

**Half Year Financial Statements and Dividend Announcement**

The Board of Directors is pleased to make the following announcement of the unaudited results for the Half-Year ended 30 June 2017.

**PART I: INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (Q1, Q2 & Q3) 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.

**Unaudited Consolidated Statement of Comprehensive Income  
For the Half-Year ended 30 June 2017**

	Group		Increase (Decrease) (%)
	30 Jun 17	30 Jun 16	
	S\$'000	S\$'000	
Revenue	5,973	11,700	(48.9)
Cost of Sales	(4,281)	(9,559)	(55.2)
<b>Gross Profit</b>	1,692	2,141	(21.0)
<b>Other items of Income</b>			
Interest Income	38	36	5.5
Other Credits	31	298	(89.6)
<b>Other items of Expenses</b>			
Marketing and Distribution Costs	(134)	(132)	1.5
Administrative Expenses	(1,140)	(1,667)	(31.6)
Finance Costs	(256)	(306)	(16.3)
Other Charges	(91)	(102)	(10.8)
Share of results of an Associate	(40)	(47)	(14.9)
Profit Before Tax	100	221	(54.8)
Income Tax Credits/(Expenses)	21	(13)	NM
Profit, Net of Tax	121	208	(41.8)
<b>Other Comprehensive Income, Net of Tax:</b>			
Exchange Differences on Translating Foreign Operations, Net of Tax	(390)	(668)	(41.6)
Total Comprehensive Income	(269)	(460)	(41.5)
<b>Profit/(Loss) attributable to:</b>			
Equity Holders of the Company	133	208	(36.1)
Non-Controlling Interests	(12)	–	NM
	121	208	(41.8)
<b>Total Comprehensive Income attributable to:</b>			
Equity Holders of the Company	(256)	(460)	(44.3)
Non-Controlling Interests	(13)	–	NM
	(269)	(460)	(41.5)

NM – denotes not meaningful

**Notes to the Consolidated Statement of Comprehensive Income**

	Group		Increase (Decrease) (%)
	30 Jun 17	30 Jun 16	
	S\$'000	S\$'000	
Foreign exchange losses	(91)	(81)	12.3
Provision for impairment on trade receivables	–	(14)	NM
Provision for impairment on other receivables	–	(7)	NM
Reversal for slow moving inventories	–	214	NM
Reversal for product warranty expense	–	29	NM
Write back of other payables	–	35	NM
Others	31	20	55.0
Net	(60)	196	NM
<u>Presented in Profit or Loss as :</u>			
Other Credits	31	298	(89.6)
Other Charges	(91)	(102)	(10.8)
Net	(60)	196	NM
Depreciation and amortization	(297)	(362)	(18.0)

NM – denotes not meaningful

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

	Notes	Group		Company	
		30 Jun 17 S\$'000	31 Dec 16 Audited S\$'000	30 Jun 17 S\$'000	31 Dec 16 Audited S\$'000
<b>ASSETS</b>					
<b><u>Non-Current Assets:</u></b>					
Property, Plant and Equipment	1	9,545	7,061	–	–
Investments in Subsidiaries		–	–	14,551	14,473
Investments in Associates		530	583	–	–
Deferred Tax Assets		172	179	–	–
Other Receivables		47	49	–	–
<b>Total Non-Current Assets</b>		<b>10,294</b>	<b>7,872</b>	<b>14,551</b>	<b>14,473</b>
<b><u>Current Assets:</u></b>					
Inventories		7,093	7,410	–	–
Trade and Other Receivables	2	10,855	14,703	1,432	2,338
Other Assets		652	497	5	3
Cash and Cash Equivalents	3	1,646	3,710	22	174
Tax Recoverable		110	23	–	–
<b>Total Current Assets</b>		<b>20,356</b>	<b>26,343</b>	<b>1,459</b>	<b>2,515</b>
<b>Total Assets</b>		<b>30,650</b>	<b>34,215</b>	<b>16,010</b>	<b>16,988</b>
<b>EQUITY AND LIABILITIES</b>					
<b><u>Equity:</u></b>					
Share Capital		14,934	14,934	14,934	14,934
Retained Earnings		842	709	183	262
Other Reserves		409	798	–	–
Equity attributable to owners of the Company		16,185	16,441	15,117	15,196
Non-Controlling Interests		1,532	–	–	–
<b>Total Equity</b>		<b>17,717</b>	<b>16,441</b>	<b>15,117</b>	<b>15,196</b>
<b><u>Non-Current Liabilities:</u></b>					
Finance Leases		229	286	–	–
Other Financial Liabilities	4	2,613	2,846	–	–
<b>Total Non-Current liabilities</b>		<b>2,842</b>	<b>3,132</b>	<b>–</b>	<b>–</b>
<b><u>Current Liabilities:</u></b>					
Provisions		27	27	–	–
Trade and Other Payables	5	4,451	8,434	193	392
Finance Leases		120	128	–	–
Other Financial Liabilities	4	4,838	5,467	700	1,400
Other Liabilities		655	586	–	–
<b>Total Current Liabilities</b>		<b>10,091</b>	<b>14,642</b>	<b>893</b>	<b>1,792</b>
<b>Total Liabilities</b>		<b>12,933</b>	<b>17,774</b>	<b>893</b>	<b>1,792</b>
<b>Total Equity and Liabilities</b>		<b>30,650</b>	<b>34,215</b>	<b>16,010</b>	<b>16,988</b>

## Notes to the Statement of Financial Position

1. The increase was mainly due to an acquisition of a subsidiary which owes a land amounted to S\$3.0 million for development of biomass power plant project in Malaysia.
2. The decrease was in line with the decrease in revenue.
3. The movements are disclosed in the Consolidated Statement of Cash Flows on Page 5 of this announcement.
4. The decrease was due to repayment during the period.
5. The decrease was in line with the decrease in cost of sales.

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

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

Group (S\$'000)			
As at 30 Jun 2017		As at 31 Dec 16	
Secured	Unsecured	Secured	Unsecured
2,131	2,827	3,033	2,562

#### Amount repayable after 1 year

Group (S\$'000)			
As at 30 Jun 2017		As at 31 Dec 16	
Secured	Unsecured	Secured	Unsecured
2,842	–	3,043	89

#### Details of any collateral

Secured borrowings are made up of trust receipts, factoring payables, term loans and finance leases. The other financial liabilities and finance leases amounted to S\$4,624,000 and S\$349,000 (31 Dec 16: S\$5,662,000 and S\$414,000) are secured against the property and leased assets respectively.

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

**Consolidated Statement of Cash Flows**

	<b>Group</b>	
	<b>30 Jun 17</b>	<b>30 Jun 16</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Cash Flows From Operating Activities</b>		
Profit before tax	100	221
Adjustments for:		
Depreciation of Property, Plant and Equipment	297	362
Interest Expense	256	306
Interest Income	(38)	(36)
Provision for Impairment on Trade Receivables	–	14
Provision for Impairment on Other Receivables	–	7
Reversal for Slow Moving Inventories	–	(214)
Reversal for Product Warranty Expenses	–	(29)
Share of Results of an Associate	40	47
Written Off of Provision Made for Slow Moving Inventories	–	(93)
Written Back of Other Payables	–	(35)
Currency Translation differences	73	(129)
<b>Operating Cash Flows before Changes in Working Capital</b>	<b>728</b>	<b>421</b>
Inventories	(31)	4,556
Trade and Other Receivables	3,533	(259)
Other Assets	(170)	79
Trade and Other Payables	(3,760)	(1,560)
Other Liabilities	72	(662)
Net Cash Flows From Operations	372	2,575
Income Taxes Paid	(65)	(135)
Net Cash Flows From Operating Activities (a)	307	2,440
<b>Cash Flows From Investing Activities</b>		
Purchase of Property, Plant and Equipment	(3,002)	(387)
Net Cash Flows Used In Investing Activities (b)	(3,002)	(387)
<b>Cash Flows From Financing Activities</b>		
Proceeds from Investment by Non-Controlling Interests	1,545	–
Proceeds from Borrowings	4,867	7,424
Repayment of Borrowings	(5,393)	(9,181)
Finance Lease Repayments	(48)	(78)
Interest Paid	(256)	(306)
Net Cash Flows From/(Used In) Financing Activities (c)	715	(2,141)
<b>Net Decrease in Cash and Cash Equivalents</b>	<b>(1,980)</b>	<b>(88)</b>
Effects of Exchange Rate Changes on Cash and Cash Equivalents	(84)	(80)
<b>Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balances</b>	<b>3,710</b>	<b>2,355</b>
<b>Cash and Cash Equivalents, Statement of Cash Flows, Ending Balances (d)</b>	<b>1,646</b>	<b>2,187</b>

**Notes to the Consolidated Statement of Cash Flows**

- (a) The cash flows from operations were mainly due to repayment from customers.
- (b) The cash flows used in investing activities mainly relate to the purchase of plant and equipment.
- (c) The cash flows from in financing activities was mainly due to proceed from Investment by Non-Controlling Interests for acquisition of subsidiary.
- (d) For the purpose of the consolidated statement of cash flows, the consolidated cash and cash equivalents comprise the following:

	Group	
	30 Jun 17 S\$'000	31 Dec 16 Audited S\$'000
Cash and cash equivalents	1,646	3,710
Cash and cash equivalents in consolidated statement of cash flows	1,646	3,710

- 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 capitalization 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 – Group**

	Attributable to Equity Holders of the Company					Non-Controlling Interests S\$'000	Total Equity S\$'000
	Share capital S\$'000	Treasury Shares	Other Reserves S\$'000	Retained Earnings S\$'000	Total S\$'000		
Current Year:							
<b>Opening Balance at 1 Jan 2017</b>	15,322	(388)	798	709	16,441	–	16,441
Investment by Non-Controlling Interests	–	–	–	–	–	1,545	1,545
Total Comprehensive (Loss)/Income for the Year	–	–	(389)	133	(256)	(13)	(269)
<b>Closing Balance at 30 Jun 2017</b>	15,322	(388)	409	842	16,185	1,532	17,717
			(a)				
Previous Year:							
<b>Opening Balance at 1 Jan 2016</b>	14,767	(388)	883	121	15,383	–	15,383
Total Comprehensive Income/(Loss) for the Year	–	–	(668)	208	(460)	–	(460)
<b>Closing Balance at 30 Jun 2016</b>	14,767	(388)	215	329	14,923	–	14,923
			(a)				

(a) Unrealised and not available for distribution as cash dividends.

- 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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (Continued)

Statement of Changes in Equity – Company

	Share Capital S\$'000	Treasury Shares S\$'000	Retained Earnings S\$'000	Total Equity S\$'000
Current Year:				
<b>Opening Balance at 1 Jan 2017</b>	15,322	(388)	262	15,196
Total Comprehensive Loss for the Year	–	–	(79)	(79)
<b>Closing Balance at 30 Jun 2017</b>	<b>15,322</b>	<b>(388)</b>	<b>183</b>	<b>15,117</b>
Previous Year:				
<b>Opening Balance at 1 Jan 2016</b>	14,767	(388)	419	14,798
Total Comprehensive Loss for the Year	–	–	(13)	(13)
<b>Closing Balance at 30 Jun 2016</b>	<b>14,767</b>	<b>(388)</b>	<b>406</b>	<b>14,785</b>

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buybacks, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or cash or as consideration for acquisition or 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 end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Company	
	30 Jun 17	30 Jun 16
Number of shares may be issued on conversion of all the outstanding convertibles	2,916,667	–

On 26 September 2016, the Company entered into an unsecured convertible loan agreement of S\$1,000,000, at the conversion price of S\$0.24 per share. On 23 May 2017, the Company has repaid S\$300,000 and there is outstanding convertible loan of S\$700,000 as at 30 June 2017. There would be 2,916,667 new ordinary shares if full conversion of the loan at the conversion price. As of date of this announcement, the full sum of the convertible loan has been repaid to the lenders.

There are no changes to the Company's share capital during the Half-Year ended 30 June 2017.

Total number of shares held as Treasury Shares as at 30 June 2017 is 1,076,800 shares (31 December 2016: 1,076,800 shares).

- 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 as at 30 June 2017 is 35,950,856 shares (30 June 2016: 33,450,856 shares).

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

There were no shares buy-back carried out by the Group or Company relating to sales, transfers, disposal, cancellation and/or use of treasury shares during the Half-Year ended 30 June 2017.

**2. Whether the figures have been audited, or reviewed and in accordance with which standard (eg. The Singapore Standard on Auditing 910 (Engagements to Review of Financial Statement(s), or an equivalent standard).**

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

**3. Where the figures have been audited or reviewed, the auditor's 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.**

The above financial information has been prepared using the same accounting policies and methods of computation as presented in the financial statements for the year ended 31 December 2016 except as described in paragraph 5.

**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 form and the effect of, the change.**

There are no changes in the accounting policies and methods of computation used in the preparation of financial information in this announcement except for the adoption of the respective new or revised Financial Reporting Standards ("FRS") which have no significant impact on the financial position or performance of the Group. Where applicable, the presentation of the financial information has been amended to comply with these standards.

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

	Group	
	30 Jun 17 Cents	30 Jun 16 Cents
<b>Earnings per Ordinary Share for the year based on net profit/(loss) attributable to equity holders of the Company:</b>		
(I) Based on the weighted average number of ordinary shares in issue (cents)	0.37	0.62
(II) On a fully diluted basis (cents)	0.37	0.62

Basic earnings per share is calculated on the basis of consolidated profit after tax attributable to Equity Holders of the Company of S\$133,000 (30 June 16: S\$208,000) and on 35,950,856 (30 June 16: 33,450,856) weighted average ordinary shares in issue during the year under review.



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

Diluted earnings per share would be calculated on the basis of consolidated profit after tax attributable to equity holders of the Company of S\$180,000 (30 Jun 2016: S\$208,000) and on 38,867,523 (30 Jun 2016: 33,450,856) weighted average ordinary shares in issue during the year under review and after taking into account the converted shares from the convertible loan agreement. The diluted EPS is the same as basic EPS is due to the calculation of diluted EPS does not assume conversion of potential ordinary shares that would have an antidilutive effect on EPS.

**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 on and (b) immediately preceding financial year**

	Group		Company	
	30 Jun 17	31 Dec 16	30 Jun 17	31 Dec 16
	Cents	Audited Cents	Cents	Audited Cents
Net Asset Value per Ordinary Share based on issued Share Capital at the end of the year (in cents)	45.02	45.73	42.05	42.27

The Group's net asset per ordinary share is calculated based on net assets attributable to Equity Holders of the Company of S\$16,185,000 (31 Dec 16: S\$16,441,000) and the share capital of 35,950,856 (31 Dec 16: 35,950,856) ordinary shares.

The Company's net asset per ordinary share is calculated based on net assets of S\$15,117,000 (31 Dec 16: S\$15,196,000) and the share capital of 35,950,856 (31 Dec 16: 35,950,856) ordinary 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.**

**Turnover and Profitability**

Group revenue for the period ended 30 June 17 ("HY2017") decrease by 48.9% to S\$6.0 million. Revenue decreased mainly due to the delay from few major projects in HY2017. The Group expects the revenue from these major projects to be recognised in the second half of FY2017. Cost of sales decreased by 55.2% to S\$4.3 million. Gross profit decreased by 21.0% to S\$1.7 million mainly due to lower sales achieved in HY2017.

Administrative Expenses decreased by 31.6% to S\$1.1 million mainly due to a reduction in personnel costs, administrative expenses and other operating expenses. Finance costs decreased by 16.3% to S\$0.3 million mainly due to lesser loan obtained during the period.

The other comprehensive income foreign exchange loss of S\$0.4 million arose from the recognition of translation loss of foreign entities.

The Group registered a net profit after tax of S\$0.1 million for HY2017.

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

Not applicable.

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

The global economic condition continues to be challenging in FY2017. The Group continues to focus on its core business and the clean energy business to provide stability to its operations and revenue.

**11. Dividend**

**(a) Current Financial Period reported on**

None.

**(b) 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/recommended, a statement to that effect.**

No dividend has been declared or recommended during the period under review.

**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.**

Name of interested person	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)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
Mason Industries Pte Ltd	355,000	1,680,000
Wizdenki Pte Ltd	-	-

**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 it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

**15. NEGATIVE CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5) OF THE LISTING MANUAL**

On behalf of the Board of Directors of the Company, we 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 financial statements for the Half-Year ended 30 June 2017 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Benedict Chen Onn Meng  
Chief Executive Officer

10 August 2017