

**SOON LIAN HOLDINGS LIMITED**  
**Co. Reg. No: 200416295G**

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UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE  
HALF YEAR ENDED 30 JUNE (“**HY**”) 2017

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This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, ZICO Capital Pte. Ltd. (the “**Sponsor**”) for compliance with the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist. 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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## PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF 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.

### Consolidated Statement of Profit or Loss and Other Comprehensive Income

	<b>Group</b>		
	<b><u>HY2017</u></b> <b><u>(Unaudited)</u></b> <b>S\$'000</b>	<b><u>HY2016</u></b> <b><u>(Unaudited)</u></b> <b>S\$'000</b>	<b><u>Change</u></b> <b>%</b>
<b>Revenue</b>	20,868	16,804	24.2%
Cost of Sales	(17,510)	(13,987)	25.2%
<b>Gross Profit</b>	3,358	2,817	19.2%
<b><u>Other Items of Income</u></b>			
Interest Income	2	1	100.0%
Other Gains	202	175	15.4%
<b><u>Other Items of Expense</u></b>			
Marketing and Distribution Costs	(404)	(374)	8.0%
Administrative Expenses	(2,276)	(2,299)	(1.0%)
Finance Costs	(415)	(604)	(31.3%)
Other Losses	(205)	(610)	(66.4%)
<b>Profit (Loss) before Tax from Continuing Operations</b>	262	(894)	NM
Income Tax Expense	(229)	(60)	>100.0%
<b>Profit (Loss) Net of Tax</b>	33	(954)	NM
Profit (Loss) Attributable to Owners of the Company, Net of Tax	33	(953)	NM
Loss Attributable to Non-Controlling Interests, Net of Tax	-	(1)	(100.0%)
<b>Profit (Loss) Net of Tax</b>	33	(954)	NM

NM – Not meaningful

**Consolidated Statement of Comprehensive Income**

	<b>Group</b>		
	<b><u>HY2017</u></b>	<b><u>HY2016</u></b>	<b><u>Change</u></b>
	<b><u>(Unaudited)</u></b>	<b><u>(Unaudited)</u></b>	
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
<b>Profit (Loss) Net of Tax</b>	33	(954)	NM
<b><u>Other Comprehensive Loss</u></b>			
<b>Items That May Be Reclassified</b>			
<b>Subsequently to Profit or Loss:</b>			
Exchange Differences on Translating Foreign Operations, Net of Tax	(74)	(206)	(64.1%)
<b>Other Comprehensive Loss for the Period, Net of Tax</b>	(74)	(206)	(64.1%)
<b>Total Comprehensive Loss</b>	(41)	(1,160)	(96.5%)
Total Comprehensive Loss Attributable to Owners of the Company	(41)	(1,159)	(96.5%)
Total Comprehensive Loss Attributable to Non-Controlling Interests	-	(1)	(100.0%)
<b>Total Comprehensive Loss</b>	(41)	(1,160)	(96.5%)

NM – Not meaningful

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

**Profit (Loss) before tax is arrived at after crediting / (charging) the following:**

	<b>Group</b>		<b>Change</b>
	<b><u>HY2017</u></b> <b><u>(Unaudited)</u></b> <b>S\$'000</b>	<b><u>HY2016</u></b> <b><u>(Unaudited)</u></b> <b>S\$'000</b>	
Foreign exchange adjustment losses	(85)	(432)	(80.3%)
Depreciation of property, plant and equipment	(608)	(611)	(0.5%)
Amortisation of intangible assets	(15)	(14)	7.1%
Directors' fee	(43)	(43)	–
(Loss) Gains on disposal of property, plant and equipment, net	(54)	46	NM
Reversal for impairment on trade receivables	110	36	>100.0%
Allowance for impairment on trade receivables	(27)	(115)	(76.5%)
Reversal for impairment on inventories	75	42	78.6%
Allowance for impairment on inventories	(11)	–	NM
Forward contract losses – transactions not qualifying as hedges	–	(64)	(100.0%)
Property, plant and equipment written off	(28)	–	NM
Interest expense	(415)	(604)	(31.3%)
Interest income	2	1	100.0%
Government grant income	17	51	(66.7%)

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.**

**Statements of Financial Position**

	<u>Group</u>		<u>Company</u>	
	<u>As at</u> <u>30.06.2017</u> <u>(Unaudited)</u> S\$'000	<u>As at</u> <u>31.12.2016</u> <u>(Audited)</u> S\$'000	<u>As at</u> <u>30.06.2017</u> <u>(Unaudited)</u> S\$'000	<u>As at</u> <u>31.12.2016</u> <u>(Audited)</u> S\$'000
<b>ASSETS</b>				
<b><u>Non-Current Assets</u></b>				
Property, Plant and Equipment	2,969	24,152	–	–
Intangible Assets	92	106	–	–
Investments in Subsidiaries	–	–	11,871	11,871
Deferred Tax Assets	307	314	–	–
<b>Total Non-Current Assets</b>	<b>3,368</b>	<b>24,572</b>	<b>11,871</b>	<b>11,871</b>
<b><u>Current Assets</u></b>				
Assets Held For Sale under FRS 105	20,760	–	–	–
Inventories	18,593	20,216	–	–
Trade and Other Receivables	12,348	10,429	2,458	1,792
Other Assets	52	63	–	19
Cash and Cash Equivalents	5,770	3,433	76	240
<b>Total Current Assets</b>	<b>57,523</b>	<b>34,141</b>	<b>2,534</b>	<b>2,051</b>
<b>Total Assets</b>	<b>60,891</b>	<b>58,713</b>	<b>14,405</b>	<b>13,922</b>
<b>EQUITY AND LIABILITIES</b>				
<b><u>Equity Attributable to Owners of the Company</u></b>				
Share Capital	10,579	10,579	10,579	10,579
Retained Earnings	16,831	16,798	3,543	3,013
Statutory Reserve	225	225	–	–
Foreign Currency Translation Reserve	(57)	17	–	–
<b>Equity, Attributable to Owners of the Company, Total</b>	<b>27,578</b>	<b>27,619</b>	<b>14,122</b>	<b>13,592</b>
Non-Controlling Interests	9	9	–	–
<b>Total Equity</b>	<b>27,587</b>	<b>27,628</b>	<b>14,122</b>	<b>13,592</b>
<b><u>Non-Current Liabilities</u></b>				
Other Financial Liabilities	1,759	13,285	–	–
<b>Total Non-Current Liabilities</b>	<b>1,759</b>	<b>13,285</b>	<b>–</b>	<b>–</b>
<b><u>Current Liabilities</u></b>				
Income Tax Payable	238	88	87	42
Trade and Other Payables	15,741	14,951	196	288
Other Financial Liabilities	15,566	2,761	–	–
<b>Total Current Liabilities</b>	<b>31,545</b>	<b>17,800</b>	<b>283</b>	<b>330</b>
<b>Total Liabilities</b>	<b>33,304</b>	<b>31,085</b>	<b>283</b>	<b>330</b>
<b>Total Equity and Liabilities</b>	<b>60,891</b>	<b>58,713</b>	<b>14,405</b>	<b>13,922</b>

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

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

As at 30.06.2017		As at 31.12.2016	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
14,631	11,232	804	11,190

**Amount repayable after one year**

As at 30.06.2017		As at 31.12.2016	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
203	1,556	13,056	229

**Details of any collaterals**

The Group's borrowings consist of term loans, bank loans, bank overdrafts, bills payables, finance leases and loans from related parties.

Certain of the Group's term loans, bank loans, bank overdrafts and other credit facilities are secured by (a) legal mortgages on the subsidiaries' leasehold and freehold properties, (b) corporate guarantees issued by the Company and (c) joint and several personal guarantees from certain directors of the Company. The finance leases are secured by the leased assets.

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**

	<b>Group</b>	
	<b><u>HY2017</u></b> <b><u>(Unaudited)</u></b> <b>S\$'000</b>	<b><u>HY2016</u></b> <b><u>(Unaudited)</u></b> <b>S\$'000</b>
<b><u>Cash Flows From Operating Activities</u></b>		
Profit (Loss) Before Tax	262	(894)
Interest Income	(2)	(1)
Interest Expense	415	604
Depreciation of Property, Plant and Equipment	608	611
Amortisation of Intangible Assets	15	14
Forward Contract Losses – Transactions Not Qualifying as Hedges	–	64
Loss (Gains) on Disposal of Property, Plant and Equipment, net	54	(46)
Property, Plant and Equipment written off	28	–
Net Effect of Exchange Rate Changes in Consolidating Foreign Operations	(72)	(175)
<b>Operating Cash Flows before Changes in Working Capital</b>	<b>1,308</b>	<b>177</b>
Inventories	1,623	4,351
Trade and Other Receivables	(1,913)	708
Other Assets	11	11
Trade and Other Payables	(4,506)	3,819
<b>Net Cash Flows (Used in) From Operations</b>	<b>(3,477)</b>	<b>9,066</b>
Income Taxes Paid	(70)	(18)
<b>Net Cash Flows (Used in) From Operating Activities</b>	<b>(3,547)</b>	<b>9,048</b>
<b><u>Cash Flows From Investing Activities</u></b>		
Disposal of Property, Plant and Equipment	108	46
Purchase of Property, Plant and Equipment (Note B)	(387)	(103)
Interest Received	2	1
<b>Net Cash Flows Used in Investing Activities</b>	<b>(277)</b>	<b>(56)</b>
<b><u>Cash Flows From Financing Activities</u></b>		
Decrease in Borrowings	(5,095)	(13,023)
Increase from New Borrowings	12,716	6,029
Interest Paid	(415)	(604)
<b>Net Cash Flows From (Used in) Financing Activities</b>	<b>7,206</b>	<b>(7,598)</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>3,382</b>	<b>1,394</b>
Cash and Cash Equivalents, Consolidated Statement of Cash Flows, Beginning Balance	2,223	(1,535)
<b>Cash and Cash Equivalents, Consolidated Statement of Cash Flows, Ending Balance (Note A)</b>	<b>5,605</b>	<b>(141)</b>

Note A

Cash and cash equivalents in the consolidated statement of cash flows comprised the following :

	<u>Group</u>	
	<u>HY2017</u>	<u>HY2016</u>
	<u>S\$'000</u>	<u>S\$'000</u>
Cash and cash equivalents at end of the financial period	5,770	2,734
Bank overdrafts	(165)	(2,875)
	<hr/>	<hr/>
	<b>5,605</b>	<b>(141)</b>
	<hr/>	<hr/>

Note B

**Non-cash transactions :**

There were acquisitions of plant and equipment with a total cost of S\$Nil (HY2016: S\$59,000) acquired by means of finance leases.



**1(d)(i) A statement (for the group and issuer) 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**

	<u>Total Equity</u> S\$'000	<u>Attributable To Parent Sub-Total</u> S\$'000	<u>Share Capital</u> S\$'000	<u>Retained Earnings</u> S\$'000	<u>Foreign Currency Translation Reserve</u> S\$'000	<u>Statutory Reserve</u> S\$'000	<u>Non- controlling Interests</u> S\$'000
<b>Current Period:</b>							
Opening Balance at 1 January 2017	27,628	27,619	10,579	16,798	17	225	9
<b>Movements in Equity</b>							
Total Comprehensive (Loss) Income for the Period	(41)	(41)	–	33	(74)	–	–
Closing Balance at 30 June 2017	27,587	27,578	10,579	16,831	(57)	225	9
<b>Previous Period:</b>							
Opening Balance at 1 January 2016	30,182	30,173	10,579	19,231	138	225	9
<b>Movements in Equity</b>							
Total Comprehensive Loss for the Period	(1,160)	(1,159)	–	(953)	(206)	–	(1)
Closing Balance at 30 June 2016	29,022	29,014	10,579	18,278	(68)	225	8

**COMPANY**

	<b>Total Equity</b>	<b>Share Capital</b>	<b>Retained Earnings</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Current Period:</b>			
Opening Balance at 1 January 2017	13,592	10,579	3,013
<b>Movements in Equity:</b>			
Total Comprehensive Income for the Period	530	–	530
<b>Closing Balance at 30 June 2017</b>	<b>14,122</b>	<b>10,579</b>	<b>3,543</b>
<b>Previous Period:</b>			
Opening Balance at 1 January 2016	13,250	10,579	2,671
<b>Movements in Equity:</b>			
Total Comprehensive Income for the Period	530	–	530
<b>Closing Balance at 30 June 2016</b>	<b>13,780</b>	<b>10,579</b>	<b>3,201</b>

**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 end of the corresponding period of the immediately preceding financial year.**

There were no changes in the Company's share capital from 1 January 2017 to 30 June 2017. There were no outstanding convertibles, treasury shares and subsidiary holdings as at 30 June 2017 and 30 June 2016.

**1(d)(iii) 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 30.06.2017	As at 31.12.2016
108,000,000	108,000,000

The Company did not have any treasury shares as at 30 June 2017 and 31 December 2016.

**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.**

The Company does not have any treasury shares. There were no sale, transfer, cancellation and/or use of treasury shares during and as at 30 June 2017.

**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.**

The Company does not have any subsidiary holdings. There were no sale, transfer, cancellation and/or use of subsidiary holdings during and as at 30 June 2017.

**2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

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

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

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

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

Except as disclosed in item 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period reported on, which are consistent with the audited financial statements for the financial year ended 31 December 2016.

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

The Group has adopted the applicable new and revised Singapore Financial Reporting Standards ("**FRS**") and Interpretations of Financial Reporting Standards ("**INT FRS**") which became effective for the accounting periods beginning on or after 1 January 2017. The adoption of these new and revised FRS and INT FRS is not expected to result in material adjustments to the financial position, results of operations or cash flows of the Group for the financial period ended 30 June 2017.

**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	
	HY2017	HY2016
Earnings / (Loss) per ordinary share for the financial period based on net profit / (loss) after tax attributable to owners of the company		
(i) Based on the weighted average number of ordinary shares in issue	0.03 cents	(0.88) cents
(ii) On a fully diluted basis	0.03 cents	(0.88) cents
Weighted average number of ordinary shares in issue	108,000,000	108,000,000

The Group's basic and diluted earnings / (loss) per ordinary share for HY2017 and HY2016 respectively were the same as there were no potentially dilutive ordinary shares existing during the respective financial periods.

**7. Net asset value (for the issuer and group) per ordinary share based on 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	
	30.06.2017	31.12.2016	30.06.2017	31.12.2016
Net asset value per ordinary share (cents)	25.5	25.6	13.1	12.6

The net asset value per ordinary share for the Group and the Company have been calculated based on the issued share capital of 108,000,000 ordinary shares of the Company as at 30 June 2017 and 31 December 2016.

**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.**

**(a) Statement of Comprehensive Income**

The Group's revenue increased by S\$4.1 million or 24.2% from S\$16.8 million in HY2016 to S\$20.9 million in HY2017. This was mainly due to the overall increase in sales across all segments.

Sales to customers in the precision engineering industry increased by S\$2.8 million in HY2017 as compared to HY2016. This was due to the continual demand in the precision engineering segment. Sales to customers in the marine industry increased by S\$0.7 million in HY2017 as compared to HY2016, mainly due to an increase in sales to overseas customers. Sales to the stockists and traders increased by S\$0.6 million in HY2017 as compared to HY2016, mainly due to an increase in demand from overseas stockists and traders.

Gross profit increased by S\$0.6 million or 19.2% from S\$2.8 million in HY2016 to S\$3.4 million in HY2017, largely in line with the increase in revenue. The Group's gross profit margin decreased from 16.8% in HY2016 to 16.1% in HY2017 mainly attributable to a decrease in the average selling price of our products.

Other gains increased by S\$27,000 from S\$175,000 in HY2016 to S\$202,000 in HY2017. Other gains in HY2017 comprised mainly reversal for impairment on trade receivables and inventories of S\$110,000 and S\$75,000 respectively and government grant income of S\$17,000.

Marketing and distribution costs increased by S\$30,000 or 8.0%, from S\$374,000 in HY2016 to S\$404,000 in HY2017, mainly due to an increase in commission expenses which was in line with the increase in overseas sales secured through our overseas sales agents.

Administrative expenses remained consistent at S\$2.3 million for both HY2017 and HY2016.

Finance costs decreased by S\$0.2 million or 31.3%, from S\$0.6 million in HY2016 to S\$0.4 million in HY2017, due mainly to a decrease in interest expenses as a result of lower utilisation of bank overdraft facilities and loans from a related party.

Other losses decreased by S\$0.4 million or 66.4%, from S\$0.6 million in HY2016 to S\$0.2 million in HY2017. Other losses in HY2017 comprised mainly foreign exchange adjustment loss of S\$0.1 million and net loss on disposals of property, plant and equipment of S\$0.1 million.

As a result of the above, the Group recorded a profit before tax of S\$0.3 million in HY2017 as compared to a loss before tax of S\$0.9 million in HY2016.

The Group recorded an increase in income tax expense of S\$169,000, from S\$60,000 in HY2016 to S\$229,000 in HY2017, mainly due to the increase in profit from operating activities.

**(b)(i) Statement of Financial Position**

Non-current assets decreased by S\$21.2 million, from S\$24.6 million as at 31 December 2016 to S\$3.4 million as at 30 June 2017 mainly due to the Group's property at 9 Tuas Avenue 2, Singapore 639449 (the "**Existing Property**") of S\$20.8 million being reclassified as assets held for sale in accordance with FRS 105. The Company's subsidiary granted M Metal Pte Ltd (the "**Purchaser**") an option to purchase dated 30 June 2017 (the "**Option**") for the purchase of the Existing Property at the price of S\$23.0 million, excluding goods and services tax. The Purchaser exercised the Option to purchase the Existing Property on 12 July 2017.

Current assets increased by S\$23.4 million, from S\$34.1 million as at 31 December 2016 to S\$57.5 million as at 30 June 2017, mainly due to the reclassification of the Existing Property as current assets of S\$20.8 million, increase in cash and cash equivalents of S\$2.3 million and trade and other receivables of S\$1.9 million, partially offset by a decrease in inventories of S\$1.6 million. The increase in cash and cash equivalents and trade and other receivables was mainly a result of higher sales in HY2017 as compared to HY2016.

Non-current liabilities decreased by S\$11.5 million, from S\$13.3 million as at 31 December 2016 to S\$1.8 million as at 30 June 2017, mainly due to the reclassification of the long term portion of borrowings related to the Existing Property of S\$13.1 million as current liabilities due to the exercise of the Option by the Purchaser, partly offset by an increase in long-term bank loans of S\$1.6 million.

Current liabilities increased by S\$13.7 million, from S\$17.8 million as at 31 December 2016 to S\$31.5 million as at 30 June 2017, mainly due to (i) the aforementioned reclassification of liabilities relating to the Existing Property; (ii) an increase in trade and other payables and income tax payable of S\$0.8 million and S\$0.1 million respectively; and (iii) new bank borrowings obtained by the Group in HY2017, partially offset by repayments of certain bank borrowings.

The Group reported a positive working capital position of S\$26.0 million as at 30 June 2017.

Total equity remained constant at S\$27.6 million as at 30 June 2017.

**(b)(ii) Statement of Cash Flows**

In HY2017, operating cash flows before changes in working capital amounted to S\$1.3 million arising mainly from the Group's profit before tax of S\$0.3 million, adjusted for interest expense of S\$0.4 million and depreciation of property, plant and equipment of S\$0.6 million. Net cash used in operating activities of S\$3.5 million was mainly due to a decrease in trade and other payables and inventories of S\$4.5 million and S\$1.6 million respectively, as well as an increase in trade and other receivables of S\$1.9 million.

Net cash used in investing activities amounted to S\$0.3 million in HY2017, and was mainly due to the purchase of property, plant and equipment, partially offset by the proceeds from disposals of plant and equipment.

Net cash from financing activities amounted to S\$7.2 million, mainly due to an increase in new borrowings of S\$12.7 million, partially offset by the repayment of bills payables, short-term bank loans, bank overdrafts, loans from a related party and finance leases of S\$5.1 million and interest payment of S\$0.4 million.

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

No forecast or prospect statement was 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.**

Ongoing volatility of oil prices continues to impact the industry and consequently, has affected the performance of our oil & gas and marine segments. Oil prices have fluctuated between approximately US\$43 and US\$54 per barrel in the months of January to June this year. While we recorded higher sales from customers in the marine industry during HY2017, this was primarily driven by existing projects that were only realised in HY2017.

In comparison, our precision engineering segment generated positive results fuelled by steady market demand. Our aluminium products are a raw material used in various sectors and remain in demand as global consumption of the end products continues to rise.

In the Precision Engineering Industry Transformation Map (“**PE ITM**”) led by the Singapore Economic Development Board and launched in October 2016, the precision engineering industry is considered as a major pillar of Singapore’s manufacturing base. Through the strategies outlined in the PE ITM, the precision engineering industry is forecasted to grow to S\$14 billion by 2020, from S\$8.8 billion in 2014.

Moving forward, we will be prudent in leveraging on opportunities and managing challenges. The Group will continue to improve cost efficiency and explore avenues of growth in its pursuit of delivering long-term sustainable value.

**11. Dividend**

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

Any dividend declared/recommended for the current financial period reported on?

No

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

Any dividend declared/recommended 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/recommended for HY2017.

**13. Interested Person Transactions – Pursuant to Rule 920 (1) (a) of Section B of the Listing Manual of the SGX-ST: Rules of Catalist (“Catalist Rules”)**

The Company does not have a mandate from its shareholders for any interested person transactions.

In FY2016, the Company obtained an interest-free and unsecured loan (“**Loan**”) from Soon Tien Holdings Pte. Ltd. (“**ST**”), a controlling shareholder of the Company. The Loan balance as at 30 June 2017 was S\$1.0 million. Pursuant to Chapter 9 of the Catalist Rules, ST is considered an interested person and the Loan is considered an interested person transaction. However, there is no amount at risk to the Company due to the interest-free nature of the Loan.

**14. Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720 (1) of the Catalist Rules.**

The Company confirms that it has procured all the required undertakings from all its directors and executive officers in the format set out in Appendix 7H under Rule 720 (1) of the Catalist Rules.

**15. Negative confirmation by the Board pursuant to Rule 705 (5) of the Catalist Rules**

We, Tan Yee Chin and Tan Yee Ho, the undersigned, being directors of Soon Lian Holdings Limited (the “**Company**”), do hereby confirm on behalf of the board of directors of the Company (“**Board**”) that, to the best of our knowledge, nothing has come to the attention of the Board 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**

**TAN YEE CHIN**  
Chairman and CEO

**TAN YEE HO**  
Executive Director

**10 August 2017**