ASL MARINE HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
Co. Reg. No. 200008542N

UNAUDITED QUARTERLY FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2018

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.

Income Statement

	Group		
	3 months ended 30 September		
	1Q FY2019 $'000	1Q FY2018 (restated)^ $'000	Inc/ (Dec) %
Revenue	67,577	54,601	23.8
Cost of sales	(66,294)	(49,692)	33.4
Gross profit	**1,283**	**4,909**	**(73.9)**
Other operating income	2,294	761	201.4
Administrative expenses	(4,977)	(5,144)	(3.2)
Other operating expenses	(134)	-	Nm
Finance costs	(5,818)	(5,623)	3.5
Share of results of joint ventures and associates	820	(2,041)	(140.2)
Loss before tax	**(6,532)**	**(7,138)**	(8.5)
Tax expense	(1,245)	(411)	202.9
Loss for the period	**(7,777)**	**(7,549)**	**3.0**
Attributable to:			
Owners of the Company	**(7,854)**	**(7,155)**	**9.8**
Non-controlling interests	77	(394)	(119.5)
	(7,777)	**(7,549)**	**3.0**
Adjusted EBITDA* for the period	**13,657**	**14,688**	**(7.0)**

Nm: Not meaningful

* Adjusted EBITDA is computed based on earnings of the Company and its subsidiaries before interests, tax, depreciation, amortisation, and after adjusted for the add back of allowance for impairment of doubtful debts, impairments, write-offs and any other non-cash flow items.

^ Restated pursuant to adoption of new accounting standards. For details, please refer to item 5 of this results announcement.

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

	Note	Group 3 months ended 30 September 1Q FY2019 $'000	1Q FY2018 (restated) $'000	Inc/ (Dec) %
Loss for the period		**(7,777)**	**(7,549)**	**3.0**
Items that may be reclassified subsequently to profit or loss:				
Translation differences relating to financial statements of foreign subsidiaries, net of tax	(i)	24	(1,362)	(101.8)
Share of other comprehensive income of joint ventures and associates		22	(158)	(113.9)
Net fair value changes to cash flow hedges	(ii)	-	(25)	(100.0)
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit pension plan		(58)	-	Nm
Other comprehensive income for the period, net of tax		**(12)**	**(1,545)**	**(99.2)**
Total comprehensive income for the period		**(7,789)**	**(9,094)**	**(14.4)**
Attributable to:				
Owners of the Company		**(7,873)**	**(8,611)**	**(8.6)**
Non-controlling interests		84	(483)	(117.4)
		(7,789)	**(9,094)**	**(14.4)**

Notes:

(i) The movement in foreign currency translation reserves arose mainly from the consolidation of subsidiaries whose functional currencies are United States Dollar ("USD"), Euro ("EUR") and Indonesian Rupiah ("IDR").

(ii) The fair value loss on cash flow hedges was primarily due to fair value adjustments on interest rate swaps.

1(a)(ii) Net profit for the period was stated after (charging)/crediting:-

	Group	
	3 months ended 30 September	
	1Q FY2019	1Q FY2018 (restated)
	$'000	$'000
Write back of allowance for impairment of doubtful receivables (net)	-	4
Amortisation of intangible assets	(166)	(215)
Amortisation of lease prepayments	(90)	(107)
Depreciation of property, plant and equipment	(15,070)	(14,124)
Fair value loss of short-term investment	(51)	-
Gain on disposal of property, plant and equipment	377	158
Gain on disposal of assets classified as held for sale	343	-
Gain on foreign exchange (net)	862	15
Loss on disposal of short-term investment	(83)	-
Interest income from bank balances	20	98
Interest income from finance lease receivables	166	182
Provision for pension liabilities	(80)	(9)
(Provision)/ reversal for warranty (net)	(3)	138
(Under)/ over provision of tax in respect of prior years	(1,138)	193

1(b)(i) A statement of financial position (for the group and issuer), together with a comparative statement as at the end of the immediately preceding financial year.

	Group			Company	
	30-Sep-18	30-Jun-18 (restated)	01-Jul-17 (restated)	30-Sep-18	30-Jun-18
	$'000	$'000	$'000	$'000	$'000
Non-current assets					
Property, plant and equipment	560,988	577,087	611,887	-	-
Lease prepayments	5,671	5,913	5,731	-	-
Investment in subsidiaries	-	-	-	42,931	42,404
Investment in joint ventures and associates	5,630	4,845	9,008	-	-
Intangible assets	12,154	12,368	17,877	-	-
Finance lease receivables	7,672	7,841	8,865	-	-
	592,115	**608,054**	**653,368**	**42,931**	**42,404**
Current assets					
Inventories	171,828	171,457	182,015	-	-
Short-term investment	204	-	-	-	-
Contract assets	27,116	45,322	84,930	-	-
Trade and other receivables	194,825	181,003	181,563	373,092	373,598
Prepayments	4,937	5,790	5,564	1,149	1,306
Finance lease receivables	769	905	1,001	-	-
Derivative financial instruments	-	-	15	-	-
Cash and bank balances	25,320	28,609	36,141	2,606	2,492
	424,999	**433,086**	**491,229**	**376,847**	**377,396**
Assets classified as held for sale	7,564	4,899	-	-	-
	432,563	**437,985**	**491,229**	**376,847**	**377,396**
Current liabilities					
Trade and other payables	209,738	206,915	184,700	116,272	115,720
Provision for warranty	37	35	169	-	-
Contract liabilities	1,272	5,579	1,437	-	-
Trust receipts	16,855	13,805	20,515	-	-
Interest-bearing loans and borrowings	86,339	99,589	215,233	15,942	14,893
Income tax payables	6,304	6,775	5,967	-	-
	320,545	**332,698**	**428,021**	**132,214**	**130,613**
Net current assets	**112,018**	**105,287**	**63,208**	**244,633**	**246,783**
Non-current liabilities					
Other liabilities	5,458	5,637	10,081	-	-
Interest-bearing loans and borrowings	386,906	388,714	313,751	218,064	219,262
Deferred tax liabilities	15,888	15,320	14,512	-	-
	408,252	**409,671**	**338,344**	**218,064**	**219,262**
Net assets	**295,881**	**303,670**	**378,232**	**69,500**	**69,925**
Equity attributable to owners of the Company					
Share capital	108,056	108,056	108,056	108,056	108,056
Treasury shares	(923)	(923)	(923)	(923)	(923)
Reserves	186,998	194,871	267,852	(37,633)	(37,208)
	294,131	**302,004**	**374,985**	**69,500**	**69,925**
Non-controlling interests	1,750	1,666	3,247	-	-
Total equity	**295,881**	**303,670**	**378,232**	**69,500**	**69,925**

1(b)(ii) Aggregate amount of the Group's borrowings and debt securities.

	Group					
	As at 30-Sep-18			As at 30-Jun-18		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Amount repayable in one year or less, or on demand	102,361	833	103,194	112,873	521	113,394
Amount repayable after one year	382,739	4,167	386,906	384,235	4,479	388,714
	485,100	**5,000**	**490,100**	**497,108**	**5,000**	**502,108**

Details of any collateral

The Group's secured borrowings comprised of term loans and finance leases which are secured by way of:

- Legal mortgages of certain leasehold properties of subsidiaries
- Legal mortgages over certain vessels, plant and equipment of subsidiaries
- Assignment of charter income and insurance of certain vessels of subsidiaries
- Assignment of subordination and intercompany loans
- Corporate guarantees from the Company and certain subsidiaries

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 3 months ended 30 September	
	1Q FY2019 $'000	1Q FY2018 (restated) $'000
Cash flows from operating activities		
Loss before tax	(6,532)	(7,138)
Adjustments for:		
Amortisation of intangible assets	166	215
Amortisation of lease prepayments	90	107
Write back of allowance for impairment of doubtful receivables (net)	-	(4)
Depreciation of property, plant and equipment	15,070	14,124
Fair value loss of short-term investment	51	-
Gain on disposal of property, plant and equipment	(377)	(158)
Gain on disposal of assets classified as held for sale	(343)	-
Loss on disposal of short-term investment	83	-
Interest expense	5,818	5,623
Interest income	(186)	(280)
Provision/ (reversal) for warranty (net)	3	(138)
Provision for pension liabilities	80	9
Share of results of joint venture and associates	(820)	2,041
Operating cash flows before changes in working capital	**13,103**	**14,401**
Changes in working capital:		
Inventories	(4,859)	768
Contract assets and liabilities	13,709	19,235
Trade and other receivables	(13,189)	138
Prepayments	852	(427)
Trade and other payables	1,632	(3,442)
Finance lease receivables	299	313
Other liabilities	(407)	(1,631)
Balances with related parties (trade)	(288)	(4,137)
Cash flows generated from operations	**10,852**	**25,218**
Interest received from finance lease receivables	166	182
Income tax refunded/ (paid)	122	(14)
Net cash flows generated from operating activities	**11,140**	**25,386**

	Group	
	3 months ended 30 September	
	1Q FY2019	1Q FY2018 (restated)
	$'000	$'000
Cash flows from investing activities		
Interest received from bank balances	20	98
Purchase of property, plant and equipment	(3,019)	(10,304)
Proceeds from disposal of property, plant and equipment	2,713	162
Proceeds from disposal of assets classified as held for sale	5,242	-
Proceeds from disposal of of short-term investment	234	-
Lease prepayments	(416)	-
Balances with related parties (non-trade)	(474)	2,473
Net cash flows generated from/ (used in) investing activities	**4,300**	**(7,571)**
Cash flows from financing activities		
Interest paid	(6,732)	(6,647)
Repayment of interest-bearing loans and borrowings	(18,830)	(22,196)
Proceeds from interest-bearing loans and borrowings	3,850	18,061
Repayment of trust receipts	(7,853)	(4,534)
Proceeds from trust receipts	10,906	5,705
Cash and bank balances (restricted use)	897	(1,159)
Net cash flows used in financing activities	**(17,762)**	**(10,770)**
Net (decrease)/ increase in cash and cash equivalents	(2,322)	7,045
Cash and cash equivalents at beginning of period	12,793	21,903
Effects of exchange rate changes on cash and cash equivalents	(70)	(79)
Cash and cash equivalents at end of period (Note 1)	**10,401**	**28,869**

Note 1:

Cash and cash equivalents comprise the followings:		
Cash and bank balances	25,320	44,264
Less: Restricted cash		
- Cash at banks	(14,382)	(5,053)
- Fixed deposits with banks	(537)	(10,342)
Cash and cash equivalents at end of period	**10,401**	**28,869**

The Group's restricted cash has been set aside for specific use with respect to certain shipbuilding financing and banking facilities granted to the Group.

1(d)(i) A statement (for the group and issuer) 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 for the period ended 30-Sep-18

Group	Share capital $'000	Treasury shares $'000	Foreign currency translation reserve $'000	Accumulated profits $'000	Total reserves $'000	Equity attributable to owners of the Company $'000	Non-controlling interests $'000	Total Equity $'000
	Attributable to owners of the Company							
FY2019								
At 1-Jul-18 (As previously reported)	**108,056**	**(923)**	**1,110**	**195,776**	**196,886**	**304,019**	**1,666**	**305,685**
Adoption of the SFRS(I) 15	-	-	-	(2,015)	**(2,015)**	**(2,015)**	-	**(2,015)**
At 1-Jul-18 (Restated)	**108,056**	**(923)**	**1,110**	**193,761**	**194,871**	**302,004**	**1,666**	**303,670**
Loss for the period	-	-	-	(7,854)	**(7,854)**	**(7,854)**	77	**(7,777)**
Other comprehensive income								
Translation differences relating to financial statements of foreign subsidiaries, net of tax	-	-	19	-	**19**	**19**	5	**24**
Share of other comprehensive income of joint ventures and associates	-	-	20	-	**20**	**20**	2	**22**
Re-measurement of defined benefit pension plans			-	(58)	**(58)**	**(58)**	-	**(58)**
Other comprehensive income for the period, net of tax	**-**	**-**	39	(58)	**(19)**	**(19)**	7	**(12)**
Total comprehensive income for the period	**-**	**-**	39	(7,912)	**(7,873)**	**(7,873)**	84	**(7,789)**
At 30-Sep-18	**108,056**	**(923)**	**1,149**	**185,849**	**186,998**	**294,131**	**1,750**	**295,881**

Statement of Changes in Equity for the period ended 30-Sep-17									
	Attributable to owners of the Company								
Group	Share capital $'000	Treasury shares $'000	Foreign currency translation reserve $'000	Hedging reserve $'000	Accumulated profits $'000	Total reserves $'000	Equity attributable to owners of the Company $'000	Non-controlling interests $'000	Total Equity $'000
FY2018									
At 1-Jul-17 (As previously reported)	**108,056**	**(923)**	**2,896**	**11**	**265,491**	**268,398**	**375,531**	**3,247**	**378,778**
Adoption of the SFRS(I) 15	-	-	-	-	(546)	**(546)**	**(546)**	-	**(546)**
At 1-Jul-17 (Restated)	**108,056**	**(923)**	**2,896**	**11**	**264,945**	**267,852**	**374,985**	**3,247**	**378,232**
Loss for the period	-	-	-	-	(7,155)	**(7,155)**	**(7,155)**	(394)	**(7,549)**
Other comprehensive income									
Translation differences relating to financial statements of foreign subsidiaries, net of tax	-	-	(1,292)	-	-	**(1,292)**	**(1,292)**	(70)	**(1,362)**
Share of other comprehensive income of joint ventures and associates	-	-	(139)	-	-	**(139)**	**(139)**	(19)	**(158)**
Net fair value changes to cash flow hedges			-	(25)	-	**(25)**	**(25)**	-	**(25)**
Other comprehensive income for the period, net of tax	**-**	**-**	(1,431)	(25)	-	**(1,456)**	**(1,456)**	(89)	**(1,545)**
Total comprehensive income for the period	**-**	**-**	(1,431)	(25)	(7,155)	**(8,611)**	**(8,611)**	(483)	**(9,094)**
At 30-Sep-17 (Restated)	**108,056**	**(923)**	**1,465**	**(14)**	**257,790**	**259,241**	**366,374**	**2,764**	**369,138**

Statement of Changes in Equity for the period ended 30-Sep-18 and 30-Sep-17						
Company	Share capital $'000	Treasury shares $'000	Hedging reserve $'000	Accumulated losses $'000	Total reserves $'000	Total equity $'000
FY2019						
At 1-Jul-18	108,056	(923)	-	(37,208)	(37,208)	69,925
Loss for the period, representing total comprehensive income for the period	-	-	-	(425)	(425)	(425)
At 30-Sep-18	108,056	(923)	-	(37,633)	(37,633)	69,500
FY2018						
At 1-Jul-17	108,056	(923)	-	(12,011)	(12,011)	95,122
Loss for the period, representing total comprehensive income for the period	-	-	-	(674)	(674)	(674)
At 30-Sep-17	108,056	(923)	-	(12,685)	(12,685)	94,448

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Number of Ordinary Shares (excluding treasury shares)
Balance as at 30-Sep-18 and 30-Jun-18	419,511,294

There have been no changes in the issued and paid-up capital of the Company since 30 June 2018.

The percentage of the aggregate number of treasury shares held against the total number of shares outstanding that is listed as at 30 September 2018 and 30 September 2017 is 0.40%.

There were no convertibles or subsidiary holdings as at 30 September 2018 and 30 September 2017.

There were no outstanding share options granted under the ESOS as at 30 September 2018 and 30 September 2017.

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 30-Sep-18	As at 30-Jun-18
Total number of issued shares	631,778,541	631,778,541
Total number of treasury shares	(2,511,600)	(2,511,600)
Total number of issued shares (excluding treasury shares)	**629,266,941**	**629,266,941**

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.

During the current financial period reported on, there were no sales, transfers, disposal, cancellation and/or use of treasury shares.

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.

Not applicable.

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

The figures have not been audited or reviewed by the Company's auditor.

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

Not applicable.

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

Except as disclosed in item 5 below, the accounting policies adopted and methods of computation in the preparation of the financial statements are consistent with those of the audited financial statements as at 30 June 2018.

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

The Group has adopted Singapore Financial Reporting Standards (International) (SFRS(I)), on 1 July 2018. In adopting SFRS(I), the Group has applied the specific transition requirements in SFRS(I) 1 First-time Adoption of SFRS(I) in preparing the financial information included in this announcement. The Group's opening balance sheet has been prepared as at 1 July 2017 which is the Group's transition date to SFRS(I).

Adoption of SFRS(I)s:

The following SFRS(I)s, amendments and interpretations of SFRS(I)s are applicable to the Group:

- SFRS(I) 15 Revenue from Contracts with Customers
- SFRS(I) 9 Financial Instruments
- Amendments to SFRS(I) 1-28 Long-term Interests in Associates and Joint Ventures
- SFRS(I) INT 23 Uncertainty over Income Tax Treatments

The adoption of the new accounting standards does not have any significant impact on the financial statements of the Group and the Company except for SFRS(I) 15.

Adoption of SFRS(I) 15

The adoption of SFRS(I) 15 has the following key changes to the accounting of contracts of the Group:

i) Timing of revenue recognition: Revenue and related costs of sales of contracts with non-enforceability of right to payment for performance completed to-date are recognised only when the constructed assets are delivered to customers at a point in time, instead of using the percentage of completion method.

ii) Contract costs: For long term contracts where the stage of completion is measured by reference to the contracts costs incurred to date as a percentage of the total estimated costs for each contract, contract costs are recognised as an expense in profit or loss using the percentage of completion method prior to the adoption of SFRS(I) 15.

On adoption of SFRS(I) 15, the costs incurred to fulfil the satisfied performance obligation are recognised in profit or loss as control of goods or services to the customer is transferred over time. Where the control of goods and services to the customer is transferred at a future point in time, the costs incurred to fulfil the future performance obligation are capitalised as they are recoverable, and presented as "Contract Assets" within the balance sheet. The costs capitalised are recognised in profit or loss when the performance obligation is satisfied.

iii) In accordance with the presentation requirements of the SFRS(I) 15, the Group has presented “Construction work-in-progress in excess of progress billings” as “Contract assets” and “Progress billings in excess of construction work-in-progress” as “Contract liabilities”.

Adoption of SFRS(I) 9

The Group has elected to apply the short-term exemption to adopt SFRS(I) 9 on 1 July 2018. Accordingly, the requirements of SFRS 39 are applied to financial instruments up to the financial year ended 30 June 2018. Financial assets are subject to expected credit loss impairment model under SFRS(I) 9. There were no adjustments made to the opening retained earnings in this regard as the Group preliminarily assessed that the impacts were immaterial. A more detailed analysis which considers all reasonable and supportable information, including forward-looking elements to determine the extent of impact is in process.

In general, with respect to SFRS(I) 15 and SFRS(I) 9, the Group will continue the assessment on transition requirements and therefore the restatement of prior periods' information may be subject to adjustments.

Impact on the comparatives for the first quarter ended 30 September 2018 financial statements

The financial impact of adopting SFRS(I) 15 is as follows:

Consolidated Income Statement

	1Q FY2018		1Q FY2018
	As previously reported	Effect of SFRS(I) 15	As restated
	$'000	$'000	$'000
Revenue	72,264	(17,663)	54,601
Cost of sales	(67,027)	17,335	(49,692)
Gross profit	**5,237**	**(328)**	**4,909**
Loss before tax	(6,810)	(328)	(7,138)
Tax expense	(323)	(88)	(411)
Loss for the period	**(7,133)**	**(416)**	**(7,549)**
Attributable to:			
Owners of the Company	(6,739)	(416)	(7,155)
Non-controlling interests	(394)	-	(394)
Loss for the period	**(7,133)**	**(416)**	**(7,549)**
Adjusted EBITDA for the period	**15,463**	**(775)**	**14,688**

Consolidated Statement of Comprehensive income

	1Q FY2018 As previously reported $'000	Effect of SFRS(I) 15 $'000	1Q FY2018 As restated $'000
Loss for the period	**(7,133)**	**(416)**	**(7,549)**
Other comprehensive income for the period, net of tax	(1,545)	-	(1,545)
Total comprehensive income for the period	**(8,678)**	**(416)**	**(9,094)**
Total comprehensive income attributed to:			
Owners of the Company	**(8,195)**	**(416)**	**(8,611)**
Non-controlling interests	(483)	-	(483)
Total comprehensive income for the period	**(8,678)**	**(416)**	**(9,094)**

Consolidated Statement of Financial Position

	30-Jun-2018 As previously reported $'000	Effect of SFRS(I) 15 $'000	30-Jun-2018 As restated $'000	1-Jul-2017 As previously reported $'000	Effect of SFRS(I) 15 $'000	1-Jul-2017 As restated $'000
Non-current assets	**608,054**	**-**	**608,054**	**653,368**	**-**	**653,368**
Current assets						
Construction work-in-progress	46,748	(46,748)	-	85,345	(85,345)	-
Contract assets	-	45,322	45,322	-	84,930	84,930
Others	392,663	-	392,663	406,299	-	406,299
Total current assets	**439,411**	**(1,426)**	**437,985**	**491,644**	**(415)**	**491,229**
Current liabilities						
Progress billings in excess of construction work-in-progress	5,285	(5,285)	-	1,437	(1,437)	-
Contract liabilities	-	5,579	5,579	-	1,437	1,437
Income tax payables	6,772	3	6,775	5,779	188	5,967
Others	320,344	-	320,344	420,617	-	420,617
Total current liabilities	**332,401**	**297**	**332,698**	**427,833**	**188**	**428,021**
Net current assets	**107,010**	**(1,723)**	**105,287**	**63,811**	**(603)**	**63,208**
Non-current liabilities						
Deferred tax liabilities	15,028	292	15,320	14,569	(57)	14,512
Others	394,351	-	394,351	323,832	-	323,832
Total non-current liabilities	**409,379**	**292**	**409,671**	**338,401**	**(57)**	**338,344**
Net assets	**305,685**	**(2,015)**	**303,670**	**378,778**	**(546)**	**378,232**
Equity attributable to of the Company						
Share capital	108,056	-	108,056	108,056	-	108,056
Treasury shares	(923)	-	(923)	(923)	-	(923)
Reserves	196,886	(2,015)	194,871	268,398	(546)	267,852
	304,019	**(2,015)**	**302,004**	**375,531**	**(546)**	**374,985**
Non-controlling interests	1,666	-	1,666	3,247	-	3,247
Total equity	**305,685**	**(2,015)**	**303,670**	**378,778**	**(546)**	**378,232**

Consolidated Statement of Cash Flows

	1Q FY2018 As previously reported $'000	Effect of SFRS(I) 15 $'000	1Q FY2018 As restated $'000
Cash flows from operating activities			
Loss before tax	**(6,810)**	**(328)**	**(7,138)**
Adjustments for:			
Depreciation of property, plant and equipment	14,571	(447)	14,124
Others	7,415	-	7,415
Operating cash flows before changes in working capital	**15,176**	**(775)**	**14,401**
Changes in working capital:			
Contract assets and liabilities	18,460	775	19,235
Others	(8,418)	-	(8,418)
Cash flows generated from operations	**25,218**	**-**	**25,218**
Others	168	-	168
Net cash flows generated from operating activities	**25,386**	**-**	**25,386**
Net cash flows used in investing activities	**(7,571)**	**-**	**(7,571)**
Net cash flows used in financing activities	**(10,770)**	**-**	**(10,770)**
Net increase in cash and cash equivalents	**7,045**	**-**	**7,045**
Cash and cash equivalents at beginning of period	21,903	-	21,903
Effects of exchange rate changes on cash and cash equivalents	(79)	-	(79)
Cash and cash equivalents at end of period	**28,869**	**-**	**28,869**

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 3 months ended 30 September	
Earnings per ordinary share:	**1Q FY2019**	**1Q FY2018 (restated)**
(i) On weighted average no. of ordinary shares in issue	(1.25) cents	(1.14) cents
(ii) On a fully diluted basis	(1.25) cents	(1.14) cents
Net loss attributable to shareholders:	($7,854,000)	($7,155,000)
Number of shares in issue:		
(i) Weighted average no. of shares in issue	629,266,941	629,266,941
(ii) On a fully diluted basis	629,266,941	629,266,941

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.

	Group			Company	
	30-Sep-18	30-Jun-18 (restated)	01-Jul-18 (restated)	30-Sep-18	30-Jun-18
Net Asset Value (NAV) per ordinary share	46.74 cents	47.99 cents	59.59 cents	11.04 cents	11.11 cents
NAV computed based on no. of ordinary shares issued	629,266,941	629,266,941	629,266,941	629,266,941	629,266,941

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

REVIEW OF GROUP PERFORMANCE

With the adoption of SFRS(I) 15 Revenue from Contracts with Customers, revenue and related costs of shipbuilding contracts with non-enforceability of right to payment for performance completed to-date are recognised only when the constructed vessels are delivered to customers at **a point in time ("Completion Method")**, instead of using the percentage of completion method ("**POC**"). As such, there will also be a mixture of contract with revenue recognised based on the Completion Method and POC depending on the terms of the contract. Given this, the results can be lumpy.

Revenue

Group revenue of $67.6 million for the 3 months ended 30 September 2018 ("1Q FY2019") was $13.0 million (23.8%) higher compared to the corresponding period in FY2018 ("1Q FY2018").

Details for revenue generated from each segment are as follows:

	Group		
	1Q FY2019 $'000	1Q FY2018 (restated) $'000	Increase/ (Decrease) %
Shipbuilding	8,192	9,834	(16.7)
Shiprepair and conversion	23,791	17,987	32.3
Shipchartering	31,946	23,240	37.5
Engineering	3,648	3,540	3.1
	67,577	**54,601**	**23.8**

Shipbuilding

The breakdown of shipbuilding revenue generated and the number of units recognised are as follows:

	Group				
	1Q FY2019		1Q FY2018 (restated)		Increase/ (Decrease)
	Units	$'000	Units	$'000	%
Tugs	1	895	3	10,515	(91.5)
Barges and others	3	7,297	2	(681)	Nm
	4	**8,192**	**5**	**9,834**	(16.7)

Shipbuilding revenue in 1Q FY2019 decreased by $1.6 million (16.7%) compared to 1Q FY2018 mainly due to lower progressive revenue recognition from Tugs which are of lower contractual value, partially offset by higher revenue from delivery of three barges recognised based on the Completion Method.

Excluding the effects of adopting SFRS(I) 15, revenue would be lower by $5.8 million (31.9%) due to lower progressive revenue recognition from 3 barges with minimum POC upon project completion. In addition, there was a reduction of revenue as a result of weakening of IDR against SGD on an IDR denominated contract.

Shiprepair and conversion

Recognition of shiprepair and conversion revenue is calculated based on project value multiplied by POC. Prior to adoption of the SFRS(I) 15, shiprepair projects are mainly short term in nature, resulting in revenue recognised only upon completion.

The breakdown of revenue generated from the shiprepair and conversion segment are as follows:

	Group		
	1Q FY2019	1Q FY2018 (restated)	Increase/ (Decrease)
	$'000	$'000	%
Shiprepair and conversion	23,634	16,360	44.5
Other marine related services	157	1,627	(90.4)
	23,791	**17,987**	**32.3**

Shiprepair and conversion revenue increased by $7.3 million (44.5%) to $23.6 million in 1Q FY2019 partly due to more shiprepair jobs being recognised under POC in 1Q FY2019. There was a reduction in the restated revenue of 1QFY2018 by $9.2 million as a result of the adoption of SFRS(I)15, as one of the high value conversion jobs was recognised with minimum POC instead of being recognised in full upon completion.

Excluding the effects of adopting SFRS(I) 15, total revenue would be lower by $0.7 million (2.4%).

Shipchartering

The breakdown of revenue generated from the shipchartering segment are as follows:

	Group		
	1Q FY2019 $'000	1Q FY2018 $'000	Increase/ (Decrease) %
OSV	3,437	2,310	48.8
Tug Boats	9,323	9,245	0.8
Barges	11,895	9,491	25.3
Total charter	**24,655**	**21,046**	**17.1**
Trade sales	7,291	2,194	232.3
	31,946	**23,240**	**37.5**

Shipchartering revenue increased by $3.6 million (17.1%) to $24.6 million in 1QFY2019 mainly due to

(i) Higher utilisation rate of OSV at 67% (1Q FY2018: 47%);

(ii) Higher utilisation rate of towing tugs at 68% (1Q FY2018: 62%)

(iii) Higher contribution from Grab Dredgers by $1.7 million (classified under Barges). Utilisation rate of Grab Dredgers increased from 16% in 1Q FY2018 to 27% in 1Q FY2019; partially offset by

(iv) Reduced contribution from landing crafts (classified under Tug Boats) due to lower charter rates and fewer precast shipments; coupled with absence of charter income from two units of landing craft (one was off-hire from 4Q FY2018 and one was disposed in July 2018).

Trade sales comprised mainly of bunker sales, agency fee and ad-hoc services rendered. The increase in 1Q FY2019 was mainly due to more ad hoc services.

Engineering

The breakdown by revenue generated from the engineering segment are as follows:

	Group		
	1Q FY2019 $'000	1Q FY2018 $'000	Increase/ (Decrease) %
Components & services ("Components")	**3,648**	**3,540**	**3.1**

Engineering revenue increased marginally in 1Q FY2019 mainly due to more orders for spare parts, partially offset by fewer orders for cutting/coupling systems.

Gross profit and gross profit margin

The breakdown of gross profit and gross profit margin for each respective segment are as follows:

	Group			
	1Q FY2019		1Q FY2018 (restated)	
	$'000	GPM	$'000	GPM
Shipbuilding	(1,714)	(20.9%)	837	8.5%
Shiprepair and conversion	3,335	14.0%	3,510	19.5%
Shipchartering	(1,188)	(3.7%)	(563)	(2.4%)
Engineering	850	23.3%	1,125	31.8%
	1,283	**1.9%**	**4,909**	**9.0%**

Shipbuilding

The Group recorded gross loss of $1.7 million in 1Q FY2019 mainly attributed to cost overruns and additional liquidated damage taken up due to delay in delivery of a project which is due for completion in next quarter, partially offset by profit derived from delivery of 3 barges.

Excluding the effects of adopting SFRS(I)15, gross loss would be $1.5 million in 1QFY2019 attributed to the cost overruns and additional provision of liquidated damage of a project.

Shiprepair and conversion

Despite increase in revenue, gross profit decreased by $0.2 million (5%) to $3.3 million with a lower gross profit margin of 14.0% mainly due to competitive market pricing and the need for higher manpower overheads being allocated to the ship repair segment.

Excluding the effects of adopting SFRS(I)15, gross profit would decrease by $0.9m (25.6%).

Shipchartering

The breakdown of gross profit and gross profit margin from shipchartering segment are as follows:

	Group			
	1Q FY2019		1Q FY2018	
	$'000	GPM	$'000	GPM
OSV	(392)	(11.4%)	(1,960)	(84.8%)
Tug boats and Barges	(1,819)	(8.6%)	1,023	5.5%
Total charter	**(2,211)**	(9.0%)	**(937)**	(4.5%)
Trade sales	1,023	14.0%	374	17.0%
	(1,188)	(3.7%)	**(563)**	(2.4%)

Gross loss and gross loss margin was higher in 1Q FY2019 as compared to the corresponding quarter, this was mainly due to:

(i) Lower utilisation and reduced charter rates from landing crafts;

(ii) More vessels were under preparation for deployment in several infrastructure projects which is expected to be deployed progressively in 2Q FY2019;

(iii) Increase in fuel price (1Q FY2019: $0.82/litre; 1Q FY2018: $0.61/litre) in the current quarter; partially offset by

(iv) Higher contribution from OSV and Grab Dredgers due to higher utilisation rate.

Engineering

The breakdown of gross profit and gross profit margin from engineering segment are as follows:

	Group			
	1Q FY2019		1Q FY2018	
	$'000	GPM	$'000	GPM
Components	**850**	23.3%	**1,125**	31.8%

Lower profit margin of 23.3% in 1Q FY2019 was mainly due to lower orders for cutting/coupling systems which generally yielded higher margin. The higher gross profit in 1Q FY2018 included reversal of warranty costs of $138,000.

Other operating income

Details for other operating income are as follows:

	Group	
	1Q FY2019 $'000	1Q FY2018 $'000
Gain on disposal of property, plant and equipment	377	158
Gain on disposal of assets classified as held for sale	343	-
Gain on foreign exchange (net)	862	15
Interest income from bank balances	20	98
Interest income from finance lease receivables	166	182
Insurance claims	100	1
Rental income from plant & equipment and yard space	277	199
Write back of allowance for impairment of doubtful receivables (net)	-	4
Miscellaneous income	149	104
	2,294	**761**

The higher net foreign exchange gain recorded in 1Q FY2019 was mainly due to the depreciation of IDR against SGD on higher IDR denominated liabilities.

	30 Sep 2018	30 Jun 2018	30 Sep 2017	30 Jun 2017
USD against SGD	1.3672	1.3679	1.3592	1.3887
EUR against SGD	1.5870	1.5931	1.6132	1.5709
IDR against SGD	10,919	10,530	9,926	9,591

Administrative expenses

Administrative expenses decreased by $0.2 million (3.2%) to $5.0 million in 1Q FY2019 when compared to corresponding quarter mainly due to lower staff salaries.

Other operating expenses

	Group	
	1Q FY2019 $'000	1Q FY2018 $'000
Fair value loss of short-term investment	51	-
Loss on disposal of short-term investment	83	-
	134	**-**

The short-term investment pertains to quoted shares allotted by a customer who is listed on the Singapore Exchange. The new shares subscribed is for settlement of outstanding debts owing by the customer to the Group.

Finance costs

Finance costs increased by $0.2 million (3.5%) to $5.8 million in 1Q FY2019 mainly due to interest incurred from progressive drawdown of loans under the committed $99.9 million 5-year club term loan facility (the "CTL Facility"), partially offset by lower average balances of other bank borrowings.

Share of results of joint ventures and associates

The Group's share of results of joint ventures and associates comprised:

		Group	
	Group's effective interest	1Q FY2019 $'000	1Q FY2018 $'000
Joint ventures			
Sindo-Econ group	50%	-	(1,311)
Associates			
PT. Hafar Capitol Nusantara ("PT Hafar")	36.75%	765	(785)
PT Capitol Nusantara Indonesia ("PT CNI")	27%	55	55
		820	**(2,041)**

The Group has restricted its share of losses from Sindo-Econ group to its cost of investment since 1Q FY2018.

The share of profit from PT Hafar of $0.8 million in 1Q FY2019 was due to higher charter income from its fleet of OSV vessels during the quarter.

The share of profit from PT CNI of $0.1 million in 1Q FY2019 mainly pertained to progressive recognition of the Group's proportionate interest of unrealised profits previously eliminated on sale of vessels to PT CNI. The Group has restricted its share of losses to its cost of investment.

Loss before tax

The Group recorded a loss before tax of $6.5 million in 1Q FY2019 mainly due to an overall decrease in gross profit partially offset by higher other income and share of profits of joint ventures and associates.

Tax expense

The Group recorded higher tax expenses of $1.2 million in 1Q FY2019 as compared to the corresponding period. This was mainly due to underprovision of deferred taxes in prior year.

Non-controlling interests

Non-controlling interests' share of profit of $0.1 million for 1Q FY2019 mainly pertains to the portion of results of its non-wholly owned subsidiaries in Indonesia and China.

Operation cash flow

The Group recorded a lower net cash inflow from operating activities of $11.1 million in 1Q FY2019 (1Q FY2018: $25.4 million) mainly due to lower earnings, lower receipts from shipbuilding progressive billings, higher payment for inventories and higher receivables from customers, partially offset by lower payment to suppliers.

The lower net cash inflow from investing activities of $4.3 million in 1Q FY2019 (1Q FY2018: net cash outflow of $7.6 million) was mainly attributed to lower acquisition of property, plant and equipment and higher proceeds from disposal of property, plant and equipment and assets held for sale.

The higher net cash outflow from financing activities of $17.8 million (1Q FY2018: $10.8 million) was mainly due to higher net repayments on interest-bearing loans and borrowings.

REVIEW OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2018

Non-current assets

Property, plant and equipment ("PPE") decreased by $16.1 million (2.8%) from $577.1 million as at 30 June 2018 to $561.0 million as at 30 September 2018.

Movement in PPE during the period under review is as follows:

	$'000
Balance as at 1 July 2018	577,087
Addition of property, plant and equipment	10,060
Inclusive of :	
- $2.4 million for vessels*	
- $0.4 million for yard infrastructure under development	
- $7.0 million for vessels* under construction/ modification	
- $0.2 million for capitalization of dry docking expenditure	
Disposal	(2,336)
Depreciation charge	(15,144)
Transfer to assets held for sale	(8,288)
Translation differences	(391)
Balance as at 30 September 2018	**560,988**

* The addition of vessels 1Q FY2019 were mainly barges acquired from a customer for settlement of debts owing to the Group. These barges were acquired to support marine infrastructure projects in the region.

Current assets

Current assets decreased by $5.4 million (1.2%) from $438.0 million as at 30 June 2018 to $432.6 million as at 30 September 2018. The decrease was mainly from lower contract assets and cash and bank balances, partially offset by higher trade and other receivables.

Inventories decreased marginally and comprised the following:

	Group			
	30-Sep-18	30-Jun-18	Increase/ (Decrease)	
Raw materials and consumables	15,641	16,755	(1,114)	(6.6)
Work-in-progress	17,886	17,748	138	0.8
Finished goods	138,301	136,954	1,347	1.0
Total inventories	**171,828**	**171,457**	**371**	**0.2**

Trade and other receivables comprised the following:

	Group			
	30-Sep-18	30-Jun-18	Increase/ (Decrease)	
	$'000	$'000	$'000	%
Trade receivables	91,948	81,235	10,713	13.2
Other receivables	21,198	19,944	1,254	6.3
Amounts due from related parties	81,679	79,824	1,855	2.3
	194,825	**181,003**	**13,822**	**7.6**

The trade receivables increased by $10.7 million (13.2%) to $91.9 million mainly due to more shiprepair jobs being completed and billed in the current quarter. Of the total trade receivables, $16.4 million was received subsequent to the quarter under review.

Current liabilities

Current liabilities decreased by $12.2 million (3.7%) from $332.7 million as at 30 June 2018 to $320.5 million as at 30 September 2018. The decrease was mainly due to lower current portion of interest-bearing loans and borrowings as there was a conversion of a short term loan (shipbuilding related) of $12.3 million to a long term vessel loan in the current quarter.

Trade and other payables comprised the following:

	Group			
	30-Sep-18	30-Jun-18	Increase/ (Decrease)	
	$'000	$'000	$'000	%
Trade payables	142,353	142,056	297	0.2
Payables for yard development, purchase of vessels and cranes	9,264	9,005	259	2.9
Other payables	2,412	2,288	124	5.4
Deposits received from customers	21,604	20,926	678	3.2
Deferred income	9,950	9,576	374	3.9
Amounts due to related parties	17,326	16,234	1,092	6.7
Amounts due to shareholders	6,620	6,620	-	-
Loan from non-controlling interests of subsidiaries	209	210	(1)	(0.5)
	209,738	**206,915**	**2,823**	**1.4**

Net contract assets decreased by $13.9 million (35.0%) from $39.7 million as at 30 June 2018 to $25.8 million as at 30 September 2018, mainly attributed to completion of shiprepair jobs during the current quarter.

The breakdown of the Group's total borrowings are as follows:

	Group			
	30-Sep-18	**30-Jun-18**	Increase/ (Decrease)	
	$'000	**$'000**	**$'000**	**%**
Current				
Bonds	7,500	7,500	-	-
Short term loan				
- shipbuilding related	12,150	24,466	(12,316)	(50.3)
- general	10,523	13,034	(2,511)	(19.3)
	22,673	37,500	(14,827)	(39.5)
Trust receipts				
- shipbuilding related	12,931	10,381	2,550	24.6
- general	3,924	3,424	500	14.6
	16,855	13,805	3,050	22.1
Long term loan				
- vessels loan	28,346	28,978	(632)	(2.2)
- assets financing	12,540	11,726	814	6.9
- working capital	9,692	7,913	1,779	22.5
	50,578	48,617	1,961	4.0
Finance lease liabilities	5,588	5,972	(384)	(6.4)
	103,194	**113,394**	**(10,200)**	**(9.0)**
Non-current				
Bonds	132,500	135,000	(2,500)	(1.9)
Long term loan				
- vessels loan	86,214	81,364	4,850	6.0
- assets financing	72,300	76,520	(4,220)	(5.5)
- working capital	94,314	93,741	573	0.6
	252,828	251,625	1,203	0.5
Finance lease liabilities	1,578	2,089	(511)	(24.5)
	386,906	**388,714**	**(1,808)**	**(0.5)**
Total borrowings	**490,100**	**502,108**	**(12,008)**	**(2.4)**
Total shareholders' funds	**294,131**	**302,004**		
Gearing ratio (times)	**1.67**	**1.66**		
Net gearing ratio (times)	**1.58**	**1.57**		

The Group's total borrowings decreased by $12.0 million (2.4%) to $490.1 million as at 30 September 2018 mainly due to repayment of interest-bearing loans and borrowings, partially offset by higher trust receipts utilised during the quarter.

Non-current liabilities

Non-current liabilities decreased by $1.4 million (0.3%) to $408.3 million as at 30 September 2018 mainly due to decrease in non-current portion of the Group's total borrowings due to repayments.

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

Not applicable as no forecast or prospect statement has been made.

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.

Market and industry outlook

As our businesses are primarily reliant on the market conditions in the shipbuilding, shipping, oil & gas and offshore & marine industries, the main macroeconomic variables we are sensitive to include (but not exclusively) global trade, oil prices and infrastructure spending in Asia.

Although the global economic outlook remained healthy, the rising oil prices, higher interest rates in the United States of America and especially the escalating trade tension pose uncertainties in economic growth. In terms of oil prices, the oil majors have decided to extend the curbs on oil supply, and the geopolitical events in Iran, Venezuela and other parts of the world will likely to add uncertainties to the oil price, and in turn to the level of upstream activities. If oil & gas majors increase their capital expenditures across the value chain as forecasted, it could benefit the recovery of the oil services sectors.

Infrastructure spending in select Asian region is expected to increase further, as China implements the Belt and Road Initiative in the countries along the route. The urbanization process in emerging markets such as Philippines and Indonesia should boost spending for vital infrastructure sectors such as water, power and transportation. This represents mid-long term opportunities for the Group's non-offshore and marine business. In Singapore, as the Tuas Mega Port project gains momentum, the demand for hiring tugs and barges is expected to remain strong.

In general, the factors discussed above suggest an improving business environment for the Group. However, given that capital goods lag the industry cycle and is very sensitive to macro economy, the Group is benefiting from these factors only gradually. We will continue to focus on our core business and strengthen our foothold in supporting marine infrastructure work in Singapore and abroad. We will explore more revenue sources by going beyond our traditional markets (Southeast Asia, Australia and Europe) to North Asia, Indian subcontinent and the Middle East. We will continue to seek cash-flow-positive business opportunities across our business segments and optimize financial performance.

Business segments

Shipbuilding and Shiprepair

In shipbuilding, we will continue to seek orders for non-OSV vessels such as tankers, tugs and barges and exercise caution with selection of customers' portfolio based on creditworthiness and size of projects.

In shiprepair, with an additional floating dock to be put in place by 3Q FY2019 at the Singapore yard, this will provide additional capacity in terms of servicing the mid-size range of vessels.

We also adopt the strategy to train direct employed workers for specialized work, thus reducing our reliance on subcontractors, and strengthening our competency and efficiency. We will continue to improve operational efficiency, tighten cost control to ensure our competitiveness.

Shipchartering

The diversified vessel types in our fleet, especially the non-OSV vessels are expected to lend support to our chartering business in view of the marine infrastructure projects in Bangladesh, Indonesia, Malaysia and Singapore. Our in-house ability to provide integrated services to modify or retrofit vessels to suit our shipchartering customers' customized requirements. However, due to market competition, the Group expects continued pressure on charter rates. The management will focus on increasing utilisation of fleet, improving charter rates, limiting capital expenditure and exploring bareboat charter-in of vessels.

The OSV in the market has not recovered from depressed pricing. The Group, however has been actively seeking opportunities to improve the utilisation of the OSV such as deployment for towage jobs.

Dredge Engineering

Our engineering division (VOSTA LMG) engages primarily in the infrastructure and construction industry. Demand for our engineering business is supported by the amount of land and coastal reclamation projects due to population growth and global warming; ii) port expansion projects due to increasing seaborne trade and growing size of container vessels. The Group is working closely with suppliers and seek to have production capability in different regional markets to drive down costs.

Order Book

As at 30 September 2018, the Group had an outstanding shipbuilding order book from external customers of approximately $56 million for the building of 8 vessels with progressive deliveries up to 4Q FY2019. The order book comprises harbour tugs, barges and tanker.

The Group's shipchartering revenue consists of mainly short-term and ad-hoc contracts. Approximately 33% of shipchartering revenue in 1Q FY2019 was attributed to long-term chartering contracts (meaning contracts with a duration of more than one year. As at 30 September 2018, the Group had an outstanding chartering order book of approximately $110 million with respect to long-term contracts.

Investors may wish to note that the financial performance of the companies in the shipping and shipbuilding industries tend to lag industry trends.

Financial Covenant

On 28 June 2018, the Company obtained a waiver for the breach of one of the financial covenants (the "Breach") under the CTL Facility for the quarter ended 30 June 2018. Accordingly, the Company classified the non-current portion of the CTL Facility as non-current liabilities as at 30 June 2018.

The Company has not obtained a waiver for the similar Breach for the quarter ended 30 September 2018. The Company continues to repay in accordance with the monthly repayment schedule of the Facility Agreement, over the 5-year tenor of the CTL Facility. The Directors are of the view that the Group will receive continuing financial support from the lenders of CTL Facility and the lenders would grant such waiver which the Company will be seeking post the results announcement. In view of the above, the Company has not reclassified the non-current portion of the CTL Facility as current liabilities as at 30 September 2018. In the event that the waiver is not granted, an amount of $85,564,000 would have to be reclassified from non-current liabilities to current liabilities.

The Breach relates to the same covenant that has been clarified in the clarification announcement released via SGXNET on 19 October 2017.

11. Dividend

(a) Current Financial Period

Any dividend recommended for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None.

(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 interim dividend has been declared for the period ended 30 September 2018.

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 has renewed the general mandate from shareholders of the Company for interested person transactions in the Annual General Meeting held on 31 October 2018. During the financial period, the following interested person transactions were entered into by the Group:

	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than $100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual (excluding transactions less than $100,000)
	$'000	$'000
Sale of goods and services		
Econ Precast Pte Ltd	-	1,961
Entire Engineering Pte Ltd	-	1,102
Koon Construction & Transport Co Pte Ltd	-	114
Sindo-Econ Pte Ltd	-	494
PT. Sindomas Precas	-	381
Purchase of goods and services		
Koon Construction & Transport Co Pte Ltd	-	1,369
Econ Precast Pte Ltd	-	370
Sintech Metal Industries Pte Ltd	600	-
	600	**5,791**

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

We, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the unaudited interim financial statements of the Group and the Company for the first quarter ended 30 September 2018 to be false or misleading in any material aspect.

15. Undertakings pursuant to Rule 720(1).

We further confirm that the Company has procured undertakings from the Company's directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the SGX-ST Listing manual.

On behalf of the Board

Ang Kok Tian	Ang Ah Nui
Chairman, Managing Director and CEO	Deputy Managing Director

BY ORDER OF THE BOARD

Ang Kok Tian
Chairman, Managing Director and CEO
14 November 2018