

UMS HOLDINGS LIMITED
COMPANY REGISTRATION NO: 200100340R
First Quarter Financial Statement And Dividend Announcement

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

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

UNAUDITED CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED 31 MARCH 2018

	Group		
	3 Months Ended		
	31-Mar-18	31-Mar-17	Change
	S\$'000	S\$'000	%
Revenue	37,516	41,760	-10%
Net finance (expense)/ income (Note (a))	(55)	67	N.M
Changes in inventories	710	5,700	-88%
Raw material purchases and subcontractor charges	(16,706)	(26,013)	-36%
Employee benefits expense	(4,047)	(3,538)	14%
Depreciation expense	(1,143)	(1,250)	-9%
Other expenses (Note (b))	(3,071)	(3,266)	-6%
Other charges (Note (c))	(1,070)	(1,035)	3%
Share of result of associate (net of income tax)	16	-	N.M
Profit before income tax	12,150	12,425	-2%
Income tax expense (Note (d))	(879)	(1,257)	-30%
Net profit for the period from continuing operations	11,271	11,168	1%
Profit attributable to:			
Owners of the parent	11,400	11,168	2%
Non- controlling interest	(129)	-	N.M
	11,271	11,168	1%

N.M - Not meaningful

NOTES TO INCOME STATEMENT

Note (a) Net finance income

	Group		
	3 Months Ended		
	31-Mar-18	31-Mar-17	Change
	S\$'000	S\$'000	%
Interest income from cash and cash equivalents	56	56	0%
Interest income from an associate	29	12	142%
Interest expense from bank borrowings	(83)	(1)	N.M
Interest expense from loans from related parties	(57)	-	N.M
Net finance (expense)/ income	(55)	67	N.M

Note (b) Other expenses

	Group		
	3 Months Ended		
	31-Mar-18	31-Mar-17	Change
	S\$'000	S\$'000	%
Legal and professional fees (Note (i))	(762)	(554)	38%
Rental expense	(134)	(246)	-46%
Utilities	(698)	(720)	-3%
Freight charges	(166)	(264)	-37%
Insurance	(120)	(118)	2%
Upkeep of properties and equipment	(141)	(83)	70%
Upkeep of machinery (Note (ii))	(527)	(853)	-38%
Others	(523)	(428)	22%
	(3,071)	(3,266)	-6%

Note 1 (a)(b)(i) – The increase in professional fees was mainly due to incentive payment made to the Group's sales consultant for FY2017's Stellar result as compared to FY2016. Refer to note 13.

Note 1 (a)(b)(ii) – The decrease was mainly due to lower maintenance of machinery and equipment carried out during the period.

Note (c) Other charges

	Group		
	3 Months Ended		
	31-Mar-18	31-Mar-17	Change
	S\$'000	S\$'000	%
Foreign exchange loss (Note (i))	(1,121)	(1,044)	7%
Gain on disposal of property, plant and equipment	-	15	-100%
Inventories written off	-	(224)	-100%
Write back of allowance for inventories obsolescence	-	195	-100%
Others	51	23	122%
	(1,070)	(1,035)	3%

Note 1(a)(c)(i) - The exchange loss was mainly due to the depreciation of the US dollar against the Singapore dollar during the period.

Note (d) Income tax

	Group		
	3 Months Ended		
	31-Mar-18	31-Mar-17	Change
	S\$'000	S\$'000	%
Income tax:			
- Current	(879)	(1,194)	-26%
- Prior years	-	(63)	-100%
	(879)	(1,257)	-30%

Note 1(a)(d) - The decrease in current income tax was mainly due to higher share of profits generated by an overseas subsidiary that enjoys pioneer tax incentive.

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

	Group		Company	
	31 Mar 2018 S\$'000	31 Dec 2017 S\$'000	31 Mar 2018 S\$'000	31 Dec 2017 S\$'000
ASSETS				
Current Assets				
Cash and bank balances (Note (ii))	40,892	59,571	1,165	805
Trade receivables and other current assets	22,520	23,431	3,128	10,097
Inventories (Note (iii))	50,344	49,633	-	-
Total Current Assets	113,756	132,635	4,293	10,902
Non-Current Assets				
Investment in subsidiaries (Note (i))	-	-	193,405	193,405
Property, plant and equipment (Note (ii))	41,663	38,782	-	-
Investment property	2,202	2,240	-	-
Investment in associates (Note (iv))	28,203	-	28,187	-
Loan to associate	3,360	3,296	3,360	3,296
Goodwill	82,201	82,201	-	-
Total Non-Current Assets	157,629	126,519	224,952	196,701
Total Assets	271,385	259,154	229,245	207,603
LIABILITIES AND EQUITY				
Current Liabilities				
Bank borrowings (Note 1(b)(ii))	17,135	19,001	-	-
Trade and other payables (Note (iii))	19,033	18,077	28,337	5,575
Income tax payable	4,107	3,285	27	27
Total Current Liabilities	40,275	40,363	28,364	5,602
Non Current Liabilities				
Loan from related parties	3,190	3,158	-	-
Deferred tax liabilities	1,434	1,427	-	-
Long-term provision*	405	405	-	-
Total Non-Current Liabilities	5,029	4,990	-	-
Total Liabilities	45,304	45,353	28,364	5,602
Capital and Reserves				
Share Capital	136,623	136,623	136,623	136,623
Reserves	(9,566)	(10,560)	-	-
Retained earnings	100,445	89,045	64,258	65,378
	227,502	215,108	200,881	202,001
Non-controlling interest	(1,421)	(1,307)	-	-
Total Equity	226,081	213,801	200,881	202,001
Total Liabilities and Equity	271,385	259,154	229,245	207,603

* Provision for reinstatement of leased premises.

Note 1 (b)(i)(i) Investment in Subsidiaries

The details of the subsidiaries as at 31 March 2018 are as follows:

Name	Effective percentage of equity held by the group		Company's cost of investment	
	31-Mar-2018	31-Dec-2017	31-Mar-2018	31-Dec-2017
	%	%	S\$'000	S\$'000
<u>Held by the Company</u>				
UMS Systems Pte Ltd (Singapore)	100	100	9,561	9,561
UMS International Pte Ltd (Singapore)	100	100	800	800
UMS Pte Ltd (Singapore)	100	100	127,081	127,081
UMS Aerospace Pte Ltd (Singapore)	100	100	20,000	20,000
Integrated Manufacturing Technologies Pte Ltd (Singapore)	100	100	19,803	19,803
Integrated Manufacturing Technologies Inc. (United States)	100	100	8,196	8,196
Ultimate Machining Solutions (M) Sdn. Bhd. (Malaysia)	100	100	30,772	30,772
Kalf Engineering Pte Ltd (Singapore)	51	51	990	990
			<hr/>	
Unquoted equity shares, at cost			217,203	217,203
Less: Provision for impairment			(23,798)	(23,798)
			<hr/>	
			193,405	193,405
<hr/>				
<u>Held through UMS International Pte Ltd</u>				
Ultimate Manufacturing Solutions (M) Sdn. Bhd. (Malaysia)	100	100		
<u>Held through UMS Pte Ltd</u>				
UMS Solutions Pte Ltd (Singapore)	100	100		
<u>Held through Kalf Engineering Pte. Ltd.</u>				
浙江凯富环境治理工程有限公司 (People's Republic of China)	100	100		

Note 1(b)(i)(ii) – The net decrease in cash and cash equivalents by S\$16.8 million (after netting-off short-term borrowing) was mainly due to the S\$28.2 million investment in JEP Holdings Ltd partially offset by S\$12.0 million free cash flow generated during the period.

Note 1(b)(i)(iii) – The slight increase in inventories and trade and other payables by S\$0.7 million and S\$1.0 million respectively were mainly due to higher purchases made during the period.

Note 1(b)(i)(iv) – Investment in associates relate to the Group's 28.6% equity interest investment in JEP Holdings Ltd and 10% equity interest in Allstar Manufacturing Sdn Bhd (the "Associates"). The Group has recognised its share of profit of JEP Holdings Ltd for the period. The Group has also fully impaired the cost of investment in Allstar Manufacturing Sdn Bhd as at 31 Mar 2018.

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 Mar 2018			As at 31 Dec 2017		
Secured	Unsecured	Total	Secured	Unsecured	Total
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
-	17,135	17,135	-	19,001	19,001

Details of any collateral

The Group's borrowing comprise unsecured short-term bank borrowing.

- 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	
	3 Months Ended	
	31-Mar-18	31-Mar-17
	S\$'000	S\$'000
Cash flows from operating activities		
Profit before income tax	12,150	12,425
Adjustments for:		
Depreciation expense	1,143	1,250
Write back of allowance for inventories obsolescence	-	(195)
Inventories written off	-	224
Gain on disposal of property, plant and equipment	-	(15)
Interest income	(85)	(68)
Interest expense	140	1
Share of result of associate (net of income tax)	(16)	-
Unrealised foreign exchange loss	737	777
Operating cash flows before working capital changes	14,069	14,399
Changes in working capital:		
Trade receivables and other current assets	712	(6,304)
Inventories	(748)	(5,692)
Trade and other payables	1,186	5,455
Cash generated from operations	15,219	7,858
Income tax paid	(57)	(70)
Net cash generated from operating activities	15,162	7,788
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	-	17
Purchase of property, plant and equipment	(3,166)	(939)
Improvement to investment property	-	(36)
Investment in associate	(28,187)	-
Interest received	85	68
Net cash used in investing activities	(31,268)	(890)
Cash flows from financing activities		
Proceeds from bank borrowings	2,163	-
Repayment of bank borrowings	(4,109)	-
Interest paid	(140)	(1)
Net cash used in financing activities	(2,086)	(1)
Net effect of exchange rate changes	(487)	(1,465)
Net (decrease)/ increase in cash and cash equivalents	(18,679)	5,432
Cash and cash equivalents at beginning of the period	59,571	42,620
Cash and cash equivalents at end of the period	40,892	48,052

- 1(d) A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		
	3 Months Ended		
	31-Mar-18	31-Mar-17	Change
	S\$'000	S\$'000	%
Net Profit for the period	11,271	11,168	1%
Other comprehensive income, net of income tax:			
<i>Items that may be classified subsequently to profit and loss:</i>			
Exchange differences on translation of foreign operations	1,009	(1,045)	N.M
Total comprehensive income for the period	12,280	10,123	21%
Attributable to:			
Equity holders of the Company	12,394	10,123	22%
Non-controlling interests	(114)	-	N.M
	12,280	10,123	21%

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

	Share Capital S\$'000	Foreign Exchange Translation Reserve S\$'000	Retained Earnings S\$'000	Total equity attributable to equity of holders of the Company S\$'000	Non- controlling Interests S\$'000	Total Equity S\$'000
Group						
Balance at 1 January 2017	136,623	(10,963)	63,830	189,490	-	189,490
Changes in equity for first quarter						
Net profit for the period	-	-	11,168	11,168	-	11,168
Other comprehensive income for the period- Exchange differences on translation of foreign operations	-	(1,045)	-	(1,045)	-	(1,045)
Total comprehensive income for the quarter	-	(1,045)	11,168	10,123	-	10,123
Balance at 31 March 2017	136,623	(12,008)	74,998	199,613	-	199,613

	Share Capital S\$'000	Foreign Exchange Translation Reserve S\$'000	Retained Earnings S\$'000	Total equity attributable to equity of holders of the Company S\$'000	Non- controlling Interests S\$'000	Total Equity S\$'000
Group						
Balance at 1 January 2018	136,623	(10,560)	89,045	215,108	(1,307)	213,801
Changes in equity for first quarter						
Net profit for the period	-	-	11,400	11,400	(129)	11,271
Other comprehensive income for the period- Exchange differences on translation of foreign operations	-	994	-	994	15	1,009
Total comprehensive income for the quarter	-	994	11,400	12,394	(114)	12,280
Balance at 31 March 2018	136,623	(9,566)	100,445	227,502	(1,421)	226,081

	Share Capital S\$'000	Capital Reserve S\$'000	Retained Earnings S\$'000	Total equity attributable to equity of holders of the Company S\$'000
Company				
Balance at 1 January 2017	136,623	-	54,493	191,116
Changes in equity for first quarter				
Net loss for the period	-	-	(571)	(571)
Total comprehensive expenses for the quarter	-	-	(571)	(571)
Balance at 31 March 2017	136,623	-	53,922	190,545

	Share Capital S\$'000	Capital Reserve S\$'000	Retained Earnings S\$'000	Total equity attributable to equity of holders of the Company S\$'000
Company				
Balance at 1 January 2018	136,623	-	65,378	202,001
Changes in equity for first quarter				
Net loss for the period	-	-	(1,120)	(1,120)
Total comprehensive expenses for the quarter	-	-	(1,120)	(1,120)
Balance at 31 March 2018	136,623	-	64,258	200,881

- 1(e)(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 purposes since the end of the previous period reported on. State the number of shares that may be issued on conversion of all outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There was no change in the Company's issued share capital since last financial year ended 31 December 2017 to 31 March 2018. There are neither treasury shares nor subsidiary holdings as at 31 March 2018 and 31 March 2017.

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

The total number of issued shares excluding treasury shares as at 31 March 2018 was 536,429,579 (31 December 2017: 536,429,579).

1(e)(iv) A statement showing all sales, transfers, cancellation and/ or use of treasury shares as at the end of the current financial period reported on.

There was no treasury share held as at 31 December 2017 and 31 March 2018.

1(e)(v) A statement showing all sales, transfers, cancellation and/ or use of subsidiary holdings as at the end of the current financial period reported on.

There were no sales, transfers, cancellation and/ or use of subsidiary holdings as at 31 March 2018.

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

The figures have not been audited or reviewed by our external auditors.

3 Where the figures have been audited or reviewed, the auditors' report (including and 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.

Except as stated in Note 5, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as those of the audited financial statements for the financial year ended 31 December 2017.

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 reason for, and the effect of the change.

In the current financial period ended 31 March 2018, the Group has applied a new financial reporting framework known as Singapore Financial Reporting Standards (International), that is identical to the International Financial Reporting Standards (referred to as SG-IFRS).

The adoption of the SG-IFRS did not result in substantial changes to the accounting policies of the Group and there is no material effect on the amounts reported for the current or prior financial periods.

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-Mar-18	31-Mar-17 (Restated)
Earnings per ordinary share of the Group based on net profit attributable to owners of the company:-		
(a) Based on the weighted average number of ordinary shares on issue	2.13 cents	2.08 cents
- Weighted average number of shares	536,429,579	536,429,579
(b) On a fully diluted basis	2.13 cents	2.08 cents
- Weighted average number of shares	536,429,579	536,429,579

The basic and fully diluted earnings per share are the same since there were no potentially dilutive ordinary securities in issue as at 31 March 2018 and 31 March 2017.

For comparative purposes, the earnings per ordinary share for the financial period ended 31 March 2017 was computed based on the number of ordinary shares issued after the issuance of bonus shares of 107,285,632 which was completed on 6 November 2017.

7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediate preceding financial year.

	Group		Company	
	31-Mar-18	31-Dec-17	31-Mar-18	31-Dec-17
Net asset per ordinary share based on existing issued share capital as at end of period reported on	42.41 cents	40.10 cents	37.45 cents	37.66 cents

The net asset per outstanding ordinary share as at both the current and the previous financial year have been calculated based on 536,429,579 outstanding ordinary shares.

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 on 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) seasonable 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.

**Revenue
1Q2018 Vs 1Q2017**

	Group		
	3 Months Ended		
	31-Mar-18	31-Mar-17	Change
	S\$'000	S\$'000	%
Business Segments			
Semiconductor (Semicon)	37,027	40,880	-9%
Others	489	880	-44%
	<u>37,516</u>	<u>41,760</u>	<u>-10%</u>
Geographical Regions			
Singapore	23,776	31,152	-24%
United States of America ('US')	5,981	4,079	47%
Taiwan	5,841	5,026	16%
Malaysia	1,737	609	185%
Others	181	894	-80%
	<u>37,516</u>	<u>41,760</u>	<u>-10%</u>

Revenue

Revenue for the three months ended 31 March 2018 ("1Q2018") dipped by 10% from S\$41.8 million a year ago ("1Q2017") to S\$37.5 million. This was due to a 9% dip in revenue from its semiconductor business while sales from its "Others" segment fell 44%. Most of the Group's revenue are denominated in USD and the average exchange rate in 1Q2018 was about 7% lower than that in 1Q2017.

On a sequential basis, revenue in the semiconductor segment for 1Q2018 was stable - easing by just 1% as compared to 4Q2017 while revenue in "Others" segment shrunk by 58% during the period due mainly to lower sales from its water solutions engineering subsidiary, Kalf Engineering Pte Ltd.

Within the semiconductor segment, revenue from Semiconductor Integrated Systems fell 24% to S\$18.4 million in 1Q2018 from S\$24.2 million in 1Q2017; while revenue from component sales rose by 12% to S\$18.7 million vs S\$16.7 million in 1Q2017.

Geographically, 1Q2018 revenue in Singapore was lower by 24% as compared to 1Q2017 mainly due to weaker Semiconductor Integrated System sales; while 1Q2018 revenue in US rose 47% as compared to 1Q2017 - driven by higher component sales for new system built. Revenue from Taiwan also increased 16% vs 1Q2017 on the back of higher component spares sales while those in Other regions fell 80% as a result of lower component sales to a customer in China.

Profitability

Net profit of the Group remained stable at S\$11.3 million - up 1% from 1Q2017 - despite lower Group revenue.

The Group's gross material margin in 1Q2018 jumped to 57% from 51% in 1Q2017 as it benefitted from higher component sales vs Integrated Systems sales. Component sales enjoy a higher margin compared to Integrated Systems sales.

The improved gross margin reflects the Group's success in growing its component business to boost its bottom line.

The Group has also slashed its income tax expense by 30% as it booked more profits in its Malaysian subsidiary which enjoys Pioneer Tax incentive in Malaysia. Depreciation charges went down by 9% as some of its fixed assets were fully depreciated. Rental fees were cut by 46% as UMS shifted more of its operations to Malaysia.

The Group also registered a maiden profit contribution of S\$16,000 from its newly acquired associate - Catalist-listed JEP Holdings Ltd.

Some of the Group's expenses went up. Personnel costs rose as headcount grew and legal and professional fees increased 38% - arising from the higher sales commission paid to the Group's sales consultant.

Other expenses decreased 6% over last year mainly due to lower upkeep of machinery expenses.

Other charges remained relatively flat at S\$1 million mainly due to exchange losses following the depreciation of US dollar against the Singapore dollar during the quarter.

Profits attributable to shareholders edged up 2% to S\$11.4 million in 1Q2018 vs \$11.2 million in 1Q2017.

Cashflow

UMS continued to generate strong cash flow of \$15.2 million in net cash from operating activities and \$12.0 million in free cash flow in 1QFY2018.

Bank borrowings were pared down by \$2.0 million. The Group's net cash and cash equivalents remained healthy at S\$23.8 million as of 31 Mar 2018.

During 1Q2018, the Group made an investment of S\$28.2 million for a 28.6% stake in Catalist-listed JEP Holdings Ltd in line with its diversification strategy.

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

The current announced results are in line with the general prospect commentary previously disclosed to shareholders in the previous announcement made on 27 February 2018. The Group maintains its positive outlook for the industry.

10 A commentary at the date of 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's prospects remain bright in 2018 because of sustained high demand in orders from its key customer. The global semiconductor industry is predicted to continue its strong growth trajectory despite challenges to world economies posed by the ongoing US-China trade dispute.

Total global fab tool spending will increase 9 percent to reach more than \$62 billion this year, according to the latest forecast from SEMI, the global industry association serving the manufacturing supply chain for the electronics industry. Spending on tools is forecast to rise an additional 5 percent in 2019, which would mark the fourth straight year of spending increases. (Source: **Chip Equipment Sales Remain Strong**, SEMI (March 28, 2018))

Going forward, the Group will forge ahead with its expansion plans. It will continue to improve the performance of its Malaysian associate, Allstar Manufacturing Sdn Bhd ("Allstar") as operations will go through restructuring with UMS taking a more active role.

In March 2018, the Group signed an MOU to acquire a 70% stake in a non-ferrous metal alloys specialist, Starke Singapore Pte Ltd. Due diligence is in progress and the acquisition will be funded by internal resources.

This proposed acquisition is in line with UMS' strategy to strengthen its upstream integration, to reap cost savings and enhance business and operational synergies within the Group to achieve a more efficient supply chain to serve global customers.

Barring any unforeseen circumstances, prospects remain bright for FY2018.

11 Dividend

(a) Current Financial Period Reported

Any dividend declared for the current financial period reported on? **Yes**

Name of Dividend	Proposed Interim Dividend
Dividend Type	Cash
Dividend Amount (SGD)	1.0 cent per ordinary share, (tax exempt one-tier)
Tax rate	Not applicable

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend	Proposed Interim Dividend
Dividend Type	Cash
Dividend Amount (SGD)	1.0 cent per ordinary share, (tax exempt one-tier)
Tax rate	Not applicable

(c) Date payable

27 July 2018.

(d) Books closure date

NOTICE IS HEREBY GIVEN THAT the Share Transfer Books and Register of Members of the Company will be closed on 12 July 2018, for the purpose of determining members' entitlements to the First Interim Dividend of 1.0 cent per ordinary share (tax-exempt one-tier) for the financial year ending 31 December 2018.

Duly completed registrable transfers received by the Company's Share Registrar, RHT Corporate Advisory Pte. Ltd., 9 Raffles Place, #29-01 Republic Plaza Tower 1, Singapore 048619 up to the close of business at 5.00 p.m. on 11 July 2018 will be registered before entitlement to the First Interim Dividend are determined. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 11 July 2018 will be entitled to the First Interim Dividend.

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

Not applicable.

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

	3 Months Period Ended 31 March 2018
Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual) S\$'000
Kalf Engineering Pte Ltd	
Interest expenses from Shareholders loan (Note 1)	58
Sure Achieve Consultant Pte Ltd	
Consultancy Services charges and commission (Note 2)	701

Note 1: Kalf Engineering Pte Ltd ("Kalf") is a company in which both executive directors Mr. Luong Andy and Mr. Stanley Loh Meng Chong have an interest.

Transaction above is with Full City Investments Ltd in which Mr. Luong Andy is a director and shareholder. The aggregate value of Interested person transactions entered into between Kalf and Full City Investments Ltd for the period ended 31 March 2018 amounted to S\$58,000 which represents approximately 0.03% of the Group's latest audited net tangible assets as at 31 December 2017.

Note 2: Transaction above is with Sure Achieve Consultant Pte Ltd in which Mrs. Sylvia SY Lee Luong is a director and shareholder. She is the wife of the CEO of the Group, Mr. Luong Andy.

The aggregate value of IPT entered into between the Group and Sure Achieve Consultant Pte Ltd for the period ended 31 March 2018 amounted to S\$701,000 which represents approximately 0.4% of the Group's latest audited net tangible assets as at 31 December 2017.

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

The Company hereby confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1).

- 15 **Negative confirmation pursuant to Rule 705 (5)**

The Board of Directors hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render the 1Q2018 and the period ended 31 March 2018 financial results to be false or misleading in any material respect.

BY ORDER OF THE BOARD

Luong Andy
Chief Executive Officer

11 May 2018