



# TSH Corporation Limited

Company Registration Number: 200003865N

## Full-Year Unaudited Financial Statement Announcement for the Financial Year Ended 31 December ("FY") 2016

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, SAC Capital Private Limited, for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Company's Sponsor has not independently verified the contents of this announcement.

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

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

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

### Statement of Comprehensive Income

	The Group		Increase/ (Decrease)
	2016 S\$'000	2015 (Restated) S\$'000	
<b>Continuing operations</b>			
Revenue	-	24,751	n.m.
Cost of sales	-	(23,289)	n.m.
<b>Gross profit</b>	-	1,462	n.m.
Other income	547	538	1.7%
General and administrative expenses	(1,625)	(2,201)	-26.2%
Selling and marketing expenses	(99)	(625)	-84.2%
Finance costs	(222)	(166)	33.7%
Other operating (expenses)/income	(899)	792	n.m.
<b>Loss before exceptional items and taxation from continuing operations</b>	<b>(2,298)</b>	<b>(200)</b>	n.m.
Exceptional items	7,184	(6,864)	n.m.
<b>Profit/(Loss) before taxation from continuing operations</b>	<b>4,886</b>	<b>(7,064)</b>	n.m.
Taxation	(868)	726	n.m.
<b>Profit/(Loss) from continuing operations, net of tax</b>	<b>4,018</b>	<b>(6,338)</b>	n.m.
<b>Discontinued operations</b>			
<b>(Loss)/Profit from discontinued operations, net of tax (Note 1)</b>	<b>(164)</b>	<b>39</b>	n.m.
<b>PROFIT/(LOSS) FOR THE YEAR</b>	<b>3,854</b>	<b>(6,299)</b>	n.m.
<b>Other comprehensive income for the year, net of tax:</b>			
<i>Item that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation	(158)	307	n.m.
Realisation of translation reserve on disposal and strike-off of subsidiaries	(566)	-	n.m.
<b>Other comprehensive income for the year, net of tax</b>	<b>(724)</b>	<b>307</b>	n.m.
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>3,130</b>	<b>(5,992)</b>	n.m.
Profit/(Loss) from continuing operations, net of tax	4,018	(6,338)	n.m.
(Loss)/Profit from discontinued operations, net of tax	(164)	39	n.m.
<b>Profit/(Loss) for the year attributable to owners of the Company</b>	<b>3,854</b>	<b>(6,299)</b>	n.m.
Total comprehensive income from continuing operations	4,018	(6,343)	n.m.
Total comprehensive income from discontinued operations	(888)	351	n.m.
<b>Total comprehensive income for the year attributable to owners of the Company</b>	<b>3,130</b>	<b>(5,992)</b>	n.m.

n.m. - not meaningful

**Note 1**

In August 2016, the Group disposed of its wholly-owned subsidiaries, Explomo Technical Services Pte Ltd ("**Explomo Technical**") and WoW Technologies (Singapore) Pte Ltd together with its subsidiaries ("**WoW Group**") that were previously reported in the Homeland Security Services and Consumer Electronic Products segments respectively (collectively known as "**Discontinued Subsidiaries**"). Their results were presented separately under discontinued operations as "(Loss)/Profit from discontinued operations, net of tax" in the Statement of Comprehensive Income in accordance with FRS105, Non-Current Assets Held for Sale and Discontinued Operations. The results of the Discontinued Subsidiaries for FY2016 and FY2015 were as follows:

	<b>The Group</b>	
	<b>2016 S\$'000</b>	<b>2015 S\$'000</b>
<b>Revenue</b>	<b>9,528</b>	<b>14,739</b>
Cost of sales	(6,466)	(10,345)
<b>Gross profit</b>	<b>3,062</b>	<b>4,394</b>
Other income	149	233
General and administrative expenses	(975)	(1,916)
Selling and marketing expenses	(558)	(1,695)
Finance costs	(57)	(81)
Other operating expenses	(405)	(939)
<b>Profit/(Loss) before exceptional items and taxation</b>	<b>1,216</b>	<b>(4)</b>
<i>Exceptional items:</i>		
Gain on disposal of subsidiaries, net	830	-
Impairment of goodwill	(1,760)	-
Impairment of plant and equipment	(354)	-
Loss before taxation	(68)	(4)
Taxation	(96)	43
<b>(Loss)/Profit for the year from discontinued operations, net of tax</b>	<b>(164)</b>	<b>39</b>

**1(a)(ii) Notes to the statement of comprehensive income**

	<b>The Group</b>	
	<b>2016 S\$'000</b>	<b>2015 (Restated) S\$'000</b>
<b>Profit / (Loss) before taxation is arrived at after charging/(crediting) the following:-</b>		
<b>From continuing operations:</b>		
Depreciation of property, plant and equipment	51	229
Fair value loss on held for trading financial assets	205	66
Foreign exchange loss/(gain), net	464	(1,092)
Impairment of an asset held for sale	150	-
Interest expense	133	162
Interest income	(227)	(25)
Loss on striking-off subsidiaries	5	-
Rental expenses	25	-
Rental income	(259)	(464)
<b>Exceptional items:-</b>		
Fair value loss on a held for trading financial asset	-	4,583
Gain on disposal of a subsidiary	-	(143)
Gain on disposal of an asset held for sale	(7,184)	-
Impairment of available-for-sale financial asset	-	478
Loss on disposal of a property held for development	-	1,946
	(7,184)	6,864
<b>Taxation:-</b>		
Provision in respect of profit/(loss) for the current year		
- current tax	-	60
- deferred tax	868	(796)
Under provision in respect of prior years		
- deferred tax	-	10
	868	(726)

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.

**Statement of Financial Position**

	The Group		The Company	
	31/12/2016 S\$'000	31/12/2015 S\$'000	31/12/2016 S\$'000	31/12/2015 S\$'000
<b>Non-current assets</b>				
Plant and equipment	-	1,868	-	417
Investments in subsidiaries	-	-	-	9,515
Intangible assets	-	1,963	-	-
Deferred tax assets	-	877	-	868
	-	<b>4,708</b>	-	<b>10,800</b>
<b>Current assets</b>				
Assets held for sale	2,977	11,845	2,977	11,845
Inventories	-	239	-	-
Gross amount due from customers for contract work-in-progress	-	81	-	-
Trade and other receivables	25	4,630	25	18,459
Held for trading financial assets	-	1,925	-	1,926
Fixed deposits	-	13,058	-	2,645
Restricted deposit	1,530	-	1,530	-
Cash and bank balances	2,057	17,979	2,057	867
	<b>6,589</b>	<b>49,757</b>	<b>6,589</b>	<b>35,742</b>
<b>Current liabilities</b>				
Gross amount due to customers for contract work-in-progress	-	147	-	-
Trade and other payables	386	7,031	386	2,009
Borrowings	-	7,196	-	7,196
Provision for taxation	-	5	-	-
	<b>386</b>	<b>14,379</b>	<b>386</b>	<b>9,205</b>
<b>Net current assets</b>	<b>6,203</b>	<b>35,378</b>	<b>6,203</b>	<b>26,537</b>
<b>Non-current liabilities</b>				
Deferred tax liabilities	-	178	-	-
	-	<b>178</b>	-	-
<b>Net assets</b>	<b>6,203</b>	<b>39,908</b>	<b>6,203</b>	<b>37,337</b>
<b>Equity attributable to the owners of the Company</b>				
Share capital	259	26,034	259	26,034
Translation reserve	-	724	-	-
Revenue reserve	5,944	13,150	5,944	11,303
<b>Total equity</b>	<b>6,203</b>	<b>39,908</b>	<b>6,203</b>	<b>37,337</b>

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

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

As at 31/12/2016 S\$'000		As at 31/12/2015 S\$'000	
Secured	Unsecured	Secured	Unsecured
-	-	7,196	-

**Amount repayable after one year**

As at 31/12/2016 S\$'000		As at 31/12/2015 S\$'000	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

**Details of any collateral**

The Group's secured borrowings as at 31 December 2015 were secured by first legal mortgage over the freehold land and building ("**Property**") and the assignment of future rental proceeds of the Property.

**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.**

**Statement of Cash Flows**

	The Group	
	2016 S\$'000	2015 S\$'000
<b>Cash Flows From Operating Activities</b>		
Profit/(Loss) before taxation from continuing operations	4,886	(7,064)
Loss before taxation from discontinued operations	(68)	(4)
Profit/(Loss) before taxation	4,818	(7,068)
Adjustments for:		
Amortisation of intangible assets	27	-
Depreciation of property, plant and equipment	300	596
Fair value loss on held for trading financial assets	205	4,649
Gain on disposal of an asset held for sale	(7,184)	-
Gain on disposal of plant and equipment, net	-	(25)
Gain on disposal of a subsidiary	-	(143)
Gain on disposal of subsidiaries (discontinued operations), net	(830)	-
Impairment of available-for-sale financial asset	-	478
Impairment of an asset held for sale	150	-
Impairment of goodwill	1,760	-
Impairment of inventories	-	213
Impairment of other receivables	156	-
Impairment of plant and equipment	354	-
Impairment of trade receivables	-	175
Intangible assets written off	-	206
Interest expense	133	166
Interest income	(242)	(37)
Inventories written off	-	5
Loss on striking-off of subsidiaries	5	-
Net effect of currency translation differences	202	(374)
Plant and equipment written off	27	2
<b>Operating cash flows before changes in working capital</b>	<b>(119)</b>	<b>(1,157)</b>
Decrease in development properties	-	16,075
Decrease in gross amount due from/to customers for contract work-in-progress, net	559	1,407
Increase in inventories	(582)	(286)
Decrease in trade and other payables	(1,693)	(462)
Increase in trade and other receivables	(1,218)	(500)
<b>Cash flows (used in)/from operations</b>	<b>(3,053)</b>	<b>15,077</b>
Interest paid	(133)	(188)
Interest received	242	37
Taxes paid	(11)	(143)
<b>Net cash flows (used in)/from operating activities</b>	<b>(2,955)</b>	<b>14,783</b>
<b>Cash Flows From Investing Activities</b>		
Additions to intangible assets	(57)	(238)
Net cash inflow from disposal of a subsidiary (Note A)	-	252
Net cash inflow from disposal of subsidiaries (discontinued operations) (Note B)	4,153	-
Net proceeds from disposal of an asset held for sale	15,902	-
Net proceeds from disposal /(Purchase) of held for trading financial assets	1,720	(6,361)
Proceeds from disposal of plant and equipment	345	55
Purchase of plant and equipment	(671)	(441)
<b>Net cash flows generated from/(used in) investing activities</b>	<b>21,392</b>	<b>(6,733)</b>
<b>Cash Flows From Financing Activities</b>		
Capital reduction and distribution	(25,775)	-
Dividends paid	(11,060)	-
Placement of restricted deposit (Note C)	(1,530)	-
(Repayments of)/Proceeds from borrowings, net	(7,196)	2,068
Redemption of pledged bank balances and deposits	383	292
<b>Net cash flows (used in)/from financing activities</b>	<b>(45,178)</b>	<b>2,360</b>
Net (decrease)/increase in cash and cash equivalents	(26,741)	10,410
Effect of exchange rate changes on cash and cash equivalents	(281)	664
Cash and cash equivalents at 1 January	29,079	18,005
<b>Cash and cash equivalents at 31 December (Note D)</b>	<b>2,057</b>	<b>29,079</b>



**Note A:-**

In December 2015, the Company disposed of its wholly-owned subsidiary, Explomo Consulting Pte Ltd ("**Explomo Consulting**"). The value of the assets and liabilities disposed of and the cash flow effects of the disposal of the subsidiary were as follows:

	<b>2015 S\$'000</b>
Plant and equipment	19
Deferred tax asset	56
Inventories	6
Gross amount due from customers for contract work-in-progress	7
Trade and other receivables	863
Cash and bank balances	398
Trade and other payables	(782)
Provision for taxation	(60)
Net assets disposed of	507
Gain on disposal of the subsidiary	143
Total consideration	650
Less: Cash and cash equivalents of the subsidiary	(398)
<b>Net cash inflow from disposal of the subsidiary</b>	<b>252</b>

**Note B:-**

In August 2016, the Group disposed of the Discontinued Subsidiaries as detailed above. The value of the assets and liabilities disposed of and the cash flow effects of the disposal of the subsidiaries (discontinued operations) were as follows:

	<b>2016 S\$'000</b>
Plant and equipment	1,511
Deferred tax assets	8
Intangible assets	225
Inventories	820
Gross amount due from customers for contract work-in-progress	149
Trade and other receivables	5,667
Cash and bank balances	3,415
Gross amount due to customers for contract work-in-progress	(773)
Trade and other payables	(4,952)
Provision for taxation	(90)
Deferred tax liabilities	(178)
Net assets disposed of	5,802
Realisation of translation reserve	(570)
Disposal transaction costs	141
Gain on disposal of the subsidiaries	830
Cash consideration	6,203
Net cash received	6,062
Less: Cash and cash equivalents of the subsidiaries disposed	(1,909)
<b>Net cash inflow from disposal of the subsidiaries</b>	<b>4,153</b>

The net cash flows attributable to the Discontinued Subsidiaries were as follows:

	<b>2016 S\$'000</b>	<b>2015 S\$'000</b>
Operating activities	(1,933)	1,358
Investing activities	(724)	(278)
Financing activities	383	(901)
Net cash (outflows)/inflows	(2,274)	179

**Note C:-**

This represents cash placed in escrow account in compliance with Rule 1017(1) of the Listing Manual (Section B: Rules of Catalist) of the SGX-ST ("**Catalist Rules**").

**Note D:-**

For the purpose of the statement of cash flows (for the Group), the cash and cash equivalents at the end of the financial year comprised the following:

	<b>The Group</b>	
	<b>31/12/2016 S\$'000</b>	<b>31/12/2015 S\$'000</b>
Cash and bank balances	2,057	17,979
Fixed deposits	-	13,058
Restricted deposit	1,530	-
	3,587	31,037
Less:		
- Pledged fixed deposits	-	(1,958)
- Restricted deposit	(1,530)	-
Cash and cash equivalents	2,057	29,079

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.

**Statement of Changes in Equity**

The Group	Share capital S\$'000	Revenue reserve S\$'000	Translation reserve S\$'000	Total equity S\$'000
<b>As at 1 January 2016</b>	<b>26,034</b>	<b>13,150</b>	<b>724</b>	<b>39,908</b>
<b>Profit for the year</b>	-	3,854	-	3,854
<b>Other comprehensive income:-</b>				
Foreign currency translation	-	-	(158)	(158)
Realisation of translation reserve on disposal and strike off of subsidiaries	-	-	(566)	(566)
<b>Total comprehensive income for the year</b>	-	<b>3,854</b>	<b>(724)</b>	<b>3,130</b>
<b>Distributions to owners:-</b>				
Capital reduction and distribution	(25,775)	-	-	(25,775)
Dividends paid	-	(11,060)	-	(11,060)
Total distributions to and transactions with owners in their capacity as owners	<b>(25,775)</b>	<b>(11,060)</b>	-	<b>(36,835)</b>
<b>As at 31 December 2016</b>	<b>259</b>	<b>5,944</b>	-	<b>6,203</b>
<b>As at 1 January 2015</b>	<b>26,034</b>	<b>19,449</b>	<b>417</b>	<b>45,900</b>
<b>Loss for the year</b>	-	(6,299)	-	(6,299)
<b>Other comprehensive income:-</b>				
Foreign currency translation	-	-	307	307
<b>Total comprehensive income for the year</b>	-	<b>(6,299)</b>	<b>307</b>	<b>(5,992)</b>
<b>As at 31 December 2015</b>	<b>26,034</b>	<b>13,150</b>	<b>724</b>	<b>39,908</b>

The Company	Share capital S\$'000	Revenue reserve S\$'000	Total equity S\$'000
<b>As at 1 January 2016</b>	<b>26,034</b>	<b>11,303</b>	<b>37,337</b>
<b>Profit for the year</b>	-	5,701	5,701
<b>Total comprehensive income for the year</b>	-	<b>5,701</b>	<b>5,701</b>
<b>Distribution to owners:-</b>			
Capital reduction and distribution	(25,775)	-	(25,775)
Dividends paid	-	(11,060)	(11,060)
Total distributions to and transactions with owners in their capacity as owners	<b>(25,775)</b>	<b>(11,060)</b>	<b>(36,835)</b>
<b>As at 31 December 2016</b>	<b>259</b>	<b>5,944</b>	<b>6,203</b>
<b>As at 1 January 2015</b>	<b>26,034</b>	<b>10,791</b>	<b>36,825</b>
<b>Profit for the year</b>	-	512	512
<b>Total comprehensive income for the year</b>	-	<b>512</b>	<b>512</b>
<b>As at 31 December 2015</b>	<b>26,034</b>	<b>11,303</b>	<b>37,337</b>

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State 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 immediate preceding financial year.**

There were no changes in the Company's number of issued shares from 1 July 2016 up to 31 December 2016. During the same period, the Company made a capital reduction and distributed S\$25.78 million in cash to its Shareholders, and these did not result in any change to the number of issued shares of the Company. There were no outstanding convertibles or treasury shares as at 31 December 2016 and 2015.

**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 immediate preceding year.**

Total number of issued shares excluding treasury shares was 240,443,565 as at 31 December 2016 (31 December 2015: 240,443,565 shares).

**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.**

The Company has no treasury shares during and as at end of FY2016.

**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 by the Company's auditors.

**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 adopted the same accounting policies and methods of computation in the financial statements for the current financial period compared with the audited financial statements as at 31 December 2015 except for the adoption of certain revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that became mandatory from 1 January 2016.

The adoption of these FRS and INT FRS did not result in any substantial changes to the Group's accounting policies or any significant impact on the financial statements for the current period reported on.

**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.**

Refer to paragraph 4 above.



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

	<b>2016 Cents</b>	<b>2015 Cents</b>
<b>The Group</b>		
Basic		
- from continuing operations <sup>(1)</sup>	1.67	(2.64)
- from discontinued operations <sup>(2)</sup>	(0.07)	0.02
	1.60	(2.62)
Diluted <sup>(3)</sup>		
- from continuing operations	1.67	(2.64)
- from discontinued operations	(0.07)	0.02
	1.60	(2.62)

**Notes:-**

- (1) Basic earnings per ordinary share from continuing operations were calculated based on the profit/(loss) from continuing operations, net of tax, attributable to owners of the Company divided by the weighted average number of shares in issue of 240,443,565 for FY2016 (FY2015: 240,443,565 shares).
- (2) Basic earnings per ordinary share from discontinued operations were calculated based on the (loss)/profit from discontinued operations, net of tax, attributable to owners of the Company divided by the weighted average number of shares in issue of 240,443,565 for FY2016 (FY2015: 240,443,565 shares).
- (3) There were no potential dilutive ordinary shares in FY2016 and FY2015.

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the: (a) current financial period reported on; and (b) immediately preceding financial year.**

	<b>The Group</b>		<b>The Company</b>	
	<b>31/12/2016 Cents</b>	<b>31/12/2015 Cents</b>	<b>31/12/2016 Cents</b>	<b>31/12/2015 Cents</b>
Net asset value per ordinary share <sup>(1)</sup>	2.58	16.60	2.58	15.53

**Note:-**

- (1) The net asset value per ordinary share was calculated based on the net assets divided by 240,443,565 ordinary shares as at 31 December 2016 (31 December 2015: 240,443,565).

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

#### **STATEMENT OF COMPREHENSIVE INCOME**

No revenue and gross profit were reported from the continuing operations in FY2016 as a result of the presentation of the results of the Subsidiaries (Discontinued Operations) for FY2016 and FY2015 separately under discontinued operations as explained above. The revenue and gross profit in FY2015 were related to the Property business and Explomo Consulting. All properties held for development and Explomo Consulting were disposed of in FY2015.

The loss before exceptional items and taxation from continuing operations increased significantly from S\$0.20m in FY2015 to S\$2.30m in FY2016 due mainly to the absence of gross profit, the change from other operating income of S\$0.79m in FY2015 to the other operating expenses of S\$0.90m in FY2016, but moderated by lower general and administrative expenses and selling and marketing expenses.

The change from other operating income in FY2015 to other operating expenses in FY2016 was due mainly to the exchange loss of S\$0.46m suffered mainly from the bank balances denominated in Australian Dollar and payables denominated in United States Dollar in FY2016, as compared to the exchange gain of S\$1.09m recognised from receivables denominated in United States Dollar in FY2015.

The general and administrative expenses decreased by S\$0.58m or 26.2% from S\$2.20m in FY2015 to S\$1.63m in FY2016 due mainly to the absence of expenses of Explomo Consulting.

The selling and marketing expenses decreased by S\$0.53m or 84.2% from S\$0.63m in FY2015 to S\$0.10m in FY2016 due mainly to the absence of expenses of the Property business.

The Group reported a profit after taxation from continuing operations of S\$4.02m despite the loss before exceptional items and taxation of S\$2.30m due to the gain on disposal of the Property recognised as an exceptional item. The exceptional items of S\$6.86m in FY2015 were related mainly to:

- the fair value loss on a held for trading financial asset of S\$4.58m which was marked to market value;
- loss on disposal of a property held for development of S\$1.95m which was sold without any development progress; and
- impairment of S\$0.48m of an available-for-sale financial asset (the equity investment ("Unilink Investment") in Unilink Development Limited, a private company incorporated in Hong Kong), after marking down the carrying value to its possible recoverable value.

The loss after taxation from discontinued operations of S\$0.16m for FY2016 comprised the impairment of goodwill and plant and equipment totaling S\$2.11m, but was moderated by the net gain on disposal of the Discontinued Subsidiaries of S\$0.83m and their operating profit S\$1.12m recorded before their disposals. As the revenue and expenses of the Discontinued Subsidiaries for FY2016 were less than a full financial year, it is not meaningful to compare with the results for FY2015.

#### **STATEMENT OF FINANCIAL POSITION**

The decrease in Group assets and liabilities reflects the disposal of the Discontinued Subsidiaries and the Property, the capital distribution, and payment of dividends in FY2016. The assets of the group comprised mainly cash and asset held for sale relating to the Unilink Investment.

The Company has subsequent to 31 December 2016 entered into a sale and purchase agreement to sell the Unilink Investment for an aggregate consideration of S\$3.06m.

#### **STATEMENT OF CASH FLOWS**

The cash flows used in operating activities of S\$2.96m was attributed mainly to the decrease in trade and other payables, increase in trade and other receivables and increase in inventories, partially offset by decrease in gross amount due from/to customers for contract work-in-progress.

The cash flows generated from investing activities of S\$21.39m was contributed mainly by the net proceeds from disposal of an asset held for sale, the Property, net cash inflow from disposal of the Subsidiaries (Discontinued Operations), and net proceeds from disposal of held for trading financial assets. This was partially offset by capital expenditure incurred on the purchase of plant and equipment.

The cash flows used in financing activities of S\$45.18m was attributed mainly to the capital distribution, dividends paid, repayments of borrowings and placement of restricted deposit.

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

Not applicable.

**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.**

As a cash company under Rule 1017 of the Catalist Rules, the Company is in the midst of considering and evaluating various new businesses for acquisition, and will make the appropriate announcement as and when there is any material update or development.

The Board wishes to remind shareholders that there is no assurance that the SGX-ST will not suspend the trading and listing of the Company's shares or that the Company will be able to acquire a new business that meets the SGX-ST's requirements for a new listing within the timeframe prescribed by the SGX-ST. Shareholders are advised to exercise caution when dealing in the Company's shares, and they should consult their stockbrokers, solicitors, accountants or other professional advisers if they have any doubts.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared (recommended) for the current financial period reported on? Yes.

Dividend declared and paid

Name of dividend : Special  
Dividend type : Cash  
Dividend amount per Ordinary Share : 1.60 cents per ordinary share  
Tax Rate : Exempt one-tier

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared (recommended) for the corresponding period of the immediately preceding financial year? Yes.

Dividend declared and paid

Name of dividend : First and Final  
Dividend type : Cash  
Dividend amount per Ordinary Share : 3.00 cents per ordinary share  
Tax Rate : Exempt one-tier

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**12. If no dividend has been declared (recommended), a statement to that effect.**

Save for the special dividend paid on 21 December 2016, no final dividend has been declared or recommended for FY2016.

**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.**

The Group does not have a general mandate from shareholders for IPTs pursuant to Rule 920 of the Catalist Rules.

Nature	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 shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
		S\$'000	S\$'000
Disposal of subsidiary, Explomo Technical Services Pte Ltd <sup>(1)</sup>	Lye Chee Fei Anthony	3,012	-
Sale of Company's vehicle	Lye Chee Fei Anthony	260	-
		<u>3,272</u>	<u>-</u>

**Note (1)**

The transaction has been approved by the shareholders at the extraordinary general meeting of the Company on 28 July 2016.

**14. Negative confirmation pursuant to Rule 705(5).**

Not applicable for the announcement of full year results.

**15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules.**

The Company hereby confirms that it has procured undertakings from all its Directors in the format set out in Appendix 7H.

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

**16. Segmented revenue and results for operating 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.**

Not relevant as the Company is deemed a cash company under Rule 1017 of the Catalist Rules.

**17. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

Not applicable.

**18. A breakdown of sales**

The Group	2016 S\$'000	2015 S\$'000	Increase/ (Decrease) %
(a) Sales reported for first half year			
- Continuing operations	-	14,436	
- Discontinued operations	6,721	5,912	
	6,721	20,348	-67.0%
(b) Operating (loss)/profit after tax before deducting non-controlling interests reported for first half year			
- Continuing operations	(2,524)	(1,162)	
- Discontinued operations	(1,810)	361	
	(4,334)	(801)	441.1%
(c) Sales reported for second half year			
- Continuing operations	-	10,315	
- Discontinued operations	2,807	8,827	
	2,807	19,142	-85.3%
(d) Operating profit/(loss) after tax before deducting non-controlling interests reported for second half year			
- Continuing operations	6,542	(5,176)	
- Discontinued operations	1,646	(322)	
	8,188	(5,498)	n.m.

n.m. - not meaningful

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

	2016 S\$'000	2015 S\$'000
Ordinary		
-First and Final	-	7,213
-Special	3,847	-
	<u>3,847</u>	<u>7,213</u>

**20. 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 (10). If there are no such persons, the issuer must make an appropriate negative statement.**

Pursuant to Rule 704(10) of the Catalist Rules, the Company confirms that to the best of its knowledge, belief and information, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a director or the chief executive officer or substantial shareholder of the Company.

**BY ORDER OF THE BOARD**

Lye Chee Fei Anthony  
 Executive Director  
 28 February 2017

Wong Weng Foo John  
 Chairman