



**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE THIRD QUARTER
ENDED 30 SEPTEMBER 2018**

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SECURA GROUP LIMITED
 Incorporated in the Republic of Singapore
 Registration No. 201531866K

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2018

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

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

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group			Group		
	Q3 FY2018 S\$'000	Q3 FY2017 S\$'000	Increase/ (Decrease) %	9M FY2018 S\$'000	9M FY2017 S\$'000	Increase/ (Decrease) %
Revenue	10,037	10,235	(1.9)	31,718	30,500	4.0
Cost of sales	(8,127)	(8,473)	(4.1)	(25,764)	(24,953)	3.3
Gross profit	1,910	1,762	8.4	5,954	5,547	7.3
Other operating income	445	532	(16.4)	1,214	1,361	(10.8)
Distribution and selling expenses	(471)	(654)	(28.0)	(1,332)	(2,066)	(35.5)
Administrative expenses	(1,156)	(1,633)	(29.2)	(3,691)	(5,123)	(28.0)
Finance cost	(78)	(63)	23.8	(214)	(202)	5.9
Share of results of joint ventures and associate	55	9	NM	104	35	197.1
Profit/(loss) before tax	705	(47)	NM	2,035	(448)	NM
Income tax (expense)/credit	(176)	95	NM	(358)	103	NM
Profit/(loss) for the period	529	48	NM	1,677	(345)	NM
Other comprehensive income						
Items that may be classified subsequently to profit or loss						
Foreign currency translation	39	(3)	NM	(3)	5	NM
Share of foreign currency translation of joint venture and associate	(6)	–	NM	(5)	–	NM
Total comprehensive income for the period	562	45	NM	1,669	(340)	NM
Profit/(loss) for the period attributable to:						
Owners of the Company	528	90	NM	1,681	(212)	NM
Non-controlling interests	1	(42)	NM	(4)	(133)	(97.0)
	529	48	NM	1,677	(345)	NM
Total comprehensive income attributable to:						
Owners of the Company	561	87	NM	1,673	(207)	NM
Non-controlling interests	1	(42)	NM	(4)	(133)	(97.0)
	562	45	NM	1,669	(340)	NM

NM: Not meaningful

1(a)(ii) Notes to combined statements of profit or loss and other comprehensive income. The Group's profit before tax was arrived at after crediting / (charging) the following:

	Group			Group		
	Q3 FY2018 S\$'000	Q3 FY2017 S\$'000	Increase/ (Decrease) %	9M FY2018 S\$'000	9M FY2017 S\$'000	Increase/ (Decrease) %
Government grant income	256	307	(16.6)	737	728	1.2
Depreciation of property, plant and equipment	(508)	(476)	6.7	(1,535)	(1,440)	6.6
Amortisation of intangible assets	(55)	(76)	(27.6)	(164)	(271)	(39.5)
Gain on disposal of property, plant and equipment	–	–	NM	–	5	NM
Write back of allowance for stock obsolescence	18	–	NM	18	–	NM
Write back of allowance for doubtful debts	16	–	NM	43	30	43.3
Interest income	27	9	200.0	66	50	32.0
Finance cost	(78)	(63)	23.8	(214)	(202)	5.9
Foreign exchange (loss)/gain, net	(56)	6	NM	37	(93)	NM

NM: Not meaningful

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		Company	
	As at 30/09/2018 S\$'000	As at 31/12/2017 S\$'000	As at 30/09/2018 S\$'000	As at 31/12/2017 S\$'000
Non-current assets				
Property, plant and equipment	28,428	32,924	15,229	15,437
Investment property	560	–	2,797	2,864
Intangible assets	1,486	1,650	–	–
Investment in subsidiaries	–	–	22,134	21,434
Investment in joint ventures	897	857	–	–
Investment in associates	7,070	7,014	6,221	6,221
Trade and other receivables	7	9	–	–
	38,448	42,454	46,381	45,956
Current assets				
Asset held for sale	2,397	–	–	–
Inventories	1,746	1,302	–	–
Trade and other receivables	8,376	9,491	82	13
Prepaid operating expenses	614	558	60	20
Amounts due from subsidiaries	–	–	2,012	5,170
Amount due from a joint venture	54	56	–	–
Cash and cash equivalents	12,050	9,842	7,995	5,652
	25,237	21,249	10,149	10,855
Current liabilities				
Trade and other payables	3,057	4,056	256	368
Deferred revenue	437	911	–	–
Accrued operating expenses	1,448	1,617	159	393
Finance lease	100	100	–	–
Bank loan	833	833	833	833
Amount due to a joint venture	288	60	250	–
Amount due to subsidiary	–	–	250	–
Amount due to non-controlling interest	–	–	50	–
Income tax payable	489	67	–	–
	6,652	7,644	1,798	1,594
Net current assets	18,585	13,605	8,351	9,261
Non-current liabilities				
Finance lease	174	248	–	–
Bank loan	10,097	10,636	10,097	10,636
Deferred tax liabilities	888	969	–	–
	11,159	11,853	10,097	10,636
Net assets	45,874	44,206	44,635	44,581
Equity				
Share capital	61,644	61,644	61,644	61,644
Merger reserve	(16,291)	(16,291)	–	–
Foreign currency translation reserve	(91)	(82)	–	–
Employee share option reserve	329	281	319	271
Retained earnings/(accumulated losses)	167	(1,465)	(17,328)	(17,334)
	45,758	44,087	44,635	44,581
Non-controlling interests	116	119	–	–
Total equity	45,874	44,206	44,635	44,581

1(b)(ii) Aggregate amount of group's borrowings and debt securities.**Amount repayable in one year or less, or on demand**

As at 30/09/2018		As at 31/12/2017	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
933	–	933	–

Amount repayable after one year

As at 30/09/2018		As at 31/12/2017	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
10,271	–	10,884	–

Details of any collateral

As at the balance sheet date, the Group's finance lease and bank loan are secured by machineries, motor vehicles and the property at 38 Alexandra Terrace respectively.

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

	Group			
	Q3 FY2018 S\$'000	Q3 FY2017 S\$'000	9M FY2018 S\$'000	9M FY2017 S\$'000
Cash flows from operating activities:				
Profit/(loss) before tax	705	(47)	2,035	(448)
Adjustments for:				
Depreciation of property, plant and equipment	508	476	1,535	1,440
Amortisation of intangible assets	55	76	164	271
Gain on disposal of property, plant and equipment	–	–	–	(5)
Interest income	(27)	(9)	(66)	(50)
Write back of allowance for doubtful debts	(16)	–	(43)	(30)
Write back of allowance for stocks obsolescence	(18)	–	(18)	–
Receipt and recognition of deferred revenue, net	(108)	267	(473)	204
Share of results of joint ventures and associate	(55)	(9)	(104)	(35)
Unrealised exchange loss/(gain), net	57	(5)	(2)	6
Finance cost	78	63	214	202
Grant of equity-settled share options to employees	16	47	48	174
Operating cash flows before working capital changes	1,195	859	3,290	1,729
(Increase)/decrease in inventories	(685)	519	(425)	633
Decrease/(increase) in trade and other receivables	1,364	(1,044)	774	(1,819)
Increase in prepaid operating expenses	(217)	(469)	(56)	(847)
Increase in amount due to a joint venture	235	44	230	17
Decrease in trade and other payables	(166)	(1,037)	(999)	(1,546)
(Decrease)/increase in accrued operating expenses	(213)	272	(169)	282
Cash flows from/(used in) operations	1,513	(856)	2,645	(1,551)
Interest received	28	13	67	60
Interest paid	(78)	(63)	(214)	(202)
Tax (paid)/refund	(5)	166	(17)	94
Net cash flows from/(used in) operating activities	1,458	(740)	2,481	(1,599)
Investing activities:				
Proceeds from disposal of property, plant and equipment	–	17	150	35
Purchase of property, plant and equipment, net of Government Grants	(42)	14	(146)	(1,686)
Dividend income from a joint venture	–	–	–	30
Net cash outflow from acquisition of an associate	–	–	–	(6,221)
Net cash flows (used in)/from investing activities	(42)	31	4	(7,842)
Financing activities:				
Decrease in fixed deposits pledged	–	28	334	451
Loan contribution from non-controlling interest in a subsidiary	–	45	–	45
Dividend paid on ordinary shares	–	–	–	(1,200)
Repayment of finance lease	(24)	(27)	(74)	(61)
Repayment of amount due to a non-controlling interest	–	–	–	(26)
Repayment of bank loan	(176)	(181)	(538)	(548)
Net cash flows used in financing activities	(200)	(135)	(278)	(1,339)
Net increase/(decrease) in cash and cash equivalents	1,216	(844)	2,207	(10,780)
Effect of exchange rate changes on cash and cash equivalents	(6)	(1)	1	(1)
Cash and cash equivalents at beginning of period/year	10,840	9,893	9,842	19,829
Cash and cash equivalents at end of period	12,050	9,048	12,050	9,048

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.

Group	Share capital (S\$'000)	Merger reserve (S\$'000)	Foreign currency translation reserve (S\$'000)	Employee share option reserve (S\$'000)	(Accumulated losses)/ retained earnings (S\$'000)	Non-controlling interests (S\$'000)	Total equity (S\$'000)
At 1 January 2018 (as previously stated)	61,644	(16,291)	(82)	281	(1,465)	119	44,206
Effect of SFRS(I) 9 Adjustment *	–	–	–	–	(49)	–	(49)
At 1 January 2018 (as restated)	61,644	(16,291)	(82)	281	(1,514)	119	44,157
Profit for the period	–	–	–	–	1,153	(5)	1,148
<u>Other comprehensive income</u>							
Foreign currency translation	–	–	(42)	–	–	–	(42)
Share of foreign currency translation of joint venture and associate	–	–	–	–	–	1	1
Other comprehensive income for the period, net of tax	–	–	(42)	–	–	1	(41)
Total comprehensive income for the period	–	–	(42)	–	1,153	(4)	1,107
<u>Contributions by and distributions to owners</u>							
Grant of equity-settled share options to employees	–	–	–	32	–	–	32
At 30 June 2018	61,644	(16,291)	(124)	313	(361)	115	45,296
Profit for the period	–	–	–	–	528	1	529
<u>Other comprehensive income</u>							
Foreign currency translation	–	–	39	–	–	–	39
Share of foreign currency translation of joint venture and associate	–	–	(6)	–	–	–	(6)
Other comprehensive income for the period, net of tax	–	–	33	–	–	–	33
Total comprehensive income for the period	–	–	33	–	528	1	562
<u>Contributions by and distributions to owners</u>							
Grant of equity-settled share options to employees	–	–	–	16	–	–	16
At 30 September 2018	61,644	(16,291)	(91)	329	167	116	45,874

* The Group has adopted SFRS(I) 9 Financial Instruments and has adjusted its financial statements beginning 1 January 2018 to reflect expected credit losses on trade receivables amounting to S\$49,000.

Group	Share capital (S\$'000)	Merger reserve (S\$'000)	Foreign currency translation reserve (S\$'000)	Employee share option reserve (S\$'000)	Retained earnings (S\$'000)	Non-controlling interests (S\$'000)	Total equity (S\$'000)
At 1 January 2017 (as previously stated)	61,644	(16,291)	49	183	1,625	224	47,434
Effect of PPA adjustments *	–	–	–	–	(93)	–	(93)
At 1 January 2017 (as restated)	61,644	(16,291)	49	183	1,532	224	47,341
Loss for the period	–	–	–	–	(302)	(91)	(393)
<u>Other comprehensive income</u>							
Foreign currency translation	–	–	8	–	–	–	8
Other comprehensive income for the period, net of tax	–	–	8	–	–	–	8
Total comprehensive income for the period	–	–	8	–	(302)	(91)	(385)
<u>Contributions by and distributions to owners</u>							
Grant of equity-settled share options to employees	–	–	–	127	–	–	127
Dividend on ordinary shares	–	–	–	–	(1,200)	–	(1,200)
At 30 June 2017	61,644	(16,291)	57	310	30	133	45,883
Profit/(loss) for the period	–	–	–	–	90	(42)	48
<u>Other comprehensive income</u>							
Foreign currency translation	–	–	(3)	–	–	–	(3)
Other comprehensive income for the period, net of tax	–	–	(3)	–	–	–	(3)
Total comprehensive income for the period	–	–	(3)	–	90	(42)	45
<u>Contributions by and distributions to owners</u>							
Grant of equity-settled share options to employees	–	–	–	47	–	–	47
At 30 September 2017	61,644	(16,291)	54	357	120	91	45,975

* Retrospective adjustments to reflect finalisation of purchase price allocation of Red Sentry Pte Ltd in Q2 FY2017.

Company	Share capital S\$'000	Employee share option reserve S\$'000	(Accumulated losses) S\$'000	Total Equity S\$'000
At 1 January 2018	61,644	271	(17,334)	44,581
Loss for the period, representing total comprehensive income for the period	–	–	(477)	(477)
<u>Contributions by and distributions to owners</u>				
Grant of equity-settled share options to employees	–	32	–	32
At 30 June 2018	61,644	303	(17,811)	44,136
Profit for the period, representing total comprehensive income for the period	–	–	483	483
<u>Contributions by and distributions to owners</u>				
Grant of equity-settled share options to employees	–	16	–	16
At 30 September 2018	61,644	319	(17,328)	44,635
At 1 January 2017	61,644	183	1,640	63,467
Loss for the period, representing total comprehensive income for the period	–	–	(373)	(373)
<u>Contributions by and distributions to owners</u>				
Grant of equity-settled share options to employees	–	127	–	127
Dividend on ordinary shares	–	–	(1,200)	(1,200)
At 30 June 2017	61,644	310	67	62,021
Loss for the period, representing total comprehensive income for the period	–	–	(83)	(83)
<u>Contributions by and distributions to owners</u>				
Grant of equity-settled share options to employees	–	47	–	47
At 30 September 2017	61,644	357	(16)	61,985

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

	Number of shares	Issued and paid-up share capital S\$
As at 30 September 2018 and 30 June 2018	400,000,000	61,644,000

There were 224,000,000 warrants outstanding as at 30 September 2018 and 30 September 2017, each warrant carrying the right to subscribe for one share at the exercise price of S\$0.35 per share and 9,600,000 share options outstanding under the Secura Employee Share Option Scheme as at 30 September 2018. (30 September 2017: 18,400,000 share options).

As at 30 September 2018 and 30 September 2017, there were no treasury shares held by the Company and there were no 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.**

	As at 30/09/18	As at 31/12/17
Total number of issued shares excluding treasury shares	400,000,000	400,000,000

- 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 auditors of the Company.

- 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 Group has adopted Singapore Financial Reporting Framework (International) ("SFRS(I)"), a new financial reporting framework identical to International Financial Reporting Standards on 1 January 2018.

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

Other than the impact on the adoption of SFRS(I) 9 as described on page 6 of this announcement, the adoptions of SFRS(I) has no material impact on the financial statements of the Group.

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

	Group		Group	
	Q3 FY2018	Q3 FY2017	9M FY2018	9M FY2017
Profit/(loss) attributable to owners of the Company (S\$'000)	528	90	1,681	(212)
Weighted average number of shares ('000)	400,000	400,000	400,000	400,000
Basic and diluted EPS based on weighted average number of shares (cents)	0.13	0.02	0.42	(0.05)

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

	Group		Company	
	As at 30/09/18	As at 31/12/17	As at 30/09/18	As at 31/12/17
Net asset value (S\$'000)	45,758	44,087	44,635	44,581
Number of shares ('000)	400,000	400,000	400,000	400,000
Net asset value per share (cents)	11.44	11.02	11.16	11.15

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

Revenue decreased by 1.9% or S\$0.20 million, from S\$10.24 million in Q3 FY2017 to S\$10.04 million in Q3 FY2018 mainly due to the following:

- (1) decrease in revenue of S\$0.50 million or 18.8% from the security printing segment due to decrease in demand for printing products with nation-wide e-initiatives to go paperless;
- (2) decrease in revenue of S\$0.40 million or 75.9% from the cyber security segment due to the streamlining of represented products and services; and
- (3) decrease in revenue of S\$0.14 million or 39.3% from the system integration segment;

These were partially offset by the following:

- (1) increase in revenue of S\$0.41 million or 6.4% from the security guarding segment as a result of securing new contracts and increase in average selling price;
- (2) increase in revenue of S\$0.33 million from the digital forensic segment mainly due to securing of new orders from an overseas customer; and
- (3) revenue contribution of S\$0.10 million from our security training academy which commenced operations in end FY2017.

Cost of sales

Cost of sales decreased by 4.1% or S\$0.35 million, from S\$8.47 million in Q3 FY2017 to S\$8.13 million in Q3 FY2018, in line with the decrease in revenue.

Gross profit

Gross profit increased by 8.4% or S\$0.15 million, from S\$1.76 million in Q3 FY2017 to S\$1.91 million in Q3 FY2018. Gross profit margin increased from 17.2% in Q3 FY2017 to 19.0% in Q3 FY2018, due mainly to 1) increase in contribution from the digital forensic segment which has comparatively higher gross profit margins; and 2) increase in class size at our training academy which led to higher gross profit with fixed cost.

Other operating income

Other operating income decreased by 16.4% or S\$0.09 million, from S\$0.53 million in Q3 FY2017 to S\$0.45 million in Q3 FY2018 largely due to decrease in government grants and handling fees charged to bank customers, partially offset by increase in interest income from placement of fixed deposit.

Distribution and selling expenses

Distribution and selling expenses decreased by 28.0% or S\$0.18 million, from S\$0.65 million in Q3 FY2017 to S\$0.47 million in Q3 FY2018 mainly due to reduced staff cost resulting from the Group's corporate reorganisation efforts which commenced in the last quarter of FY2017.

Administrative expenses

Administrative expenses decreased by 29.2% or S\$0.48 million, from S\$1.63 million in Q3 FY2017 to S\$1.16 million in Q3 FY2018, mainly due to the Group's efforts on cost control measures and streamlining of its business operations.

Profit attributable to owners of the Company

Profit attributable to owners of the Company increased from S\$0.09 million in Q3 FY2017 to S\$0.53 million in Q3 FY2018, mainly due to an improvement in gross profit and cost savings from the Group's corporate reorganisation efforts.

REVIEW OF THE GROUP'S FINANCIAL POSITIONNon-current assets

The Group's non-current assets decreased by 9.4% or S\$4.01 million, from S\$42.45 million as at 31 December 2017 to S\$38.45 million as at 30 September 2018 mainly due to the amortisation of intangible asset in relation to customer relationships, depreciation charged on property, plant and equipment and the reclassification of its land and buildings in Malaysia from property, plant and equipment to asset held for sale, following the sales offer made on these properties. Please refer to the Company's announcement dated 8 June 2018 for further details on the disposal of these properties. The increase in investment property of S\$0.56 million was due to the reclassification of part of the Alexandra Property from property, plant and equipment to investment property, as the Group leased part of the property out to a third party in Q2 FY2018.

Current assets

The Group's current assets increased by 18.8% or S\$3.99 million, from S\$21.25 million as at 31 December 2017 to S\$25.24 million as at 30 September 2018 mainly due to the following:

- (1) reclassification of land and buildings in Malaysia from property, plant and equipment to asset held for sale;
- (2) increase in inventories of S\$0.44 million; and
- (3) increase in cash and cash equivalents of S\$2.21 million due to improved cash flow from operations.

These were partially offset by a decrease in trade and other receivables of S\$1.12 million as a result of improvement in collection.

Current liabilities

The Group's current liabilities decreased by 13.0% or S\$0.99 million, from S\$7.64 million as at 31 December 2017 to S\$6.65 million as at 30 September 2018 mainly due to decrease in trade and other payables of S\$1.00 million, decrease in deferred revenue of S\$0.47 million and decrease in accrued operating expenses of S\$0.17 million partially offset by increase in amount due to joint venture of S\$0.23 million and increase in income tax provision of S\$0.42 million.

Non-current liabilities

The Group's non-current liabilities decreased by 5.9% or S\$0.69 million, from S\$11.85 million as at 31 December 2017 to S\$11.16 million as at 30 September 2018 mainly due to repayment of bank loan and finance lease of S\$0.54 million and S\$0.07 million respectively, and decrease in provision for deferred tax liabilities of S\$0.08 million.

REVIEW OF THE GROUP'S CASH FLOWS STATEMENT

We generated operating cash flows before working capital changes of S\$1.20 million for Q3 FY2018. Net cash generated from working capital amounted to S\$0.32 million mainly due to decrease in trade and other receivables of S\$1.36 million, increase in amount due to joint venture of S\$0.24 million and partially offset by increase in inventories of S\$0.69 million, increase in prepaid operating expenses of S\$0.22 million, decrease in trade and other payables of S\$0.17 million and decrease in accrued operating expenses of S\$0.21 million. Net cash generated from operating activities for Q3 FY2018 amounted to S\$1.46 million.

Net cash used in investing activities for Q3 FY2018 amounted to S\$0.04 million due to the addition of property, plant and equipment.

Net cash used in financing activities for Q3 FY2018 amounted to S\$0.20 million. This was due to repayment of bank loan of S\$0.18 million and repayment of finance lease of S\$0.02 million.

As at 30 September 2018, the Group's cash and cash equivalents amounted to S\$12.05 million.

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

Not applicable. No forecast or prospect statement has been previously disclosed.

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 Group remains focused on strengthening its core businesses; building upon its infrastructure, network, training facilities and capabilities to expand its customer base. In line with the Security Industry Transformation Map launched by the government in 2018, our security guarding segment is poised for further expansion as we push for the growth of the business through technology and innovation. The demand for security technologies and solutions both locally and in the region will continue to contribute positively to the Group's business outlook. Our training academy will also step up to offer more training modules to deepen the skill sets expected of the transformed security industry. Against these progressive developments, we do expect the national digitisation agenda to impact our revenue growth in the security printing segment.

11. Dividend

(a) Any dividend declared for the current financial period reported on?

Nil

(b) Corresponding period of the immediately preceding financial year?

Nil

(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 by the board of directors ("Board") of the Company.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate for interested person transactions. There were no interested person transactions of S\$100,000 or more for Q3 FY2018.

14. Use of IPO proceeds

Pursuant to the IPO, the Company received net proceeds from the IPO of approximately S\$26.1 million (the “**Net Proceeds**”). As at the date of this announcement, the Net Proceeds have been utilised as follows:

Purpose	Allocation of Net Proceeds (as announced on 24 July 2017) (S\$'000)	Net Proceeds utilised as at the date of this announcement (S\$'000)	Balance of Net Proceeds as at the date of this announcement (S\$'000)
Expand cyber security, technology and systems integration business	14,800	(9,498)	5,302
Enhance and upgrade security printing equipment	1,000	(1,000)	–
Corporate infrastructure improvements	4,000	(4,000)	–
General working capital purposes	6,300	(6,005)	295
	26,100	(20,503)	5,597

15. Confirmation by the issuer pursuant to Rule 720(1)

The Company has procured the undertakings from all its Directors and executive officers as required under Rule 720(1) of the Catalist Rules.

16. Negative confirmation by the board pursuant to Rule 705(5)

To the best knowledge of the Board, nothing has come to the attention of the Board which may render the financial results for Q3 FY2018 and 9M FY2018 of the Group and the Company to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Dr Ho Tat Kin
Chairman and Independent Director

Lim Siok Leng
Chief Financial Officer

01 November 2018