



ISOTEAM LTD.

(Company Registration No. 201230294M)

FULL YEAR UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("Sponsor"), Hong Leong Finance Limited 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.

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Background

The Company was incorporated in Singapore on 12 December 2012 under the Companies Act (Chapter 50) as a private company limited by shares under the name of ISOTeam Pte. Ltd.. On 12 June 2013, our Company was converted into a public company limited by shares and our name was changed to "ISOTeam Ltd.". The Company and its subsidiaries (the "Group"), were formed pursuant to a restructuring exercise which was conducted to streamline and rationalise the Group structure and business activities (the "Restructuring Exercise") prior to the Company's initial public offering ("IPO") and listing on Catalist of the SGX-ST. Please refer to the Company's offer document dated 5 July 2013 ("Offer Document") for further details on the Restructuring Exercise.

The Company was admitted to the Catalist on 12 July 2013. For the purpose of this announcement, the results of the Group for the financial year ended 30 June 2013 ("FY2013"), and the comparative results of the Group for the financial year ended 30 June 2012 ("FY2012") represented a combination or aggregation of the financial statements of the Company and its subsidiaries after the Restructuring Exercise, and have been prepared on the assumption that the Group structure following the completion of the Restructuring Exercise has been in place since 1 July 2011.

PART 1 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.

1(a)(i) Consolidated Statement of Comprehensive Income

	Note	Group		Change %
		Year Ended		
		30.06.13	30.06.12	
		\$'000	\$'000	
Revenue		48,247	35,430	36.2
Cost of sales		(40,053)	(29,012)	38.1
Gross profit		8,194	6,418	27.7
Other income	(a)	4,729	1,163	N/M
Marketing and distribution expenses		(675)	(475)	42.1
General and administrative expenses		(5,457)	(3,484)	56.6
Finance costs		(342)	(246)	39.0
Profit before tax	(b)	6,449	3,376	91.0
Tax expense		(440)	(422)	4.3
Profit and total comprehensive income for the year attributable to equity holders of the Company		6,009	2,954	103.4

"N/M" denotes Not Meaningful if % of change is more than 300%

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

	<u>Group</u>		Change %
	Year Ended		
	30.06.13 \$'000	30.06.12 \$'000	
(a) <u>Other income</u>			
Accounting income from related parties	20	30	(33.3)
Government grants	18	32	(43.8)
Gain on disposal of investment property	-	880	(100.0)
Gain on disposal of property, plant and equipment	4,178	7	N/M
Interest income	13	5	160.0
Sales of scrap materials	19	9	111.1
Rental income	175	112	56.3
Others	306	88	247.7
	<u>4,729</u>	<u>1,163</u>	
(b) <u>Profit before tax</u>			
This is arrived at after charging:			
Audit fees payable/paid to auditor of the Company	130	58	124.1
Depreciation of property, plant and equipment	405	369	9.8
Depreciation of investment property	-	23	(100.0)
Gain on disposal of investment property	-	(880)	(100.0)
Gain on disposal of property, plant and equipment	(4,178)	(7)	N/M
Property, plant and equipment written off	51	-	N/M
Allowance for doubtful receivables	53	-	N/M
Listing expenses	1,050	-	N/M

"N/M" denotes Not Meaningful if % of change is more than 300%

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

1(b)(i) Statements of Financial Position

	Group		Company ⁽¹⁾		
	Note	As at 30.06.13 \$'000	As at 30.06.12 \$'000	As at 30.06.13 \$'000	As at 30.06.12 \$'000
Assets					
<u>Non-current assets</u>					
Property, plant and equipment		4,441	6,284	-	-
Investment in subsidiaries		-	-	13,399	-
Investment securities		400	-	-	-
		<u>4,841</u>	<u>6,284</u>	<u>13,399</u>	<u>-</u>
<u>Current assets</u>					
Due from customers for contract work-in-progress		2,966	3,069	-	-
Trade and other receivables		16,572	12,284	575	-
Amounts due from a director		-	60	-	-
Amounts due from subsidiaries		-	-	2,400	-
Cash and cash equivalents		8,463	5,474	-	-
Total current assets		<u>28,001</u>	<u>20,887</u>	<u>2,975</u>	<u>-</u>
Total assets		<u>32,842</u>	<u>27,171</u>	<u>16,374</u>	<u>-</u>
<u>Non-current liabilities</u>					
Finance lease liabilities		559	671	-	-
Deferred tax liabilities		59	59	-	-
Total non-current liabilities		<u>618</u>	<u>730</u>	<u>-</u>	<u>-</u>
<u>Current liabilities</u>					
Due to customers for contract work-in-progress		2,255	1,259	-	-
Bank borrowings		4,187	3,765	-	-
Trade and other payables		9,630	6,982	2,297	-
Finance lease liabilities		444	479	-	-
Amounts due to directors		-	634	-	-
Amounts due to subsidiaries		-	-	3,121	-
Tax payables		1,080	1,203	-	-
Total current liabilities		<u>17,596</u>	<u>14,322</u>	<u>5,418</u>	<u>-</u>
Total liabilities		<u>18,214</u>	<u>15,052</u>	<u>5,418</u>	<u>-</u>
Net assets		<u>14,628</u>	<u>12,119</u>	<u>10,956</u>	<u>-</u>
Share capital and reserves					
Share capital		9,651	4,813	9,651	-
Accumulated profits		12,315	7,306	1,305	-
Merger reserve		(7,338)	-	-	-
Total equity		<u>14,628</u>	<u>12,119</u>	<u>10,956</u>	<u>-</u>

Note:

(1) The Company was incorporated on 12 December 2012.

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

	Group			
	As at 30 June 2013		As at 30 June 2012	
	\$'000	\$'000	\$'000	\$'000
<u>Secured</u>				
Amount repayable in one year or less, or on demand	4,631	-	4,244	-
Amount repayable after one year	559	-	671	-
	<u>5,190</u>	<u>-</u>	<u>4,915</u>	<u>-</u>
<u>Unsecured</u>				
Amount repayable in one year or less, or on demand	-	-	-	-
Amount repayable after one year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Details of any collaterals

- (a) Bank borrowings amounting to \$1.1 million was secured by corporate guarantee from a related company of the Company's directors and personal guarantees from the Company's directors.
- (b) Bank borrowings amounting to \$2.3 million was secured by a legal mortgage over the leasehold property of a subsidiary, pledged fixed deposits and joint and several guarantees from the Company's directors.
- (c) Bank borrowings amounting to \$0.8 million was secured by pledged fixed deposits and joint and several guarantees from the Company's directors.
- (d) Finance lease obligations of the Group are secured by the rights to the leased equipment, machineries and motor vehicles. The Company's directors have provided personal guarantees for certain of the finance lease liabilities.

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.

1(c)(i) Consolidated Statement of Cash Flows

	Group	
	Year Ended	
	Note	30.06.12
	30.06.13	30.06.12
	\$'000	\$'000
Cash flows from operating activities		
Profit before income tax	6,449	3,376
Adjustment for:-		
Depreciation of investment property	-	23
Depreciation of property, plant and equipment	405	369
Gain on disposal of investment property	-	(880)
Gain on disposal of property, plant and equipment	(4,178)	(7)
Property, plant and equipment written off	51	-
Increase in allowance for doubtful receivables	53	-
Listing expenses	1,050	-
Interest income	(13)	(5)
Interest expense	326	228
Operating cash flows before working capital changes	4,143	3,104
Project work-in-progress	1,099	(555)
Trade and other receivables	(5,122)	(3,732)
Trade and other payables	545	2,186
Cash generated from operations	665	1,003
Interest received	13	5
Interest paid	(326)	(228)
Tax paid	(563)	(158)
Net (cash used in) / generated from operating activities	(211)	622
Cash flows from investing activities		
Purchases of property, plant and equipment	(221)	(160)
Proceed from disposal of property, plant and equipment	6,131	19
Proceed from disposal of investment property	-	2,050
Purchase of investment securities	(400)	-
Net cash generated from investing activities	5,510	1,909
Cash flows from financing activities		
Proceed from issuance of ordinary shares	-	10
Dividend paid	(1,000)	-
Listing expenses	(745)	-
Due from / (to) related parties (non-trade)	79	(418)
Due to directors	(574)	(453)
Fixed deposits pledged to banks	(210)	(402)
Drawdown of bank borrowings	1,811	819
Repayment of bank borrowings	(1,390)	-
Repayment of finance lease	(491)	(299)
Net cash used in financing activities	(2,520)	(743)
Net increase in cash or cash equivalents	2,779	1,788
Cash and cash equivalents at beginning of financial year	4,128	2,340
Cash and cash equivalents at end of financial year	6,907	4,128

1(c)(ii) Notes to the Consolidated Statement of Cash Flows

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following:-

	Group	
	Year Ended	
	30.06.13	30.06.12
	\$'000	\$'000
Cash in hand and at bank	6,825	3,328
Fixed deposits	1,638	2,146
	<hr/>	<hr/>
	8,463	5,474
Less: Fixed deposits pledged	(1,556)	(1,346)
	<hr/>	<hr/>
	6,907	4,128

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

Group	Attributable to equity holders of the Company			
	Share capital \$'000	Accumulated profits \$'000	Merger reserve \$'000	Total equity \$'000
Balance at 1 July 2011	4,803	4,352	-	9,155
Profit and total comprehensive income for the year	-	2,954	-	2,954
Issuance of ordinary share on incorporation of subsidiary	10	-	-	10
Balance at 30 June 2012	4,813	7,306	-	12,119
Balance at 1 July 2012	4,813	7,306	-	12,119
Profit and total comprehensive income for the year	-	6,009	-	6,009
Adjustment resulting from restructuring exercise	-	-	(7,338)	(7,338)
Issuance of ordinary share due to restructuring exercise	4,838	-	-	4,838
Dividend	-	(1,000)	-	(1,000)
Balance at 30 June 2013	9,651	12,315	(7,338)	14,628

Company	Attributable to equity holders of the Company			
	Share capital \$'000	Accumulated profits \$'000	Merger reserve \$'000	Total equity \$'000
Balance at 1 July 2012	N/A	N/A	N/A	N/A
Profit and total comprehensive income for the year	-	2,305	-	2,305
Issuance of ordinary share due to restructuring exercise	9,651	-	-	9,651
Dividend	-	(1,000)	-	(1,000)
Balance at 30 June 2013	9,651	1,305	-	10,956

"N/A" denotes Not Applicable as the Company was only incorporated on 12 December 2012.

- 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.

	Number of shares	Share Capital \$
Issued and paid-up shares as at date of incorporation: 12 December 2012	3	3
Issuance of shares pursuant to the Restructuring Exercise: 5 June 2013	9,651,756	9,651,756
Sub-division of each issued and fully paid share into 9 shares: 5 June 2013	77,214,072	-
As at 30 June 2013	86,865,831	9,651,759

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

	Company	
	As at 30.06.13	As at 30.06.12
Number of ordinary shares issued and fully paid (excluding treasury shares)	<u>86,865,831</u>	<u>N/A</u>

"N/A" denotes Not Applicable as the Company was only incorporated on 12 December 2012.

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 by the Company's 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.

The Group has applied the same accounting policies and methods of computation in the financial information for the current financial period as those used in the audited financial statements for the financial year ended 30 June 2012, except for the adoption of certain revised Financial Reporting Standards ("FRS") which are effective for the financial period commencing 1 July 2012. The adoption of these FRS has no material impact on the Group's financial statements.

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.

Please refer to paragraph 4 above.

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

	Group	
	Year Ended	
Earnings per share ("EPS")	30.06.13	30.06.12
Profit attributable to equity holders of the Company (\$'000)	6,009	2,954
Pre-invitation number of ordinary shares ⁽¹⁾	86,865,831	N/M
Basic and diluted EPS based on pre-invitation number of ordinary shares (cents)⁽¹⁾⁽²⁾	6.92	N/M
Post-invitation number of ordinary shares	117,595,831	117,595,831
Basic and diluted EPS based on post-invitation number of ordinary shares (cents)⁽²⁾⁽³⁾	5.11	2.51

Note:

- (1) As the Company was incorporated on 12 December 2012 with an initial issued share capital consisting of 3 ordinary shares, it is not meaningful to present EPS based on weighted average number of ordinary shares.
- (2) The basic and diluted EPS were the same as the Group did not have any potentially dilutive instruments for the respective financial years.
- (3) For comparison and illustrative purposes, the calculation for the basic EPS for the respective financial years is based on the post-IPO share capital of 117,595,831 shares in issue.

"N/M" denotes Not Meaningful as the Company was only incorporated on 12 December 2012, as such, the Group was not in existence as at 30 June 2012.

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

Net assets value ("NAV")	Group		Company	
	As at 30.06.13	As at 30.06.12	As at 30.06.13	As at 30.06.12
NAV (\$'000)	14,628	12,119	10,956	N/A
Number of ordinary shares	86,865,831	86,865,831	86,865,831	N/A
NAV per ordinary share (cents)	16.84	13.95	12.61	N/A

"N/A" denotes Not Applicable as the Company was only incorporated on 12 December 2012.

- 8 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
- a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Review of Financial Performance

Revenue

The Group's revenue increased by \$12.9 million or 36.4% from \$35.4 million for FY2012 to \$48.3 million for FY2013. The increase in revenue was mainly due to higher revenue recognition from the Group's projects, such as Neighbourhood Renewal Programme for Marine Parade Town Council and Tampines Town Council. The Group's new repairs and redecoration ("R&R") work for Pasir Ris-Punggol Town Council and Neighbourhood Renewal Programme for Chua Chu Kang Town Council also contributed to the increase in revenue.

Gross profit and gross profit margin

The Group's gross profit increased by \$1.8 million or 28.1% from \$6.4 million in FY2012 to \$8.2 million in FY2013 due mainly to higher revenue contributed by R&R works. Overall gross profit margin declined from 18.1% to 17.0% due to higher sub-contracting costs.

Other income

The other income increased by \$3.5 million or 291.7%, from \$1.2 million in FY2012 to \$4.7 million in FY2013. This was mainly due to a gain of \$4.2 million on the disposal of a leasehold property.

Marketing and distribution expenses

Marketing and distribution expenses increased by \$0.2 million or 40.0% from \$0.5 million in FY2012 to \$0.7 million in FY2013. The increase was mainly due to an increase in the repair and upkeep of motor vehicles as a result of high usage due to the increase in project activities.

General and administrative expenses

Our general and administrative expenses increased by \$2.0 million or 57.1% from \$3.5 million in FY2012 to \$5.5 million in FY2013. The increase was mainly attributable to (i) increase in staff costs of \$0.6 million mainly due to additional headcounts recruited to support the increase in business volume; and (ii) one-off professional fees and other related expenses of \$1.1 million incurred in connection with the Company's IPO and listing on Catalist of the SGX-ST on 12 July 2013.

Finance costs

The increase in finance costs arose from higher utilisation of factoring facilities, which increased by \$0.1 million or 50.0% from \$0.2 million in FY2012 to \$0.3 million in FY2013.

Profit before tax

As a result of the above, our profit before tax increased by \$3.0 million or 91.2% from \$3.4 million in FY2012 to \$6.4 million in FY2013, which includes gain of \$4.2 million from the disposal of a leasehold property and one-off IPO expenses of \$1.1 million.

Review of Financial Position

Non-current assets

The Group's non-current assets decreased by \$1.5 million or 23.8% from \$6.3 million as at 30 June 2012 to \$4.8 million as at 30 June 2013, mainly due to the disposal of a leasehold property with a net carrying value of \$2.0 million and offset by acquisition of new assets of \$0.6 million during FY2013 and the purchase of investment securities of \$0.4 million.

Current assets

The increase in current assets of \$7.1 million from \$20.9 million as at 30 June 2012 to \$28.0 million as at 30 June 2013 was attributed mainly to the increase in trade and other receivables of \$4.2 million which was in line with the increase in revenue and the increase in cash and bank balances of \$3.0 million. This was offset mainly by the decrease in amounts due from customers for contract work-in-progress.

Non-current liabilities

The decrease in non-current liabilities of \$0.1 million from \$0.7 million as at 30 June 2012 to \$0.6 million as at 30 June 2013 was attributed to the lower finance leases liabilities.

Current liabilities

The increase in current liabilities of \$3.3 million from \$14.3 million as at 30 June 2012 to \$17.6 million as at 30 June 2013 was attributed mainly to the increase in trade and other payables of \$2.6 million and the increase in amounts due to customers for contract work-in-progress of \$1.0 million. This was partially offset by the decrease in amounts due to the Company's directors.

The Group had a positive working capital of \$10.4 million as at 30 June 2013 as compared to \$6.6 million as at 30 June 2012.

Review of Statement of Cash Flows

Net cash generated from operating activities

The Group generated a net cash of \$4.1 million from operating activities before changes in working capital. Net working capital outflow amounted to \$3.4 million. This was mainly due to an increase in trade and other receivables by \$5.1 million, offset by an increase in trade and other payables by \$0.6 million and project work-in-progress of \$1.1 million. After payment of income tax of \$0.6 million and interest of \$0.3 million, the net cash used in operating activities amounted to approximately \$0.2 million.

Net cash generated from investing activities

Net cash generated from investing activities amounted to \$5.5 million, which was mainly attributable to proceeds from the disposal of a leasehold property which amounted to \$6.1 million, offset by the additions of plant and equipment of \$0.2 million and purchase of investment securities of \$0.4 million.

Net cash used in financing activities

Net cash used in financing activities of approximately \$2.5 million was mainly due to dividend payment of \$1.0 million, listing expenses paid of \$0.7 million, repayment of directors' loans and finance lease of \$1.0 million, and additional fixed deposit pledged to bank of \$0.2 million being offset by net drawdown of bank borrowings of \$0.4 million.

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

No forecast or prospect statement has been previously disclosed to the shareholders.

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 views that the revenue will continue to be driven by order book which will in turn be dependent on there being no delay or cancellation in the commencement or continuation of awarded projects. In addition, the Group will benefit from the general increase in demand of public sector upgrading, retrofitting and maintenance of buildings and facilities activities in Singapore. Our order book as at 14 August 2013 stands at \$81.0 million which will be delivered over the next two years.

The Group observes an increasing demand in refurbishment and repainting projects in Singapore arising from increasing R&R and addition and alteration ("A&A") projects in light of older estates and buildings and the higher construction costs to construct new buildings. The Group also expects challenges in the form of rising sub-contracting and labour costs due to general inflation and increases in foreign workers' levies imposed by the Government as announced in Budget 2013, and a rise in paint costs due to increasing demand for refurbishment and repainting projects in Singapore as well as increase volatility in crude oil prices.

11 Dividend

(a) Dividend declared (recommended) for the current financial period reported on

A final dividend has been recommended in respect of the current financial year ended 30 June 2013.

Name of dividend	Final (proposed)
Dividend type:	Cash
Dividend amount per ordinary share (cents):	1.00
Tax rate:	Tax exempt (1-Tier)

The Directors are pleased to propose a final tax-exempt (one-tier) dividend of 1.00 cent per ordinary share in respect of FY2013 for approval by shareholders at the forthcoming Annual General Meeting.

(b) Dividend declared (recommended) for the corresponding period of the immediately preceding financial year

Not applicable.

(c) Date payable

To be determined and announced at a later date.

(d) Books closure date

Notice will be given at a later date on the closure of the Share Transfer Books and Register of Members of the Company to determine shareholders' entitlement to the 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 interested person transactions (“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 Group has not obtained a general mandate from shareholders for IPTs pursuant to Rule 920(1)(a)(ii).

PART 2 ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

- 14 Segmented revenue and results for operating 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.

FY2013

	R&R \$'000	A&A \$'000	Other \$'000	Total \$'000
Segment revenue	26,381	21,770	96	48,247
Segment profits	4,817	3,354	23	8,194
Segment assets	7,707	10,371	143	18,221
Unallocated assets				14,621
Total assets				32,842
Segment liabilities	1,600	655	253	2,508
Unallocated liabilities				15,706
Total liabilities				18,214

FY2012

	R&R \$'000	A&A \$'000	Other \$'000	Total \$'000
Segment revenue	16,594	18,836	-	35,430
Segment profits	3,088	3,330	-	6,418
Segment assets	6,408	7,298	-	13,706
Unallocated assets				13,465
Total assets				27,171
Segment liabilities	482	777	-	1,259
Unallocated liabilities				13,793
Total liabilities				15,052

- 15 In the review of performance, the factors, leading to any material changes in contributions to turnover and earnings by the operating segments.

Please refer to paragraph 8 above.

- 16 A breakdown of sales.

	Group		Change %
	30.06.13 \$'000	30.06.12 \$'000	
Sales reported for first half year	22,088	16,052	37.6
Operating profit after tax before deducting minority interest reported for first half year	1,317	1,367	(3.7)
Sales reported for second half year	26,159	19,378	35.0
Operating profit after tax before deducting minority interest reported for second half year	4,692	1,587	195.7

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

Total annual dividend	FY2013 \$'000	FY2012 \$'000
Ordinary shares ⁽¹⁾	1,000	-
Preference shares	-	-
Total	1,000	-

Note:

(1) Pre-listing one-tier tax-exempt interim dividend amounting to \$1.0 million in respect of FY2013.

18 Use of IPO proceeds

Pursuant to the IPO, the Company received gross proceeds of \$6.8 million and as at the date of this announcement, the IPO proceeds have been utilised as follows:

Intended Usage in accordance with the Offer Document	Amount allocated \$'000	Amount utilised \$'000	Balance \$'000
To expand our business in providing green solutions and products for R&R and A&A projects and our fleet of equipment, machinery and vehicles	1,200	(300)	900
To expand our business through acquisitions, joint ventures and/or strategic alliances, as well as developing new businesses	2,500	-	2,500
General working capital	1,570	-	1,570
Listing expenses borne by the Company	1,491	(1,256)	235
Total	6,761	(1,556)	5,205

19 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(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(10), the Company confirms that there is no person occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

David Ng Cheng Lian
Executive Chairman
28 August 2013

Anthony Koh Thong Huat
CEO