

Second Quarter Financial Statement Announcement for the Period Ended 31 March 2015

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

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	GROUP \$'000	
	3 Months ended 31 Mar 2015	3 Months ended 31 Mar 2014
Revenue	3,047	1,574
Other income including interest income	42	76
Construction costs	(1,619)	-
Raw materials and consumables used	-	(635)
Employee benefits expense	(133)	(409)
Depreciation and amortisation charge	(152)	(135)
Rental expense	(36)	(50)
Other expenses	(110)	(575)
Finance costs	(51)	(8)
Exceptional items	-	-
Profit/(loss) before income tax	988	(162)
Income tax expense	(40)	-
Profit/(loss) for the period after tax	948	(162)
Other comprehensive income:		
Exchange differences on translating foreign operation and other currency translation differences, net of tax.	(42)	-
Other comprehensive (loss) income, net of tax	(42)	-
Total comprehensive profit/(loss) for the period	906	(162)

Profit/(Loss) attributable to:		
Equity holders of the Company	397	(152)
Non-controlling interests	551	(10)
	948	(162)

Total comprehensive income/(loss) attributable to:		
Equity holders of the Company	375	(152)
Non-controlling interests	531	(10)
	906	(162)

NM = not meaningful

Notes to the above income statement:

	GROUP \$'000	
	3 Months ended 31 Mar 2015	3 Months ended 31 Mar 2014
Foreign exchange gain	-	14
Interest on borrowings	(51)	(8)

Other Operating Income is as follows:

	GROUP \$'000	
	3 Months ended 31 Mar 2015	3 Months ended 31 Mar 2014
Rental income	23	67
Interest income	-	2
Others	19	7

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

STATEMENT OF FINANCIAL POSITION

	GROUP \$'000		COMPANY \$'000	
	31-Mar-15	30-Sep-14	31-Mar-15	30-Sep-14
ASSETS				
Current assets:				
Cash and bank balances	1,053	2,380	261	854
Fixed deposits with financial institutions	538	770	-	-
Trade receivables	1,062	1,118	-	-
Other receivables	510	228	-	446
Construction work-in-progress	238	433	-	-
Inventories	-	-	-	-
Prepaid land lease	153	153	-	-
Amount due from associates	477	401	-	-
Total current assets	4,031	5,483	261	1,300
Non current assets:				
Prepaid land lease	4,476	4,553	-	-
Investments in subsidiaries	-	-	7,386	7,386
Investments in associate	5,078	5,078	5,000	5,000
Amount due from associates	27,995	21,347	11,000	11,000
Other receivables	32	17	13,714	12,035
Property, plant and equipment	5,190	5,332	-	-
Investment properties	3,402	3,402	-	-
Deferred tax asset	4	4	-	-
Total non current assets	46,177	39,733	37,100	35,421
Total assets	50,208	45,216	37,361	36,721
LIABILITIES AND EQUITY				
Current liabilities:				
Trade payables	454	2,604	-	-
Other payables	665	1,012	188	395
Bank borrowings - secured	2,525	801	-	-
Obligation under finance lease	-	-	-	-
Amount due to associate	-	475	-	-
Current tax liabilities	59	138	-	-
Total current liabilities	3,703	5,030	188	395
Non current liabilities:				
Amount due to associate	475	-	-	-
Bank borrowings - secured	6,051	3399	-	-
Amount due to non-controlling interest	1,802	979	823	-
Other payables	228	-	120	-
Deferred tax liabilities	47	47	-	-
Total non current liabilities	8,603	4,425	943	-
Equity				
Share capital	41,182	41,182	41,182	41,182
Translation reserve	(3,305)	(3,198)	-	-
Asset revaluation reserve	936	936	-	-
Accumulated losses	(3,599)	(4,560)	(4,952)	(4,856)
Shareholders interests	35,214	34,360	36,230	36,326
Non-controlling interests	2,688	1,401	-	-
Total equity	37,902	35,761	36,230	36,326
Total liabilities and equity	50,208	45,216	37,361	36,721

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

Amount repayable in one year or less, or on demand

As at 31/3/2015		As at 30/09/2014	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
2,525	-	801	-

Amount repayable after one year

As at 31/3/2015		As at 30/9/2014	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
6,051	-	3,399	-

Details of any collateral

Fixed deposits up to amount drawdown by a subsidiary company
 Chattel mortgage on various machineries and buildings of subsidiary companies
 Charge over land of associate companies
 Corporate Suretyship of Amplefield Ltd

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

CONSOLIDATED STATEMENT OF CASH FLOW

GROUP

	3 Months ended 31 Mar 2015 \$'000	3 Months ended 31 Mar 2014 \$'000
Cash flows from operating activities:		
Profit/(loss) before income tax and share of results of associates	988	(162)
Adjustments for non cashflow items:		
Depreciation and amortisation	152	135
Interest expense	51	8
Interest income	-	(2)
Operating profit/(loss) before working capital changes	1,191	(21)
Changes in operating assets and liabilities:		
(Increase)/decrease in inventories	-	(32)
Decrease in construction work-in-progress	450	-
Decrease/(Increase) in receivables	157	(172)
Amount due from associate	(76)	(9)
Decrease in payables	(1,762)	(23)
Cash generated from operations	(40)	(257)
Interest paid	(51)	(8)
Interest received		2
Income tax paid	(119)	-
Net cash from operating activities	(210)	(263)
Cash flows from investing activities:		
Purchase of property, plant and equipment	(63)	(69)
Investment in associate	-	-
Net cash used in investing activities	(63)	(69)
Cash flows from financing activities:		
Drawdown/(repayment) of term loans, hire purchase and lease creditors	3,302	(29)
Amount due from associate	(2,850)	-
Increase in amount owing to non-controlling interests	-	-
Decrease in fixed deposits pledged	232	100
Net cash used in financing activities	684	71
Translation adjustment- exchange difference	(79)	(22)
Net increase/(decrease) in cash and cash equivalents	332	(283)
Cash and cash equivalent as at beginning of period	721	832
Cash and cash equivalent as at end of period	1,053	549

Cash and cash equivalent comprises:		
Cash and bank balances	1,053	549
Fixed deposits with financial institutions	538	1,353
	1,591	1,902
Less: Pledged fixed deposits	(538)	(1,353)
	1,053	549

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 PERIOD ENDED 31 MARCH 2015

	Issued capital	Foreign exchange translation loss	Asset revaluation reserve	Accumulated losses	Total attributable to shareholders of the Company	Non-controlling interests	Total equity
GROUP							
Balance as at 1 Oct 2013	20,753	(2,769)	936	(5,218)	13,702	235	13,937
Loss for the period	-	-	-	(303)	(303)	76	(227)
Other comprehensive income/(loss)	-	(50)	-	-	(50)	-	(50)
Balance as at 31 Dec 2013	20,753	(2,819)	936	(5,521)	13,349	311	13,660
Loss for the period	-	-	-	(152)	(152)	(10)	(162)
Other comprehensive income/(loss)	-	(22)	-	-	(22)	-	(22)
Balance as at 31 Mar 2014	20,753	(2,841)	936	(5,673)	13,175	301	13,476
Balance as at 1 Oct 2014	41,182	(3,198)	936	(4,560)	34,360	1,401	35,761
Profit for the period	-	-	-	564	564	756	1,320
Other comprehensive income/(loss)	-	(85)	-	-	(85)	-	(85)
Balance as at 31 Dec 2014	41,182	(3,283)	936	(3,996)	34,839	2,157	36,996
Profit for the period	-	-	-	397	397	551	948
Other comprehensive income/(loss)	-	(22)	-	-	(22)	(20)	(42)
Balance as at 31 Mar 2015	41,182	(3,305)	936	(3,599)	35,214	2,688	37,902
COMPANY							
Balance as at 1 Oct 2013	20,753	-	-	(4,409)	16,344	-	16,344
Net loss for Q1 FY2014	-	-	-	(40)	(40)	-	(40)
Balance as at 31 Dec 2013	20,753	-	-	(4,449)	16,304	-	16,304
Net loss for Q2 FY2014	-	-	-	(60)	(60)	-	(60)
Balance as at 31 Mar 2014	20,753	-	-	(4,509)	16,244	-	16,244
Balance as at 1 Oct 2014	41,182	-	-	(4,856)	36,326	-	36,326
Net loss for Q1 FY2015	-	-	-	(45)	(45)	-	(45)
Balance as at 31 Dec 2014	41,182	-	-	(4,901)	36,281	-	36,281
Net loss for Q2 FY2015	-	-	-	(51)	(51)	-	(51)
Balance as at 31 Mar 2015	41,182	-	-	(4,952)	36,230	-	36,230

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 or cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

Pursuant to an EGM of the Company held on 30 January 2015, the Company has completed the consolidation of every ten existing issued ordinary shares in the capital of the Company held by shareholders of the Company into one ordinary share effective as at 9.00 am on 6 February 2015. As a result of the completion of the share consolidation exercise, the number of ordinary shares of the Company is now 345,881,163.

1(d)(iii) and (iv).Statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial year reported on

Information pursuant to clause 1(d)(iii):

	As at 31 Mar 15	As at 30 Sept 14
Total number of issued shares excluding treasury shares	345,881,163	3,458,811,630

Information pursuant to clause 1(d)(iv):

The Company does not have any treasury shares as at end of the immediately preceding financial year on 30th September 2014 and during the reporting quarter of the current financial year.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited or reviewed by auditors.

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

Not applicable

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

The financial information have been prepared in accordance with the same accounting policies and methods of computation adopted in the audited financial statements of the last financial year.

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

None

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

GROUP		
	Quarter ended 31 Mar 15	Quarter ended 31 Mar 14
Based on the weighted average number of ordinary shares in issue	0.11 cents	(0.022) cents
On a fully diluted basis	0.11 cents	(0.022) cents

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	31-Mar-2015	30-Sep-2014
GROUP	10.9 cents	1.03 cents
COMPANY	10.5 cents	1.05 cents

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

The Group's revenue for Q2 FY15 was S\$3.0 million compared to S\$1.6 million in Q2 FY14. The revenue was due mainly to billings from the Group's property development and construction business in the Philippines which commenced in July 2014. Meanwhile Raw Materials costs decreased from S\$0.6 million in Q2 FY2014 to Nil in Q2 FY2015 while Employee Benefits expense dropped from S\$0.4 million to S\$0.13 million and Other Expenses dropped from S\$0.6 million to S\$0.1 million. The decreases were due to discontinuation of manufacturing activities as we move to our new businesses in development & construction.

The Group made an operating profit after tax of \$0.95 million in Q2 FY2015 compared to a loss of \$0.16 million in Q2 FY14. The profits attributable to the shareholders of the company and non-controlling interest are S\$0.4 million and S\$0.5 million respectively

Bank borrowings increased from S\$5.3 million as at 31 Dec 2014 to S\$ 8.6 million as at 31 Mar 2015 or by \$3.3 million during the quarter due mainly to further drawdown of loans from a financial institution to finance the Group's construction and development business in the Philippines

Amount receivable from associate companies increased by S\$2.8 million during the quarter due mainly to progress billings for a development and construction project in the Philippines.

Update on Usage of Rights Proceed

The proceeds from the Rights Issue that was completed in May 2014 has been utilized in the following manner.

Net proceeds utilised for development and construction business:-

Subscription of shares in associate company in business of development and construction	\$5.0 million	i)
Shareholders' loans to associate company in business of development and construction	\$11.0 million	ii)
Purchase of materials and expenses for development of Lima Land in Philippines	\$1.2 million	iii)
Total	\$17.2 million	Net
proceeds utilized for working capital purposes:-		i) Repayment
of loan from a director	\$1.34 million	
ii) Repayment of outstanding directors' and ex-director's salaries	\$0.86 million	iii)
Payment of directors' fees approved at previous AGMs	\$0.27 million	iv)
Payment to suppliers	\$0.37 million	
Total	\$2.84 million	

The use of the proceeds is in accordance with the stated use and is in accordance with the percentage allocated in the Offer Information Statement dated 25 April 2014.

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

None

10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The Group will continue to focus its efforts on its new core business of property development, construction and facilities provider in the Philippines and Vietnam. The economies of Philippines and Vietnam are expected to perform better than their ASEAN counterparts due to low global oil prices and continuing reforms.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared 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) Date payable

Not applicable

(d) Books closure date

Not applicable

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

No dividend has been declared/recommendeded by the Company for the current financial period reported on.

13. If no IPT mandate has been obtained, please make a statement to that effect

The Group has not obtained a general mandate from shareholders for IPTs.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

13. 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

N.A.

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

N.A.

15. A breakdown of sales

N.A.

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

N.A.

17. Directors confirmation

To the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results for the quarter ended 31 March 2015, to be false or misleading

BY ORDER OF THE BOARD

Yap Weng Yau
CFO/Director
14-May-15