



**KTL GLOBAL LIMITED**

(Incorporated in the Republic of Singapore under Registration Number 200704519M)

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**ADJUSTMENTS MADE TO UNAUDITED FINANCIAL STATEMENTS FOR FINANCIAL YEAR ENDED 30 JUNE 2016**

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The Board of Directors of KTL Global Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the announcement on 29 August 2016 on the unaudited financial statements of the Group for the financial year ended 30 June 2016 (the "**Unaudited Financial Statements**").

The audit of the financial statements of the Group has been completed after the release of the Unaudited Financial Statements. Pursuant to Rule 704(6) of the SGX-ST Listing Manual, the Company wishes to inform that there have been adjustments made to the Unaudited Financial Statements, as attached, following the audit.

The said adjustments made to the Unaudited Financial Statements do not have an impact on the Group's loss net of tax for the financial year ended 30 June 2016.

BY ORDER OF THE BOARD

Tan Kheng Yeow  
Chief Executive Officer  
11 October 2016

**KTL Global Limited (the "Company") and its subsidiaries (the "Group")**

**Explanatory Notes**

**A. Reclassification**

- Note 1** The reclassifications made among revenue, cost of sales, administration expenses, sales and marketing, other operating expenses and other operating income were mainly to conform with the requirements of FRS 1: Presentation of Financial Statements to better reflect the nature of balances and transactions.
- Note 2** The reclassification of withholding tax expenses of S\$100,000 from administration expenses to income tax expenses.
- Note 3** The difference is due to a reclassification of long term bank loan from non-current liabilities to current liabilities. The reclassification was made as a result of a technical breach in the financial covenants (relating to profitability and loan servicing ratio) stipulated by the loan facility agreement pertaining a loan with a carrying amount of \$24,973,000 as at 30 June 2016. The Group was given a waiver by the bank until 30 November 2016 to comply with the said loan covenant.
- Note 4** The reclassification of amount of S\$50,000 from other payables and accruals to employee equity benefit reserve as an employee performance benefit payable in the form of shares was previously recorded as other payables and accruals in FY 2015.
- Note 5** The reclassification of amount associated with the acquisition of property, plant and equipment funded through finance lease arrangement.
- Note 6** The reclassification of allowance for doubtful debts, share of results of joint venture companies and impairment losses as to better reflect the nature of transactions.
- Note 7** The reclassifications were made to items in the consolidated statement of cash flows to conform with the requirements under FRS 7 Statement of Cash Flows.

**B. Adjustment**

- Note 8** The adjustment of S\$747,000 from profit for the financial year ended 30 June 2015 to retained earnings was due to bonus expense recognised as in the year of payment instead of accruing for it in the year it relates to in accordance with FRS 37 Provisions, Contingent Liabilities and Contingent Assets. The net impact in the closing retained earnings in FY2015 classified under Reserves is zero.
- Note 9** The adjustment of S\$1,119,000 was made as a result of the difference between KTL Global Limited's share issue price as stipulated in the sale and purchase agreement and market price per share at the date of completion as part of the consideration transferred for its investment in Dae Kwang Co. Ltd as required under FRS 28 Investment in Associates and Joint Ventures and FRS 103 Business Combinations.
- Note 10** The adjustment of S\$8,000 was made for loss in the reissuance of treasury shares in relation to KTL Performance Share Scheme of the Company.
- Note 11** The variance of currency translation differences of S\$268,000 due to adjustment for increase in currency translation reserve upon finalisation of audit.

**Consolidated Income Statement**  
**For the financial year ended 30 June 2016**

|                                                               | Note | Group                      |                              | Change |
|---------------------------------------------------------------|------|----------------------------|------------------------------|--------|
|                                                               |      | 2016<br>Audited<br>S\$'000 | 2016<br>Unaudited<br>S\$'000 |        |
| <b>Revenue</b>                                                | 1    | 41,961                     | 41,985                       | (24)   |
| Cost of sales                                                 | 1    | (34,872)                   | (34,825)                     | (47)   |
| <b>Gross profit</b>                                           |      | 7,089                      | 7,160                        | (71)   |
| Other operating income                                        | 1    | 1,893                      | 1,749                        | 144    |
| Administration expenses                                       | 1, 2 | (13,470)                   | (13,513)                     | 43     |
| Sales and marketing expenses                                  | 1    | (3,348)                    | (3,476)                      | 128    |
| Other operating expenses                                      | 1    | (4,908)                    | (5,360)                      | 452    |
| Share of results of joint venture companies                   | 1    | (910)                      | (314)                        | (596)  |
| Share of results of associates                                | 1    | (669)                      | (670)                        | 1      |
| Finance costs                                                 |      | (1,604)                    | (1,604)                      | -      |
| <b>(Loss) Profit before tax</b>                               |      | <b>(15,927)</b>            | <b>(16,028)</b>              | 101    |
| Income tax credit (expense)                                   | 2    | 1,674                      | 1,775                        | (101)  |
| <b>(Loss) Profit for the year</b>                             |      | <b>(14,253)</b>            | <b>(14,253)</b>              | -      |
| <b>Other comprehensive (loss) income:</b>                     |      |                            |                              |        |
| Items that may be reclassified subsequently to profit of loss |      |                            |                              |        |
| - Currency translation differences arising from consolidation | 11   | (925)                      | (657)                        | (268)  |
| Other comprehensive (loss), net of tax                        |      | (925)                      | (657)                        | (268)  |
| <b>Total comprehensive (loss) income for the year</b>         |      | <b>(15,178)</b>            | <b>(14,910)</b>              | (268)  |
| (Loss) Profit net of tax attributable to:                     |      |                            |                              |        |
| -Equity holders of the Company                                |      | (14,172)                   | (14,172)                     | -      |
| -Non-controlling interests                                    |      | (81)                       | (81)                         | -      |
| <b>(Loss) Profit net of tax</b>                               |      | <b>(14,253)</b>            | <b>(14,253)</b>              | -      |
| Total comprehensive (loss) income attributable to:            |      |                            |                              |        |
| -Equity holders of the Company                                |      | (15,097)                   | (14,829)                     | (268)  |
| -Non-controlling interests                                    |      | (81)                       | (81)                         | -      |
| <b>Total comprehensive (loss) income, net of tax</b>          |      | <b>(15,178)</b>            | <b>(14,910)</b>              | (268)  |

**Consolidated Income Statement**  
**For the financial year ended 30 June 2015**

|                                                               |      | Group                                    |                                            | Change |
|---------------------------------------------------------------|------|------------------------------------------|--------------------------------------------|--------|
|                                                               |      | 2015<br>Audited<br>(Restated)<br>S\$'000 | 2015<br>Unaudited<br>(Restated)<br>S\$'000 |        |
|                                                               | Note |                                          |                                            |        |
| <b>Revenue</b>                                                |      | 72,591                                   | 72,591                                     | -      |
| Cost of sales                                                 | 1, 8 | (52,990)                                 | (52,695)                                   | (295)  |
| <b>Gross profit</b>                                           | 1, 8 | 19,601                                   | 19,896                                     | (295)  |
| Other operating income                                        |      | 1,666                                    | 1,666                                      | -      |
| Administration expenses                                       | 1, 8 | (14,164)                                 | (15,142)                                   | 978    |
| Sales and marketing expenses                                  | 1, 8 | (4,353)                                  | (4,417)                                    | 64     |
| Other operating expenses                                      |      | -                                        | -                                          | -      |
| Share of results of joint venture companies                   |      | (68)                                     | (68)                                       | -      |
| Share of results of associates                                |      | -*                                       | -*                                         | -      |
| Finance costs                                                 |      | (1,143)                                  | (1,143)                                    | -      |
| <b>(Loss) Profit before tax</b>                               | 8    | 1,539                                    | 792                                        | 747    |
| Income tax credit (expense)                                   |      | 55                                       | 55                                         | -      |
| <b>(Loss) Profit for the year</b>                             | 8    | 1,594                                    | 847                                        | 747    |
| <b>Other comprehensive (loss) income:</b>                     |      |                                          |                                            |        |
| Items that may be reclassified subsequently to profit of loss |      |                                          |                                            |        |
| - Currency translation differences arising from consolidation |      | (1,396)                                  | (1,396)                                    | -      |
| Other comprehensive (loss) income for the period              |      | (1,396)                                  | (1,396)                                    | -      |
| <b>Total comprehensive (loss) income</b>                      | 8    | 198                                      | (549)                                      | 747    |
| (Loss) Profit net of tax attributable to:                     |      |                                          |                                            |        |
| -Equity holders of the Company                                | 8    | 1,555                                    | 808                                        | 747    |
| -Non-controlling interests                                    |      | 39                                       | 39                                         | -      |
| <b>(Loss) Profit net of tax</b>                               |      | 1,594                                    | 847                                        | 747    |
| Total comprehensive (loss) income attributable to:            |      |                                          |                                            |        |
| -Equity holders of the Company                                | 8    | 159                                      | (588)                                      | 747    |
| -Non-controlling interests                                    |      | 39                                       | 39                                         | -      |
| <b>Total comprehensive (loss) income, net of tax</b>          | 8    | 198                                      | (549)                                      | 747    |

\* Denotes amount less than S\$1,000.

**Statements of financial position**  
**As at 30 June 2016**

|                                                     | Group As At                     |                                   |                   |        | Company As At                   |                                   |                   |      |
|-----------------------------------------------------|---------------------------------|-----------------------------------|-------------------|--------|---------------------------------|-----------------------------------|-------------------|------|
|                                                     | 30-Jun-16<br>Audited<br>S\$'000 | 30-Jun-16<br>Unaudited<br>S\$'000 | Change<br>S\$'000 | Note   | 30-Jun-16<br>Audited<br>S\$'000 | 30-Jun-16<br>Unaudited<br>S\$'000 | Change<br>S\$'000 | Note |
| <b>ASSETS</b>                                       |                                 |                                   |                   |        |                                 |                                   |                   |      |
| <b>Non-current assets:</b>                          |                                 |                                   |                   |        |                                 |                                   |                   |      |
| Property, plant and equipment                       | 27,062                          | 26,027                            | 1,035             | 1      | -                               | -                                 | -                 | 1    |
| Prepaid land lease                                  | 3,359                           | 3,408                             | (44)              | 1      | -                               | -                                 | -                 | 1    |
| Investment properties                               | 2,122                           | 2,122                             | -                 |        | -                               | -                                 | -                 |      |
| Subsidiaries                                        |                                 |                                   |                   |        | 13,161                          | 13,161                            |                   |      |
| Joint Ventures                                      | 730                             | 730                               | -                 |        | -                               | -                                 | -                 |      |
| Associates                                          | 5,479                           | 6,597                             | (1,118)           | 9      | 5,848                           | 6,967                             | (1,119)           | 9    |
| Due from a subsidiary                               | -                               | -                                 | -                 |        | 741                             | 741                               | -                 |      |
| Other receivables, deposits and prepayments         | 170                             | 162                               | 8                 | 1      | -                               | -                                 | -                 |      |
| Deferred tax assets                                 | 811                             | 811                               | -                 |        | -                               | -                                 | -                 |      |
| <b>Total non-current assets</b>                     | <b>39,733</b>                   | <b>39,852</b>                     | <b>(119)</b>      |        | <b>19,750</b>                   | <b>20,869</b>                     | <b>(1,119)</b>    |      |
| <b>Current assets:</b>                              |                                 |                                   |                   |        |                                 |                                   |                   |      |
| Inventories                                         | 25,536                          | 26,899                            | (1,363)           | 1      | -                               | -                                 | -                 |      |
| Trade receivables                                   | 8,532                           | 8,565                             | (33)              | 1      | -                               | -                                 | -                 |      |
| Other receivables, deposits and prepayments         | 1,149                           | 1,324                             | (175)             | 1      | -                               | -                                 | -                 |      |
| Due from subsidiaries                               | -                               | -                                 | -                 |        | 12,997                          | 12,998                            | (1)               | 1    |
| Due from an associate and joint venture companies   |                                 |                                   |                   |        |                                 |                                   |                   |      |
| Cash and bank balances                              | 2,299                           | 1,474                             | 825               | 1      | 1,774                           | 1,774                             | -                 |      |
|                                                     | 1,713                           | 1,713                             | -                 |        | 44                              | 44                                | -                 |      |
| <b>Total current assets</b>                         | <b>39,229</b>                   | <b>39,975</b>                     | <b>(746)</b>      |        | <b>14,815</b>                   | <b>14,816</b>                     | <b>(1)</b>        |      |
| <b>Total assets</b>                                 | <b>78,962</b>                   | <b>79,827</b>                     | <b>(865)</b>      |        | <b>34,565</b>                   | <b>35,685</b>                     | <b>(1,120)</b>    |      |
| <b>EQUITY AND LIABILITIES</b>                       |                                 |                                   |                   |        |                                 |                                   |                   |      |
| <b>Current liabilities:</b>                         |                                 |                                   |                   |        |                                 |                                   |                   |      |
| Trade payables                                      | 8,435                           | 8,385                             | 50                | 1      | -                               | 12                                | (12)              | 1    |
| Bills payables                                      | -                               | -                                 | -                 |        | -                               | -                                 | -                 |      |
| Other payables and accruals                         | 3,559                           | 3,657                             | (98)              | 1      | 287                             | 280                               | 7                 | 1    |
| Due to a related party                              | 4                               | -                                 | 4                 | 1      | 4                               | -                                 | 4                 | 1    |
| Due to an associate                                 | 300                             | -                                 | 300               | 1      | -                               | -                                 | -                 |      |
| Interest-bearing loans and borrowings               | 26,591                          | 5,608                             | 20,983            | 3      | -                               | -                                 | -                 |      |
| Income tax payable                                  | 48                              | 48                                | -                 |        | 10                              | 10                                | -                 |      |
| <b>Total current liabilities</b>                    | <b>38,937</b>                   | <b>17,698</b>                     | <b>21,239</b>     |        | <b>301</b>                      | <b>302</b>                        | <b>(1)</b>        |      |
| <b>Non-current liabilities:</b>                     |                                 |                                   |                   |        |                                 |                                   |                   |      |
| Other payables                                      | 1,805                           | 1,637                             | 168               | 1      | -                               | -                                 | -                 |      |
| Due to an associate                                 | 77                              | -                                 | 77                | 1      | -                               | -                                 | -                 |      |
| Interest-bearing loans and borrowings               | 7,851                           | 28,813                            | (20,962)          | 3      | -                               | -                                 | -                 |      |
| Deferred tax liabilities                            | 97                              | 97                                | -                 |        | -                               | -                                 | -                 |      |
| <b>Total non-current liabilities</b>                | <b>9,830</b>                    | <b>30,547</b>                     | <b>(20,717)</b>   |        | <b>-</b>                        | <b>-</b>                          | <b>-</b>          |      |
| <b>Total liabilities</b>                            | <b>48,767</b>                   | <b>48,245</b>                     | <b>522</b>        |        | <b>301</b>                      | <b>302</b>                        | <b>(1)</b>        |      |
| <b>Net assets</b>                                   | <b>30,195</b>                   | <b>31,582</b>                     | <b>(1,387)</b>    |        | <b>34,264</b>                   | <b>35,383</b>                     | <b>(1,119)</b>    |      |
| <b>Equity attributable to owners of the parent</b>  |                                 |                                   |                   |        |                                 |                                   |                   |      |
| Share capital                                       | 34,836                          | 35,955                            | (1,119)           | 9      | 34,836                          | 35,955                            | (1,119)           | 9    |
| Treasury shares                                     | (274)                           | (282)                             | 8                 | 10     | (274)                           | (282)                             | 8                 | 10   |
| Reserves                                            | (4,374)                         | (4,098)                           | (276)             | 10, 11 | (298)                           | (290)                             | (8)               | 10   |
| <b>Equity, attributable to owners of the parent</b> | <b>30,188</b>                   | <b>31,575</b>                     | <b>(1,387)</b>    |        | <b>34,264</b>                   | <b>35,383</b>                     | <b>(1,119)</b>    |      |
| Non-controlling interests                           | 7                               | 7                                 | -                 |        | -                               | -                                 | -                 |      |
| <b>Total equity</b>                                 | <b>30,195</b>                   | <b>31,582</b>                     | <b>(1,387)</b>    |        | <b>34,264</b>                   | <b>35,383</b>                     | <b>(1,119)</b>    |      |

**Statements of financial position**  
**As at 30 June 2015**

|                                                     | Group As At                                   |                                                 |                   |      | Note | Company As At                                 |                                                 |                   |      |
|-----------------------------------------------------|-----------------------------------------------|-------------------------------------------------|-------------------|------|------|-----------------------------------------------|-------------------------------------------------|-------------------|------|
|                                                     | 30-Jun-15<br>Audited<br>(Restated)<br>S\$'000 | 30-Jun-15<br>Unaudited<br>(Restated)<br>S\$'000 | Change<br>S\$'000 |      |      | 30-Jun-15<br>Audited<br>(Restated)<br>S\$'000 | 30-Jun-15<br>Unaudited<br>(Restated)<br>S\$'000 | Change<br>S\$'000 | Note |
| <b>ASSETS</b>                                       |                                               |                                                 |                   |      |      |                                               |                                                 |                   |      |
| <b>Non-current assets:</b>                          |                                               |                                                 |                   |      |      |                                               |                                                 |                   |      |
| Property, plant and equipment                       | 23,018                                        | 23,018                                          | -                 |      |      | -                                             | -                                               | -                 |      |
| Prepaid land lease                                  | 3,755                                         | 3,755                                           | -                 |      |      | -                                             | -                                               | -                 |      |
| Investment properties                               | 2,200                                         | 2,200                                           | -                 |      |      | -                                             | -                                               | -                 |      |
| Subsidiaries                                        | -                                             | -                                               | -                 |      |      | 13,161                                        | 13,161                                          | -                 |      |
| Joint Ventures                                      | 1,647                                         | 1,647                                           | -                 |      |      | 7                                             | 7                                               | -                 |      |
| Associates                                          | -                                             | -                                               | -                 |      |      | -                                             | -                                               | -                 |      |
| Due from a subsidiary                               | -                                             | -                                               | -                 |      |      | 741                                           | 741                                             | -                 |      |
| Other receivables, deposits and prepayments         | 2,135                                         | 2,135                                           | -                 |      |      | -                                             | -                                               | -                 |      |
| Deferred tax assets                                 | 36                                            | 36                                              | -                 |      |      | -                                             | -                                               | -                 |      |
| <b>Total non-current assets</b>                     | <b>32,791</b>                                 | <b>32,791</b>                                   | <b>-</b>          |      |      | <b>13,909</b>                                 | <b>13,909</b>                                   | <b>-</b>          |      |
| <b>Current assets:</b>                              |                                               |                                                 |                   |      |      |                                               |                                                 |                   |      |
| Inventories                                         | 33,626                                        | 33,626                                          | -                 |      |      | -                                             | -                                               | -                 |      |
| Trade receivables                                   | 25,716                                        | 25,716                                          | -                 |      |      | -                                             | -                                               | -                 |      |
| Other receivables, deposits and prepayments         | 1,642                                         | 1,078                                           | 564               | 1, 8 |      | 36                                            | 36                                              | -                 |      |
| Due from subsidiaries                               | -                                             | -                                               | -                 |      |      | 18,642                                        | 18,642                                          | -                 |      |
| Due from an associate and joint venture companies   | 2,742                                         | 2,642                                           | 100               | 1    |      | 1,639                                         | 1,639                                           | -                 |      |
| Cash and bank balances                              | 2,692                                         | 2,692                                           | -                 |      |      | 133                                           | 133                                             | -                 |      |
| <b>Total current assets</b>                         | <b>66,418</b>                                 | <b>65,754</b>                                   | <b>664</b>        |      |      | <b>20,450</b>                                 | <b>20,450</b>                                   | <b>-</b>          |      |
| <b>Total assets</b>                                 | <b>99,209</b>                                 | <b>98,545</b>                                   | <b>664</b>        |      |      | <b>34,359</b>                                 | <b>34,359</b>                                   | <b>-</b>          |      |
| <b>EQUITY AND LIABILITIES</b>                       |                                               |                                                 |                   |      |      |                                               |                                                 |                   |      |
| <b>Current liabilities:</b>                         |                                               |                                                 |                   |      |      |                                               |                                                 |                   |      |
| Trade payables                                      | 11,522                                        | 11,522                                          | -                 |      |      | -                                             | -                                               | -                 |      |
| Bills payables                                      | 6,745                                         | 6,745                                           | -                 |      |      | -                                             | -                                               | -                 |      |
| Other payables and accruals                         | 3,451                                         | 2,837                                           | 614               | 4, 8 |      | 873                                           | 746                                             | 127               | 4, 8 |
| Due to a related party                              | -                                             | -                                               | -                 |      |      | -                                             | -                                               | -                 |      |
| Due to an associate                                 | -                                             | -                                               | -                 |      |      | -                                             | -                                               | -                 |      |
| Interest-bearing loans and borrowings               | 20,995                                        | 20,995                                          | -                 |      |      | -                                             | -                                               | -                 |      |
| Income tax payable                                  | 176                                           | 176                                             | -                 |      |      | 15                                            | 15                                              | -                 |      |
| <b>Total current liabilities</b>                    | <b>42,889</b>                                 | <b>42,275</b>                                   | <b>614</b>        |      |      | <b>888</b>                                    | <b>761</b>                                      | <b>127</b>        |      |
| <b>Non-current liabilities:</b>                     |                                               |                                                 |                   |      |      |                                               |                                                 |                   |      |
| Other payables                                      | 1,780                                         | 1,859                                           | (79)              | 1    |      | -                                             | -                                               | -                 |      |
| Due to an associate                                 | 79                                            | -                                               | 79                | 1    |      | -                                             | -                                               | -                 |      |
| Interest-bearing loans and borrowings               | 8,433                                         | 8,433                                           | -                 |      |      | -                                             | -                                               | -                 |      |
| Deferred tax liabilities                            | 1,069                                         | 1,069                                           | -                 |      |      | -                                             | -                                               | -                 |      |
| <b>Total non-current liabilities</b>                | <b>11,361</b>                                 | <b>11,361</b>                                   | <b>-</b>          |      |      | <b>-</b>                                      | <b>-</b>                                        | <b>-</b>          |      |
| <b>Total liabilities</b>                            | <b>54,250</b>                                 | <b>53,636</b>                                   | <b>614</b>        |      |      | <b>888</b>                                    | <b>761</b>                                      | <b>127</b>        |      |
| <b>Net assets</b>                                   | <b>44,959</b>                                 | <b>44,909</b>                                   | <b>50</b>         |      |      | <b>33,471</b>                                 | <b>33,598</b>                                   | <b>(127)</b>      |      |
| <b>Equity attributable to owners of the parent</b>  |                                               |                                                 |                   |      |      |                                               |                                                 |                   |      |
| Share capital                                       | 34,203                                        | 34,203                                          | -                 |      |      | 34,203                                        | 34,203                                          | -                 |      |
| Treasury shares                                     | (113)                                         | (113)                                           | -                 |      |      | (113)                                         | (113)                                           | -                 |      |
| Reserves                                            | 10,781                                        | 10,731                                          | 50                | 4, 8 |      | (619)                                         | (492)                                           | (127)             | 4, 8 |
| <b>Equity, attributable to owners of the parent</b> | <b>44,871</b>                                 | <b>44,821</b>                                   | <b>50</b>         |      |      | <b>33,471</b>                                 | <b>33,598</b>                                   | <b>(127)</b>      |      |
| Non-controlling interests                           | 88                                            | 88                                              | -                 |      |      | -                                             | -                                               | -                 |      |
| <b>Total equity</b>                                 | <b>44,959</b>                                 | <b>44,909</b>                                   | <b>50</b>         |      |      | <b>33,471</b>                                 | <b>33,598</b>                                   | <b>(127)</b>      |      |

**Statements of financial position**  
**As at 1 July 2014**

|                                                     | Group As At                                   |                                                 |                   | Note | Company As At                                 |                                                 |                   |      |
|-----------------------------------------------------|-----------------------------------------------|-------------------------------------------------|-------------------|------|-----------------------------------------------|-------------------------------------------------|-------------------|------|
|                                                     | 01-Jul-14<br>Audited<br>(Restated)<br>S\$'000 | 01-Jul-14<br>Unaudited<br>(Restated)<br>S\$'000 | Change<br>S\$'000 |      | 01-Jul-14<br>Audited<br>(Restated)<br>S\$'000 | 01-Jul-14<br>Unaudited<br>(Restated)<br>S\$'000 | Change<br>S\$'000 | Note |
| <b>ASSETS</b>                                       |                                               |                                                 |                   |      |                                               |                                                 |                   |      |
| <b>Non-current assets:</b>                          |                                               |                                                 |                   |      |                                               |                                                 |                   |      |
| Property, plant and equipment                       | 19,227                                        | 19,227                                          | -                 |      | -                                             | -                                               | -                 |      |
| Prepaid land lease                                  | 2,427                                         | 2,427                                           | -                 |      | -                                             | -                                               | -                 |      |
| Investment properties                               | 1,377                                         | 1,377                                           | -                 |      | -                                             | -                                               | -                 |      |
| Subsidiaries                                        | -                                             | -                                               | -                 |      | 13,161                                        | 13,161                                          | -                 |      |
| Joint Ventures                                      | 363                                           | 363                                             | -                 |      | 7                                             | 7                                               | -                 |      |
| Associates                                          | -                                             | -                                               | -                 |      | -                                             | -                                               | -                 |      |
| Due from a subsidiary                               | -                                             | -                                               | -                 |      | -                                             | -                                               | -                 |      |
| Other receivables, deposits and prepayments         | 2,419                                         | 2,419                                           | -                 |      | -                                             | -                                               | -                 |      |
| Deferred tax assets                                 | -                                             | -                                               | -                 |      | -                                             | -                                               | -                 |      |
| <b>Total non-current assets</b>                     | <b>25,813</b>                                 | <b>25,813</b>                                   | <b>-</b>          |      | <b>13,168</b>                                 | <b>13,168</b>                                   | <b>-</b>          |      |
| <b>Current assets:</b>                              |                                               |                                                 |                   |      |                                               |                                                 |                   |      |
| Inventories                                         | 29,302                                        | 29,302                                          | -                 |      | -                                             | -                                               | -                 |      |
| Trade receivables                                   | 27,261                                        | 27,261                                          | -                 |      | -                                             | -                                               | -                 |      |
| Other receivables, deposits and prepayments         | 1,175                                         | 1,175                                           | -                 |      | -                                             | -                                               | -                 |      |
| Due from subsidiaries                               | -                                             | -                                               | -                 |      | 20,496                                        | 20,496                                          | -                 |      |
| Due from an associate and joint venture companies   | 180                                           | 180                                             | -                 |      | 180                                           | 180                                             | -                 |      |
| Cash and bank balances                              | 2,033                                         | 2,033                                           | -                 |      | 94                                            | 94                                              | -                 |      |
| <b>Total current assets</b>                         | <b>59,951</b>                                 | <b>59,951</b>                                   | <b>-</b>          |      | <b>20,770</b>                                 | <b>20,770</b>                                   | <b>-</b>          |      |
| <b>Total assets</b>                                 | <b>85,764</b>                                 | <b>85,764</b>                                   | <b>-</b>          |      | <b>33,938</b>                                 | <b>33,938</b>                                   | <b>-</b>          |      |
| <b>EQUITY AND LIABILITIES</b>                       |                                               |                                                 |                   |      |                                               |                                                 |                   |      |
| <b>Current liabilities:</b>                         |                                               |                                                 |                   |      |                                               |                                                 |                   |      |
| Trade payables                                      | 12,567                                        | 12,567                                          | -                 |      | -                                             | -                                               | -                 |      |
| Bills payables                                      | 12,310                                        | 12,310                                          | -                 |      | -                                             | -                                               | -                 |      |
| Other payables and accruals                         | 6,715                                         | 5,968                                           | 747               | 8    | 1,641                                         | 1,463                                           | 178               | 8    |
| Due to a related party                              | -                                             | -                                               | -                 |      | -                                             | -                                               | -                 |      |
| Due to an associate                                 | -                                             | -                                               | -                 |      | -                                             | -                                               | -                 |      |
| Interest-bearing loans and borrowings               | 4,422                                         | 4,422                                           | -                 |      | -                                             | -                                               | -                 |      |
| Income tax payable                                  | 765                                           | 765                                             | -                 |      | 19                                            | 19                                              | -                 |      |
| <b>Total current liabilities</b>                    | <b>36,779</b>                                 | <b>36,032</b>                                   | <b>747</b>        |      | <b>1,660</b>                                  | <b>1,482</b>                                    | <b>178</b>        |      |
| <b>Non-current liabilities:</b>                     |                                               |                                                 |                   |      |                                               |                                                 |                   |      |
| Other payables                                      | 114                                           | 114                                             | -                 |      | -                                             | -                                               | -                 |      |
| Due to an associate                                 | -                                             | -                                               | -                 |      | -                                             | -                                               | -                 |      |
| Interest-bearing loans and borrowings               | 2,856                                         | 2,856                                           | -                 |      | -                                             | -                                               | -                 |      |
| Deferred tax liabilities                            | 1,145                                         | 1,145                                           | -                 |      | -                                             | -                                               | -                 |      |
| <b>Total non-current liabilities</b>                | <b>4,115</b>                                  | <b>4,115</b>                                    | <b>-</b>          |      | <b>-</b>                                      | <b>-</b>                                        | <b>-</b>          |      |
| <b>Total liabilities</b>                            | <b>40,894</b>                                 | <b>40,147</b>                                   | <b>747</b>        |      | <b>1,660</b>                                  | <b>1,482</b>                                    | <b>178</b>        |      |
| <b>Net assets</b>                                   | <b>44,870</b>                                 | <b>45,617</b>                                   | <b>(747)</b>      |      | <b>32,278</b>                                 | <b>32,456</b>                                   | <b>(178)</b>      |      |
| <b>Equity attributable to owners of the parent</b>  |                                               |                                                 |                   |      |                                               |                                                 |                   |      |
| Share capital                                       | 33,269                                        | 33,269                                          | -                 |      | 33,269                                        | 33,269                                          | -                 |      |
| Treasury shares                                     | (646)                                         | (646)                                           | -                 |      | (646)                                         | (646)                                           | -                 |      |
| Reserves                                            | 12,198                                        | 12,945                                          | (747)             | 8    | (345)                                         | (167)                                           | (178)             | 8    |
| <b>Equity, attributable to owners of the parent</b> | <b>44,821</b>                                 | <b>45,568</b>                                   | <b>(747)</b>      |      | <b>32,278</b>                                 | <b>32,456</b>                                   | <b>(178)</b>      |      |
| Non-controlling interests                           | 49                                            | 49                                              | -                 |      | -                                             | -                                               | -                 |      |
| <b>Total equity</b>                                 | <b>44,870</b>                                 | <b>45,617</b>                                   | <b>(747)</b>      |      | <b>32,278</b>                                 | <b>32,456</b>                                   | <b>(178)</b>      |      |

**Consolidated statement of cash flow**  
**For the year ended 30 June 2016**

|                                                                          | <b>Group</b>                    |                                   |                |      |
|--------------------------------------------------------------------------|---------------------------------|-----------------------------------|----------------|------|
|                                                                          | <b>Twelve months ended</b>      |                                   |                |      |
|                                                                          | 30-Jun-16<br>Audited<br>S\$'000 | 30-Jun-16<br>Unaudited<br>S\$'000 | Change         | Note |
| <b>Cash Flows From Operating Activities:</b>                             |                                 |                                   |                |      |
| (Loss) Profit before tax from operations                                 | (15,927)                        | (16,028)                          | 101            | 2    |
| Adjustments:                                                             |                                 |                                   |                |      |
| Impairment loss on prepaid land lease                                    | 45                              | -                                 | 45             |      |
| Impairment loss on investment properties                                 | 67                              | -                                 | 67             |      |
| Impairment loss on investment in joint venture companies                 | 7                               | -                                 | 7              |      |
| Allowance for impairment on amounts due from joint venture companies     | 1,195                           | -                                 | 1,195          | 6    |
| Depreciation of property, plant and equipment                            | 3,870                           | 3,596                             | 274            | 7    |
| Depreciation of investment properties                                    | 7                               | -                                 | 7              | 7    |
| Amortisation of prepaid land lease                                       | 126                             | 126                               | -              |      |
| Allowance for inventory obsolescence                                     | 103                             | 900                               | (797)          | 7    |
| Inventories written off                                                  | 797                             | -                                 | 797            | 7    |
| Allowance for doubtful debts                                             | 3,008                           | 3,990                             | (982)          | 6    |
| Loss (Gain) on disposal of property, plant and equipment and investments | 219                             | 108                               | 111            | 7    |
| Interest expenses                                                        | 1,604                           | 1,604                             | -              |      |
| Share of results of joint venture companies                              | 910                             | 314                               | 596            | 6    |
| Share of result of associates                                            | 669                             | 670                               | (1)            |      |
| Employee equity benefit expenses                                         | -                               | -                                 | -              |      |
| Impairment loss on investments                                           | -                               | 817                               | (817)          | 6    |
| Impairment loss on property, plant and equipment                         | -                               | 112                               | (112)          | 7    |
| <b>Operating (loss) Profit Before Working Capital Changes</b>            | <b>(3,300)</b>                  | <b>(3,791)</b>                    | <b>491</b>     |      |
| Inventories                                                              | 7,190                           | 5,828                             | 1,362          | 7    |
| Trade receivables                                                        | 14,176                          | 14,162                            | 14             | 7    |
| Other receivables, deposits and prepayments                              | 585                             | (31)                              | 616            | 7    |
| Trade payables                                                           | (3,087)                         | (3,137)                           | 50             | 7    |
| Other payables and accruals                                              | 284                             | 979                               | (695)          | 7    |
| Due to a related party                                                   | 4                               | -                                 | 4              | 6    |
| <b>Cash generated from operations</b>                                    | <b>15,852</b>                   | <b>14,010</b>                     | <b>1,842</b>   |      |
| Withholding tax paid                                                     | (100)                           | -                                 | (100)          | 2    |
| Income tax                                                               | (100)                           | (101)                             | 1              | 7    |
| Currency translation                                                     | -                               | 376                               | (376)          | 7    |
| <b>Net Cash Flows From (Used in) Operating Activities</b>                | <b>15,652</b>                   | <b>14,285</b>                     | <b>1,367</b>   |      |
| <b>Cash Flows Used in Investing Activities:</b>                          |                                 |                                   |                |      |
| Purchase of property, plant and equipment                                | (6,781)                         | (5,792)                           | (989)          | 5    |
| Proceed from disposal of property, plant and equipment                   | 1,934                           | -                                 | 1,934          | 7    |
| Addition of investment properties                                        | (345)                           | (332)                             | (13)           | 7    |
| Acquisition of / additional investment in associate and joint venture    | (5,515)                         | (5,729)                           | 214            | 7, 9 |
| Advances to associate and joint venture companies                        | (452)                           | 168                               | (620)          | 6    |
| <b>Net Cash Flows Used in Investing Activities</b>                       | <b>(11,159)</b>                 | <b>(11,685)</b>                   | <b>526</b>     |      |
| <b>Cash Flows From (Used in) Financing Activities:</b>                   |                                 |                                   |                |      |
| Purchase of treasury shares                                              | (219)                           | (219)                             | -              |      |
| Proceeds from interest-bearing loans and borrowings                      | 25,288                          | 26,001                            | (713)          | 5, 7 |
| Repayment of interest-bearing loans and borrowings                       | (25,600)                        | (24,433)                          | (1,167)        | 5, 7 |
| Proceeds from issuance of new shares pursuant to subscription agreement  | -                               | -                                 | -              |      |
| Dividends paid                                                           | -                               | -                                 | -              |      |
| Interest paid                                                            | (1,604)                         | (1,604)                           | -              |      |
| Pledge of fixed deposits                                                 | 1,036                           | 1,036                             | -              |      |
| <b>Net Cash Flows From (Used in) Financing Activities</b>                | <b>(1,099)</b>                  | <b>781</b>                        | <b>(1,880)</b> |      |
| <b>Net Increase (Decrease) in Cash and Cash Equivalents</b>              | <b>3,394</b>                    | <b>3,381</b>                      | <b>13</b>      |      |
| Effect of exchange rate changes on cash and cash equivalent              | (13)                            | -                                 | (13)           | 7    |
| Cash and Cash Equivalents at Beginning of Period                         | (1,962)                         | (1,962)                           | -              |      |
| <b>Cash and Cash Equivalents at End of Period</b>                        | <b>1,419</b>                    | <b>1,419</b>                      | <b>-</b>       |      |
| <b>Analysis of Cash and Cash Equivalents</b>                             |                                 |                                   |                |      |
| Cash and bank balances                                                   | 1,419                           | 1,419                             | -              |      |
| Bank overdrafts                                                          | -                               | -                                 | -              |      |
| <b>Cash and Cash Equivalents at End of Period</b>                        | <b>1,419</b>                    | <b>1,419</b>                      | <b>-</b>       |      |

**Consolidated statement of cashflow**  
**For the year ended 30 June 2015**

|                                                                             | <b>Group</b><br><b>Twelve months ended</b>                                |                                                                             | <b>Change</b>  | <b>Note</b> |
|-----------------------------------------------------------------------------|---------------------------------------------------------------------------|-----------------------------------------------------------------------------|----------------|-------------|
|                                                                             | <b>30-Jun-15</b><br><b>Audited</b><br><b>(Restated)</b><br><b>S\$'000</b> | <b>30-Jun-15</b><br><b>Unaudited</b><br><b>(Restated)</b><br><b>S\$'000</b> |                |             |
| <b><u>Cash Flows From Operating Activities:</u></b>                         |                                                                           |                                                                             |                |             |
| (Loss) Profit before tax from operations                                    | 1,539                                                                     | 792                                                                         | 747            | 8           |
| Adjustments for:                                                            |                                                                           |                                                                             |                |             |
| Impairment loss on prepaid land lease                                       | -                                                                         | -                                                                           | -              |             |
| Impairment loss on investment properties                                    | -                                                                         | -                                                                           | -              |             |
| Impairment loss on investment in joint venture companies                    | -                                                                         | -                                                                           | -              |             |
| Allowance for impairment on amounts due from joint venture companies        | -                                                                         | -                                                                           | -              |             |
| Depreciation of property, plant and equipment                               | 3,040                                                                     | 3,040                                                                       | -              |             |
| Depreciation of investment properties                                       | -                                                                         | -                                                                           | -              |             |
| Amortisation of prepaid land lease                                          | 104                                                                       | 104                                                                         | -              |             |
| Allowance for inventory obsolescence and inventory written off              | 20                                                                        | 20                                                                          | -              |             |
| Inventories written off                                                     | -                                                                         | -                                                                           | -              |             |
| Allowance for doubtful debts                                                | -                                                                         | -                                                                           | -              |             |
| Loss (Gain) on disposal of property, plant and equipment and investments    | (48)                                                                      | (48)                                                                        | -              |             |
| Interest expenses                                                           | 1,143                                                                     | 1,143                                                                       | -              |             |
| Share of result of associates                                               | -*                                                                        | -*                                                                          | -              |             |
| Share of results of joint venture companies                                 | 68                                                                        | 68                                                                          | -              |             |
| Employee equity benefit expenses                                            | 50                                                                        | 50                                                                          | -              |             |
| Net Effect of Exchange Rate Changes                                         |                                                                           |                                                                             |                |             |
| <b>Operating (loss) Profit Before Working Capital Changes</b>               | <b>5,916</b>                                                              | <b>5,169</b>                                                                | <b>747</b>     |             |
| Inventories                                                                 | (4,344)                                                                   | (4,344)                                                                     | -              |             |
| Trade receivables                                                           | 1,545                                                                     | 1,545                                                                       | -              |             |
| Other receivables, deposits and prepayments                                 | 236                                                                       | 800                                                                         | (564)          | 7, 8        |
| Trade payables                                                              | (1,044)                                                                   | (1,044)                                                                     | -              |             |
| Other payables and accruals                                                 | (1,825)                                                                   | (1,664)                                                                     | (161)          | 8           |
| Due to an associate                                                         | 79                                                                        | -                                                                           | 79             | 7           |
| <b>Cash generated from operations</b>                                       | <b>563</b>                                                                | <b>462</b>                                                                  | <b>101</b>     |             |
| Withholding tax paid                                                        | -                                                                         | -                                                                           | -              |             |
| Income tax                                                                  | (645)                                                                     | (645)                                                                       | -              |             |
| Currency translation                                                        | (780)                                                                     | (779)                                                                       | (1)            |             |
| <b>Net Cash Flows From (Used in) Operating Activities</b>                   | <b>(862)</b>                                                              | <b>(962)</b>                                                                | <b>100</b>     |             |
| <b><u>Cash Flows Used in Investing Activities:</u></b>                      |                                                                           |                                                                             |                |             |
| Purchase of property, plant and equipment                                   | (6,648)                                                                   | (7,707)                                                                     | 1,059          | 5           |
| Increase in progress payments for purchase of property, plant and equipment | (419)                                                                     | (419)                                                                       | -              |             |
| Proceed from disposal of property, plant and equipment                      | 813                                                                       | 813                                                                         | -              |             |
| Addition of investment properties                                           | (707)                                                                     | (707)                                                                       | -              |             |
| Addition of prepaid land lease                                              | (1,806)                                                                   | (1,806)                                                                     | -              |             |
| Acquisition of / additional investment in associate and joint venture       | (1,352)                                                                   | (1,352)                                                                     | -              |             |
| Advances to associate and joint venture companies                           | (2,563)                                                                   | (2,463)                                                                     | (100)          | 7           |
| <b>Net Cash Flows Used in Investing Activities</b>                          | <b>(12,682)</b>                                                           | <b>(13,641)</b>                                                             | <b>959</b>     |             |
| <b><u>Cash Flows From (Used in) Financing Activities:</u></b>               |                                                                           |                                                                             |                |             |
| Purchase of treasury shares                                                 | (87)                                                                      | (87)                                                                        | -              |             |
| Proceeds from interest-bearing loans and borrowings                         | 22,485                                                                    | 23,544                                                                      | (1,059)        | 5           |
| Repayment of interest-bearing loans and borrowings                          | (9,143)                                                                   | (9,143)                                                                     | -              |             |
| Proceeds from issuance of new shares pursuant to subscription agreement     | 934                                                                       | 934                                                                         | -              |             |
| Dividends paid                                                              | (1,006)                                                                   | (1,006)                                                                     | -              |             |
| Interest paid                                                               | (1,143)                                                                   | (1,143)                                                                     | -              |             |
| Pledge of fixed deposit                                                     | (1,330)                                                                   | (1,330)                                                                     | -              |             |
| <b>Net Cash Flows From (Used in) Financing Activities</b>                   | <b>10,710</b>                                                             | <b>11,769</b>                                                               | <b>(1,059)</b> |             |
| <b>Net Increase (Decrease) in Cash and Cash Equivalents</b>                 | <b>(2,834)</b>                                                            | <b>(2,834)</b>                                                              | <b>-</b>       |             |
| Effect of exchange rate changes on cash and cash equivalent                 | (20)                                                                      | (20)                                                                        | -              |             |
| Cash and Cash Equivalents at Beginning of Period                            | 892                                                                       | 892                                                                         | -              |             |
| <b>Cash and Cash Equivalents at End of Period</b>                           | <b>(1,962)</b>                                                            | <b>(1,962)</b>                                                              | <b>-</b>       |             |
| <b><u>Analysis of Cash and Cash Equivalents</u></b>                         |                                                                           |                                                                             |                |             |
| Cash and bank balances                                                      | 1,362                                                                     | 1,362                                                                       | -              |             |
| Bank overdrafts                                                             | (3,324)                                                                   | (3,324)                                                                     | -              |             |
| <b>Cash and Cash Equivalents at End of Period</b>                           | <b>(1,962)</b>                                                            | <b>(1,962)</b>                                                              | <b>-</b>       |             |

\* Denotes amount less than S\$1,000.