

Unaudited Full Year Financial Statements Announcement

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), HALF-YEAR AND FULL YEAR RESULTS

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2017

	The Group		Increase/ (Decrease) %	The Group		Increase/ (Decrease) %
	4Q 2017 \$'000	4Q 2016 \$'000		FY2017 \$'000	FY2016 \$'000	
<b>Continuing operations</b>						
Revenue	11,429	24,371	(53)	61,002	103,850	(41)
Cost of sales	(7,596)	(18,853)	(60)	(43,278)	(82,563)	(48)
<b>Gross profit</b>	<b>3,833</b>	<b>5,518</b>	<b>(31)</b>	<b>17,724</b>	<b>21,287</b>	<b>(17)</b>
Other income	24,405	5,059	>100	25,185	7,976	>100
Selling and distribution expenses	(511)	(675)	(24)	(2,546)	(2,757)	(8)
General and administrative expenses	(1,459)	(1,428)	2	(6,031)	(5,560)	8
Other expenses	(59,307)	(17,912)	>100	(61,669)	(18,734)	>100
Finance costs (net)	(2,667)	(3,094)	(14)	(12,525)	(13,471)	(7)
<b>Loss before tax</b>	<b>(35,706)</b>	<b>(12,532)</b>	<b>&gt;100</b>	<b>(39,862)</b>	<b>(11,259)</b>	<b>&gt;100</b>
Income tax expense	(226)	(428)	(47)	(727)	(929)	(22)
<b>Loss for the period/year</b>	<b>(35,932)</b>	<b>(12,960)</b>	<b>&gt;100</b>	<b>(40,589)</b>	<b>(12,188)</b>	<b>&gt;100</b>
<b>Loss attributable to :</b>						
Owners of the Company	(6,962)	(6,523)	7	(10,190)	(5,255)	94
Non-controlling interests	(28,970)	(6,437)	>100	(30,399)	(6,933)	>100
<b>Loss for the period/year</b>	<b>(35,932)</b>	<b>(12,960)</b>	<b>&gt;100</b>	<b>(40,589)</b>	<b>(12,188)</b>	<b>&gt;100</b>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2017

	<u>The Group</u>		Increase/ (Decrease) %	<u>The Group</u>		Increase/ (Decrease) %
	4Q 2017 \$'000	4Q 2016 \$'000		FY2017 \$'000	FY2016 \$'000	
<b>Loss for the period/year</b>	(35,932)	(12,960)	>100	(40,589)	(12,188)	>100
<b>Other comprehensive income</b>						
<b>Total items that are or may be reclassified subsequently to profit or loss:</b>						
Translation differences relating to financial statements of foreign operations and a subsidiary with non-singapore dollar functional currency	(178)	(438)	(59)	46	(99)	(>100)
<b>Other comprehensive income for the period/year</b>	<u>(178)</u>	<u>(438)</u>	(59)	<u>46</u>	<u>(99)</u>	(>100)
<b>Total comprehensive income for the period/year</b>	<u>(36,110)</u>	<u>(13,398)</u>	>100	<u>(40,543)</u>	<u>(12,287)</u>	>100
<b>Total comprehensive income attributable to :</b>						
Owners of the Company	(7,137)	(6,992)	2	(9,951)	(5,401)	84
Non-controlling interests	(28,973)	(6,406)	>100	(30,592)	(6,886)	>100
<b>Total comprehensive income for the period/year</b>	<u>(36,110)</u>	<u>(13,398)</u>	>100	<u>(40,543)</u>	<u>(12,287)</u>	>100

**(A) Revenue**

	<u>The Group</u>		<u>The Group</u>	
	4Q 2017 \$'000	4Q 2016 \$'000	FY2017 \$'000	FY2016 \$'000
Piling contract, construction, and rental and servicing of machinery	2,808	9,577	19,701	40,721
Trading of e-waste / metals	1,088	2,924	3,457	9,908
Recycling and refining of metals	3,278	6,754	19,254	33,013
Income from property investments and management	4,113	4,965	17,998	19,567
Others	142	151	592	641
	<u>11,429</u>	<u>24,371</u>	<u>61,002</u>	<u>103,850</u>

**(B) Loss for the period/year**

	<u>The Group</u>		<u>The Group</u>	
	4Q 2017 \$'000	4Q 2016 \$'000	FY2017 \$'000	FY2016 \$'000
<i>(Loss)/profit for the period/year is arrived at after:</i>				
(Crediting)/charging:				
Amortisation of deferred income	-	(191)	(233)	(754)
Bad debts recovered	-	3	-	-
Depreciation of property, plant and equipment	724	870	3,142	3,629
Fair value loss on investment properties	24,220	12,709	26,536	12,709
Foreign exchange (gain)/loss	(98)	(283)	105	72
Gain on disposal of other investments	(24,038)	-	(24,038)	(1,100)
Gain on disposal of property, plant and equipment	(50)	(123)	(281)	(1,516)
Loss on disposal of a subsidiary	34,664	-	34,664	-
Impairment losses on joint venture	-	8	-	8
Impairment losses on property, plant and equipment	413	185	413	185
Property, plant and equipment written off	-	-	*	-
Allowance for/(reversal of) impairment losses on trade receivables	33	314	(150)	309
Reversal of allowance for write-down of inventories	(229)	(132)	(229)	(132)

\* Denotes amount less than \$1,000.

**(C) Finance costs (net)**

	<u>The Group</u>		<u>The Group</u>	
	4Q 2017 \$'000	4Q 2016 \$'000	FY2017 \$'000	FY2016 \$'000
Finance income:				
- cash and cash equivalents	12	41	78	126
Finance costs:				
- Finance leases	(4)	(8)	(19)	(33)
- Bank loans	(2,638)	(3,030)	(12,263)	(12,955)
- Trust receipts	(26)	(103)	(155)	(442)
- Bank overdrafts	-	(34)	(76)	(136)
- Related companies	(11)	(27)	(87)	(93)
- Others	-	67	(3)	62
	<u>(2,679)</u>	<u>(3,135)</u>	<u>(12,603)</u>	<u>(13,597)</u>
	<u>(2,667)</u>	<u>(3,094)</u>	<u>(12,525)</u>	<u>(13,471)</u>

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.

**STATEMENTS OF FINANCIAL POSITION**

	<b>The Group</b>		<b>The Company</b>	
	<b>31.12.17</b>	<b>31.12.16</b>	<b>31.12.17</b>	<b>31.12.16</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Non-current assets</b>				
Property, plant and equipment	16,833	19,884	52	124
Investment properties	139,350	546,720	-	-
Subsidiaries	-	-	28,717	18,298
Other investments	*	5,224	-	5,224
Trade and other receivables	8	69	-	-
	<u>156,191</u>	<u>571,897</u>	<u>28,769</u>	<u>23,646</u>
<b>Current assets</b>				
Inventories	1,242	2,725	-	-
Trade and other receivables	9,494	17,013	22,246	51,974
Cash and cash equivalents	21,266	3,107	9,819	53
Assets held for sale	-	3,180	-	-
	<u>32,002</u>	<u>26,025</u>	<u>32,065</u>	<u>52,027</u>
<b>Total assets</b>	<u>188,193</u>	<u>597,922</u>	<u>60,834</u>	<u>75,673</u>
<b>Equity attributable to owners of the Company</b>				
Share capital	95,888	95,888	95,888	95,888
Other reserve	(6,852)	(6,852)	-	-
Foreign currency translation reserve	(6,697)	(6,936)	-	-
Accumulated losses	(28,707)	(18,517)	(58,880)	(80,053)
	<u>53,632</u>	<u>63,583</u>	<u>37,008</u>	<u>15,835</u>
<b>Non-controlling interests</b>	<u>(10,663)</u>	<u>19,929</u>	<u>-</u>	<u>-</u>
<b>Total equity</b>	<u>42,969</u>	<u>83,512</u>	<u>37,008</u>	<u>15,835</u>
<b>Non-current liabilities</b>				
Loans and borrowings	105,308	366,978	-	-
Deferred tax liabilities	-	278	-	-
Trade and other payables	20,573	63,685	3,229	11,680
	<u>125,881</u>	<u>430,941</u>	<u>3,229</u>	<u>11,680</u>
<b>Current liabilities</b>				
Trade and other payables	15,106	23,719	20,597	18,158
Loans and borrowings	4,202	58,448	-	30,000
Deferred income	-	239	-	-
Current tax payable	35	1,063	-	-
	<u>19,343</u>	<u>83,469</u>	<u>20,597</u>	<u>48,158</u>
<b>Total liabilities</b>	<u>145,224</u>	<u>514,410</u>	<u>23,826</u>	<u>59,838</u>
<b>Total equity and liabilities</b>	<u>188,193</u>	<u>597,922</u>	<u>60,834</u>	<u>75,673</u>

\* Denotes amount less than \$1,000.

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

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

As at 31.12.17		As at 31.12.16	
Secured	Unsecured	Secured	Unsecured
4,202,000	-	57,764,000	684,000

**Amount repayable after one year.**

As at 31.12.17		As at 31.12.16	
Secured	Unsecured	Secured	Unsecured
105,308,000	-	366,978,000	-

The Group's borrowings comprise obligations under finance leases, secured bank loans, trust receipts and bank overdrafts.

**Details of any collateral**

The finance lease liabilities are secured on plant and equipment under the leases with carrying value of \$832,000 (31 December 2016 : \$1,522,000).

As at 31 December 2016, the trust receipts are used to finance the purchase of inventories with carrying value of \$2,725,000. The banks have a lien over the title of such inventories.

The bank loans are secured by/on :

- a) First legal mortgages over a leasehold property with carrying amount of \$9,298,000 (31 December 2016 : First and second legal mortgages over a leasehold property with carrying amount of \$9,825,000);
- b) First legal mortgages over investment properties with carrying amount of \$139,350,000 (31 December 2016 : \$179,400,000 including two strata units classified as current assets held for sale);
- c) First, second and third legal mortgages over an investment property with carrying amount of \$370,500,000 as at 31 December 2016;
- d) Fixed deposits amounting to \$1,000,000 (31 December 2016 : \$1,000,000);
- e) Fixed charges on certain plant and machinery with carrying amount of \$1,233,000 (31 December 2016 : \$2,734,000);
- f) Guarantees by the Executive Chairman of the Company; and
- g) Fixed charges on 200 million shares of the Company held by the Executive Chairman (31 December 2016 : 200 million shares).

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.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2017

	4Q 2017 \$'000	4Q 2016 \$'000	FY2017 \$'000	FY2016 \$'000
<b>Cash flows from operating activities</b>				
Loss for the period/year	(35,932)	(12,960)	(40,589)	(12,188)
Adjustments for:				
Impairment losses on property, plant and equipment	413	185	413	185
Impairment losses on joint venture	-	8	-	8
Depreciation of property, plant and equipment	724	870	3,142	3,629
Allowance for/(reversal of) impairment losses on trade and other receivables	33	314	(150)	309
Finance income	(12)	(41)	(78)	(126)
Finance costs	2,679	3,135	12,603	13,597
Fair value loss on investment properties	24,220	12,709	26,536	12,709
Reversal of allowance for write-down of inventories	(229)	(132)	(229)	(132)
Gain on disposal of property, plant and equipment	(50)	(123)	(281)	(1,516)
Gain on disposal of other investments	(24,038)	-	(24,038)	(1,100)
Loss on disposal of a subsidiary	34,664	-	34,664	-
Amortisation of deferred income	-	(191)	(233)	(754)
Income tax expense	226	428	727	929
	<u>2,698</u>	<u>4,202</u>	<u>12,487</u>	<u>15,550</u>
Changes in working capital				
Inventories	280	742	1,535	2,864
Trade and other receivables	756	1,544	7,271	9,666
Trade and other payables	(6,685)	(3,634)	(7,318)	(6,747)
Cash generated from operations	(2,951)	2,854	13,975	21,333
Income taxes paid	(163)	(46)	(517)	(266)
<b>Net cash (used in)/from operating activities</b>	<u>(3,114)</u>	<u>2,808</u>	<u>13,458</u>	<u>21,067</u>
<b>Cash flows from investing activities</b>				
Acquisition of property, plant and equipment	(739)	(30)	(1,224)	(125)
Payment for renovation of investment properties	(12)	-	(12)	-
Deposit from disposal of other investments	-	2,300	-	2,300
Proceeds from disposal of property, plant and equipment	50	224	860	2,359
Proceeds from disposal of other investments	24,038	-	24,038	1,100
Net proceeds from disposal of subsidiary	41,708	-	41,708	-
Proceeds from disposal of asset held for sale	7,655	-	13,514	-
Repayment of quasi-equity loan from a related company	-	-	5,224	304
Interest received	12	15	78	18
<b>Net cash from investing activities</b>	<u>72,712</u>	<u>2,509</u>	<u>84,186</u>	<u>5,956</u>

**Cash flows from financing activities**

Fixed deposits pledged	(406)	-	(406)	-
Repayment of long-term loans and borrowings	(7,609)	(1,888)	(21,498)	(8,001)
Repayment of short-term loans and borrowings	(3,542)	(1,232)	(2,455)	(13,600)
Payment of finance leases	(120)	(120)	(422)	(456)
(Repayment to)/loans from a related party	(4,070)	(1,003)	(4,547)	3,750
Loans from/(repayment to) a related company	-	140	(3,910)	3,660
(Repayment to)/loans from non-controlling interests	(33,173)	316	(32,539)	1,262
Interest paid	(1,658)	(3,121)	(11,853)	(13,925)
<b>Net cash used in financing activities</b>	<b>(50,578)</b>	<b>(6,908)</b>	<b>(77,630)</b>	<b>(27,310)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>19,020</b>	<b>(1,591)</b>	<b>20,014</b>	<b>(287)</b>
Effect of exchange rate fluctuation on cash held	(5)	55	(27)	20
Cash and cash equivalents at the beginning of the financial period/year	845	1,409	(127)	140
<b>Cash and cash equivalents at the end of the financial period/year</b>	<b>19,860</b>	<b>(127)</b>	<b>19,860</b>	<b>(127)</b>

**Cash and cash equivalents are made up of the following:-**

Cash at bank and on hand			19,657	1,904
Fixed deposits			1,609	1,203
			21,266	3,107
Less: Bank overdrafts			-	(2,234)
Less: Deposits pledged			(1,406)	(1,000)
<b>Cash and cash equivalents at the end of the financial period/year</b>			<b>19,860</b>	<b>(127)</b>

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.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2017

	Share capital \$'000	Foreign currency translation reserve \$'000	Other reserve \$'000	Accumulated losses \$'000	Total attributable to owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>As at 1 January 2017</b>	95,888	(6,936)	(6,852)	(18,517)	63,583	19,929	83,512
<b>Changes in equity for the year</b>							
Loss for the year	-	-	-	(10,190)	(10,190)	(30,399)	(40,589)
<b>Other comprehensive income</b>							
- Translation differences relating to financial statements of foreign operations and a subsidiary with functional currency in foreign currency	-	239	-	-	239	(193)	46
<b>Total other comprehensive income</b>	-	239	-	-	239	(193)	46
<b>Total comprehensive income</b>	-	239	-	(10,190)	(9,951)	(30,592)	(40,543)
<b>As at 31 December 2017</b>	95,888	(6,697)	(6,852)	(28,707)	53,632	(10,663)	42,969
<b>As at 1 January 2016</b>	95,888	(6,790)	(6,852)	(13,262)	68,984	26,815	95,799
<b>Changes in equity for the year</b>							
Loss for the year	-	-	-	(5,255)	(5,255)	(6,933)	(12,188)
<b>Other comprehensive income</b>							
- Translation differences relating to financial statements of foreign operations and a subsidiary with functional currency in foreign currency	-	(146)	-	-	(146)	47	(99)
<b>Total other comprehensive income</b>	-	(146)	-	-	(146)	47	(99)
<b>Total comprehensive income</b>	-	(146)	-	(5,255)	(5,401)	(6,886)	(12,287)
<b>As at 31 December 2016</b>	95,888	(6,936)	(6,852)	(18,517)	63,583	19,929	83,512



**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2017**

	<u>Share capital</u> \$'000	<u>Accumulated losses</u> \$'000	<u>Total</u> \$'000
<b>As at 1 January 2017</b>	95,888	(80,053)	15,835
<b>Changes in equity for the year</b>			
Profit for the year	-	21,173	21,173
<b>Total comprehensive income</b>	-	21,173	21,173
<b>As at 31 December 2017</b>	<u>95,888</u>	<u>(58,880)</u>	<u>37,008</u>
<b>As at 1 January 2016</b>	95,888	(73,245)	22,643
<b>Changes in equity for the year</b>			
Loss for the year	-	(6,808)	(6,808)
<b>Total comprehensive income</b>	-	(6,808)	(6,808)
<b>As at 31 December 2016</b>	<u>95,888</u>	<u>(80,053)</u>	<u>15,835</u>

- 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 immediately preceding financial year.**

For the year ended 31 December 2017, there was no change to the share capital of the Company.

The Company did not have any outstanding convertibles and treasury shares 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.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**  
Total number of issued shares excluding treasury shares: 1,026,650,198 (31 December 2016: 1,026,650,198)
- 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.**  
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 auditors.
- 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.**  
The financial statements have been prepared in accordance with the same accounting policies and methods of computation adopted in the most recently audited financial statements for the financial year ended 31 December 2016.
- 5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**  
Not applicable.

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.**

	<u>The Group</u>		<u>The Group</u>	
	4Q 2017	4Q 2016	FY2017	FY2016
<b>Loss per share</b>				
Basic and diluted loss per share (cents)	<u>(0.68) cts</u>	<u>(0.64) cts</u>	<u>(0.99) cts</u>	<u>(0.51) cts</u>
	<b>4Q 2017</b>	<b>4Q 2016</b>	<b>FY2017</b>	<b>FY2016</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Loss attributable to owners of the Company</b>				
Continuing operations	<u>(6,962)</u>	<u>(6,523)</u>	<u>(10,190)</u>	<u>(5,255)</u>
<b>Basic and diluted earnings per share is computed based on weighted average number of shares of the company in issue.</b>				
Weighted average number of shares ('000)	<u>1,026,650</u>	<u>1,026,650</u>	<u>1,026,650</u>	<u>1,026,650</u>

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.**

	<u>The Group</u>		<u>The Company</u>	
	31.12.17	31.12.16	31.12.17	31.12.16
Net asset value per ordinary share for the Group and the Company (cents)	<u>5.22 cts</u>	<u>6.19 cts</u>	<u>3.60 cts</u>	<u>1.54 cts</u>

Net asset value per ordinary share for the Group and the Company are computed based on the net asset value of the Group and the Company after deduction of non-controlling interests divided by the number of ordinary shares of the Company in issue as at 31 December 2017 of 1,026,650,198 shares (31 December 2016: 1,026,650,198 shares).

- 8 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:- (a) any significant factors that affected the turnover, costs, and earnings of the group for the 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.**

#### **STATEMENTS OF FINANCIAL POSITION**

Comparing 31 December 2017 with 31 December 2016 figures:

- (i) The decrease in property, plant and equipment was due mainly to depreciation in FY2017.
- (ii) The decrease in investment properties was due to disposal of F2S1 Investment Pte Ltd ("F2S1") and correspondingly its investment property held at 1 Selegie Road, PoMo. The decrease was further attributed to the fair value losses on investment properties and disposal of 5 strata industrial units held at 63 Hillview Avenue, Lam Soon Industrial Building.
- (iii) The decrease in other investments was due to repayment of shareholder's loan of \$5.2 million from Carros Project Management Pte Ltd ("CPM") and disposal of the Company's entire interest in CPM.
- (iv) The decrease in trade and other receivables was due mainly to lower receivables in construction business after completion of the construction project at 60 Jalan Lam Huat during FY2017.
- (v) The decrease in inventories was due mainly to lower inventory level maintained by the recycling business as a result of the Group's recycling plant and warehouse relocation that took place during the year.
- (vi) The increase in cash and cash equivalents was due mainly to proceeds received from disposal of investment in CPM, a subsidiary (F2S1 Investment Pte Ltd) and strata units held at Lam Soon as well as net receipts from operations, partially negated by repayment of loans and loan interest payments.
- (vii) The decrease in assets held for sale was resulted by the sales of 2 strata industrial units at 63 Hillview Avenue recognised in 4Q 2016 was completed in 1Q 2017.
- (viii) The decrease in loans and borrowings was attributed mainly to repayments of trust receipts and term loans upon disposal of a subsidiary, F2S1, and disposal of strata industrial units held at 63 Hillview Avenue. This is partially negated by newly obtained revolving capital loan of \$6.5 million.
- (ix) Trade and other payables were lower due mainly to repayment of loan to a related company, related party and non-controlling interests and settlements of other creditors balances (i.e. accruals and deposits).

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Comparing 4Q 2017/FY 2017 figures with 4Q 2016/FY 2016 figures:

- (i) Revenue decreased by \$42.8 million or 41% from \$103.8 million to \$61.0 million in FY2017 and \$12.9 million or 53% from \$24.4 million to \$11.4 million in 4Q 2017. The decrease was due mainly to the lower revenue recognised by the Group's joint operation with SB Procurement Pte Ltd (as announced via SGXNET on 18 May 2014) under construction business as the construction project was completed in 2Q 2017. The decrease was further attributed by the reduction of sales volume due to relocation of the Group's recycling plant in 2Q 2017 and absence of low margin sales in trading of e-waste business during the year.
- (ii) The Group's gross profit dropped by \$3.5 million or 17% from \$21.2 million to \$17.7 million was attributed mainly to reduction of rental income resulted from slow down in property industry and property tax refund from the Group's investment property business in FY2016. The gross profit was further reduced in construction business from the joint operation with SB Procurement Pte Ltd (as announced via SGXNET on 18 May 2014) after completion of the construction project in 2Q 2017. This is partially off set by better gross profit margin achieved from the Group's recycling businesses.
- (iii) Other income for 4Q 2017/FY2017 was higher due mainly to gain on disposal of 12% equity investments in Carros Project Management Pte Ltd ("CPM").
- (iv) The increase of other expenses due mainly to loss on disposal of a subsidiary, F2S1, and higher fair value loss of investment properties held at 63 Hillview Avenue, Lam Soon Building.
- (v) Selling and distribution expenses, general and administrative expenses and finance costs for 4Q 2017/FY2017 were generally comparable to 4Q 2016/FY2016.

## SEGMENT RESULTS

Comparing 4Q 2017/FY 2017 figures with 4Q 2016/FY 2016 figures:

### (i) Revenue

Trading of e-waste/metals business segment contributed \$3.5 million or 6% and \$9.9 million or 10% of the Group's revenue for FY2017 and FY2016, respectively. The decrease was attributed to absence of low margin sales.

Recycling and refining of metals business segment, which comprised the recycling, extraction and refining of Platinum Group Metals (PGM) and copper, contributed \$19.3 million or 32% and \$33.0 million or 32% of the Group's revenue for FY2017 and FY2016, respectively. The decrease was due mainly to reduction in sales volume caused by relocation of the Group's recycling plant during the year.

Investment properties business segment contributed \$18.0 million or 30% and \$19.6 million or 19% of the Group's revenue for FY2017 and FY2016, respectively. The decrease was attributed to slow down in industrial property sector and the disposal of the commercial property in December 2017.

Piling contract, construction, and rental and servicing of machinery business segment contributed \$19.7 million or 32% and \$40.7 million or 39% of the Group's revenue for FY2017 and FY2016, respectively. The decrease was attributed mainly to lower revenue recognised from the joint operation with SB Procurement Pte Ltd (as announced via SGXNET on 18 May 2014) for the construction of a 7-storey multi-user general industrial development located at 60 Jalan Lam Huat, Singapore, which was completed in 2Q 2017. This is partially offset by improvement in piling revenue.

Plastic to fuel ("PTF") refining business segment had not commenced operation.

(ii) Profitability

The trading of e-waste/metals and recycling and refining of metals business segments reported consistent performance of \$3.6 million segmental profit in FY2017 and FY2016.

Segment profitability from the investment properties business segment has decreased significantly from segmental profit of \$1.3 million to segmental loss of \$50.1 million, this was due mainly to loss on disposal of a subsidiary, F2S1 and higher fair value loss recorded for the Group's investment properties held at 63 Hillview Avenue, Lam Soon Industrial Building.

Segment results from the piling contract, construction, and rental and servicing of machinery business segment decreased from segmental profit of \$2.7 million to segmental loss of \$0.3 million due mainly to completion of joint operation with SB Procurement Pte Ltd (as announced via SGXNET on 18 May 2014) for the construction project at 60 Jalan Lam Huat in 2Q 2017.

The PTF refining business segment recorded a segmental profit of \$0.4 million in FY2017 and segmental loss of \$0.5 million in FY2016 due mainly to gain on disposal of plant and machinery and lower pre-operation PTF running expenses.

**CONSOLIDATED STATEMENT OF CASH FLOWS**

Comparing 4Q 2017/FY 2017 figures with 4Q 2016/FY 2016 figures:

- (i) The lower net cash inflows from operating activities in FY2017 and the net cash outflows in 4Q 2017 compared to corresponding periods in FY2016 mainly due to changes in working capital.
- (ii) Net cash inflows from investing activities were higher in 4Q 2017/FY2017 due to the proceeds received from disposal of a subsidiary - F2S1, investment in CPM and strata industrial units at 63 Hillview Avenue held by subsidiaries of the Group.
- (iii) The increase of net cash outflows from financing activities in 4Q 2017/FY2017 was due to repayment of short term and long term loans and borrowings, inclusive of repayment of loans to a related company, related party and non-controlling interests in FY2017.

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

No forecast or prospect statements were previously 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.**

During FY2017, the Group has completed a few disposal transactions in relation to its investment properties and property investment, which significantly improved its' financial position and liquidity. The Group will continue to explore opportunities in property investment.

11 **If a decision regarding dividend has been made:-**

(a) **Whether an interim (final) ordinary dividend has been declared (recommended); and**

Yes.

(b) **Final ordinary dividend**

Ordinary dividend	FY2017	FY2016
	SGD per share	SGD per share
	0.003	Nil

(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).**

The dividend is tax exempt and declared in Singapore.

(d) **The date the dividend is payable.**

8 June 2018.

(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.**

5.00 p.m. on 24 May 2018.

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

Not applicable.

- 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 not IPT mandate has been obtained, a statement to that effect.**

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)
EH Property & Investments Pte Ltd	Receipt of shareholder's loan - \$33,867,023 (note 1)	-
BS Pantech Pte Ltd	Warehouse and office rental - \$445,415 (note 2)	-
Kranji Development Pte Ltd	-	Construction-related revenue - \$12,774,316 (note 3)

**Notes:**

- (1) The Company has an existing obligation to fund the joint venture entered into between the Company and BS Capital Pte. Ltd. in relation to EH Property & Investments Pte. Ltd. ("EH Property") by way of shareholder's loan ("EH Property Shareholder's Loan"). Details of the joint venture and the EH Property Shareholder's Loan were set out in the Company's circular to shareholders dated 29 August 2013 and the Company's announcements on the SGXNET dated 25 June 2013, 8 July 2013 and 24 February 2014. As at the financial year ended 31 December 2017, the Company has disbursed an aggregate amount of S\$15,399,030 to EH Property pursuant to the EH Property Shareholder's Loan, net of part repayment of the EH Property Shareholder's Loan amounting to \$33,867,023 during the financial year under review.
- (2) The subsidiary of the Company, Cimelia Resource Recovery Pte. Ltd., has entered into a tenancy agreement with BS Pantech Pte. Ltd. for rental of warehouse and office at 200 Pandan Loop, Pantech 21.
- (3) The Company has, at the Company's AGM held on 27 April 2017, obtained a renewal of the shareholders' general mandate ("IPT Mandate") for (i) the grant of corporate guarantees by the Company to banks and financial institutions for banking and financing facilities to be granted to the Company's subsidiaries which fall within the definition of "interested person" as defined in Chapter 9 of the Listing Manual from time to time; and (ii) the provision of construction-related services by a wholly-owned subsidiary of the Company, Leong Hin Piling (Pte.) Limited, its subsidiaries and associated companies from time to time, or any of them, to Mr Raymond Ng Ah Hua and his associates which are expected to be recurrent in nature. For the financial year ended 31 December 2017, the Group has entered into IPT transactions amounting to S\$12,774,316 under the IPT Mandate.

- 14 **Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).**

The Company confirms that the undertakings under Rule 720(1) of the Listing Manual have been obtained from all its directors and executive officers in the format set out in Appendix 7.7.



**PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

**15 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

**Information on reportable segments**

**Year ended 31 December 2017**

<u>The Group</u>	Trading of e-waste / metals \$'000	Recycling and refining of metals \$'000	Property investments and management \$'000	Plastics to fuel refining \$'000	Piling contracts, construction, rental and servicing of machinery \$'000	Total \$'000
External revenue	3,457	19,254	17,998	-	19,701	60,410
Inter-segment revenue	5,953	3	1,807	-	-	7,763
Depreciation of property, plant and equipment	(93)	(149)	(388)	(5)	(1,841)	(2,476)
Reportable segment profit/(loss) before tax and finance costs	1,659	1,903	(50,148)	401	(279)	(46,464)
Other material non-cash items:						
- (Allowance for)/reversal of allowance for write-down of inventories	(101)	330	-	-	-	229
- Amortisation of deferred income	-	193	-	-	-	193
- Fair value loss on investment properties, net	-	-	(26,536)	-	-	(26,536)
- Finance income	-	-	12	-	-	12
- Finance costs	(105)	(186)	(10,287)	(15)	(105)	(10,698)
- Gain on disposal of property, plant and equipment	1	10	-	218	52	281
- Impairment losses on property, plant and equipment	-	-	-	-	(413)	(413)
- Loss on disposal of a subsidiary	-	-	(34,664)	-	-	(34,664)
- Property, plant and equipment written off	-	*	-	-	-	*
- Reversal of/(allowance for) impairment losses on trade and other receivables	-	182	-	-	(32)	150
Reportable segment assets	583	2,864	139,849	409	13,787	157,492
Capital expenditure	54	1,095	14	-	30	1,193
Reportable segment liabilities	586	1,318	115,839	2,779	8,180	128,702

\* denotes amount less than \$1,000.

Year ended 31 December 2016

<b>The Group</b>	<b>Trading of e-waste / metals \$'000</b>	<b>Recycling and refining of metals \$'000</b>	<b>Property investments and management \$'000</b>	<b>Plastics to fuel refining \$'000</b>	<b>Piling contracts, construction, rental and servicing of machinery \$'000</b>	<b>Total \$'000</b>
External revenue	9,908	33,013	19,567	-	40,721	103,209
Inter-segment revenue	5,614	6,967	1,876	-	-	14,457
Depreciation of property, plant and equipment	(87)	(210)	(494)	(18)	(2,091)	(2,900)
Reportable segment profit/(loss) before tax and finance costs	1,306	2,301	1,264	(552)	2,732	7,051
Other material non-cash items:						
- Allowance for impairment losses on trade and other receivables	-	(241)	(4)	-	(64)	(309)
- Amortisation of deferred income	-	754	-	-	-	754
- Fair value loss on investment properties, net	-	-	(12,710)	-	-	(12,710)
- Finance income	*	-	15	*	3	18
- Finance costs	(119)	*	(11,254)	(26)	(137)	(11,536)
- Gain on disposal of property, plant and equipment	-	468	-	8	1,032	1,508
- Impairment losses on property, plant and equipment	-	-	-	-	(185)	(185)
- Impairment losses on joint venture	-	-	-	(8)	-	(8)
- Reversal of allowance for/(allowance for) write-down of inventories	15	133	-	(16)	-	132
Reportable segment assets	1,061	3,035	553,173	317	21,573	579,159
Capital expenditure	34	29	52	-	18	133
Reportable segment liabilities	3,455	11,835	427,593	5,334	12,032	460,249

\* denotes amount less than \$1,000.

**Reconciliation of reportable segment revenue, profit or loss, assets and liabilities and other material items**

	<b>2017</b>	<b>2016</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Revenue</b>		
Total revenue for reportable segments	68,173	117,666
Revenue from other segments	592	641
Elimination of inter-segment revenue	<u>(7,763)</u>	<u>(14,457)</u>
Consolidated revenue	<u>61,002</u>	<u>103,850</u>
<b>Profit or loss</b>		
Total (loss)/profit for reportable segments before tax and finance costs	(46,464)	7,051
Unallocated amounts:		
- Other corporate income/(expenses)	<u>6,602</u>	<u>(18,310)</u>
Consolidated loss before tax from continuing operations	<u>(39,862)</u>	<u>(11,259)</u>
<b>Assets</b>		
Total assets for reportable segments	157,492	579,159
Other unallocated amounts	<u>30,701</u>	<u>18,763</u>
Consolidated total assets	<u>188,193</u>	<u>597,922</u>
<b>Liabilities</b>		
Total liabilities for reportable segments	128,702	460,249
Other unallocated amounts	<u>16,522</u>	<u>54,161</u>
Consolidated total liabilities	<u>145,224</u>	<u>514,410</u>

	<b>Reportable</b>	<b>Adjustments</b>	<b>Consolidated</b>
	<b>segment total</b>	<b>\$'000</b>	<b>total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Other material items 2017</b>			
Amortisation of deferred income	193	40	233
Depreciation of property, plant and equipment	(2,476)	(666)	(3,142)
Fair value loss on investment properties	(26,536)	-	(26,536)
Finance costs	(10,698)	(1,905)	(12,603)
Finance income	12	66	78
Gain on disposal of property, plant and equipment	281	-	281
Impairment losses on property, plant and equipment	(413)	-	(413)
Property, plant and equipment written off	*	-	*
Reversal of allowance for write-down of inventories	229	-	229
Reversal of impairment losses on trade and other receivables	150	-	150
Capital expenditure	<u>1,193</u>	<u>31</u>	<u>1,224</u>

\* denotes amount less than \$1,000.

<b>Other material items 2016</b>	<b>Reportable segment total \$'000</b>	<b>Adjustments \$'000</b>	<b>Consolidated total \$'000</b>
Allowance for write-down of inventories	132	-	132
Allowance for impairment losses on trade and other receivables	(309)	-	(309)
Amortisation of deferred income	626	128	754
Depreciation of property, plant and equipment	(2,900)	(729)	(3,629)
Gain on disposal of property, plant and equipment	1,508	8	1,516
Impairment losses on property, plant and equipment	(185)	-	(185)
Impairment losses on joint venture	(8)	-	(8)
Fair value loss on investment properties	(12,710)	-	(12,710)
Finance costs	(11,536)	(2,061)	(13,597)
Finance income	18	108	126
Capital expenditure	133	14	147

### Geographical information

#### 31 December 2017

	<b>Revenue \$'000</b>	<b>Non-current assets \$'000</b>
Singapore	43,830	156,191
Hong Kong and China	15,438	-
Europe	1,359	-
Other	375	-
	<u>61,002</u>	<u>156,191</u>

#### 31 December 2016

	<b>Revenue \$'000</b>	<b>Non-current assets \$'000</b>
Singapore	84,094	571,897
Hong Kong and China	15,988	-
Europe	2,835	-
Malaysia	506	-
Other	427	-
	<u>103,850</u>	<u>571,897</u>

### Major customer

Revenue from a customer of the Group's piling contracts, construction, rental and servicing of machinery segment represents approximately 21% (2016: 36%) of the Group's revenue for FY2017.

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

Not applicable.

17 **A breakdown of sales.**

<b>The Group</b>	<b>FY2017 \$'000</b>	<b>FY2016 \$'000</b>	<b>Increase/ (Decrease) %</b>
a) Sales reported for the first half year	36,050	59,137	(39)
b) Operating (loss)/profit after tax before deducting non-controlling interests reported for first half year	(1,894)	740	(<100)
c) Sales reported for the second half year	24,952	44,713	(44)
d) Operating loss after tax before deducting non-controlling interests reported for second half year	(38,695)	(12,928)	>100

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

<b>Annual Dividend (S\$'000)</b>	<b>FY2017</b>	<b>FY2016</b>
Ordinary final #	3,080	-

# FY2017 final ordinary dividend is estimated based on number of shares as at 28 February 2018.

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

Not applicable.

**BY ORDER OF THE BOARD**

**JOANNA LIM**  
**Company Secretary**  
 28 February 2018