



**TIONG WOON CORPORATION HOLDING LTD**  
(Company Registration No. 199705837C)

**Third Quarter And Nine Months Financial Statement And Dividend Announcement For The Period Ended 31 March 2016**

**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		Increase/ (Decrease) %	Group		Increase/ (Decrease) %
	3QFY2016 S\$'000	3QFY2015 S\$'000		9MFY2016 S\$'000	9MFY2015 S\$'000	
Revenue	38,098	34,485	10	106,609	111,021	(4)
Cost of sales	(27,158)	(26,666)	2	(79,482)	(80,205)	(1)
Gross profit	10,940	7,819	40	27,127	30,816	(12)
Other income	38	60	(37)	86	139	(38)
Other (loss)/gains - net	(123)	1,852	NM	(416)	3,854	NM
Expenses						
- Administrative	(476)	(400)	19	(1,343)	(1,218)	10
- Other operating	(6,814)	(7,173)	(5)	(24,866)	(21,819)	14
- Finance	(822)	726	NM	(2,323)	(111)	1993
Share of (loss)/profit of associated companies	(408)	255	NM	(250)	636	NM
Share of profit/(loss) of a joint venture	3	67	(96)	(46)	138	NM
<b>Profit/(loss) before income tax</b>	<b>2,338</b>	<b>3,206</b>	<b>(27)</b>	<b>(2,031)</b>	<b>12,435</b>	<b>NM</b>
Income tax expense	(1,092)	(976)	12	(1,729)	(3,538)	(51)
<b>Total profit/(loss)</b>	<b>1,246</b>	<b>2,230</b>	<b>(44)</b>	<b>(3,760)</b>	<b>8,897</b>	<b>NM</b>
<b>Other comprehensive income:</b>						
Items that may be subsequently reclassified to profit or loss:						
Currency translation differences arising from consolidation						
- (Losses)/Gains	(54)	614	NM	(1,311)	1,815	NM
Fair value gains/(losses) on cash flow hedges	108	(29)	NM	16	146	(89)
	54	585	(91)	(1,295)	1,961	NM
<b>Total comprehensive income/(loss)</b>	<b>1,300</b>	<b>2,815</b>	<b>(54)</b>	<b>(5,055)</b>	<b>10,858</b>	<b>NM</b>
<b>Profit/(loss) attributable to:</b>						
Equity holders of the Company	(199)	2,276	NM	(3,876)	9,509	NM
Non-controlling interest	1,445	(46)	NM	116	(612)	NM
	1,246	2,230	(44)	(3,760)	8,897	NM
<b>Total comprehensive income/(loss) attributable to:</b>						
Equity holders of the Company	(129)	2,856	NM	(5,142)	11,199	NM
Non-controlling interest	1,429	(41)	NM	87	(341)	NM
	1,300	2,815	(54)	(5,055)	10,858	NM

Denotes: NM - not meaningful

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

	Group			Group		
	3QFY2016	3QFY2015	Increase/ (Decrease)	9MFY2016	9MFY2015	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Profit/(loss) after income tax was stated after (charging)/crediting:-</b>						
Depreciation of property, plant and equipment	(8,063)	(7,603)	6%	(23,324)	(22,476)	4%
Currency exchange (loss)/gain - net	(1,622)	2,667	NM	(2,262)	3,888	NM
Gain/(loss) on disposal of property, plant and equipment	1,210	98	1135%	1,143	1,273	(10%)
Fair value gain on derivative financial instruments	-	2	(100%)	-	9	(100%)
Fair value gain/(loss) on financial assets at fair value through profit or loss	(26)	(76)	(66%)	(144)	(178)	(19%)
Bad debt written off	-	(35)	(100%)	-	(35)	(100%)
Impairment loss on trade receivables	(102)	(533)	(81%)	(5,042)	(1,258)	301%
Write-back of allowance for doubtful debts	253	81	212%	645	346	86%
Negative goodwill arising from additional investment in a subsidiary	-	-	NM	33	-	NM
Interest income	38	60	(37%)	86	139	(38%)
Interest expense	(940)	(684)	37%	(2,245)	(2,015)	11%
(Under)/over provision in prior years' current income tax	(33)	45	NM	103	37	178%
(Under)/Over provision in prior years' deferred tax	-	(1)	(100%)	(60)	96	NM

Denotes: 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**

	Group		Company	
	As At 31/03/2016 S\$'000	As At 30/06/2015 S\$'000	As At 31/03/2016 S\$'000	As At 30/06/2015 S\$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	13,284	19,828	37	53
Financial assets, at fair value through profit or loss	451	597	-	-
Trade and other receivables	60,441	62,684	-	-
Tax recoverable	118	145	-	-
Inventories	1,485	2,057	-	-
Other current assets	2,976	2,984	33	18
Derivative financial instruments	2	7	-	-
	<b>78,757</b>	<b>88,302</b>	<b>70</b>	<b>71</b>
<b>Non-current assets</b>				
Other assets	114	114	-	-
Other receivables	-	-	47,908	47,937
Investment in associated companies	3,166	3,455	1,020	1,020
Investment in a joint venture	1,759	1,802	2,074	2,074
Investment in subsidiaries	-	-	42,021	42,021
Property, plant and equipment	397,548	399,056	-	-
Deferred income tax assets	128	133	-	-
	<b>402,715</b>	<b>404,560</b>	<b>93,023</b>	<b>93,052</b>
<b>Total assets</b>	<b>481,472</b>	<b>492,862</b>	<b>93,093</b>	<b>93,123</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	49,235	56,103	1,816	1,684
Current income tax liabilities	193	2,217	-	-
Borrowings	35,481	35,317	-	-
Derivative financial instruments	-	-	-	-
	<b>84,909</b>	<b>93,637</b>	<b>1,816</b>	<b>1,684</b>
<b>Non-current liabilities</b>				
Trade and other payables	-	1,760	-	-
Borrowings	106,147	100,349	-	-
Derivative financial instruments	6	27	-	-
Deferred income tax liabilities	28,629	28,302	-	-
	<b>134,782</b>	<b>130,438</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>219,691</b>	<b>224,075</b>	<b>1,816</b>	<b>1,684</b>
<b>NET ASSETS</b>	<b>261,781</b>	<b>268,787</b>	<b>91,277</b>	<b>91,439</b>
<b>EQUITY</b>				
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital	87,340	87,340	87,340	87,340
Other reserves	(2,953)	(1,687)	-	-
Retained earnings	179,168	184,902	3,937	4,099
	<b>263,555</b>	<b>270,555</b>	<b>91,277</b>	<b>91,439</b>
<b>Non-controlling interest</b>	<b>(1,774)</b>	<b>(1,768)</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>261,781</b>	<b>268,787</b>	<b>91,277</b>	<b>91,439</b>

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

	<b>Group</b>	
	<b>As At 31/03/2016</b>	<b>As At 30/06/2015</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Amount repayable in one year or less (secured)</b>		
- Bank borrowings	8,863	9,581
- Finance lease liabilities	22,702	22,631
	<b>31,565</b>	32,212
<b>Amount repayable in one year or less (unsecured)</b>		
- Bank borrowings	3,916	3,105
	<b>35,481</b>	35,317
<b>Amount repayable after one year (secured)</b>		
- Bank borrowings	64,637	46,546
- Finance lease liabilities	41,510	53,803
	<b>106,147</b>	100,349
<b>Total borrowings</b>	<b>141,628</b>	135,666

**Details of any collateral:**

- (a) Bank borrowings of the Group are secured by a first legal charge over certain of the Group's property, plant and equipment.
- (b) Finance lease liabilities of the Group are secured over the leased plant and equipment and motor vehicles.

**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**

	Group		Group	
	3QFY2016 S\$'000	3QFY2015 S\$'000	9MFY2016 S\$'000	9MFY2015 S\$'000
<b>Cash flows from operating activities</b>				
Total profit/(loss)	1,246	2,230	(3,760)	8,897
Adjustments for:				
Income tax expense	1,092	976	1,729	3,538
Bad debt written off	-	35	-	35
Depreciation of property, plant and equipment	8,063	7,603	23,324	22,476
Gain on disposal of property, plant and equipment	(1,210)	(98)	(1,143)	(1,273)
Fair value gain on derivative financial instruments	-	(2)	-	(9)
Fair value loss on financial assets at fair value through profit or loss	26	76	144	178
(Write-back of impairment)/Impairment loss on trade receivables	(151)	452	4,397	912
Negative goodwill arising from additional investment in a subsidiary	-	-	(33)	-
Interest income	(38)	(60)	(86)	(139)
Interest expense	940	684	2,245	2,015
Share of loss/(profit) of associated companies	408	(255)	250	(636)
Share of (profit)/loss of a joint venture	(3)	(67)	46	(138)
Unrealised translation (gain)/loss	(173)	(44)	702	469
<b>Operating cashflow before working capital changes</b>	<b>10,200</b>	<b>11,530</b>	<b>27,815</b>	<b>36,325</b>
Change in operating assets and liabilities:				
Inventories	509	774	572	2,988
Trade and other receivables	2,588	2,305	(1,910)	5,045
Other current assets	161	434	9	(456)
Trade and other payables	(3,004)	7,511	(8,628)	1,774
Cash generated from operations	10,454	22,554	17,858	45,676
Income tax paid	(1,357)	(1,253)	(3,324)	(3,737)
<b>Net cash provided by operating activities</b>	<b>9,097</b>	<b>21,301</b>	<b>14,534</b>	<b>41,939</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(3,752)	(11,598)	(20,740)	(50,247)
Purchase of financial assets at fair value through profit or loss	-	(1)	-	(46)
Additional investment in a subsidiary	-	-	(60)	-
Interest received	38	60	86	139
Fixed deposit pledged/(unpledged)	44	(27)	(848)	(207)
Proceeds from disposal of subsidiaries	-	-	-	3,000
Proceeds from disposal of property, plant and equipment	1,964	1,554	3,160	4,174
<b>Net cash used in investing activities</b>	<b>(1,706)</b>	<b>(10,012)</b>	<b>(18,402)</b>	<b>(43,187)</b>
<b>Cash flows from financing activities</b>				
Proceeds from borrowings	2,520	13,861	27,294	56,571
Repayment of borrowings	(2,610)	(22,094)	(9,110)	(39,177)
Repayment of finance lease liabilities	(5,928)	(5,199)	(17,605)	(15,041)
Interest paid	(940)	(684)	(2,245)	(2,015)
Dividends paid to equity holders of the Company	-	-	(1,858)	(1,858)
<b>Net cash used in financing activities</b>	<b>(6,958)</b>	<b>(14,116)</b>	<b>(3,524)</b>	<b>(1,520)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>433</b>	<b>(2,827)</b>	<b>(7,392)</b>	<b>(2,768)</b>
Cash and cash equivalents at beginning of financial period	9,603	16,752	17,428	16,693
<b>Cash and cash equivalents at end of financial period</b>	<b>10,036</b>	<b>13,925</b>	<b>10,036</b>	<b>13,925</b>
Cash and cash equivalents at end of financial period	13,284	16,333	13,284	16,333
Less: Fixed deposit pledged	(3,248)	(2,408)	(3,248)	(2,408)
<b>Cash and cash equivalents per statement of cash flows</b>	<b>10,036</b>	<b>13,925</b>	<b>10,036</b>	<b>13,925</b>

**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**

**Attributable to equity holders of the Company**

	Share Capital S\$'000	Other Reserves S\$'000	Retained Earnings S\$'000	Total S\$'000	Non- controlling Interest S\$'000	Total Equity S\$'000
<b>Balance at 1 July 2015</b>	87,340	(1,687)	184,902	270,555	(1,768)	268,787
Total comprehensive loss for the period	-	(1,336)	(3,677)	(5,013)	(1,342)	(6,355)
Additional investment in a subsidiary	-	-	-	-	(93)	(93)
Dividend relating to 2015 paid	-	-	(1,858)	(1,858)	-	(1,858)
<b>Balance at 31 December 2015</b>	<b>87,340</b>	<b>(3,023)</b>	<b>179,367</b>	<b>263,684</b>	<b>(3,203)</b>	<b>260,481</b>
Total comprehensive income/(loss) for the period	-	70	(199)	(129)	1,429	1,300
<b>Balance at 31 March 2016</b>	<b>87,340</b>	<b>(2,953)</b>	<b>179,168</b>	<b>263,555</b>	<b>(1,774)</b>	<b>261,781</b>
<b>Balance at 1 July 2014</b>	87,340	(1,870)	174,804	260,274	(1,289)	258,985
Total comprehensive income/(loss) for the period	-	1,110	7,233	8,343	(300)	8,043
Dividend relating to 2014 paid	-	-	(1,858)	(1,858)	-	(1,858)
<b>Balance at 31 December 2014</b>	<b>87,340</b>	<b>(760)</b>	<b>180,179</b>	<b>266,759</b>	<b>(1,589)</b>	<b>265,170</b>
Total comprehensive income/(loss) for the period	-	580	2,276	2,856	(41)	2,815
<b>Balance at 31 March 2015</b>	<b>87,340</b>	<b>(180)</b>	<b>182,455</b>	<b>269,615</b>	<b>(1,630)</b>	<b>267,985</b>

**Company**

	Share Capital S\$'000	Retained Earnings S\$'000	Total Equity S\$'000
<b>Balance at 1 July 2015</b>	87,340	4,099	91,439
Total comprehensive income for the period	-	1,778	1,778
Dividend relating to 2015 paid	-	(1,858)	(1,858)
<b>Balance at 31 December 2015</b>	<b>87,340</b>	<b>4,019</b>	<b>91,359</b>
Total comprehensive loss for the period	-	(82)	(82)
<b>Balance at 31 March 2016</b>	<b>87,340</b>	<b>3,937</b>	<b>91,277</b>
<b>Balance at 1 July 2014</b>	87,340	3,691	91,031
Total comprehensive income for the period	-	1,831	1,831
Dividend relating to 2014 paid	-	(1,858)	(1,858)
<b>Balance at 31 December 2014</b>	<b>87,340</b>	<b>3,664</b>	<b>91,004</b>
Total comprehensive loss for the period	-	(56)	(56)
<b>Balance at 31 March 2015</b>	<b>87,340</b>	<b>3,608</b>	<b>90,948</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 also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.**

There were no treasury shares and outstanding convertibles as at 31 March 2016 and 31 March 2015.

**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.**

The total number of issued shares as at 31 March 2016 was 232,235,253 (30 June 2015: 464,470,512).

On 26 February 2016, the Company completed the share consolidation of every two (2) ordinary shares into one (1) ordinary share in the capital of the Company, fractional entitlement was disregarded.

**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 sales, transfers, disposal, cancellation and/or use of treasury shares during the nine months ended 31 March 2016.

**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 Whether 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 applied the same accounting policies and methods of computation in the financial statements for the current reporting period as compared to the most recent audited annual financial statements as at 30 June 2015.

**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 adoption of the new and revised Financial Reporting Standards which took effect from the current reporting period is assessed to have no material impact to the results of the Group and of the Company for the financial year ending 30 June 2016.

- 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.

<u>(Loss)/Earnings per Share</u>	<b>Group</b>			
	<b>3QFY2016</b>	3QFY2015 Restated*	<b>9MFY2016</b>	9MFY2015 Restated*
(i) Based on weighted average number of ordinary shares in issue	<b>(0.09)</b>	0.98	<b>(1.67)</b>	4.10
(ii) On a fully diluted basis (cents)	<b>(0.09)</b>	0.98	<b>(1.67)</b>	4.10

\*Number of shares stated had been adjusted to post share consolidation for comparison purpose

(Loss)/Earnings per ordinary share on existing issued share capital are computed based on the weighted average number of ordinary shares in issue during the period of 232,235,253 (31 March 2015: 232,235,253).

There is no difference between the basic and diluted earnings per share.

- 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 31/03/2016</b>	As At 30/06/2015 Restated *	<b>As at 31/03/2016</b>	As At 30/06/2015 Restated *
Net asset value per ordinary share (cents)	<b>113.49</b>	116.50	<b>39.30</b>	39.37
Number of shares in issue	<b>232,235,253</b>	232,235,253	<b>232,235,253</b>	232,235,253



- 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 on Group's Financial Results

#### **3 Months ended 31 March 2016 (3QFY2016) vs 3 Months ended 31 March 2015 (3QFY2015)**

<b><u>Revenue</u></b>	<b>3QFY2016</b>	<b>3QFY2015</b>	<b>Increase/ (Decrease)</b>	<b>9MFY2016</b>	<b>9MFY2015</b>	<b>Increase/ (Decrease)</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
Heavy Lift and Haulage	<b>32,473</b>	29,988	<b>8</b>	<b>95,130</b>	98,018	<b>(3)</b>
Marine Transportation	<b>885</b>	1,739	<b>(49)</b>	<b>2,954</b>	6,369	<b>(54)</b>
Engineering Services	<b>4,385</b>	1,227	<b>257</b>	<b>7,382</b>	2,039	<b>262</b>
Trading	<b>355</b>	1,531	<b>(77)</b>	<b>1,143</b>	4,595	<b>(75)</b>
	<b>38,098</b>	34,485	<b>10</b>	<b>106,609</b>	111,021	<b>(4)</b>

**Revenue** was S\$38.1 million in 3QFY2016, an increase of S\$3.6 million or 10% from S\$34.5 million in 3QFY2015. The increase was mainly attributed to the increase in contributions from Heavy Lift and Haulage and Engineering Services segments.

Heavy Lift and Haulage segment revenue increased by S\$2.5 million or 8% from S\$30.0 million to S\$32.5 million, mainly due to an increase in heavy lift and installation projects in the Middle East and Singapore regions.

Marine Transportation segment revenue decreased by S\$0.8 million or 49% from S\$1.7 million to S\$0.9 million, mainly due to fewer chartering jobs secured as a result of the downturn in the marine and offshore industry.

Engineering Services segment revenue increased by S\$3.2 million or 257% from S\$1.2 million to S\$4.4 million, mainly due to an increase in progress from a project in the Middle East.

Trading segment revenue decreased by S\$1.1 million or 77% from S\$1.5 million to S\$0.4 million, mainly due to fewer equipment sold.

**Gross Profit** was S\$10.9 million in 3QFY2016, an increase of S\$3.1 million or 40% from S\$7.8 million in 3QFY2015. **Gross Profit Margin** was also higher at 28.7% in 3QFY2016 as compared to 22.7% in 3QFY2015. This was mainly due to the higher revenue and gross profit margin from Heavy Lift and Haulage segments.

**Other (Loss)/Gains-net** recorded a loss of S\$0.1 million in 3QFY2016 as compared to a gain of S\$1.9 million in 3QFY2015. This was mainly due to an operational exchange loss of S\$1.7 million in 3QFY2016 as compared to an operational exchange gain of S\$1.3 million in 3QFY2015. Exchange fluctuations from the Indian Rupee, the Saudi Riyal and the United States Dollar against Singapore Dollar were unfavorable in 3QFY2016 but favorable in 3QFY2015. However, the impact of exchange loss was mitigated by a higher gain on disposal of plant and equipment of S\$1.2 million in 3QFY2016 as compared to S\$0.1 million in 3QFY2015.

**Finance Expenses** were S\$0.8 million in 3QFY2016 as compared to a gain of S\$0.7 million in 3QFY2015. This was mainly due to a currency translation gain of S\$0.1 million relating to foreign currency denominated borrowings in 3QFY2016 as compared to a currency translation gain of S\$1.4 million in 3QFY2015.

## Review on Group's Financial Results (Cont'd)

<b>Profit/(Loss) Before Income Tax</b>	<b>3QFY2016 S\$'000</b>	<b>3QFY2015 S\$'000</b>	<b>Increase/ (Decrease) %</b>	<b>9MFY2016 S\$'000</b>	<b>9MFY2015 S\$'000</b>	<b>Increase/ (Decrease) %</b>
Heavy Lift and Haulage	3,795	3,487	9	7,243	13,285	(45)
Marine Transportation	(238)	(247)	(4)	(3,426)	600	NM
Engineering Services	(991)	(74)	1239	(5,586)	(1,337)	318
Trading	(228)	40	NM	(262)	(113)	132
	<b>2,338</b>	<b>3,206</b>	<b>(27)</b>	<b>(2,031)</b>	<b>12,435</b>	<b>NM</b>

**Profit before Income Tax** was S\$2.3 million in 3QFY2016, a decrease of S\$0.9 million or 27% from S\$3.2 million in 3QFY2015, mainly due to the weaker performance of Engineering Services and Trading segments.

Heavy Lift and Haulage segment profit before tax was S\$3.8 million in 3QFY2016, an increase of S\$0.3 million or 9% from S\$3.5 million in 3QFY2015, mainly due to the higher revenue and gross profit margin. However, increased gross profit contribution from this segment was offset by an exchange loss of S\$1.1 million in 3QFY2016. In contrast, there was an exchange gain of S\$2.7 million in 3QFY2015.

Marine Transportation segment registered a loss before income tax of S\$0.2 million for both quarters ended 31 March 2016 and 31 March 2015. This was mainly due to lower revenue and loss from its associated companies in 3QFY2016.

Engineering Services segment incurred a loss before income tax of S\$1.0 million in 3QFY2016, an increase of S\$0.9 million from S\$0.1 million in 3QFY2015 despite the higher revenue. This was mainly due to higher costs incurred for projects executed during the current quarter.

Trading segment recorded a loss before income tax of S\$0.2 million in 3QFY2016 as compared to a profit before income tax of S\$0.04 million in 3QFY2015 mainly due to the lower revenue and gross profit margin.

## Review of Statements of Financial Position and Cash Flows

**Cash and cash equivalents** per consolidated statement of cash flow decreased by S\$7.4 million from S\$17.4 million as at 30 June 2015 to S\$10.0 million as at 31 March 2016 mainly due to net cash outflow from investing activities of S\$18.4 million and net cash outflow from financing activities of S\$3.5 million, which was offset by the net cash inflow from operating activities of S\$14.5 million.

As at 31 March 2016, the Group was in a net current liabilities position mainly due to decrease in cash and cash equivalents. The Group had sufficient undrawn financing facilities committed from large reputable financial institutions to meet its commitments as well as to repay debts as and when they fall due for the next twelve months from 31 March 2016.

**Trade and other receivables** decreased by S\$2.3 million from S\$62.7 million as at 30 June 2015 to S\$60.4 million as at 31 March 2016 mainly due to impairment loss on trade receivables in 9MFY2016.

**Total trade and other payables** (current and non-current) decreased by S\$8.7 million from S\$57.9 million as at 30 June 2015 to S\$49.2 million as at 31 March 2016 mainly due to payment to the main contractor for the re-development of the Company's building at No. 15 Pandan Crescent.

**Income tax liabilities** decreased by S\$2.0 million from S\$2.2 million as at 30 June 2015 to S\$0.2 million as at 31 March 2016 due to income tax paid during the current period.

**Total Borrowings** increased by S\$5.9 million from S\$135.7 million as at 30 June 2015 to S\$141.6 million as at 31 March 2016 mainly due to increase in financing for purchase of property, plant and equipment.

**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 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 operating environment continues to be challenging amid the slowdown in demand in the key Asian/ASEAN markets we operate in. The on-going public sector infrastructure development in Singapore is expected to support the impetus for heavy lift and haulage services.

Meanwhile, the Group will continue to effectively manage operating costs and business risks to remain competitive. It will also continue to explore strategic collaborations and leverage on its capabilities and track record as a one-stop integrated heavy lift specialist and service provider to target complex and high value projects to grow the business further.

**11 If no dividend has been declared / recommended, a statement to that effect**

No interim dividend for the nine months ended 31 March 2016 is recommended (31 March 2015: Nil).

**12 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 Company does not have a shareholder's mandate under Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

**13 Negative Confirmation of Interim Financial Results Pursuant to Rule 705(5) of the SGX-ST Listing Manual**

The Directors of the Company confirm that, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial statements of the Company and the Group for the Third Quarter and Nine Months ended 31 March 2016 to be false or misleading, in any material aspect.

**14 Undertakings from Directors and Executive Officers Pursuant to Rule 720(1) of the SGX-ST Listing Manual**

The Company confirms that it had procured undertakings from all Directors and Executive Officers in the format set out in Appendix 7.7 under Rule 720(1).

**By Order of the Board  
Mr Ang Kah Hong  
Executive Chairman and Managing Director  
11 May 2016**