 ordinary shares, 1 January 2014 to 31 March 2014: 271,685,324 ordinary shares, and 1 September 2013 to 31 March 2014 : 235,061,303 ordinary shares) respectively.

The Company was incorporated on 31 October 2014 and had upon incorporation adopted 31 December as its financial year-end. The financial information of the Group was prepared using the "pooling-of interest" method and the comparative figures as at 31 August 2014 have been presented assuming the Group has been in existence since 1 September 2013.

Net asset value (for the issuer and group) per ordinary share based on issued share capital (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	
	31 March 2015 S'pore cents	31 August 2014 ¹ S'pore cents	31 March 2015 S'pore cents	31 August 2014 ² S'pore cents
Net assets valued per ordinary share based on issued share of the company at the end of the financial period/year (S'pore cents)	0.14	4.85	15.06	NA

Item 7: The net assets value per share for the period ended 31 March 2015 is calculated based on the share capital (excluding treasury shares) in issue at the end of the period of 472,618,657 ordinary shares (31 August 2014: 315,018,657 ordinary shares).

Note :

¹ The Company was incorporated on 31 October 2014 and had upon incorporation adopted 31 December as its financial year-end. The financial information of the Group was prepared using the "pooling-of interest" method and the comparative figures as at 31 August 2014 have been presented assuming the Group has been in existence since 1 September 2013.

² Not applicable as the Company was incorporated on 31 October 2014 with one (1) share at S\$1.

The group comparative figures for as at 31 August 2014 have been presented assuming the Group has been in existence since 1 September 2013.

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 effected 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.

General

- (i) The Company was incorporated in Singapore on 31 October 2014.
- (ii) Pursuant to the Restructuring Exercise by way of a scheme of arrangement under Section 210 of the Companies Act (Cap. 50) by GSSL, approved by its shareholders on 18 December 2014, the Company acquired all the shares of GSSL for a consideration of one (1) new share in the Company for each share in GSSL.

GSSL, thereafter, became a 100% owned subsidiary of the Company.
- (iii) The shares of GSSL were delisted from the Catalist Board of the SGX-ST on 12 February 2015 and the shares of the Company were listed on Catalist on the same date.
- (iv) GSSL is engaged in the manufacturing of microshafts and plastic injection moulding parts and in the assembly of mechanisms and printed circuit board assembly. On 10 September 2014, it completed an acquisition of 53.68% of the shareholdings of Cepu Sakti Energy Pte Ltd ("CSE"), which holds the rights to cooperate in conducting operations to extract oil from oilfields in Indonesia.

The Company and its subsidiaries ("Group") are therefore, engaged in the following business sectors for the period under review :
- Precision engineering business ("PE")
- Oilfield operation services business ("O&G")
- (v) The Group has adopted 31 December 2015 as its financial year-end.

As GSSL's last financial reporting was for the year to 31 August 2014, the Group is currently reporting its results for a 7-month period from 1 September 2014 to 31 March 2015.

Consolidated Income Statement

- (vi) The Group achieved a turnover of S\$44.32 million for the period under review. This comprises S\$32.83 million from the PE business and S\$11.49 million from the O&G business.
- (vii) The gross profit for the period under review is S\$13.78 million, representing 31.09% of the turnover. PE contributed S\$7.83 million (23.80% of PE turnover) while O&G contributed S\$5.95 million (51.77% of O&G turnover).
- (viii) Total selling and administration expenses of S\$11.32 million were incurred in the period under review. This includes S\$5.45 million incurred for the PE business, S\$2.95 million for the O&G business and S\$2.92 million for one-off corporate expenses including expenses for the acquisition of the stake in CSE, the related share placement exercise and the scheme of arrangement to transfer the Catalyst listing to the Company.
- (ix) The Group recorded a net profit after tax of S\$1.43 million. PE and O&G achieved a net profit after tax of S\$2.76 million and S\$1.42 million, respectively before accounting for net one-off corporate expenses. The net profit attributable to the Group, after deducting non-controlling interests share, stood at S\$0.64 million.

Consolidated Statement of Financial Position

- (x) The Group's share capital stands at S\$73.46 million, an increase of S\$47.28 million, which comprises the issue of 76 million new ordinary shares as consideration shares and 1.6 million new ordinary shares as introducer shares for the acquisition of the stake in CSE, and 80 million new ordinary shares as placement shares for cash.
- (xi) A goodwill of S\$42.76 million was incurred for the acquisition of the stake in CSE.
- (xii) Trade receivables as at 31 March 2015 was S\$30.79 million. Of this, S\$12.67 million is attributable to the PE business and S\$18.12 million to the O&G business.
- (xiii) Trade payables as at 31 March 2015 was S\$16.21 million, comprising S\$8.11 million for the PE business and S\$8.10 million for the O&G business.
- (xiv) Amount due to a related party as at 31 March 2015 was S\$13.12 million. This comprises the S\$10.20 million second tranche payment due to Java Petral Energy Pte Ltd ("JPEL") as part of the consideration for the acquisition of CSE and S\$2.92 million owing to JPEL for loans extended to CSE.
- (xv) The net assets of the Group as at 31 March 2015 was S\$67.29 million while the net current asset value was S\$8.05 million.

Consolidated Statement of Cash Flows

- (xvi) The Group utilised a net cash outflow of S\$1.00 million from its operating activities during the period.
- (xvii) Net cash used in investing activities during the period was S\$19.66 million, including cash used in the acquisition of CSE.
- (xviii) Net cash generated by financing activities during the period was S\$24.96 million, mainly from the placement of 80 million new shares.
- (xix) Net cash and cash equivalents as at 31 March 2015 stood at S\$8.91 million, an increase of S\$3.43 million from 31 August 2014.

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

The Group did not make any forecast or prospect statement for the current period to shareholders.

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 continues to operate both in the PE and O&G sectors.

In the PE business, the Group maintains a positive outlook and will continue to actively source for new growth opportunities.

The Group's O&G business is largely affected by the international oil pricing mechanism. As it currently operates in the oilfield within Indonesia, it is also affected by the Indonesian Government's policies on the operation of its oilfields. In this respect, the Group maintains a cautious outlook in its O&G business.

- 11 **If a decision regarding dividend has been made:**
None.
(a) Whether an interim (final) ordinary dividend has been declared (recommended); and
None.
(b) (i) Amount per share ... cents
Not applicable.
(b) (ii) Previous corresponding period ... cents
Not applicable.
(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).
Not applicable.
(d) The date the dividend is payable.
Not applicable.
(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.
Not applicable.
- 12 **If no dividend has been declared / recommended, a statement to that effect.**
No dividend has been declared / recommended.
- 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.**
No general mandate for IPTs has been obtained from shareholders. There are no IPTs of S\$100,000 or more during the period under review.
- 14 **Negative assurance confirmation on interim financial results under SGX Listing Rule 705(5) of the Listing Manual**
The directors of the Company confirm that to the best of their knowledge, nothing has come to their attention which may render the unaudited interim financial results for first quarter ended 31 March 2015 to be false or misleading in any material aspect.
- On behalf of the Board of Directors**
Yeung Kin Bond Sydney
Executive Director & Group CEO
- Ng Say Tiong**
Executive Director & Company Secretary

BY ORDER OF THE BOARD

Ng Say Tiong
Company Secretary

11th May 2015

This document has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Stamford Corporate Services Pte. Ltd. (the "Sponsor"), for compliance with the relevant rules of Singapore Exchange Securities Trading Limited ("SGX-ST"). The Sponsor has not independently verified the contents of this document. This document has not been examined or approved by SGX-ST and SGX-ST assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Mr Bernard Lui: telephone no. (65) 6389 3000; email address bernard.lui@stamfordlaw.com.sg.