



(Company Registration No. 201414628C)

# MS HOLDINGS LIMITED

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**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2017**

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*This announcement has been prepared by MS Holdings Limited (“**Company**”) and its contents have been reviewed by United Overseas Bank Limited (“**Sponsor**”) for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). The Sponsor has not independently verified the contents of this announcement.*

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

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(Company Registration No. 201414628C)

**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2017**

**PART 1 - INFORMATION REQUIRED FOR SIX-MONTH AND FULL YEAR ANNOUNCEMENTS**

1(a)(i) A statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		
	Six months ended 31 October		
	2017 S\$'000	2016 S\$'000	Change %
<b>Revenue</b>	5,572	7,658	(27.2)
Cost of sales	(4,662)	(5,954)	(21.7)
<b>Gross profit</b>	910	1,704	(46.6)
Other income	323	517	(37.5)
<b>Expenses</b>			
Distribution expenses	(10)	(14)	(28.6)
General and administrative expenses	(1,997)	(2,550)	(21.7)
Finance costs	(468)	(524)	(10.7)
<b>Loss before tax</b>	(1,242)	(867)	43.3
Income tax credit/(expense)	(22)	176	NM
<b>Loss net of tax, representing total comprehensive income for the period attributable to owners of the Company</b>	(1,264)	(691)	82.9

NM Not meaningful



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**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2017**

**1(a)(ii) Notes to Consolidated Statement of Comprehensive Income**

A) Other income

	<b>Group</b>		
	<b>Six months ended</b>		
	<b>2017</b>	<b>2016</b>	<b>Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
Rental income from leasehold properties	247	267	(7.5)
Service income	30	22	36.4
Interest income from loan and fixed deposits	4	12	(66.7)
Gain on disposal of plant and equipment	-	188	NM
Government grants/incentives	32	25	28.0
Unrealised exchange gain	_#	-	NM
Miscellaneous income	10	3	233.3
	<b>323</b>	<b>517</b>	<b>(37.5)</b>

B) Loss before tax was stated after charging:

	<b>Group</b>		
	<b>Six months ended</b>		
	<b>2017</b>	<b>2016</b>	<b>Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
Depreciation of property, plant and equipment	1,673	1,731	(3.4)
Loss on disposal of plant and equipment	-	17	NM
Realised exchange loss	-	11	NM
Allowance for impairment of trade receivables	-	97	NM
Allowance for impairment of other receivables	-	5	NM
Bad debt written off	1	1	NM

NM *Not meaningful*  
# *Amount less than S\$1,000*



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**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2017**

**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.**

	Group		Company	
	As at 31.10.2017 S\$'000	As at 30.04.2017 S\$'000	As at 31.10.2017 S\$'000	As at 30.04.2017 S\$'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	55,111	56,138	21	24
Investment in subsidiaries	-	-	21,338	21,338
	<u>55,111</u>	<u>56,138</u>	<u>21,359</u>	<u>21,362</u>
<b>Current assets</b>				
Trade and other receivables	3,759	4,306	1	2
Prepaid operating expenses	239	279	6	5
Inventories	35	359	-	-
Amount due from subsidiaries	-	-	3,920	3,973
Cash and bank balances	1,212	3,710	63	125
	<u>5,245</u>	<u>8,654</u>	<u>3,990</u>	<u>4,105</u>
<b>Total assets</b>	<u>60,356</u>	<u>64,792</u>	<u>25,349</u>	<u>25,467</u>
<b>EQUITY AND LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	868	978	25	27
Accrued operating expenses	408	526	117	166
Amount due to subsidiaries	-	-	61	61
Obligations under finance leases	5,523	6,443	-	-
Bank borrowings	2,290	1,760	-	-
Provision for taxation	329	292	11	6
	<u>9,418</u>	<u>9,999</u>	<u>214</u>	<u>260</u>
<b>Non-current liabilities</b>				
Obligations under finance leases	8,972	11,143	-	-
Bank borrowings	15,233	15,638	-	-
Deferred tax liabilities	1,726	1,741	3	2
Provision for reinstatement cost	700	700	-	-
	<u>26,631</u>	<u>29,222</u>	<u>3</u>	<u>2</u>
<b>Total liabilities</b>	<u>36,049</u>	<u>39,221</u>	<u>217</u>	<u>262</u>
<b>Net assets</b>	<u>24,307</u>	<u>25,571</u>	<u>25,132</u>	<u>25,205</u>
<b>Equity attributable to owners of the Company</b>				
Share capital	25,564	25,564	25,564	25,564
Merger reserve	(19,728)	(19,728)	-	-
Retained earnings	18,471	19,735	(432)	(359)
<b>Total equity</b>	<u>24,307</u>	<u>25,571</u>	<u>25,132</u>	<u>25,205</u>
<b>Total equity and liabilities</b>	<u>60,356</u>	<u>64,792</u>	<u>25,349</u>	<u>25,467</u>



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**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2017**

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

	As at 31.10.2017		As at 30.04.2017	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
<b>Current</b>				
Amount repayable in one year or less, or on demand	7,813	–	8,203	–
<b>Non-current</b>				
Amount repayable after one year	24,205	–	26,781	–

**Details of any collaterals**

The Group's borrowings comprised (i) bank borrowings to finance the acquisition of a leasehold property and working capital; and (ii) obligations under finance leases to fund the purchases of cranes and other equipment.

The above credit facilities are secured by one or several of (i) mortgage over respective plant and equipment financed under hire purchase arrangement; (ii) mortgage over the leasehold property; and (iii) corporate guarantee by the Company.



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**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2017**

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.**

	<b>Group</b>	
	<b>Six months ended 31 October</b>	
	<b>2017</b>	<b>2016</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Operating activities:</b>		
Loss before tax	(1,242)	(867)
Adjustments for:		
Depreciation of property, plant and equipment	1,673	1,731
Bad debt written off	1	1
Gain on disposal of plant and equipment, net	-	(171)
Allowance for impairment of trade and other receivables	-	102
Interest income	(4)	(12)
Interest expense	468	524
Net exchange loss	-#	11
Total adjustments	2,138	2,186
<b>Operating cash flows before changes in working capital</b>	<b>896</b>	<b>1,319</b>
Changes in working capital:		
Decrease in trade and other receivables	546	26
Decrease in prepaid operating expenses	40	43
Decrease/(increase) in inventories	324	(512)
Decrease in trade and other payables	(110)	(143)
(Decrease)/increase in accrued operating expenses	(128)	347
Total changes in working capital	672	(239)
<b>Cash flows from operations</b>	<b>1,568</b>	<b>1,080</b>
Income tax paid	-	(8)
Interest paid	(458)	(504)
<b>Net cash flows generated from operating activities</b>	<b>1,110</b>	<b>568</b>
<b>Investing activities:</b>		
Purchase of property, plant and equipment ( <i>Note A</i> )	(292)	(72)
Proceeds from disposal of plant and equipment	-	267
Repayment of loan from a third party	-	875
Interest income	4	12
<b>Net cash flows generated from/(used in) investing activities</b>	<b>(288)</b>	<b>1,082</b>

# Amount less than S\$1,000



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**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2017**

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.**

	<b>Group</b>	
	<b>Six months ended</b>	
	<b>31 October</b>	
	<b>2017</b>	<b>2016</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Financing activities:</b>		
Proceeds from loans and bank borrowings	1,000	11,440
Repayment of bank borrowings	(875)	(5,532)
Repayment of obligations under finance leases	(3,445)	(2,834)
Decrease in pledged deposits	-	51
<b>Net cash flows generated from/(used in) financing activities</b>	<b>(3,320)</b>	<b>3,125</b>
Net increase/(decrease) in cash and cash equivalents	(2,498)	4,775
Cash and cash equivalents at 1 May	3,710	1,772
<b>Cash and cash equivalents at 31 October</b>	<b>1,212</b>	<b>6,547</b>



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**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2017**

- 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.**

**Notes to Consolidated Statements of Cash Flows:**

A) Purchase of property, plant and equipment

	<b>Group</b>	
	<b>Six months ended</b>	
	<b>31 October</b>	
	<b>2017</b>	<b>2016</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Current year additions to property, plant and equipment	646	839
Less:		
Deposits made for purchase of property, plant and equipment in prior year	-	(10)
Increase in obligations under finance leases	(354)	(757)
Net cash outflow for purchase of property, plant and equipment	<u>292</u>	<u>72</u>





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**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2017**

**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.**

	Share Capital S\$'000	Merger Reserve S\$'000	Retained Earnings S\$'000	Total S\$'000
<b>Group</b>				
At 1 May 2016	25,564	(19,728)	21,159	26,995
Loss for the period, representing total comprehensive income for the period	-	-	(691)	(691)
At 31 October 2016	25,564	(19,728)	20,468	26,304
At 1 May 2017	25,564	(19,728)	19,735	25,571
Loss for the period, representing total comprehensive income for the period	-	-	(1,264)	(1,264)
At 31 October 2017	25,564	(19,728)	18,471	24,307
<b>Company</b>				
At 1 May 2016	25,564	-	(58)	25,506
Loss for the period, representing total comprehensive loss for the period	-	-	(99)	(99)
At 31 October 2016	25,564	-	(157)	25,407
At 1 May 2017	25,564	-	(359)	25,205
Loss for the period, representing total comprehensive loss for the period	-	-	(73)	(73)
At 31 October 2017	25,564	-	(432)	25,132



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**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2017**

- 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, 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 corresponding period immediately preceding financial year.**

There were no changes in the Company's share capital since 30 April 2017.

As at 31 October 2017 and 31 October 2016, there were no outstanding options, convertibles, treasury shares and subsidiary holdings.

- 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.**

	31.10.2017	As at 30.04.2017
Total number of issued ordinary shares	102,000,000	102,000,000

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

There were no treasury shares held by the Company.

- 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.**

There were no subsidiary holdings.

- 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.



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**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2017**

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

Save as disclosed in paragraph 5 below, the financial statements have been prepared based on accounting policies and methods of computation consistent with those adopted in the most recent audited financial statements of the Group for the financial year ended 30 April 2017.

**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 new and revised Singapore Financial Reporting Standards ("SFRS") and interpretations of SFRS applicable to the Group which are effective for the financial year beginning 1 May 2017. These are not expected to have a material impact on the Group's financial statements.

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

	<b>Group</b>	
	<b>Six months ended 31 October</b>	
	<b>2017</b>	<b>2016</b>
Earnings per share		
(a) Basic (loss)/earnings per share (cents)	(1.24)	(0.68)
(b) Diluted (loss)/earnings per share (cents)	(1.24)	(0.68)
Weighted average number of shares ('000)	102,000	102,000

As at 31 October 2017 and 31 October 2016, the Company does not have any dilutive instruments.

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

	<b>Group</b>		<b>Company</b>	
	<b>As at 31.10.2017</b>	<b>As at 30.04.2017</b>	<b>As at 31.10.2017</b>	<b>As at 30.04.2017</b>
Net assets (S\$'000)	24,307	25,571	25,132	25,205
Number of shares ('000)	102,000	102,000	102,000	102,000
Net asset value per share (cents)	23.8	25.1	24.6	24.7



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## **UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2017**

- 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 the Group's performance**

#### **Revenue**

For the six-month financial period ended 31 October 2017 ("1H2018"), the Group's revenue decreased by S\$2.1 million or 27.2% to S\$5.6 million, compared to S\$7.7 million in the six-month financial period ended 31 October 2016 ("1H2017"). This was mainly due to decrease in average rental rates of cranes which reflected the challenging market conditions faced by our customers in construction, marine, logistics, oil and gas as well as infrastructure industries and decrease in revenue from project management services. However, the decrease in revenue from crane rental and project management services were partially offset by the increase in revenue from trading of new and used equipment.

#### **Cost of sales and gross profit**

Decrease in cost of sales is in line with the decrease in revenue. Cost of sales decreased by 21.7% from S\$6.0 million in 1H2017 to S\$4.7 million in 1H2018.

Consequently, gross profit decreased by S\$0.8 million or 46.6%, from S\$1.7 million in 1H2017 to S\$0.9 million in 1H2018. Correspondingly, gross profit margin dipped from 22.3% to 16.3%.

#### **Other income**

Other income decreased by S\$0.2 million or 37.5% from S\$0.5 million in 1H2017 to S\$0.3 million in 1H2018 mainly due to the absence of one-time gain on disposal of aged cranes and motor vehicles.

#### **Distribution expenses**

Distribution expenses were not significant and were less than S\$0.1 million for both 1H2017 and 1H2018.

#### **General and administrative expenses**

General and administrative expenses decreased by S\$0.6 million or 21.7%, from S\$2.6 million in 1H2017 to S\$2.0 million in 1H2018 mainly due to a decrease in employee benefits expense.

#### **Finance costs**

Finance costs remained at S\$0.5 million for both 1H2018 and 1H2017 respectively.



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## **UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2017**

### **Income tax expense**

The income tax expense was mainly due to the taxable temporary differences of tax and accounting depreciation.

### **Net loss**

The net loss of S\$1.3 million in 1H2018 was mainly due to the lower gross profit as a result of the decrease in revenue from rental of cranes and project management services in the current challenging market conditions.

### **Review of the Group's financial position**

#### **Non-current assets**

As at 31 October 2017, non-current assets amounted to S\$55.1 million or 91.3% of total assets of S\$60.4 million.

Property, plant and equipment decreased by S\$1.0 million from S\$56.1 million as at 30 April 2017 to S\$55.1 million as at 31 October 2017 mainly due to the disposal of aged mobile cranes. This was partially offset by the acquisition of new plant and equipment.

#### **Current assets**

As at 31 October 2017, current assets amounted to S\$5.2 million or 8.7% of total assets of S\$60.4 million.

Trade and other receivables decreased by S\$0.5 million from S\$4.3 million as at 30 April 2017 to S\$3.8 million as at 31 October 2017.

Inventories decreased by S\$0.3 million mainly due to sale of equipment for our trading business.

Cash and bank balances decreased by S\$2.5 million from S\$3.7 million as at 30 April 2017 to S\$1.2 million as at 31 October 2017.

#### **Current liabilities**

As at 31 October 2017, current liabilities amounted to S\$9.4 million or 26.1% of total liabilities of S\$36.0 million.

Trade and other payables decreased by S\$0.1 million from S\$1.0 million as at 30 April 2017 to S\$0.9 million as at 31 October 2017 mainly due to payment made to suppliers.

Accrued operating expenses decreased by S\$0.1 million from S\$0.5 million as at 30 April 2017 to S\$0.4 million as at 31 October 2017 due to decrease in accrual for purchases and employee benefits.

Current portion of obligations under finance leases decreased by S\$0.9 million from S\$6.4 million as at 30 April 2017 to S\$5.5 million as at 31 October 2017 due to the lease repayments.



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Current portion of bank borrowings increased by S\$0.5 million from S\$1.8 million as at 30 April 2017 to S\$2.3 million as at 31 October 2017 mainly due to the drawdown of banking facilities.

Provision for taxation amounted to S\$0.3 million as at 31 October 2017 and 30 April 2017.

### **Non-current liabilities**

As at 31 October 2017, non-current liabilities amounted to S\$26.6 million or 73.9% of total liabilities of S\$36.0 million.

Non-current portion of obligations under finance leases decreased by S\$2.1 million from S\$11.1 million as at 30 April 2017 to S\$9.0 million as at 31 October 2017 due to the lease repayments.

Non-current portion of bank borrowings decreased by S\$0.4 million from S\$15.6 million as at 30 April 2017 to S\$15.2 million as at 31 October 2017 due to the repayment of bank borrowings.

Deferred tax liabilities amounted to S\$1.7 million as at 31 October 2017 and 30 April 2017.

Provision for reinstatement cost amounted to S\$0.7 million as at 31 October 2017 and 30 April 2017.

### **Total equity**

Total equity decreased by S\$1.3 million from S\$25.6 million as at 30 April 2017 to S\$24.3 million as at 31 October 2017 due to the net loss of S\$1.3 million in 1H2018.

### **Working capital**

The Group recorded a negative working capital of S\$4.2 million as at 31 October 2017 compared to a negative working capital of S\$1.3 million as at 30 April 2017 as we continue to use internal resources for repayment of bank borrowings and finance leases. The management is of the opinion that, after taking into consideration the cash flows generated from operating activities, together with the existing cash and bank balances and credit facilities from financial institutions, the Group has adequate resources to pay its debts as and when they are due.

### **Review of the Group's statement of cash flows**

In 1H2018, the Group generated net cash from operating activities before changes in working capital of S\$0.9 million. Net cash generated from working capital amounted to S\$0.7 million mainly due to decrease in trade and other receivables and inventories of S\$0.5 million and S\$0.3 million respectively, partially offset by decrease in trade and other payables of S\$0.1 million and a decrease in accrued operating expenses of S\$0.1 million. The Group also paid interest expenses of S\$0.5 million. As a result, the Group generated net cash from operating activities amounting to S\$1.1 million.

Net cash used in investing activities amounted to S\$0.3 million as a result of the purchase of property, plant and equipment.



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## **UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2017**

Net cash used in financing activities amounted to S\$3.3 million mainly due to the repayment of bank borrowings of S\$0.9 million and repayment of obligations under finance leases of S\$3.4 million, partially offset by the proceeds from the drawdown of banking facilities of S\$1.0 million.

As a result of the above, the Group's cash and cash equivalents decreased by S\$2.5 million from S\$3.7 million in 1H2017 to S\$1.2 million in 1H2018.

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

No forecast nor prospect statement has been previously disclosed to shareholders.

**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.**

The board of directors ("**Board**" or "**Directors**") of the Company believes that the outlook for the crane rental business is expected to remain challenging although rental rates have stabilised. The Group will review and explore cost savings measures and focus on optimising the deployment of its fleet of mobile cranes and lorry cranes.

With reference to the announcement dated 4 December 2017, the Group has entered into preliminary confidential discussions with several parties to explore a potential transaction in relation to securities of the Company, certain business of the Group, and/or certain assets of the Group. The discussions are on-going and no definitive terms have been agreed upon between the parties. Further, there is no certainty or assurance whatsoever that any transaction will arise from these discussions. The Company will make the appropriate announcements when there are any further material developments in relation to the above.



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**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2017**

**11 Dividend**

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

Any dividend declared for the current financial period reported on?

No.

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

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

No.

**(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 for 1H2018.

**13 If the group has obtained a general mandate from shareholders for Interested Person Transactions (the "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 not obtained a general mandate from shareholders for interested person transactions.

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

The Board hereby confirms that, to the best of their knowledge, nothing has come to their attention which may render the results for the six-month financial period ended 31 October 2017 to be false or misleading in any material aspect.

**15 Confirmation of Procuring Undertakings from Directors and Executive Officers**

The Group has procured undertakings from all its Directors and Executive Officers, in the format set out in Appendix 7H, pursuant to Rule 720(1) of the Catalist Rules.

**BY ORDER OF THE BOARD**

**Yap Chin Hock**  
Executive Director and Chief Executive Officer

**Ng Chui Hwa**  
Executive Director

12 December 2017