

OEL (HOLDINGS) LIMITED

(Company Registration No: 198403368H)

Results For The Fourth Quarter And Twelve Months Ended 31 Dec 2016

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

1(a) A Statement of Comprehensive Income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial period.

1(a)(i) Statement of Comprehensive Income

	Group					
	4Q 2016	4Q 2015	Change	FY 2016	FY 2015	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
		(Re-presented)			(Re-presented)	
<u>Continuing Operations</u>						
Revenue	255	230	10.9%	990	770	28.6%
Other operating income	707	10	NM	734	420	74.8%
Administrative expenses	(128)	(307)	-58.3%	(886)	(1,191)	-25.6%
Other operating expenses	(144)	(152)	-5.3%	(593)	(632)	-6.2%
Finance costs	(8)	(7)	14.3%	(24)	(24)	0.0%
Profit /(loss) before tax	682	(226)	NM	221	(657)	NM
Income tax benefit/(expenses **)	0	123	NA	(201)	123	NM
Profit /(loss) for the period	682	(103)	NM	20	(534)	NM
<u>Discontinued Operations</u>						
Profit for the period from discontinued operations	(5,248)	(163)	NM	(6,244)	(8,934)	-30.1%
Loss for the period	(4,566)	(266)	NM	(6,224)	(9,468)	-34.3%
Loss attributable to:						
Owners of the Company	(4,566)	(266)	NM	(6,224)	(9,468)	-34.3%

NM = Not meaningful

NA = Not applicable

** Under provision of income tax of prior years

1(a)(ii) Notes to Statement of Comprehensive Income

Group						
4Q 2016 S\$'000	4Q 2015 S\$'000	Change %	FY 2016 S\$'000	FY 2015 S\$'000	Change %	
Continuing Operations						
Loss for the period is stated after (charging) crediting the following:						
Depreciation of property, plant and equipment	(52)	(52)	NM	(207)	(205)	1.0%
Foreign currency exchange adjustment gain/ (loss), net	51	14	NM	79	(5)	NM
Interest income	(1)	2	NM	-	15	NM
Interest expenses	(8)	(7)	17.1%	(24)	(24)	1.4%
Under/ (over) provision of tax in prior years	-	123	NM	(201)	123	NM

Discontinued operations

Loss for the period is stated after (charging) crediting the following:

Group						
4Q 2016 S\$'000	4Q 2015 S\$'000	Change %	FY 2016 S\$'000	FY 2015 S\$'000	Change %	
Depreciation of property, plant and equipment	(323)	(460)	-29.8%	(1,286)	(1,377)	-6.6%
Foreign currency exchange adjustment gain/(loss), net	147	(791)	NM	1,388	(2,731)	NM
Property, plant and equipment written off	(5)	(36)	-86.1%	(17)	(61)	-72.1%
Gain /(loss) on disposal of property, plant and equipment	9	(207)	NM	85	(116)	NM
Project costs written off	-	(405)	NM	-	(3,200)	NM
Impairment loss recognised on re-measurement of disposal group to fair value less costs to sell	(5,901)	-	NM	(5,901)	-	NM

1(a)(iii) Statement of Other Comprehensive Income

Group						
4Q 2016 S\$'000	4Q 2015 S\$'000	Change %	FY 2016 S\$'000	FY 2015 S\$'000	Change %	
Profit/(loss) for the period from continuing operation	682	(103)	NM	20	(534)	NM
Loss for the period from discontinued operation	(5,248)	(163)	NM	(6,244)	(8,934)	-30.1%
Other comprehensive loss:						
Item that may be reclassified subsequently to profit or loss						
- exchange differences on translation of foreign operations	(1,113)	(16)	NM	(1,331)	3,040	NM
Total comprehensive loss for the period	(5,679)	(282)	NM	(7,555)	(6,428)	17.5%
Total comprehensive loss attributable to:						
Owners of the Company	(5,679)	(282)	NM	(7,555)	(6,428)	17.5%

NM=Not meaningful

1(b)(i) A Consolidated Statement of Financial Position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

B) STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
	\$'000	\$'000	\$'000	\$'000
ASSETS				
Current assets:				
Cash and bank balances	245	1,534	245	1,295
Trade receivables	4	154	4	24
Other receivables	24	1,673	24	30
Other current assets	-	3,000	-	-
Inventories	-	6,136	-	-
Assets of disposal group classified as held for sale	9,045	-	-	-
Total current assets	9,318	12,497	273	1,349
Non-current assets:				
Associates	-	-	-	-
Other non-current assets	6	12	32	38
Property, plant and equipment	4,576	9,854	4,576	4,773
Investment property	3,741	3,741	3,741	3,741
Total non-current assets	8,323	13,607	8,349	8,552
Total assets	17,641	26,104	8,622	9,901
LIABILITIES AND EQUITY				
Current liabilities:				
Trade payables	143	8,841	143	268
Other payables	558	2,409	556	1,465
Income tax payables	129	-	129	-
Finance leases	33	33	33	33
Bank loans	1,000	500	1,000	500
Liabilities of disposal group classified as held for sale	9,045	-	-	-
Total current liabilities	10,908	11,783	1,861	2,266
Non-current liabilities:				
Finance leases	-	33	-	33
Income tax payables	-	-	-	-
Deferred tax liabilities	288	288	288	288
Total non-current liabilities	288	321	288	321
Capital and reserves:				
Share capital	38,530	38,530	38,530	38,530
Reserves	(32,085)	(24,530)	(32,057)	(31,216)
Net equity	6,445	14,000	6,473	7,314
Total liabilities and equity	17,641	26,104	8,622	9,901

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

Amount repayable in one year or less, or on demand

As at 31.12.2016		As at 31.12.2015	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
1,033	-	533	-

Amount repayable after one year

As at 31.12.2016		As at 31.12.2015	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
-	-	33	-

Details of any collateral

The above secured borrowings are secured by a property and certain plant and equipment of the Group and the Company.

1(c) A Consolidated Statement of Cash Flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial period.

	Group	
	2016	2015
	\$'000	\$'000
Operating activities		
Profit (loss) before tax from continuing operations	221	(657)
Loss from discontinued operation	(6,244)	(8,934)
	(6,023)	(9,591)
Adjustments for:		
Allowance for doubtful non-trade receivables	-	9
Depreciation of property, plant and equipment	1,493	1,582
Impairment loss recognised on re-measurement of disposal group to fair value less costs to sell	5,901	-
Impairment of non-current asset	6	-
Interest expense	24	24
Interest income	-	(15)
(Gain)/loss on disposal of property, plant and equipment	(85)	116
Project costs written off	-	3,200
Property, plant and equipment written off	17	61
Write back of accruals	(674)	(1,027)
Operating cash flows before movements in working capital	659	(5,641)
Trade receivables	281	386
Other receivables	64	3,371
Inventories	3	26
Trade payables	(1,131)	(1,779)
Other payables	(1,244)	(1,257)
Cash used in operations	(1,368)	(4,894)
Income tax paid	(72)	-
Interest paid	(24)	(24)
Interest received	-	15
Net cash used in operating activities	(1,464)	(4,903)

	Group	
	2016	2015
	\$'000	\$'000
Investing activities		
Purchase of property, plant and equipment	(10)	(17)
Proceeds on disposal of property, plant and equipment	93	267
Net cash from investing activities	83	250
Financing activities		
Proceeds from bank loans	500	500
Repayment of bank loans	-	(540)
Repayment of obligations under finance leases	(33)	(33)
Restricted cash	596	3,806
Net cash from financing activities	1,063	3,733
Net decrease in cash and cash equivalents	(318)	(920)
Cash and cash equivalents at beginning of the year	712	1,593
Effect of exchange rate changes on the balance of cash and bank balances held in foreign currencies	18	39
Cash and cash equivalents at end of the year	412	712

	31.12.2016	31.12.2015
	S\$'000	S\$'000
Cash and cash equivalents consist of :		
Cash and bank balances	245	1,534
Less: Restricted cash *	-	(822)
Add: included in disposal group held for sale	167	-
Cash and cash equivalents at end of the year	412	712

*Restricted cash mainly comprised the retention sum which forms part of the cash proceeds from the disposal of the distribution business in 2013.

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

GROUP (S\$'000)	SHARE CAPITAL	CURRENCY TRANSLATION RESERVE	REVALUATION RESERVE	SHARE ISSUE RESERVE	ACCUMULATED LOSSES	TOTAL
Balance at 01.01.2015	38,530	(1,956)	6,539	(182)	(22,503)	20,428
Total comprehensive loss/ income for the year						
Loss for the year	-	-	-	-	(9,468)	(9,468)
Other comprehensive income for the year	-	3,040	-	-	-	3,040
Total	-	3,040	-	-	(9,468)	(6,428)
Balance at 31.12.2015	38,530	1,084	6,539	(182)	(31,971)	14,000
Balance at 01.01.2016	38,530	1,084	6,539	(182)	(31,971)	14,000
Total comprehensive loss/ income for the year						
Loss for the year	-	-	-	-	(6,224)	(6,224)
Other comprehensive loss for the period	-	(1,331)	-	-	-	(1,331)
Total	-	(1,331)	-	-	(6,224)	(7,555)
Balance at 31.12.2016	38,530	(247)	6,539	(182)	(38,195)	6,445

COMPANY (S\$'000)	SHARE CAPITAL	REVALUATION RESERVE	SHARE ISSUE RESERVE	ACCUMULATED LOSSES	TOTAL
Balance at 01.01.2015	38,530	6,539	(182)	(25,572)	19,315
Loss for the year, representing total comprehensive loss for the year	-	-	-	(12,001)	(12,001)
Balance at 31.12.2015	38,530	6,539	(182)	(37,573)	7,314
Loss for the year, representing total comprehensive loss for the year	-	-	-	(841)	(841)
Balance at 31.12.2016	38,530	6,539	(182)	(38,414)	6,473

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

In 2015, the Group entered into a conditional sale and purchase agreement with an individual to acquire 51% of Allied Resources Limited (the “proposed acquisition”). The proposed acquisition would have given the Group access to two oilfields in Jilin, China.

During the current year, the Company issued 20,357,894 new ordinary shares to the individual as partial consideration towards effecting the proposed acquisition (the “new shares”).

Shortly thereafter, the plan for the proposed acquisition was terminated. As part of the termination agreement between the individual and the Group, all rights, interests and benefits of the new shares were transferred back to the Group. Accordingly, the new shares have been accounted for effectively as treasury shares.

As no consideration was exchanged for the issue and transfer in the arrangements above, the value of share capital remains unchanged, and no value has been allocated to treasury shares.

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

	31.12.2016	31.12.2015
Total number of shares excluding treasury shares	668,266,667	668,266,667

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.

Refer to note 1(d)(ii) above.

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

The figures have neither been audited nor reviewed by our auditors.

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

Not applicable.

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

Except for the adoption of revised Financial Reporting Standards (“FRS”) as disclosed in Section 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year as compared with those used in the audited financial statements for the 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 effects of, the change.

The Group has adopted all the new and revised FRS and Interpretations of FRS (“INT FRS”) that are relevant to its operations and effective for annual periods beginning on or after 1 January 2016. The adoption of these new/revised FRSs and INT FRSs does not result in significant changes to the Group’s and Company’s accounting policies and has no material effect on the amounts reported for the current period or prior years.

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

Continuing operations

Profit/(loss) per ordinary share for the period after deducting any provision for preference dividends:-

(i) Based on weighted average number of ordinary shares in issue

(ii) On a fully diluted basis*

Group			
4Q 2016	4Q 2015	FY2016	FY2015
0.10 cents	(0.02) cents	(0.003) cents	(0.08) cents
0.10 cents	(0.02) cents	(0.003) cents	(0.08) cents

Discontinued operations

Loss per ordinary share for the period after deducting any provision for preference dividends:-

(i) Based on weighted average number of ordinary shares in issue

(ii) On a fully diluted basis*

Group			
4Q 2016	4Q 2015	FY2016	FY2015
(0.79) cents	(0.02)cents	(0.93) cents	(1.34)cents
(0.79) cents	(0.02)cents	(0.93) cents	(1.34)cents

Note: The net earnings per share for the three months 4Q 2016 and FY 2016 is calculated based on weighted average number of shares 668,266,667 (4Q 2015 : 668,266,667) and 668,266,667 (FY 2015: 668,266,667) respectively in issue during the period.

The treasury shares mentioned in 1(d)(ii) are excluded from the computations above.

* There are neither any instruments that are convertible into ordinary shares of the Company nor any share options outstanding.

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

Net asset value per ordinary share based on existing issued share capital as at the end of the period reported on

Group	
31.12.2016	31.12.2015
0.96 cents	2.09 cents

Net asset value per ordinary share based on existing issued share capital as at the end of the period reported on

Company	
31.12.2016	31.12.2015
0.97 cents	1.09 cents

Note: The net asset value per ordinary share is calculated based on the issued share capital of 668,266,667 ordinary shares as at 31 December 2016 (31 December 2015: 668,266,667 ordinary shares).

- 8 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

CONTINUING OPERATIONS

The Group continues to earn rental income from leasing of its property at No 8 Aljunied Avenue 3 in Singapore.

Revenue

The Group posted revenue of S\$0.26 million in 4th Quarter 2016 (“4Q2016”) as compared to S\$0.23 million in 4th Quarter 2015 (“4Q2015”). For the twelve months ended 31 December 2016 (“FY2016”), the Group recorded revenue of S\$0.99 million compared to S\$0.77 million for the corresponding period ended 31 December 2015 (“FY2015”).

Other Operating Income

The Group registered other operating income of S\$0.71 million in 4Q2016 as compared to S\$0.01 million in 4Q2015. For FY2016, the Group registered other operating income of S\$0.73 million as compared to S\$0.42 million in FY2015. The higher other operating income in 4Q2016 and FY2016 were due to the higher write back of accruals no longer required as compared to 4Q2015 and FY2015.

Operating Expenses

Operating expenses comprise mainly administrative and other operating expenses. In 4Q2016, total operating expenses amounted to S\$0.27 million compared to S\$0.46 million in 4Q2015. The lower total operating expenses in 4Q2016 was attributed mainly due to lower manpower cost due to reduction in headcount and lower professional fees.

For FY2016, total operating expenses decreased to S\$1.48 million from S\$1.82 million in FY2015. The lower total operating expenses in FY2016 was attributed mainly due to lower manpower cost due to reduction in headcount and lower professional fees.

Profit & Loss from Continuing Operations

The Group reported a profit of S\$0.68 million in 4Q2016 as compared to a loss of S\$0.10 million in 4Q2015. The improvement was due to the write back of accruals no longer required, lower manpower cost due to reduction in headcount and lower professional fees. For FY2016, the Group registered a marginal profit of S\$0.02 million as compared to a loss of S\$0.53 million in FY2015.

DISCONTINUED OPERATIONS

On December 12, 2016, a creditor of the Group’s subsidiary, OSEC Shipyard Pte. Ltd. (“OSEC”) filed an application with the Singapore High Court (the “Court”) to wind up OSEC on the basis that OSEC had failed to satisfy debts of US\$562,000.

On January 6, 2017, the application was heard by the Court, pursuant to which a winding up order was made against OSEC and a liquidator appointed with immediate effect. This resulted in the Group losing control of OSEC and its subsidiary OSC Co., Ltd (“OSC”), which constitutes an effective disposal of both entities (the Shipyard operations) subsequent to the year end.

In view of these circumstances management concluded that as at December 31, 2016, the assets and liabilities of OSEC and OSC met the definition of a disposal group held for sale, as specified in FRS 105 *Non-current Assets Held for Sale and Discontinued Operations*. In accordance with FRS 105:

- The assets and liabilities related to OSEC and OSC have been presented in the December 31, 2016 statement of financial position as “Assets of disposal group classified as held for sale” and “Liabilities directly associated with disposal group held for sale”. The disposal group is measured at the lower of its previous carrying amount and fair value less costs to sell, resulting in an impairment loss of S\$5.9 million. The net assets of the disposal group are nil as management is uncertain of the amounts, if any, that can be recovered from the liquidation process.
- The results of OSEC and OSC have been presented separately on the consolidated statement of profit or loss and other comprehensive income for the year ended December 31, 2016 as “Loss from discontinued operation, net of tax”. Prior year comparatives have been re-presented accordingly.

The major classes of assets and liabilities of the disposal group classified as held for sale are as follows:

	2016
	\$'000
Assets:	
Cash and bank balances	167
Trade receivables	102
Other receivables	1,627
Other assets	5,003
Property, plant and equipment	2,146
	<u>9,045</u>
Liabilities:	
Trade payables	8,150
Other payables	895
	<u>9,045</u>
Net assets of disposal group classified as held for sale	<u><u>-</u></u>

The loss for the year from the discontinued operations is analysed as follows:

	2016	2015
	\$'000	\$'000
Loss for the year	(343)	(8,934)
Impairment loss recognised on re-measurement of disposal group to fair value less costs to sell	(5,901)	-
	<u>(6,244)</u>	<u>(8,934)</u>

The results of the discontinued operations are as follows:

	2016	2015
	\$'000	\$'000
Revenue	1,902	1,853
Cost of sales	(2,625)	(6,742)
Other income	1,388	1,029
Administrative expenses	(884)	(4,923)
Other operating expenses	(124)	(151)
Loss before tax	(343)	(8,934)
Income tax expense	-	-
Loss for the year	<u>(343)</u>	<u>(8,934)</u>

LOSS ATTRIBUTABLE TO OWNERS OF THE COMPANY

As a result of the above including the loss from the discontinued operations for the shipyard operations, the Group recorded a loss attributable to owners of the company of S\$6.22 million for FY2016 as compared to a loss of S\$9.47 million in FY 2015.

REVIEW OF WORKING CAPITAL, ASSETS AND LIABILITIES

The Group's current assets decreased to S\$9.32 million as at 31 December 2016 from S\$12.5 million as at 31 December 2015 mainly due to the reclassification of property, plant and equipment and other assets of the Shipyard operations to disposal group held for sale, and associated S\$5.90 million impairment loss recognised on re-measurement of disposal group to fair value less costs to sell.

Current liabilities decreased to S\$10.91 million as at 31 December 2016 from S\$11.78 million as at 31 December 2015. The decrease was attributed to the decrease in trade and other payables which partially offset the increase in bank loans

As at 31 December 2016, the Group has net current liabilities of S\$1.59 million. Management is confident that the property management business will generate sufficient cash flows to cover operating costs and service interest payments and the lenders will be supportive of the Group continuing in business.

REVIEW OF CASH FLOW STATEMENT

Cash flow from operating activities was a net cash outflow of S\$1.46 million as compared to a net cash outflow of S\$4.9 million for the same corresponding period of last year. The net cash outflow was mainly due to the loss from discontinued operations.

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

Not applicable

- 10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Group continues to generate rental income from the property management as mentioned above. Management will continue to explore and evaluate strategic business opportunities (including but not limited to strategic investments, partnerships, or mergers and acquisitions) that have potential to generate value for shareholders.

- 11 Dividend**

(a) Current Financial Period Reported On

Any dividend proposed for the current financial period reported on? None

Name of dividend	NA
Dividend Type	NA
Dividend Amount per Share (in cents)	NA
Dividend Rate (in %)	NA
Tax Rate	NA

(b) Corresponding Period of the Immediately Preceding Financial year

Any dividend declared for the corresponding period of the immediately preceding financial year? None

Name of dividend	NA
Dividend Type	NA
Dividend Amount per Share (in cents)	NA
Dividend Rate (in %)	NA
Tax Rate	NA

(c) Whether the dividend is before tax, net of tax or tax exempt?

Not applicable.

(d) Date payable

Not applicable.

(e) Books closure date

Not applicable.

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

No dividend has been declared or recommended for the year ended 31 December 2016.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13 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.

The Group previously had two reportable segments – Property management and Shipyard Operations. In the current year, Shipyard operations have been identified as a disposal group held for sale and a discontinued operation.

The Group's continuing operations relate solely to Property Management. Therefore, revenue and results of Property Management are discernable from the consolidated statement of profit or loss and other comprehensive income.

Revenue and results of Shipyard operations are disclosed as a discontinued operations in the statement of profit or loss and other comprehensive income.

There were no inter-segment sales during the years ended 31 December 2016 and 31 December 2015.

As at 31 December 2016 , assets and liabilities of disposal group classified as held for sale relate to Shipyard operations and the remaining assets and liabilities of the Group are allocated to Property Management.

	Property management	Shipyard operations	Total
	\$'000	\$'000	\$'000
<u>2016</u>			
Assets			
Segment assets	8,596	9,045	17,641
Unallocated other assets			-
Consolidated assets			<u>17,641</u>
Liabilities			
Segment liabilities	828	9,045	9,873
Unallocated other liabilities			1,323
Consolidated liabilities			<u>11,196</u>
Other information			
Capital additions	10	-	10
Depreciation	207	1,286	1,493

As at 31 December 2015 , the allocation of segment assets and liabilities was as follows :-

	Property management	Shipyard operations	Total
	\$'000	\$'000	\$'000
Assets			
Segment assets	9,901	16,203	26,104
Unallocated other assets			-
Consolidated assets			<u>26,104</u>
Liabilities			
Segment liabilities	1,733	9,517	11,250
Unallocated other liabilities			854
Consolidated liabilities			<u>12,104</u>
Other information			
Capital additions	17	-	17
Depreciation	205	1,377	1,582

Geographical information

The Group's revenue from Continuing Operations in FY2016 was derived from Property management which operates in Singapore. Property management revenues in 2016 and 2015 were earned from one customer. The Group's revenue from Discontinued Operations (Shipyard operations) are in Thailand. Accordingly, revenue and assets breakdown by geographical markets are presented above.

14 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 item no. 8.

15 A breakdown of sales.

	Group		
	2016 S\$'000	2015 S\$'000	Change %
Sales reported for first half year (continuing operations)	490	360	36.1%
Sales reported for first half year (discontinued operations)	674	1,014	-33.5%
Operating profit (loss) after tax before deducting non-controlling interests reported for first half year	(2,277)	(7,685)	-70.4%
Sales reported for second half year (continuing operations)	500	410	22.0%
Sales reported for second half year (discontinued operations)	1,228	839	46.4%
Operating profit (loss) after tax before deducting non-controlling interests reported for second half year	(3,947)	(1,783)	NM

16 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:

Total Annual Net Dividend

	FY2016 S\$	FY2015 S\$
Ordinary	Nil	Nil
Preference	Nil	Nil

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

The Company does not have a general mandate from shareholders for the interested person transactions. There were no IPTs of S\$100,000 or more for the twelve months ended 31 December 2016.

18 Confirmation by the Board pursuant to Rule 720(1) of the Listing Manual

On behalf of the Board of Directors of the Company, we hereby confirm that we have procured all the required undertakings to comply with the Exchange's listing rules from all the Directors and Executive Officers of the Company.

19 Confirmation pursuant to Rule 704(10) of the Listing Manual (Section B: Rules of Catalyst)

There are no persons occupying managerial position in the Company or any of its principal subsidiaries who is a relative of a director or Chief Executive Officer or substantial shareholders of the Company.

BY ORDER OF THE BOARD

TAN CHING CHEK
COMPANY SECRETARY
22 February 2017

This announcement has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The details of the contact person for the Sponsor are: -

Name: Mr Mah How Soon (Registered Professional, RHT Capital Pte. Ltd.)
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