

UNAUDITED FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT FOR THE FOURTH QUARTER ("4Q2016") ENDED 31 DECEMBER 2016 ("FY2016")

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

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

	Note	3 Months Ended 31 December			Full Year Ended 31 December		
		4Q2016 S\$'000	4Q2015 S\$'000	Increase (Decrease) %	2016 S\$'000	2015 S\$'000	Increase (Decrease) %
Revenue		4,005	2,631	52.22	21,069	7,994	163.56
Cost of sales		(3,272)	(2,723)	20.16	(18,798)	(7,256)	159.07
Gross profit/(loss)		733	(92)	(896.74)	2,271	738	207.72
Other income	1(a)(ii)	4,095	60	6725.00	4,202	343	1125.07
Other gains	1(a)(ii)	2,273	355	540.28	1,719	811	111.96
Expenses							
- Selling and distribution expenses		-	-	-	-	(51)	(100.00)
- General and administrative expenses		(714)	(874)	(18.31)	(3,647)	(3,083)	18.29
- Finance expenses		(199)	(39)	410.26	(751)	(111)	576.58
- Other expenses	1(a)(ii)	(41,976)	(45)	n.m	(42,209)	(103)	n.m
Loss before income tax	1(a)(ii)	(35,788)	(635)		(38,415)	(1,456)	
Income tax		53	48	10.42	93	(3)	n.m
Loss after income tax		(35,735)	(587)		(38,322)	(1,459)	
Other comprehensive loss: <i>Items that may be reclassified subsequently to profit or loss:</i>							
Currency translation differences arising from consolidation		1,435	141	n.m	915	(212)	n.m
Total comprehensive loss for the financial period		(34,300)	(446)	n.m	(37,407)	(1,671)	n.m
Loss attributable to :							
Equity holders of the Company		(14,920)	(322)	n.m	(16,860)	(1,301)	n.m
Non-controlling interests		(20,815)	(265)	n.m	(21,462)	(158)	n.m
		(35,735)	(587)	n.m	(38,322)	(1,459)	n.m
Total comprehensive loss attributable to:							
Equity holders of the Company		(14,298)	(253)	n.m	(16,468)	(1,406)	n.m
Non-controlling interests		(20,002)	(193)	n.m	(20,939)	(265)	n.m
		(34,300)	(446)	n.m	(37,407)	(1,671)	n.m

n.m = not meaningful

1(a)(ii) Additional notes to the statement of comprehensive income for the group for the corresponding period of the immediate preceding financial year.

	3 Months Ended 31 December			Full Year Ended 31 December		
	4Q2016 S\$'000	4Q2015 S\$'000	Increase (Decrease) %	2016 S\$'000	2015 S\$'000	Increase (Decrease) %
Other income:						
Interest income from banks	28	70	(60.00)	68	212	(67.92)
Government grant	82	(38)	(315.79)	146	86	69.77
Profit Guarantee	3,979	-	100.00	3,979	-	100.00
Sundry income	6	28	(78.57)	9	45	(80.00)
	<u>4,095</u>	<u>60</u>		<u>4,202</u>	<u>343</u>	
Other gains:						
Gain on disposal of property, plant and equipment	2	-	100.00	123	125	(1.60)
Foreign exchange gain	2,268	282	704.26	1,588	585	171.45
Write back of allowance for doubtful debts (trade)	3	73	(95.89)	8	101	(92.08)
	<u>2,273</u>	<u>355</u>		<u>1,719</u>	<u>811</u>	
Other expenses:						
Changes in fair value of financial assets at fair value through profit or loss	-	-	-	(5)	-	100.00
Impairment loss in intangible assets	(4,783)	-	100.00	(4,783)	-	100.00
Impairment loss in property, plant & equipment	(36,716)	-	100.00	(36,716)	-	100.00
Impairment loss on available-for sales financial assets	(43)	(45)	(4.44)	(271)	(45)	502.22
Allowance for doubtful debts (trade receivables)	(434)	-	100.00	(434)	-	100.00
Property, plant and equipment written off	-	-	-	-	(58)	(100.00)
	<u>(41,976)</u>	<u>(45)</u>		<u>(42,209)</u>	<u>(103)</u>	
Depreciation included in:						
- cost of sales	(730)	(422)	72.99	(3,363)	(706)	376.35
- general and administrative expenses	(18)	(11)	63.64	(59)	(68)	(13.24)
Amortisation	(83)	(28)	196.43	(331)	(28)	1,082.14
Interest expenses	<u>(64)</u>	<u>(39)</u>	64.10	<u>(268)</u>	<u>(78)</u>	243.59

1(b)(i) A statement of financial position or balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Note	Group		Company	
		As at 31 December 2016 S\$'000	As at 31 December 2015 S\$'000	As at 31 December 2016 S\$'000	As at 31 December 2015 S\$'000
ASSETS					
Current assets					
Cash and cash equivalents		14,165	12,385	11,437	3,452
Trade and other receivables	1(b)(ii)	9,809	3,690	4,020	10
Inventories		344	177	-	-
Amounts due from subsidiaries		-	-	16,875	6,677
Total current assets		24,318	16,252	32,332	10,139
Non-current assets					
Property, plant and equipment		24,486	61,712	-	-
Intangible assets		-	4,982	-	-
Investment in subsidiaries		-	-	3,892	20,164
Available-for-sale financial assets		10	15	-	-
Amounts due from subsidiaries		-	-	-	11,943
Trade and other receivables	1(b)(ii)	1,987	1,428	-	-
Total non-current assets		26,483	68,137	3,892	32,107
Total assets		50,801	84,389	36,224	42,246
LIABILITIES					
Current liabilities					
Trade and other payables	1(b)(iii)	10,531	12,273	555	337
Amounts due to subsidiaries		-	-	6,252	1,067
Finance lease liabilities		291	428	-	-
Bank borrowings		1,883	-	-	-
Current income tax liabilities		78	120	-	-
Total current liabilities		12,783	12,821	6,807	1,404
Non-current liabilities					
Trade and other payables	1(b)(iii)	11,370	10,520	-	-
Finance lease liabilities		183	482	-	-
Deferred income tax liabilities		2,608	3,272	46	-
Total non-current liabilities		14,161	14,274	46	-
Total liabilities		26,944	27,095	6,853	1,404
NET ASSETS		23,857	57,294	29,371	40,842
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital		32,533	29,575	32,533	29,575
Currency translation reserve		1,348	(105)	-	-
Retained earnings		(1,407)	15,513	(3,162)	11,267
Capital reserve		182	182	-	-
		32,656	45,165	29,371	40,842
Non-controlling interests		(8,799)	12,129	-	-
Total equity		23,857	57,294	29,371	40,842

1(b)(ii) Trade and other receivables comprise:

		Group	Company
		As at 31 December 2016	As at 31 December 2015
Note	S\$'000	S\$'000	S\$'000
Current			
Trade receivables (net)	3,996	3,199	-
Advance payment	1,348	32	-
Staff advances	-	2	-
Accrued interest	8	-	8
GST recoverable	40	6	6
Sundry receivables	18	155	-
Other receivables	3,996	-	3,996
	9,406	3,394	4,010
Deposits	232	26	5
Prepayments	171	270	5
	9,809	3,690	4,020
Non-current			
Contingent considerations on acquisition of a subsidiary	1,418	1,408	-
Sundry receivables	569	5	-
	1,987	1,413	-
Prepayments	-	15	-
	1,987	1,428	-

1(b)(iii) Trade and other payables comprise:

	Group	Company
	As at 31 December 2016	As at 31 December 2015
Note	S\$'000	S\$'000
Current		
Trade payables	543	2,209
Accruals	1,426	1,194
Advances	-	460
Other payables	8,562	8,410
	10,531	12,273
Non-current		
Shareholders' loan	11,320	10,516
Post-employment benefits	50	4
	11,370	10,520

1(b)(iv) Aggregate amount of group's borrowings and debt securities:

	Group			
	As at 31 December 2016 Secured S\$'000	Unsecured S\$'000	As at 31 December 2015 Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on demand	2,174	-	428	-
Amount repayable after one year	183	-	482	-
Total	2,357	-	910	-

Details of any collateral

As at 31 December 2016, the Group's finance lease liabilities and bank borrowings are secured by the leased assets, pledged deposits and corporate guarantees.

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	
	3 Months Ended 31 December		Full Year Ended 31 December	
	2016 S\$'000	2015 S\$'000	2016 S\$'000	2015 S\$'000
Cash flows from operating activities				
Loss before tax	(35,788)	(635)	(38,415)	(1,456)
Adjustments for:				
Income tax (credit)/expenses	(53)	-	(93)	-
Depreciation of property, plant and equipment	748	433	3,422	774
Impairment loss in property, plant and equipment	36,716	-	36,716	-
Impairment loss in intangible assets	4,783	-	4,783	-
Changes in fair value of financial assets at fair value through profit or loss	43	(45)	(271)	-
Property, plant and equipment written off	-	-	-	58
Gain on disposal of property, plant and equipment	(2)	-	(123)	(125)
Amortisation expense on intangible asset	83	28	331	28
Write back of allowance of doubtful debts (trade)	-	(73)	-	(101)
Unrealised currency translation (loss)/gain	(1,387)	171	(370)	171
Impairment loss on investment in available-for-sale financial assets	-	45	5	45
Interest income	(28)	(70)	(68)	(212)
Interest expense	64	39	268	78
Changes in working capital, net of effects from acquisition of subsidiaries:	5,179	(107)	6,185	(740)
(Increase)/Decrease in trade and other receivables	(2,361)	742	(8,212)	1,553
(Increase)/Decrease in inventories	12	38	(167)	93
Increase/(Decrease) in trade, other payables and accruals	(2,277)	(3,564)	(892)	(3,528)
Cash (used in)/generated from operations	553	(2,891)	(3,086)	(2,622)
Interest received	28	70	68	212
Interest paid	(64)	(39)	(268)	(78)
Income tax refund	-	-	-	18
Income tax paid	(53)	(17)	(215)	(65)
Net cash (used in)/generated from operating activities	464	(2,877)	(3,501)	(2,535)
Cash flows from investing activities				
Refund of deposit from proposed investment	a/b	-	1,000	5,252
Acquisition of a subsidiary, net of cash acquired and deposit placed	-	(4,190)	-	(12,439)
Government grant received related to assets	82	53	146	53
Proceeds from disposal of subsidiaries	-	-	-	4,370
Purchase of property, plant and equipment	c	(24)	(80)	(67)
Proceeds from disposal of property, plant and equipment	-	-	102	181
Net cash generated from/(used in) investing activities	58	(4,137)	1,168	(2,650)
Cash flows from financing activities				
(Repayment) / Proceeds from borrowings	1,076	-	1,883	480
Decrease in short-term deposits pledged	d	(116)	(2,218)	479
Dividends paid to minority shareholder of a subsidiary	-	(25)	(50)	(75)
Repayment of borrowings (acquisition of a subsidiary)	-	(16,453)	-	(16,753)
Repayment of finance lease liabilities	(101)	(108)	(436)	(476)
Proceeds from issuance of share capital	2,958	-	2,958	-
Net cash (used in)/generated from financing activities	3,817	(16,506)	2,137	(16,345)
Net increase/(decrease) in cash and cash equivalents	4,339	(23,520)	(196)	(21,530)
Cash and cash equivalents at beginning of financial period	6,640	34,675	11,217	32,685
Effects of currency translation on cash and cash equivalents	(200)	-	(242)	-
Cash and cash equivalents at end of financial period	10,779	11,155	10,779	11,155

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 (con'd).

	Group		Group	
	3 Months Ended 31 December		Full Year Ended 31 December	
	2016 S\$'000	2015 S\$'000	2016 S\$'000	2015 S\$'000
Cash and cash equivalents				
Fixed deposits with financial institutions	-	2,168	-	2,168
Cash and bank balances	14,165	10,217	14,165	10,217
Total cash and bank balances	14,165	12,385	14,165	12,385
Less: Fixed deposits pledged with financial institutions	(3,386)	(1,168)	(3,386)	(1,168)
Less: Effect of currency translation on cash and cash equivalents	-	(62)	-	(62)
Cash and cash equivalents at end of financial period	10,779	11,155	10,779	11,155

Notes:-

- Refundable deposit (S\$1 million) placed for proposed investment in NBN Scaffolding Pte Ltd, however, the proposed investment had been terminated with effect from 14 April 2016 and the deposit has since been fully refunded to the Company as announced on 15 April 2016.
- The total amount (S\$5.252 million) together with interest at the rate of 5.33% has been refunded to the Company as announced on 5 January 2015.
- During the financial period, the group acquired property, plant and equipment with an aggregate cost of S\$80,000 (2015: S\$67,000).
- Short-term deposits are pledged in relation to the bank borrowings granted to the subsidiaries.

1(d)(i) A statement (for the issuer and) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share capital	Retained earnings	Currency translation reserve	Capital reserve	Total	Non-controlling Interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000

FULL YEAR ENDED 31 DECEMBER

GROUP

Balance as at 1 January 2016	29,575	15,513	(105)	182	45,165	12,129	57,294
Net (loss)/profit for the period	-	(16,860)	-	-	(16,860)	(21,462)	(38,322)
Other comprehensive loss for the period	-	-	1,453	-	1,453	524	1,977
Issuance of share capital	2,958	(10)	-	-	2,948	10	2,958
Dividend paid	-	(50)	-	-	(50)	-	(50)
Balance as at 31 December 2016	32,533	(1,407)	1,348	182	32,656	(8,799)	23,857

Balance as at 1 January 2015	29,575	16,814	-	182	46,571	493	47,064
Net (loss)/profit for the period	-	(1,301)	-	-	(1,301)	(158)	(1,459)
Other comprehensive loss for the period	-	-	(105)	-	(105)	(107)	(212)
Dividend paid	-	-	-	-	-	(75)	(75)
Acquisition of a subsidiary	-	-	-	-	-	11,976	11,976
Balance as at 31 December 2015	29,575	15,513	(105)	182	45,165	12,129	57,294

COMPANY

Balance as at 1 January 2016	29,575	11,267	-	-	40,842	-	40,842
Issuance of share capital	2,958	-	-	-	2,958	-	2,958
Net loss for the period	-	(14,429)	-	-	(14,429)	-	(14,429)
Balance as at 31 December 2016	32,533	(3,162)	-	-	29,371	-	29,371

Balance as at 1 January 2015	29,575	11,347	-	-	40,922	-	40,922
Net loss for the period	-	(80)	-	-	(80)	-	(80)
Balance as at 31 December 2015	29,575	11,267	-	-	40,842	-	40,842

FOR 3 MONTHS ENDED 31 DECEMBER

GROUP

Balance as at 1 October 2016	29,575	13,513	(336)	182	42,934	11,203	54,137
Net (loss)/profit for the period	-	(14,920)	-	-	(14,920)	(20,815)	(35,735)
Other comprehensive loss for the period	-	-	1,684	-	1,684	813	2,497
Issuance of share capital	2,958	-	-	-	2,958	-	2,958
Balance as at 31 December 2016	32,533	(1,407)	1,348	182	32,656	(8,799)	23,857

Balance as at 1 October 2015	29,575	15,834	-	182	45,591	550	46,141
Net (loss)/profit for the period	-	(321)	-	-	(321)	(215)	(536)
Other comprehensive loss for the period	-	-	(105)	-	(105)	(107)	(212)
Issuance of share capital	-	-	-	-	-	(75)	(75)
Dividend paid	-	-	-	-	-	11,976	11,976
Balance as at 31 December 2015	29,575	15,513	(105)	182	45,165	12,129	57,294

COMPANY

Balance as at 1 October 2016	29,575	10,602	-	-	40,177	-	40,177
Issuance of share capital	2,958	-	-	-	2,958	-	2,958
Net profit for the period	-	(13,764)	-	-	(13,764)	-	(13,764)
Balance as at 31 December 2016	32,533	(3,162)	-	-	29,371	-	29,371

Balance as at 1 October 2015	29,575	11,221	-	-	40,796	-	40,796
Net profit for the period	-	46	-	-	46	-	46
Balance as at 31 December 2015	29,575	11,267	-	-	40,842	-	40,842

- 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 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.**

On 31 October 2016, the Company had completed the allotment and issue of an aggregate of 7,734,000 new ordinary shares at S\$0.3825 for each subscription share in the capital of the Company ("Subscription Shares"). Following the completion of the allotment and issue of the Subscription Shares, the total number of issued shares are 46,405,830 issued share capital of the Company.

The Company does not have any share option scheme or shares held as treasury shares as at 31 December 2015 and 2016. There were no warrants being exercised and converted into ordinary shares in the capital of the Company during the financial years ended 31 December 2015 and 2016.

- 1(d)(iii) To show the total number of issues shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding financial year.**

Number of shares	As at 31 December 2016	As at 31 December 2015
Total number of issued shares (excluding treasury shares)	46,405,830	38,671,830

- 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.**

Not applicable.

- 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.

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

Save as disclosed in Paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as compared to those used in the most recently audited annual financial statements for the financial year ended 31 December 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 Group has applied the same accounting policies and methods of computation in the preparation of financial statements for the current financial year compared with the most recently audited financial statements for the financial year ended 31 December 2015, except for the adoption of the Financial Reporting Standards ("FRSs") and Interpretation of FRS ("INT FRS") that are mandatory for financial years beginning on or after 1 January 2016. The adoption of these new FRS and INT FRS has no material impact to the results of the Group and of the Company for the current financial year reported on.

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.**

	Group 3 Months Ended 31 December		Group Full Year Ended 31 December	
	2016	2015	2016	2015
Profit/(Loss) per share				
(i) Based on weighted average number of ordinary shares on issue (cents)	(0.37)	(0.83)	(0.42)	(0.03)
(ii) On a fully diluted basis (cents) *	(0.37)	(0.83)	(0.42)	(0.03)
Number of ordinary shares	46,405,830	38,671,830	46,405,830	38,671,830

* No potential diluted ordinary shares as the warrants is anti-dilutive.

7. **Net asset value (for the issuer and group) per ordinary share based on total number of issued shares excluding treasury shares of the issuer at the end of the:**

- (a) **current period reported on; and**
(b) **immediately preceding financial year.**

	As at 31 December 2016	As at 31 December 2015
GROUP		
Net asset value per ordinary shares - dollars	0.51	1.17
COMPANY		
Net asset value per ordinary shares - dollars	0.63	1.06
Number of issued shares as at end of the year	46,405,830	38,671,830

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.**

Reference is made to the PT MII Disputes and the PT MII Announcements (as defined in paragraph 10). As announced by the Company on 18 January 2017, the Company has succeeded in its application for, among others, that Sudirman (as defined in paragraph 10) and Angelo (as defined in paragraph 10) shall procure the appointment(s) of such person(s) to the board of directors of PT MII as shall be nominated by the Company. Subsequently, two of the Company's nominees have been appointed to the board of directors of PT MII (as defined in paragraph 10) on 21 February 2017, and the Company's auditors have been granted access to PT MII's records on 20 February 2017. PT MII has thus been consolidated in the financial results of the Group for the full year ended 31 December 2016 ("FY2016").

As the audit process of PT MII's financials by the Company's auditors has only recently begun, the Company's auditors will require some time to audit PT MII's financials. In light of this, shareholders should note that the consolidation of PT MII in the Company's FY2016 financials, including any provision for impairment, has been prepared on a best-assessment basis, based on a preliminary review of the unaudited management accounts of PT MII and the information available to management of the Company.

Financial Performance – FY2016 vs FY2015

In November 2015, the former management of the Group completed the acquisition of PT MII. The financial results for FY2016 reflected full twelve months contribution from PT MII while full year ended 31 December 2015 ("FY2015") had only one month's contribution.

Revenue increased by S\$13.1 million from S\$8.0 million in FY2015 to S\$21.1 million in FY2016 mainly due to the contribution from PT MII.

Gross profit increased by S\$1.6 million from S\$0.7 million in FY2015 to S\$2.3 million in FY2016. Gross margin improved by 1.6% from 9.2% in FY2015 to 10.8% in FY2016.

Other income increased by S\$3.9 million from S\$0.3 million in FY2015 to S\$4.2 million in FY2016 mainly due to the recognition of profit guarantee from the vendors of PT MII.

Other gains increased by S\$0.9 million from S\$0.8 million in FY2015 to S\$1.7 million in FY2016 mainly due to the foreign exchange gain arising from the revaluation of USD shareholders' loan and payables.

Following the acquisition of PT MII, general and administrative expenses increased by S\$0.5 million from S\$3.1 million in FY2015 to S\$3.6 million in FY2016. The increase is also partly attributed to the one-off fund raising and legal professional fees.

Finance expenses increased by S\$0.6 million from S\$0.1 million in FY2015 to S\$0.7 million in FY2016 mainly due to the increase in bank borrowings.

Other expenses increased by S\$42.2 million from S\$0.1 million in FY2015 to S\$42.3 million in FY2016 mainly due to the recognition of impairment losses. Following the acquisition of PT MII by the former management, the then business projection and profitability fell significantly compared to actual results. Therefore, after assessing the current business environment and the possibility of future recovery, the Group recorded impairment losses relating to the vessels, goodwill and other intangible assets amounting to S\$41.5 million.

Based on the above, the Group recorded a net loss of S\$38.4 million in FY2016 compared to S\$1.5 million in FY2015.

Financial Performance – 4Q2016 vs 4Q2015

Revenue increased by S\$1.4 million from S\$2.6 million in 4Q2015 to S\$4.0 million in 4Q2016 mainly due to the contribution from PT MII.

As a result of the above, the gross profit increased by S\$0.8 million from a gross loss of S\$0.1 million in 4Q2015 to a gross profit of S\$0.7 million in 4Q2016.

Other income increased by S\$4.0 million from S\$0.1 million in 4Q2015 to S\$4.1 million in 4Q2016 mainly due to the recognition of profit guarantee from the vendors of PT MII.

Other gains increased by S\$1.9 million from S\$0.4 million in 4Q2015 to S\$2.3 million in 4Q2016 mainly due to the foreign exchange gain arising from the revaluation of USD shareholders' loan and payables.

General and administrative expenses decreased by S\$0.2 million from S\$0.9 million in 4Q2015 to S\$0.7 million in 4Q2016. The decrease was due to the non-recurrence professional fees incurred for acquisition of PT MII in 4Q2016.

Finance expenses increased due to the increase in bank borrowings.

Other expenses increased by S\$41.9 million from S\$0.1 in 4Q2015 to S\$42.0 million in 4Q2016 mainly due to the recognition of impairment losses. Following the acquisition of PT MII by the former management, the then business projection and profitability fell significantly compared to actual results. Therefore, after assessing the current business environment and the possibility of future recovery, the Group recorded impairment losses relating to the vessels, goodwill and other intangible assets amounting to S\$41.5 million.

Based on the above, the Group recorded a net loss of S\$35.8 million in 4Q2016 compared to S\$0.6 million in 4Q2015.

Cash flow – FY2016 vs FY2015

The Group's cash and cash equivalents was S\$10.8 million as at 31 December 2016. Net cash used in operating activities of S\$3.5 million in FY2016 compared to S\$2.5 million in FY2015 was mainly due to the cash used in working capital.

Net cash generating from investing activities were S\$1.2 million in FY2016 compared to net cash used in investing activities of S\$2.7 million in FY2015 was mainly due to the refund of deposit of S\$1.0 million from the proposed investment in NBN Scaffolding Pte Ltd in FY2016. As announced on 15 April 2015, the proposed investment was terminated on 14 April 2015 and the aforementioned deposit was fully refunded to the Company. In FY2015, the

Group received the refund of the remaining deposit of S\$5.3 million from the investment in Longmen's Group Limited and proceeds from disposal of subsidiaries of \$4.4 million, which were partially offset by the partial deposit placed pertaining to the acquisition of Marine Logistic business.

Net cash generated from financing activities of S\$2.1 million in FY2016 compared to net cash used in financing activities of S\$16.3 million in FY2015 was mainly due to issuance of share capital in PSL Holdings Limited.

Cash flow – 4Q2016 vs 4Q2015

The Group's cash and cash equivalents is S\$10.8 million as at 31 December 2016. Net cash generated from operating activities were S\$0.4 million in 4Q2016 compared to net cash used in operating activities of S\$2.9 million in 4Q2015. The net cash generated from or used in operating activities in 4Q2016 and 4Q2015 was mainly due to the cash used in working capital.

Net cash generated from investing activities were S\$0.1 million in 4Q2016 compared to net cash used in investing activities of S\$4.1 million in 4Q2015. This was mainly due to the grant received from government.

Net cash generated from financing activities were S\$3.8 million in 4Q2016 and net cash used in financing activities were S\$16.5 million in 4Q2015. This was mainly due to the share placement exercise.

Financial Position

Property, plant and equipment and intangibles assets decreased from S\$61.7 million to S\$24.5 million mainly due to the recognition of impairment losses. Non-current trade and other receivables increased from S\$1.4 million to S\$2.0 million mainly due to the increase in amount due from related party.

Cash and cash equivalent increased from S\$12.4 million to S\$14.2 million mainly due to the proceeds from share placement exercise. Trade and other receivables increased from S\$3.7 million to S\$9.8 million mainly due to the acquisition of PT MII. Inventories increased from S\$0.2 million to S\$0.3 million due to the additional purchases of diesel and spare parts.

Trade and other payables decreased from S\$12.3 million to S\$10.5 million mainly due to the decrease in trade payables. Bank borrowing increased to S\$1.9 million mainly due to the short-term loan obtained by PT MII for its working capital purpose. Total finance lease liabilities decreased mainly due to repayments.

Non-current trade and other payables increased from S\$10.5 million to S\$11.4 million mainly due to the increase of commission and interest payable to third parties. Deferred income tax liabilities decreased from S\$3.3 million to S\$2.6 million mainly due to reversal of deferred tax liabilities recognised in prior year.

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

The Group issued a profit guidance on 24 February 2017, there is no variance between it and the actual results.

10. A commentary at the date of the announcement of the 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 construction logistics service continues to face challenging competitions with the general decline in the construction industry in Singapore. Given this business environment, the Group has taken measures to reduce its operating costs, while stepping up its risk management efforts and adopt a more cautious approach, in terms of profitability and collections when taking on new projects.

The Group intends to accelerate the steel trade cautiously and consequently the operating results in that segment is not expected to contribute significantly in the short term. Following the acquisition of 49% equity in PT MII by the former management in 2015, the business projection fell significantly compared to the actual results. This requires the Group to ascertain the necessary impairment losses relating to the vessels, goodwill and other intangible assets.

The outcome of the ongoing PT MII Dispute (as defined below) may also determine the classification of PT MII in the Group's financials and thus impact the Group's consolidated financials. Reference is made to the Company's announcements dated 22 August 2016, 15 September 2016, 7 October 2016, 24 November 2016, 30 November 2016, 18 January 2017 and 24 January (the "PT MII Announcements") regarding the dispute between, among others, Mr Sudirman Kurniawan ("Sudirman") and the Company (the "PT MII Dispute") arising out of the conditional sale and purchase agreement dated 17 March 2015 and the supplemental sale and purchase agreement dated 3 August 2015 (collectively, the "SPA") entered into between Sudirman, Angelo Fernandus ("Angelo") and the Company for the acquisition by the Company of approximately 49% of the entire issued and paid-up capital of PT Momentum Indonesia Investama ("PT MII").

Since the last announcement by the Company on 30 November 2016 regarding the proceedings in Batam between, among others, Sudirman and the Company (the "Batam Proceedings"), the parties to the Batam Proceedings have further appeared before the District Court of Batam on 7 December 2016, 19 December 2016, 28 December 2016, 11 January 2017, 18 January 2017 and 1 February 2017. This notwithstanding Sudirman's counsel has applied for, among others, provisional judgment to restrain the Company and Angelo from exercising any rights under certain clauses of the SPA relating to the right of the Company to appoint directors to the board of PT MII, and the Company's counsel has requested for more time to file its response. The next hearing has been adjourned to 15 March 2017.

The Group continues with the Singapore court proceedings to seek payment of US\$6 million net profit guaranteed to the Company by Sudirman and Angelo pursuant to the SPA.

Efforts are being made by the Group to seek new business opportunities, particularly in the areas of deriving income constituting dividends, management fee and rental income through acquisition of immovable assets and other operating businesses in Indonesia, Malaysia and Myanmar. In addition, the Group is evaluating M&A opportunities to complement the Group's growth as a whole.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

No.

(c) Date payable

No.

(d) Books closure date

NA.

12. If no dividend has been declared/recommendeded, a statement to that effect.

No dividend has been declared/recommendeded.

13. Interested person transactions

No IPT mandate has been obtained from shareholders. There was no IPT during the fourth quarter and twelve months ended 31 December 2016

14. Use of proceeds from share placement

As at the date of announcement, the Company has not utilised the proceeds from the share placement.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1)

Pursuant to Rule 720(1) of the Listing Manual, the Company has procured undertakings from all its directors and executive officers.

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

16. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

Business segments:

31 December 2016	Trading & Engineering S\$'000	Construction Logistics S\$'000	Marine Logistics S\$'000	Corporate S\$'000	Group S\$'000
Revenue	1,879	4,688	14,502	-	21,069
Inter-segment sales	-	-	-	-	-
External sales	1,879	4,688	14,502	-	21,069
EBITDA	(339)	211	4,413	3,235	7,520
Impairment					(41,499)
Depreciation					(3,422)
Amortisation					(331)
Interest Income					68
Finance Expense					(751)
Loss for the year					<u>(38,415)</u>

31 December 2015	Trading & Engineering S\$'000	Construction Logistics S\$'000	Marine Logistics S\$'000	Corporate S\$'000	Group S\$'000
Revenue	77	6,392	1,525	-	7,994
Inter-segment sales	-	-	-	-	-
External sales	77	6,392	1,525	-	7,994
EBITDA	(140)	766	57	(1,438)	(755)
Depreciation					(774)
Amortisation					(28)
Interest Income					212
Finance Expense					(111)
Loss for the year					<u>(1,456)</u>

31 December 2016	Trading & Engineering S\$'000	Construction Logistics S\$'000	Marine Logistics S\$'000	Corporate S\$'000	Group S\$'000
Segment assets	1,426	2,918	28,270	4,022	36,636
Unallocated assets					
-Short-term deposits and bank balances					14,165
Total assets					<u>50,801</u>
Segment assets includes:					
-additions of property, plant and equipment	12	14	54	-	80
Segment liabilities	1,374	902	21,764	2,904	26,944

31 December 2015	Trading & Engineering S\$'000	Construction Logistics S\$'000	Marine Logistics S\$'000	Corporate S\$'000	Group S\$'000
Segment assets	181	3,641	63,440	4,742	72,004
Unallocated assets					
-Short-term deposits and bank balances					12,385
Total assets					84,389
Segment assets includes:					
-additions of property, plant and equipment	31	112	60,380	-	60,523
-additions of intangible assets	-	-	1,698	-	1,698
Segment liabilities	210	1,428	25,119	338	27,095

Geographical segments:

Revenue	Group For the year ended	
	2016 S\$'000	2015 S\$'000
Singapore	6,567	6,469
Indonesia	14,502	1,525
	21,069	7,994

Revenue is based on the location of the companies that generate those sales.

Non-Current Assets	Group For the year ended	
	2016 S\$'000	2015 S\$'000
Singapore	3,063	2,107
Indonesia	23,420	66,030
	26,483	68,137

Non-current assets comprising fixed assets and intangible assets are based on the location of the companies that own those assets.

17. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Please refer to paragraph 8 of this announcement for more details.

18. A breakdown of sales

	Group		Increase/ (Decrease)
	For the year ended		
	2016 S\$'000	2015 S\$'000	
Sales reported for first half year	10,903	3,465	214.66
Operating profit/(loss) after tax before deducting non-controlling interests reported for first half year	218	(583)	(137.39)
Sales reported for second half year	10,166	4,529	124.46
Operating loss after tax before deducting non-controlling interests reported for second half year	(38,540)	(876)	4,299.54

19. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

	Group	
	For the year ended	
	2016 S\$'000	2015 S\$'000
Ordinary	-	-
Preference	-	-
	-	-

20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13). If there are no such persons, the issuer must make an appropriate negative statement

Pursuant to Rule 704(13) of the Listing Manual, there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Tan Chee Tong
Executive Director

28 February 2017