



ISOTEAM LTD.

(Company Registration No. 201230294M)

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FOURTH QUARTER AND TWELVE MONTHS ENDED 30 JUNE 2019

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) Unaudited Consolidated Income Statement and Statement of Comprehensive Income for the Fourth Quarter ("4QFY2019") and Year Ended 30 June 2019 ("FY2019")

	Group				Group		
	Note	Three Months Ended		Change %	Twelve Months Ended		Change %
		30.06.19	30.06.18		30.06.19	30.06.18	
		(Unaudited)	(Unaudited)		(Unaudited)	(Audited)	
		\$'000	\$'000 (Restated)		\$'000 (Restated)		
<b>Income Statement</b>							
Revenue		33,091	20,215	63.7	136,601	83,801	63.0
Cost of sales		(26,381)	(18,296)	44.2	(114,966)	(70,838)	62.3
Gross profit		6,710	1,919	249.7	21,635	12,963	66.9
Other income	(a)	1,571	284	N/M	3,109	1,860	67.2
Marketing and distribution expenses		(225)	(571)	(60.6)	(1,173)	(1,725)	(32.0)
General and administrative expenses		(4,378)	(3,789)	15.5	(14,762)	(12,887)	14.5
Finance costs		(358)	(202)	77.2	(1,164)	(570)	104.2
Other operating expenses		(95)	(110)	(13.6)	(409)	(438)	(6.6)
Share of results of associate		(22)	-	N/M	19	-	N/M
<b>Profit/(loss) before tax</b>	(b)	<b>3,203</b>	<b>(2,469)</b>	229.7	<b>7,255</b>	<b>(797)</b>	N/M
Tax (expense)/credit		(46)	787	(105.8)	(952)	520	(283.1)
<b>Profit/(loss) for the period/year</b>		<b>3,157</b>	<b>(1,682)</b>	287.7	<b>6,303</b>	<b>(277)</b>	N/M
<b>Profit/(loss) attributable to:</b>							
Equity holders of the Company		2,943	(1,860)	258.2	6,757	491	N/M
Non-controlling interests		214	178	20.2	(454)	(768)	(40.9)
		<b>3,157</b>	<b>(1,682)</b>	287.7	<b>6,303</b>	<b>(277)</b>	N/M

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

	Group				Group			
	Note	Three Months Ended		Change	Twelve Months Ended		Change	
		30.06.19	30.06.18		30.06.19	30.06.18		
		(Unaudited)	(Unaudited)		(Unaudited)	(Audited)		
	\$'000	\$'000 (Restated)	%	\$'000	\$'000 (Restated)	%		
<b>Statement of Comprehensive Income</b>								
Profit/(loss) for the period/year		3,157	(1,682)	287.7	6,303	(277)	N/M	
<b>Other comprehensive income:</b>								
<i>Items that may be reclassified subsequently to profit or loss:</i>								
Foreign currency translation gain		1	12	(91.7)	25	16	56.3	
<b>Other comprehensive income for the period/year, net of tax</b>		1	12	(91.7)	25	16	56.3	
<b>Total comprehensive income/(loss) for the period/year</b>		3,158	(1,670)	289.1	6,328	(261)	N/M	
<b>Total comprehensive income/(loss) attributable to:</b>								
Equity holders of the Company		2,944	(1,849)	259.2	6,779	506	N/M	
Non-controlling interests		214	179	19.6	(451)	(767)	(41.2)	
		<b>3,158</b>	<b>(1,670)</b>	289.1	<b>6,328</b>	<b>(261)</b>	N/M	

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

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

		Group			Group		
		Three Months Ended			Twelve Months Ended		
		30.06.19	30.06.18	Change	30.06.19	30.06.18	Change
		(Unaudited)	(Unaudited)		(Unaudited)	(Audited)	
\$'000	\$'000	%	\$'000	\$'000	%		
(a)	<u>Other income</u>						
	Government grants	41	167	(75.4)	335	870	(61.5)
	Gain on disposal of property, plant and equipment	-	70	(100.0)	53	133	(60.2)
	Interest income	25	34	(26.5)	111	105	5.7
	Administrative income	6	17	(64.7)	19	106	(82.1)
	Foreign exchange gain	-	(1)	(100.0)	-	5	(100.0)
	Fair value gain of other investment	1,711	-	N/M	1,711	-	N/M
	Sales of spare parts	34	56	(39.3)	154	124	24.2
	(Loss)/gain on disposal of a subsidiary	(40)	-	N/M	730	-	N/M
	Others	(206)	(59)	249.2	(4)	517	(100.8)
		1,571	284		3,109	1,860	
(b)	<u>Profit/(loss) before tax</u>						
	This is arrived at after charging/(crediting):						
	Audit fees payable/paid to auditor of the Company	62	62	-	224	216	3.7
	Depreciation of property, plant and equipment and investment property	1,025	973	5.3	3,789	3,109	21.9
	Net loss/(gain) on disposal of property, plant and equipment	14	(55)	(125.5)	33	(87)	(137.9)
	Property, plant and equipment written off	-	2	N/M	41	32	28.1
	Amortisation of intangible assets	339	198	71.2	848	2,023	(58.1)
	Share of results of associate	(22)	-	N/M	19	-	N/M
	Allowance for doubtful receivables	656	38	N/M	656	65	N/M
	Bad debts written off	-	22	N/M	-	22	N/M
	Inventory written off	-	7	N/M	-	7	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		
	As at 30.06.19	As at 30.06.18	As at 01.07.17	As at 30.06.19	As at 30.06.18	As at 01.07.17
	(Unaudited)	(Restated)	(Restated)	(Unaudited)	(Audited)	(Audited)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>						
<b><u>Non-current assets</u></b>						
Property, plant and equipment	30,247	34,238	29,725	-	-	-
Goodwill	2,658	2,658	2,658	-	-	-
Investment property	911	-	-	-	-	-
Intangible assets	2,075	2,923	4,650	-	-	-
Investment in subsidiaries	-	-	-	33,686	34,229	35,767
Investment in associates	438	-	-	265	-	-
Other investments	7,743	6,048	6,462	6,711	5,000	5,000
	44,072	45,867	43,495	40,662	39,229	40,767
<b><u>Current assets</u></b>						
Contract assets	32,151	15,661	12,437	-	-	-
Asset held for sale	2,330	-	-	-	-	-
Inventories	1,877	486	271	-	-	-
Trade and other receivables	33,523	27,665	23,661	20,272	12,145	9,456
Cash and bank balances	9,029	12,200	14,830	1,092	3,376	1,303
<b>Total current assets</b>	78,910	56,012	51,199	21,364	15,521	10,759
<b>Total assets</b>	<b>122,982</b>	<b>101,879</b>	<b>94,694</b>	<b>62,026</b>	<b>54,750</b>	<b>51,526</b>
<b><u>Non-current liabilities</u></b>						
Finance lease liabilities	2,764	2,478	1,752	-	-	-
Other payable	-	-	600	-	-	-
Deferred tax liabilities	898	1,160	1,575	-	-	600
Bank borrowings	9,927	12,101	11,701	-	-	-
<b>Total non-current liabilities</b>	13,589	15,739	15,628	-	-	600
<b><u>Current liabilities</u></b>						
Bank borrowings	25,922	11,699	6,408	9,300	4,400	3,179
Trade and other payables	22,570	19,583	19,691	5,536	4,763	3,991
Finance lease liabilities	1,283	1,150	972	-	-	-
Tax payables	375	140	158	-	-	-
<b>Total current liabilities</b>	50,150	32,572	27,229	14,836	9,163	7,170
<b>Total liabilities</b>	<b>63,739</b>	<b>48,311</b>	<b>42,857</b>	<b>14,836</b>	<b>9,163</b>	<b>7,770</b>
<b>Net assets</b>	<b>59,243</b>	<b>53,568</b>	<b>51,837</b>	<b>47,190</b>	<b>45,587</b>	<b>43,756</b>

	Group			Company		
	As at 30.06.19	As at 30.06.18	As at 01.07.17	As at 30.06.19	As at 30.06.18	As at 01.07.17
	(Unaudited)	(Restated)	(Restated)	(Unaudited)	(Audited)	(Audited)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Share capital and reserves</b>						
Share capital	29,618	29,618	29,618	29,618	29,618	29,618
Treasury shares	(578)	(256)	(562)	(578)	(256)	(562)
Accumulated profits	34,309	28,066	29,418	18,075	16,150	14,597
Foreign currency translation reserve	44	22	8	-	-	-
Merger reserve	(7,338)	(7,338)	(7,338)	-	-	-
Other reserve	1,065	1,065	(4)	75	75	103
Equity attributable to equity holders of the Company	57,120	51,177	51,140	47,190	45,587	43,756
Non-controlling interests	2,123	2,391	697	-	-	-
<b>Total equity</b>	<b>59,243</b>	<b>53,568</b>	<b>51,837</b>	<b>47,190</b>	<b>45,587</b>	<b>43,756</b>

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

	Group		Group	
	As at 30.06.19		As at 30.06.18	
	Secured	Unsecured	Secured	Unsecured
	\$'000	\$'000	\$'000	\$'000
Amount repayable in one year or less, or on demand	27,205	-	12,849	-
Amount repayable after one year	12,691	-	14,579	-
	39,896	-	27,428	-

**Details of any collaterals**

- (a) Bank borrowings amounting to \$35.9 million are secured by:
- (i) charges over fixed deposit;
  - (ii) mortgage over the Group's leasehold properties;
  - (iii) first fixed charge over receivables arising from invoices financed directly or indirectly over the account in which the receivables are deposited;
  - (iv) SGD corporate bond; and
  - (v) corporate guarantee from the Company and a subsidiary.
- (b) Finance lease obligations of the Group amounting to \$4.0 million are secured by the rights to the leased equipment, machineries and motor vehicles. Certain directors of the Company have provided personal guarantees for certain 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

	Note	Group		Group	
		Three Months Ended		Twelve Months Ended	
		30.06.19	30.06.18	30.06.19	30.06.18
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
		\$'000	\$'000	\$'000	\$'000
			(Restated)		(Restated)
<b>Cash flows from operating activities</b>					
Profit/ (loss) before income tax		3,203	(2,469)	7,255	(797)
Adjustment for: -					
Depreciation of property, plant and equipment		1,020	973	3,771	3,109
Depreciation of investment property		5	-	18	-
Net loss/(gain) on disposal of property, plant and equipment		14	(55)	33	(87)
Property, plant and equipment written off		-	31	41	32
Amortisation of intangible assets		339	198	848	2,023
Allowance for doubtful receivables		656	38	656	65
Bad debts written off		-	22	-	22
Inventory written off		-	7	-	7
Loss/(gain) on disposal of a subsidiary		40	-	(730)	-
Share of results of associate		22	-	(19)	-
Net fair value gain of other investment		(1,711)	-	(1,711)	-
Interest income		(25)	(34)	(111)	(105)
Interest expense		334	187	1,090	509
<b>Operating cash flows before working capital changes</b>		3,897	(1,102)	11,141	4,778
Contract assets		(14,024)	(212)	(16,482)	(3,224)
Inventories		(698)	86	(1,391)	(222)
Trade and other receivables		15,862	(4,645)	(6,585)	(3,949)
Trade and other payables		(8,344)	464	3,536	(364)
<b>Cash used in operations</b>		(3,307)	(5,409)	(9,781)	(2,981)
Interest received		25	34	127	119
Interest paid		(334)	(187)	(1,090)	(509)
Tax paid		(631)	(2)	(979)	(76)
<b>Net cash used in operating activities</b>		<b>(4,247)</b>	<b>(5,564)</b>	<b>(11,723)</b>	<b>(3,447)</b>
<b>Cash flows from investing activities</b>					
Additions to intangible assets		-	-	-	(60)
Purchases of property, plant and equipment	(A)	(238)	(1,592)	(1,392)	(5,686)
Capitalisation on deposit paid pursuant to acquisition of property		-	-	-	-
Proceeds from disposal of other investments		-	337	-	-
Proceeds from disposal of property, plant and equipment		-	-	193	398
Proceeds from divestment of a subsidiary		-	3,000	-	3,000
Net cash inflow from disposal of a subsidiary	(B)	-	-	63	-
Net cash outflow on acquisition of subsidiaries		-	-	-	-
Net cash outflows on acquisition of business		-	(123)	-	(123)
<b>Net cash (used in)/ generated from investing activities</b>		<b>(238)</b>	<b>1,622</b>	<b>(1,136)</b>	<b>(2,471)</b>

1(c)(i) Consolidated Statement of Cash Flows (Con't)

	Note	Group		Group	
		Three Months Ended		Twelve Months Ended	
		30.06.19	30.06.18	30.06.19	30.06.18
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
		\$'000	\$'000	\$'000	\$'000
<b>Cash flows from financing activities</b>					
Dividend paid		(527)	-	(527)	(1,972)
Purchase of treasury shares		-	-	(322)	(322)
Capital contributed by non-controlling interest		-	-	25	686
(Repayment)/due to related parties (non-trade)		(350)	54	(67)	121
Fixed deposits pledged to banks		(4)	(2)	(50)	(1,111)
Drawdown of bank borrowings		8,270	7,744	20,176	7,424
Repayment of bank borrowings		(3,444)	(4,075)	(9,016)	(1,605)
Repayment of finance lease		(380)	(417)	(1,470)	(1,316)
<b>Net cash generated from financing activities</b>		<b>3,565</b>	<b>3,304</b>	<b>8,749</b>	<b>1,905</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(920)</b>	<b>(638)</b>	<b>(4,110)</b>	<b>(4,013)</b>
<b>Cash and cash equivalents at beginning of financial period/ year</b>		<b>6,119</b>	<b>9,947</b>	<b>9,309</b>	<b>13,322</b>
<b>Cash and cash equivalents at end of financial period/ year</b>		<b>5,199</b>	<b>9,309</b>	<b>5,199</b>	<b>9,309</b>

**Note A**

The Group acquired property, plant and equipment with an aggregate cost of \$3,288,000 (FY2018: \$7,848,000). The additions were by way of cash payments of \$1,392,000 (FY2018: \$5,686,000) and finance lease of \$1,896,000 (FY2018: \$2,162,000).

**Note B**

**Net cash inflows on disposal of a subsidiary**

**\$'000**

Property, plant and equipment	15
Trade and other receivables	42
Cash and bank balances	37
Trade and other payables	(128)
	(34)
Amount accounted for as amount owing by associate company	(348)
Net liabilities disposed	(382)
Less: Non-controlling interest	(172)
Carrying value of net liabilities	(210)
Consideration	100
Less: Cash and cash equivalents of the subsidiary	(37)
Net cash inflow from disposal of a subsidiary	63

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

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

	<b>Group</b>		<b>Group</b>	
	<b>Three Months Ended</b>		<b>Twelve Months Ended</b>	
	<b>30.06.19</b>	<b>30.06.18</b>	<b>30.06.19</b>	<b>30.06.18</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Cash in hand and at bank	<b>3,599</b>	<b>4,826</b>	<b>3,599</b>	<b>4,826</b>
Fixed deposits	5,430	7,374	5,430	7,374
	<b>9,029</b>	<b>12,200</b>	<b>9,029</b>	<b>12,200</b>
Less: Fixed deposits pledged	(2,800)	(2,750)	(2,800)	(2,750)
Less: Bank overdrafts	(1,030)	(141)	(1,030)	(141)
	<b>5,199</b>	<b>9,309</b>	<b>5,199</b>	<b>9,309</b>



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 Group								
	Share capital \$'000	Treasury shares \$'000	Merger reserve \$'000	Foreign currency translation reserve \$'000	Other reserves \$'000	Accumulated profits \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>Balance at 1 July 2017</b>	29,618	(562)	(7,338)	8	(4)	36,038	57,760	1,009	58,769
Effects of adoption of SFRS(I)15	-	-	-	-	-	(6,620)	(6,620)	(312)	(6,932)
<b>At 1 July 2017, restated</b>	29,618	(562)	(7,338)	8	(4)	29,418	51,140	697	51,837
Profit for the period	-	-	-	-	-	1,510	1,510	(94)	1,416
<b>Other comprehensive income</b>									
Foreign currency translation gain	-	-	-	1	-	-	1	-	1
Other comprehensive income for the period, net of tax	-	-	-	1	-	-	1	-	1
Total comprehensive income for the period	-	-	-	1	-	1,510	1,511	(94)	1,417
<b>Contribution by and distributions to equity holders</b>									
Purchase of treasury shares	-	(220)	-	-	-	-	(220)	-	(220)
	-	(220)	-	-	-	-	(220)	-	(220)
<b>Change in ownership interest in subsidiary</b>									
Incorporation of a subsidiary	-	-	-	-	-	-	-	490	490
	-	-	-	-	-	-	-	490	490
Total transactions with equity holders of the Company	-	(220)	-	-	-	-	(220)	490	270
<b>Balance at 30 September 2017</b>	<b>29,618</b>	<b>(782)</b>	<b>(7,338)</b>	<b>9</b>	<b>(4)</b>	<b>30,928</b>	<b>52,431</b>	<b>1,093</b>	<b>53,524</b>

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 Group								
	Share capital \$'000	Treasury shares \$'000	Merger reserve \$'000	Foreign currency translation reserve \$'000	Other reserves \$'000	Accumulated profits \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>Balance at 1 October 2017</b>	29,618	(782)	(7,338)	9	(4)	30,928	52,431	1,093	53,524
Profit for the period	-	-	-	-	-	1,888	1,888	(482)	1,406
<b>Other comprehensive income</b>									
Foreign currency translation gain	-	-	-	5	-	-	5	2	7
Other comprehensive income for the period, net of tax	-	-	-	5	-	-	5	2	7
Total comprehensive income for the period	-	-	-	5	-	1,888	1,893	(480)	1,413
<b>Contribution by and distributions to equity holders</b>									
Dividend	-	-	-	-	-	(1,972)	(1,972)	-	(1,972)
	-	-	-	-	-	(1,972)	(1,972)	-	(1,972)
<b>Change in ownership interest in subsidiary</b>									
Incorporation of a subsidiary	-	-	-	-	-	-	-	196	196
	-	-	-	-	-	-	-	196	196
Total transactions with equity holders of the Company	-	-	-	-	-	(1,972)	(1,972)	196	(1,776)
<b>Balance at 31 December 2017</b>	<b>29,618</b>	<b>(782)</b>	<b>(7,338)</b>	<b>14</b>	<b>(4)</b>	<b>30,844</b>	<b>52,352</b>	<b>809</b>	<b>53,161</b>

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. (Con't)

Group	Attributable to equity holders of the Group								
	Share capital \$'000	Treasury shares \$'000	Merger reserve \$'000	Foreign currency translation reserve \$'000	Other reserves \$'000	Accumulated profits \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>Balance at 1 January 2018</b>	<b>29,618</b>	<b>(782)</b>	<b>(7,338)</b>	<b>14</b>	<b>(4)</b>	<b>30,844</b>	<b>52,352</b>	<b>809</b>	<b>53,161</b>
Profit for the period	-	-	-	-	-	480	480	(288)	192
<b>Other comprehensive income</b>									
Foreign currency translation loss	-	-	-	(2)	-	-	(2)	(2)	(4)
Other comprehensive income for the period, net of tax	-	-	-	(2)	-	-	(2)	(2)	(4)
Total comprehensive income for the period	-	-	-	(2)	-	480	478	(290)	188
<b>Contribution by and distributions to equity holders</b>									
Purchase of treasury shares	-	(102)	-	-	-	-	(102)	-	(102)
Treasury share reissued pursuant to acquisition of a subsidiary	-	628	-	-	(28)	-	600	-	600
	-	526	-	-	(28)	-	498	-	498
Total transactions with equity holders of the Company	-	526	-	-	(28)	-	498	-	498
<b>Balance at 31 March 2018</b>	<b>29,618</b>	<b>(256)</b>	<b>(7,338)</b>	<b>12</b>	<b>(32)</b>	<b>31,324</b>	<b>53,328</b>	<b>519</b>	<b>53,847</b>

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. (Con't)

Group	Attributable to equity holders of the Group								
	Share capital \$'000	Treasury shares \$'000	Merger reserve \$'000	Foreign currency translation reserve \$'000	Other reserves \$'000	Accumulated profits \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>Balance at 1 April 2018</b>	<b>29,618</b>	<b>(256)</b>	<b>(7,338)</b>	<b>12</b>	<b>(32)</b>	<b>31,324</b>	<b>53,328</b>	<b>519</b>	<b>53,847</b>
Loss for the period	-	-	-	-	-	(1,989)	(1,989)	(243)	(2,232)
<b>Other comprehensive income</b>									
Foreign currency translation gain	-	-	-	4	-	-	4	-	4
Other comprehensive income for the period, net of tax	-	-	-	4	-	-	4	-	4
Total comprehensive income for the period	-	-	-	4	-	(1,989)	(1,985)	(243)	(2,228)
<b>Contribution by and distributions to equity holders</b>									
Dividend	-	-	-	-	-	127	127	(127)	-
						127	127	(127)	-
<b>Changes in ownership interest in a subsidiary</b>									
Divestment in a subsidiary	-	-	-	-	1,097	-	1,097	1,903	3,000
	-	-	-	-	1,097	-	1,097	1,903	3,000
Total transactions with equity holders of the Company	-	-	-	-	1,097	127	1,224	1,776	3,000
<b>Balance at 30 June 2018</b>	<b>29,618</b>	<b>(256)</b>	<b>(7,338)</b>	<b>16</b>	<b>1,065</b>	<b>29,462</b>	<b>52,567</b>	<b>2,052</b>	<b>54,619</b>

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. (Con't)

Group	Attributable to equity holders of the Group								
	Share capital \$'000	Treasury shares \$'000	Merger reserve \$'000	Foreign currency translation reserve \$'000	Other reserves \$'000	Accumulated profits \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>Balance at 1 July 2018</b>	<b>29,618</b>	<b>(256)</b>	<b>(7,338)</b>	<b>16</b>	<b>1,065</b>	<b>29,462</b>	<b>52,567</b>	<b>2,052</b>	<b>54,619</b>
Effects of adoption of SFRS(I)15	-	-	-	6	-	(1,396)	(1,390)	339	(1,051)
<b>At 1 July 2018, restated</b>	<b>29,618</b>	<b>(256)</b>	<b>(7,338)</b>	<b>22</b>	<b>1,065</b>	<b>28,066</b>	<b>51,177</b>	<b>2,391</b>	<b>53,568</b>
Profit/(loss) for the period	-	-	-	-	-	796	796	(315)	481
<b>Other comprehensive income</b>									
Foreign currency translation gain	-	-	-	24	-	-	24	5	29
Other comprehensive income for the period, net of tax	-	-	-	24	-	-	24	5	29
Total comprehensive income for the period	-	-	-	24	-	796	820	(310)	510
<b>Contribution by and distributions to equity holders</b>									
Dividend	-	-	-	-	-	(528)	(528)	-	(528)
Purchase of treasury shares	-	(56)	-	-	-	-	(56)	-	(56)
	-	(56)	-	-	-	(528)	(584)	-	(584)
Total transactions with equity holders of the Company	-	(56)	-	-	-	(528)	(584)	-	(584)
<b>Balance at 30 September 2018</b>	<b>29,618</b>	<b>(312)</b>	<b>(7,338)</b>	<b>46</b>	<b>1,065</b>	<b>28,334</b>	<b>51,413</b>	<b>2,081</b>	<b>53,494</b>

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. (Con't)

Group	Attributable to equity holders of the Group								
	Share capital \$'000	Treasury shares \$'000	Merger reserve \$'000	Foreign currency translation reserve \$'000	Other reserves \$'000	Accumulated profits \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>Balance at 1 October 2018</b>	<b>29,618</b>	<b>(312)</b>	<b>(7,338)</b>	<b>46</b>	<b>1,065</b>	<b>28,334</b>	<b>51,413</b>	<b>2,081</b>	<b>53,494</b>
Profit/(loss) for the period	-	-	-	-	-	1,331	1,331	(64)	1,267
<b>Other comprehensive income</b>									
Foreign currency translation loss	-	-	-	(2)	-	-	(2)	-	(2)
Other comprehensive income for the period, net of tax	-	-	-	(2)	-	-	(2)	-	(2)
Total comprehensive income for the period	-	-	-	(2)	-	1,331	1,329	(64)	1,265
<b>Contribution by and distributions to equity holders</b>									
Issuance of new shares	-	-	-	-	-	-	-	25	25
Purchase of treasury shares	-	(66)	-	-	-	-	(66)	-	(66)
	-	(66)	-	-	-	-	(66)	25	(41)
Total transactions with equity holders of the Company	-	(66)	-	-	-	-	(66)	25	(41)
<b>Balance at 31 December 2018</b>	<b>29,618</b>	<b>(378)</b>	<b>(7,338)</b>	<b>44</b>	<b>1,065</b>	<b>29,665</b>	<b>52,676</b>	<b>2,042</b>	<b>54,718</b>

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. (Con't)

Group	Attributable to equity holders of the Group								
	Share capital \$'000	Treasury shares \$'000	Merger reserve \$'000	Foreign currency translation reserve \$'000	Other reserves \$'000	Accumulated profits \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>Balance at 1 January 2019</b>	<b>29,618</b>	<b>(378)</b>	<b>(7,338)</b>	<b>44</b>	<b>1,065</b>	<b>29,665</b>	<b>52,676</b>	<b>2,042</b>	<b>54,718</b>
Profit/(loss) for the period	-	-	-	-	-	1,687	1,687	(289)	1,398
<b>Other comprehensive income</b>									
Foreign currency translation loss	-	-	-	(1)	-	-	(1)	(2)	(3)
Other comprehensive income for the period, net of tax	-	-	-	(1)	-	-	(1)	(2)	(3)
Total comprehensive income for the period	-	-	-	(1)	-	1,687	1,686	(291)	1,395
<b>Contribution by and distributions to equity holders</b>									
Purchase of treasury shares	-	(200)	-	-	-	-	(200)	-	(200)
	-	(200)	-	-	-	-	(200)	-	(200)
<b>Changes in ownership interest in a subsidiary</b>									
Disposal of a subsidiary	-	-	-	-	-	482	482	(299)	183
	-	-	-	-	-	482	482	(299)	183
Total transactions with equity holders of the Company	-	(200)	-	-	-	482	282	(299)	(17)
<b>Balance at 31 March 2019</b>	<b>29,618</b>	<b>(578)</b>	<b>(7,338)</b>	<b>43</b>	<b>1,065</b>	<b>31,834</b>	<b>54,644</b>	<b>1,452</b>	<b>56,096</b>

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. (Con't)

Group	Attributable to equity holders of the Group								
	Share capital \$'000	Treasury shares \$'000	Merger reserve \$'000	Foreign currency translation reserve \$'000	Other reserves \$'000	Accumulated profits \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>Balance at 1 April 2019</b>	<b>29,618</b>	<b>(578)</b>	<b>(7,338)</b>	<b>43</b>	<b>1,065</b>	<b>31,834</b>	<b>54,644</b>	<b>1,452</b>	<b>56,096</b>
Profit for the period	-	-	-	-	-	2,943	2,943	214	3,157
<b>Other comprehensive income</b>									
Foreign currency translation gain	-	-	-	1	-	-	1	-	1
Other comprehensive income for the period, net of tax	-	-	-	1	-	-	1	-	1
Total comprehensive income for the period	-	-	-	1	-	2,943	2,944	214	3,158
<b>Contribution by and distributions to equity holders</b>									
Dividend	-	-	-	-	-	15	15	(15)	-
	-	-	-	-	-	-	-	-	-
<b>Changes in ownership interest in a subsidiary</b>									
Divestment in a subsidiary	-	-	-	-	-	(483)	(483)	472	(11)
	-	-	-	-	-	(483)	(483)	472	(11)
Total transactions with equity holders of the Company	-	-	-	-	-	(468)	(468)	457	(11)
<b>Balance at 30 June 2019</b>	<b>29,618</b>	<b>(578)</b>	<b>(7,338)</b>	<b>44</b>	<b>1,065</b>	<b>34,309</b>	<b>57,120</b>	<b>2,123</b>	<b>59,243</b>



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. (Con't)

Attributable to equity holders of the Company

Company	Share capital \$'000	Treasury shares \$'000	Merger reserve \$'000	Other reserves \$'000	Accumulated profits \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>Balance at 1 July 2017</b>	<b>29,618</b>	<b>(562)</b>	-	<b>103</b>	<b>14,597</b>	<b>43,756</b>	-	<b>43,756</b>
Profit and total comprehensive income for the period	-	-	-	-	579	579	-	579
<b>Contribution by and distributions to equity holders</b>								
Purchase of treasury shares	-	(220)	-	-	-	(220)	-	(220)
	-	(220)	-	-	-	(220)	-	(220)
<b>Balance at 30 September 2017</b>	<b>29,618</b>	<b>(782)</b>	-	<b>103</b>	<b>15,176</b>	<b>44,115</b>	-	<b>44,115</b>
Profit and total comprehensive income for the period	-	-	-	-	2,059	2,059	-	2,059
<b>Contribution by and distributions to equity holders</b>								
Dividend	-	-	-	-	(1,844)	(1,844)	-	(1,844)
	-	-	-	-	(1,844)	(1,844)	-	(1,844)
<b>Balance at 31 December 2017</b>	<b>29,618</b>	<b>(782)</b>	-	<b>103</b>	<b>15,391</b>	<b>44,330</b>	-	<b>44,330</b>

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. (Con't)

Attributable to equity holders of the Company

Company	Share capital \$'000	Treasury shares \$'000	Merger reserve \$'000	Other reserves \$'000	Accumulated profits \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>Balance at 1 January 2018</b>	<b>29,618</b>	<b>(782)</b>	-	<b>103</b>	<b>15,391</b>	<b>44,330</b>	-	<b>44,330</b>
Profit and total comprehensive income for the period	-	-	-	-	703	703	-	703
<b>Contribution by and distributions to equity holders</b>								
Treasury shares reissued pursuant to acquisition of a subsidiary	-	628	-	(28)	-	600	-	600
Purchase of treasury shares	-	(102)	-	-	-	(102)	-	(102)
	-	526	-	(28)	-	498	-	498
<b>Balance at 31 March 2018</b>	<b>29,618</b>	<b>(256)</b>	-	<b>75</b>	<b>16,094</b>	<b>45,531</b>	-	<b>45,531</b>
Profit and total comprehensive income for the period	-	-	-	-	56	56	-	56
<b>Balance at 30 June 2018</b>	<b>29,618</b>	<b>(256)</b>	-	<b>75</b>	<b>16,150</b>	<b>45,587</b>	-	<b>45,587</b>

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. (Con't)

Attributable to equity holders of the Company

Company	Share Capital \$'000	Treasury shares \$'000	Merger reserve \$'000	Other reserves \$'000	Accumulated profits \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>Balance at 1 July 2018</b>	29,618	(256)	-	75	16,150	45,587	-	45,587
Profit and total comprehensive income for the period	-	-	-	-	1,141	1,141	-	1,141
<b>Contribution by and distributions to equity holders</b>								
Dividend	-	-	-	-	(513)	(513)	-	(513)
Purchase of treasury shares	-	(56)	-	-	-	(56)	-	(56)
	-	(56)	-	-	(513)	(569)	-	(569)
<b>Balance at 30 September 2018</b>	<b>29,618</b>	<b>(312)</b>	<b>-</b>	<b>75</b>	<b>16,778</b>	<b>46,159</b>	<b>-</b>	<b>46,159</b>
Profit and total comprehensive income for the period	-	-	-	-	118	118	-	118
<b>Contribution by and distributions to equity holders</b>								
Purchase of treasury shares	-	(66)	-	-	-	(66)	-	(66)
	-	(66)	-	-	-	(66)	-	(66)
<b>Balance at 31 December 2018</b>	<b>29,618</b>	<b>(378)</b>	<b>-</b>	<b>75</b>	<b>16,896</b>	<b>46,211</b>	<b>-</b>	<b>46,211</b>

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. (Con't)

Attributable to equity holders of the Company

Company	Share Capital \$'000	Treasury shares \$'000	Merger reserve \$'000	Other reserves \$'000	Accumulated profits \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>Balance at 1 January 2018</b>	29,618	(378)	-	75	16,896	46,211	-	46,211
Profit and total comprehensive income for the period	-	-	-	-	96	96	-	96
<b>Contribution by and distributions to equity holders</b>								
Purchase of treasury shares	-	(200)	-	-	-	(200)	-	(200)
	-	(200)	-	-	-	(200)	-	(200)
<b>Balance at 31 March 2019</b>	<b>29,618</b>	<b>(578)</b>	<b>-</b>	<b>75</b>	<b>16,992</b>	<b>46,107</b>	<b>-</b>	<b>46,107</b>
Profit and total comprehensive income for the period	-	-	-	-	1,083	1,083	-	1,083
<b>Balance at 30 June 2019</b>	<b>29,618</b>	<b>(578)</b>	<b>-</b>	<b>75</b>	<b>18,075</b>	<b>47,190</b>	<b>-</b>	<b>47,190</b>

**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 the number of shares that may be issued on conversion of all the 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.**

	Financial Year 2019		Financial Year 2018	
	Issued Ordinary Shares (excluding Treasury Shares)	Treasury Shares	Issued Ordinary Shares (excluding Treasury Shares)	Treasury Shares
<b>As at 1 July</b>	285,130,562	736,028	284,387,041	1,479,549
Share buyback during the financial year	(1,506,900)	1,506,900	(925,000)	925,000
Treasury shares reissued pursuant to the acquisition of a subsidiary	1,444,460	(1,444,460)	1,668,521	(1,668,521)
<b>As at 30 June</b>	<b>285,068,122</b>	<b>798,468</b>	<b>285,130,562</b>	<b>736,028</b>
<b>Percentage (%) of treasury shares against total number of shares outstanding as at 30 June</b>		<b>0.3%</b>		<b>0.3%</b>

There were no subsidiary holdings and outstanding convertible instruments which may be converted to shares as at 30 June 2019 and 30 June 2018.

**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 30.06.19	As at 30.06.18
Number of ordinary shares issued and fully paid	285,866,590	285,866,590
Treasury shares	(798,468)	(736,028)
Number of ordinary shares issued and fully paid (excluding treasury shares)	<b>285,068,122</b>	<b>285,130,562</b>

**1(d)(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.**

1,444,460 treasury shares were transferred to the vendor of ISO-Integrated M&E Pte. Ltd. pursuant to the acquisition of the subsidiary during the year ended 30 June 2019. Subsequent to the aforementioned transfer, the number of treasury shares is 798,468.

**1(d)(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.**

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 auditor.

**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 2018, except that the Group has adopted Singapore Financial Reporting Standards (International) ("SFRS(I)") which are effective for financial year ended 30 June 2019. The Group has also concurrently applied SFRS (I) 15 Revenue from Contracts with Customers and SFRS(I) 9 Financial Instruments.

The Group has applied the changes in accounting policies retrospectively to each reporting period/year presented, using the full retrospective approach. The Group also applied practical expedients for completed contracts where completed projects that begin and end within the same year or are completed contracts at 1 July 2017 are not restated.

There is no material impact on the financial results in adopting SFRS(I) and applying specific transition requirement under SFRS(I) 1 and SFRS(I) 9, except for the effects of the adoption of SFRS(I) 15, which are discussed below.

SFRS(I) 15 Revenue from Contracts with Customers

Before 1 July 2018, the Group recognises construction contract revenue by reference to the stage of completion of the contract activity at the end of each reporting period, when the outcome of a construction contract can be estimated reliably. The stage of completion is measured by reference to the professional's certification of value work done to date, approved variations and customer acknowledgement of work completed. Upon adoption of SFRS(I) 15, the Group will continue to recognise contract revenue over time by measuring the progress towards complete satisfaction of performance obligation in transferring control to customers. Under the new standard, the methods of measuring progress include output methods or input methods. The Group has determined that the output method reflects the over-time transfer of control to customers.

The following reconciliations summarise the impacts on initial application of SFRS(I) 1 and SFRS(I) 15 on the Group's financial statements.

	3 months ended 30 June 2018			12 months ended 30 June 2018		
	As previously reported	Effects	Restated	As previously reported	Effects	Restated
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Consolidated Statement of Comprehensive Income</b>						
Revenue	20,215	-	20,215	83,801	-	83,801
Cost of sales	(17,981)	(315)	(18,296)	(68,914)	(1,924)	(70,838)
Gross profit	2,234	(315)	1,919	14,887	(1,924)	12,963
Other income	284	-	284	1,860	-	1,860
Marketing and distribution expenses	(659)	88	(571)	(1,813)	88	(1,725)
General and administrative expenses	(4,566)	777	(3,789)	(13,664)	777	(12,887)
Finance costs	(202)	-	(202)	(570)	-	(570)
Other operating expenses	(110)	-	(110)	(438)	-	(438)
<b>(Loss)/profit before tax</b>	<b>(3,019)</b>	<b>550</b>	<b>(2,469)</b>	<b>262</b>	<b>(1,059)</b>	<b>(797)</b>
Tax credit	787	-	787	520	-	520
<b>(Loss)/profit for the period/year</b>	<b>(2,232)</b>	<b>550</b>	<b>(1,682)</b>	<b>782</b>	<b>(1,059)</b>	<b>(277)</b>
(Loss)/ profit attributable to:						
Equity holders of the Company	(1,989)	129	(1,860)	1,889	(1,398)	491
Non-controlling interests	(243)	421	178	(1,107)	339	(768)
	(2,232)	550	(1,682)	782	(1,059)	(277)
<b>Statement of Comprehensive Income</b>						
(Loss)/ profit for the period/ year	(2,232)	550	(1,682)	782	(1,059)	(277)
<b>Other comprehensive income:</b>						
<b>Items that may be reclassified subsequently to profit or loss:</b>						
Foreign currency translation gain	4	8	12	8	8	16
<b>Other comprehensive income for the period/ year, net of tax</b>	<b>4</b>	<b>8</b>	<b>12</b>	<b>8</b>	<b>8</b>	<b>16</b>
<b>Total comprehensive (loss)/ income for the period/ year</b>	<b>(2,228)</b>	<b>558</b>	<b>(1,670)</b>	<b>790</b>	<b>(1,051)</b>	<b>(261)</b>
<b>Total comprehensive (loss)/ income attributable to:</b>						
Equity holders of the Company	(1,985)	136	(1,849)	1,897	(1,391)	506
Non-controlling interests	(243)	422	179	(1,107)	340	(767)
	(2,228)	558	(1,670)	790	(1,051)	(261)

Statements of Financial Position

	As at 1 July 2017			As at 30 June 2018		
	As previously reported	Effects	Restated	As previously reported	Effects	Restated
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>						
<b><u>Non-current assets</u></b>						
Property, plant and equipment	29,725	-	29,725	34,238	-	34,238
Goodwill	2,658	-	2,658	2,658	-	2,658
Intangible assets	4,650	-	4,650	2,923	-	2,923
Other investments	6,462	-	6,462	6,048	-	6,048
	43,495		43,495	45,867		45,867
<b><u>Current assets</u></b>						
Due from customers for contract work-in progress	20,332	(20,332)	-	24,422	(24,422)	-
Contract assets	-	12,437	12,437	-	15,661	15,661
Inventories	271	-	271	486	-	486
Trade and other receivables	23,265	396	23,661	26,887	778	27,665
Cash and bank balances	14,830	-	14,830	12,200	-	12,200
<b>Total current assets</b>	58,698		51,199	63,995		56,012
<b>Total assets</b>	<b>102,193</b>		<b>94,694</b>	<b>109,862</b>		<b>101,879</b>
<b><u>Non-current liabilities</u></b>						
Finance lease liabilities	1,752	-	1,752	2,478	-	2,478
Other payable	600	-	600	-	-	-
Deferred tax liabilities	1,575	-	1,575	1,160	-	1,160
Bank borrowings	11,701	-	11,701	12,101	-	12,101
<b>Total non-current liabilities</b>	15,628		15,628	15,739		15,739
<b><u>Current liabilities</u></b>						
Due to customers for contract work-in progress	2,371	(2,371)	-	3,477	(3,477)	-
Bank borrowings	6,408	-	6,408	11,699	-	11,699
Trade and other payables	17,887	1,804	19,691	16,106	3,477	19,583
Finance lease liabilities	972	-	972	1,150	-	1,150
Tax payables	158	-	158	140	-	140
<b>Total current liabilities</b>	27,796		27,229	32,572		32,572
<b>Total liabilities</b>	<b>43,424</b>		<b>42,857</b>	<b>48,311</b>		<b>48,311</b>
<b>Net assets</b>	<b>58,769</b>		<b>51,837</b>	<b>61,551</b>		<b>53,568</b>



	As at 1 July 2017			As at 30 June 2018		
	As previously reported	Effects	Restated	As previously reported	Effects	Restated
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Share capital and reserves</b>						
Share capital	29,618	-	29,618	29,618	-	29,618
Treasury shares	(562)	-	(562)	(256)	-	(256)
Accumulated profits	36,038	(6,620)	29,418	36,082	(8,016)	28,066
Foreign currency translation reserve	8	-	8	16	6	22
Merger reserve	(7,338)	-	(7,338)	(7,338)	-	(7,338)
Other reserve	(4)	-	(4)	1,065	-	1,065
Equity attributable to equity holders of the Company	57,760	-	51,140	59,187		51,177
Non-controlling interests	1,009	(312)	697	2,364	27	2,391
<b>Total equity</b>	<b>58,769</b>		<b>51,837</b>	<b>61,551</b>		<b>53,568</b>

In addition, the Group has reviewed the estimate useful life of renovation and it also quantified the impact arising from change of estimate useful life. In December 2018, the useful life of renovation has been extended from 5 years to 10 years. The revised depreciation rates are applied prospectively. This change has reduced current period depreciation charges of the Group by approximately \$0.9m.

**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.**

Earnings per share ("EPS")	Group		Group	
	Three Months Ended		Twelve Months Ended	
	30.06.19	30.06.18	30.06.19	30.06.18
Profit/(loss) attributable to equity holders of the Company (\$'000)	2,943	(1,860)	6,757	491
Weighted average number of ordinary shares <sup>(1)</sup>	285,068,122	285,130,562	284,725,505	284,508,757
<b>Basic and diluted EPS based on weighted average number of ordinary shares (cents)<sup>(2)</sup></b>	<b>1.03</b>	<b>(0.65)</b>	<b>2.37</b>	<b>0.17</b>

**Notes:**

- (1) The calculation for the basic and diluted EPS for the respective financial years is based on the weighted average number of ordinary shares in issue during the financial years.
- (2) The basic and diluted EPS were the same as the Group did not have any potentially dilutive instruments for the respective financial years.

**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 asset value ("NAV")	Group		Company	
	As at	As at	As at	As at
	30.06.19	30.06.18	30.06.19	30.06.18
NAV (\$'000)	57,120	51,177	47,190	45,587
Number of ordinary shares	285,068,122	285,130,562	285,068,122	285,130,562
NAV per ordinary share (cents)	<b>20.04</b>	<b>17.95</b>	<b>16.55</b>	<b>15.99</b>

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	Group					Group				
	Three Months Ended					Twelve Months Ended				
	30.06.19		30.06.18		Change	30.06.19		30.06.18		Change
	\$'000	%	\$'000	%	%	\$'000	%	\$'000	%	%
R&R <sup>(1)</sup>	11,435	34.6	4,508	22.3	153.7	27,258	20.0	19,765	23.6	37.9
A&A <sup>(1)</sup>	10,020	30.2	9,439	46.7	6.2	67,674	49.5	36,236	43.2	86.8
C&P <sup>(1)</sup>	2,117	6.4	2,247	11.1	(5.8)	14,350	10.5	9,895	11.8	45.0
Others <sup>(2)</sup>	9,519	28.8	4,021	19.9	136.7	27,319	20.0	17,905	21.4	52.6
	<b>33,091</b>	<b>100.0</b>	<b>20,215</b>	<b>100.0</b>	<b>63.7</b>	<b>136,601</b>	<b>100.0</b>	<b>83,801</b>	<b>100.0</b>	<b>63.0</b>

**Note:**

- (1) R&R: Repairs & Redecoration; A&A: Addition & Alteration; C&P: Coating & Painting.
- (2) Others include revenue from commercial interior designs ("ID"), home retrofitting business, landscaping works, leasing service, waterproofing, green solutions business, mechanical & electrical engineering works and handyman service.

#### Revenue

##### **4QFY2019 vs 4QFY2018 and FY2019 vs FY2018**

Group revenue increased by \$12.9 million or 63.7% from \$20.2 million in 4QFY2018 to \$33.1 million in 4QFY2019 and increased by \$52.8 million or 63.0% from \$83.8 million in FY2018 to \$136.6 million in FY2019.

In 4QFY2019, the revenue contributed by R&R, A&A and Others business segments have increased and it was offset by decreased in revenue from the C&P business segment. In FY2019, the revenue contributed by all business segments increased significantly.

#### Gross profit and gross profit margin

##### **4QFY2019 vs 4QFY2018 and FY2019 vs FY2018**

The Group's gross profit increased by \$4.7 million or 249.7% from \$2.0 million in 4QFY2018 to \$6.7 million in 4QFY2019 and increased by \$8.6 million or 66.9% from \$13.0 million in FY2018 to \$21.6 million in FY2019.

### **Other income**

#### **4QFY2019 vs 4QFY2018 and FY2019 vs FY2018**

The Group's other income increased by \$1.3 million or 453.2% from \$0.3 million in 4QFY2018 to \$1.6 million in 4QFY2019 and increased by \$1.2 million or 67.2% from \$1.9 million in FY2018 to \$3.1 million in FY2019. The increase was mainly due to fair value gain on investment offset by lesser government grants received.

### **Marketing and distribution expenses**

#### **4QFY2019 vs 4QFY2018 and FY2019 vs FY2018**

The Group's marketing and distribution expenses decreased by \$0.4 million or 60.6% from \$0.6 million in 4QFY2018 to \$0.2 million in FY2019 and decreased by \$0.5 million or 32.0% from \$1.7 million in FY2018 to \$1.2 million in FY2019. The decrease was mainly due to lower in motor vehicle related expenses.

### **General and administrative expenses**

#### **4QFY2019 vs 4QFY2018 and FY2019 vs FY2018**

The Group's general and administrative expenses increased by \$0.6 million or 15.5% from \$3.8 million in 4QFY2018 to \$4.4 million in 4QFY2019 and increase by \$1.9 million or 14.5% from \$12.9 million in FY2018 to \$14.8 million in FY2019. The increase was mainly attributed to the depreciation of property and renovation of the office building, and expected credit losses allowance of \$0.6 million after adoption of SFRS(I) 9.

### **Finance costs**

#### **4QFY2019 vs 4QFY2018 and FY2019 vs FY2018**

The Group's finance costs increased by \$0.2 million or 77.2% from \$0.2 million in 4QFY2018 to \$0.4 million in 4QFY2019 and increased by \$0.6 million or 104.2% from \$0.6 million in FY2018 to \$1.2 million in FY2019. This was mainly attributed to an increase in borrowings to finance the purchase of the office building and working capital needs for certain sizable projects.

### **Profit before tax**

#### **4QFY2019 vs 4QFY2018 and FY2019 vs FY2018**

As a result of the above, the Group recorded a profit before tax of \$3.2 million in 4QFY2019 and \$7.2 million in FY2019 as compared to a loss before tax of \$2.5 million in 4QFY2018 and loss before tax of \$0.8 million in FY2018.

### **Tax expenses**

#### **4QFY2019 vs 4QFY2018 and FY2019 vs FY2018**

The Group's tax expenses increased by \$0.8 million or 105.8% from \$0.7 million tax credit in 4QFY2018 to \$0.1 million tax expenses in 4QFY2019 and increased by \$1.5 million or 283.1% from \$0.5 million tax credit in FY2018 to \$1.0 million tax expenses in FY2019. The increase was mainly due to higher profit generated by the Group and the lack of tax incentives.

## **REVIEW OF FINANCIAL POSITION**

### **Non-current assets**

The Group's non-current assets decreased by \$1.8 million or 3.9% from \$45.9 million as at 30 June 2018 to \$44.1 million as at 30 June 2019, mainly due to the depreciation of property, plant and equipment ("PPE"), amortisation of intangible assets, disposal of PPE and reclassification to asset held for sale which was offset by the acquisition of PPE and investment in associates.

### **Current assets**

The increase in current assets of \$22.9 million or 40.9% from \$56.0 million as at 30 June 2018 to \$78.9 million as at 30 June 2019 was mainly due to the increase in contract assets, asset held for sale, inventories, trade and other receivables which were partially offset by a decrease in cash and bank balances.

The significant increase in trade and other receivables of approximately \$5.8 million mainly arose from the billings to a major customer which is expected to be collected upon the completion of final account.

### **Non-current liabilities**

The decrease in non-current liabilities of \$2.1 million or 13.7% from \$15.7 million as at 30 June 2018 to \$13.6 million as at 30 June 2019 was mainly due to the repayment of bank borrowings which were partially offset by an increase in finance lease liabilities.

### **Current liabilities**

The increase in current liabilities of \$17.6 million or 54.0% from \$32.6 million as at 30 June 2018 to \$50.2 million as at 30 June 2019 was mainly due to the increase in bank borrowings, trade and other payables, finance lease liabilities and tax payables.

## **REVIEW OF STATEMENT OF CASH FLOWS**

### **Net cash used in operating activities**

#### **4QFY2019**

Net cash used in operating activities amounted to \$4.2 million in 4QFY2019 which was mainly due to an increase in contract assets, inventories and decrease in trade and other payables which were partially offset by decrease in trade and other receivables and increased in operating cash flow before changes in working capital.

#### **FY2019**

Net cash used in operating activities amounted to \$11.7 million in FY2019 which was mainly due to increase in contract assets, trade and other receivables including billings to a major customer of approximately \$5.8 million which is expected to be collected upon completion of final account and inventories which were offset by an increase in trade and other payables, and operating cash flow before changes in working capital.

**Net cash (used in)/ generated from investing activities**

**4Q FY2019 and FY2019**

Net cash used in investing activities amounted to \$0.2 million in 4QFY2019 and \$1.1 million in FY2019 mainly due to the purchase of PPE.

**Net cash generated from financing activities**

**4QFY2019 and FY2019**

Net cash generated from financing activities of \$3.6 million in 4QFY2019 and \$8.7 million in FY2019 was mainly due to drawdown of bank borrowings which were partially offset by repayment of bank borrowings, finance lease liabilities and amounts due to related parties.

**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 business environment in Singapore remains challenging with continuous pressure on contract value and stiff competition for new projects to be secured. Despite the challenging operating environment, the Group's order book as at 31 July 2019 remained strong at \$113.5 million, and which is expected to be delivered over the next two years.

The Group continues to look for growth opportunities abroad to diversify its geographical base and revenue streams. The recent proposed acquisition of the Pure Group entities will enable the Group to strengthen its existing capabilities to offer the full suite of project and management services in addition to its existing core businesses and overseas expansion plans. In addition, the Group will be able to leverage on the networks and capabilities of the target companies to increase business opportunities for the Group.

As an eco-conscious company, the Group has also entered into an asset transfer agreement with Singapore Mobike Pte. Ltd. ("Mobike") to purchase an additional 25,000 bicycles and the license issued by the Land Transport Authority of Singapore in respect of the bicycles. The proposed acquisition of Mobike will enable its subsidiary, SG Bike Pte. Ltd. to enhance a strong foothold as the market leader in the bike sharing industry in Singapore.

In light of this, the Group remains cautiously optimistic on the outlook of the Group in the next 12 months, and it will continue to tender for public and private sector projects leveraging on its strong track record and proven expertise.

**11 Dividend**

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

A final dividend has been recommended in respect of the current financial year ended 30 June 2019.

Name of dividend	Final (proposed)
Dividend type:	Cash
Dividend amount per ordinary share (cents):	0.42
Tax rate:	Tax exempt (1-Tier)

The Directors are pleased to propose a final tax-exempt (one-tier) dividend of 0.42 cents per ordinary share in respect of FY2019 for approval by shareholders at the forthcoming Annual General Meeting, amounting to \$1.2 million based on 285,068,122 ordinary shares.

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

A final tax-exempt (one-tier) dividend of 0.18 cent per ordinary share was declared in respect of FY2018.

**(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).

**14 Confirmation by the Company Pursuant to Rule 720(1) of the Listing Manual of SGX-ST.**

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7H) pursuant to Rule 720(1) of the Listing Manual of the SGX-ST.

**15 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.**

<b>FY 2019</b>	<b>R&amp;R \$'000</b>	<b>A&amp;A \$'000</b>	<b>C&amp;P \$'000</b>	<b>Others \$'000</b>	<b>Total \$'000</b>
<b>Segment revenue</b>	27,258	67,674	14,350	27,319	<b>136,601</b>
<b>Segment profits</b>	1,623	6,504	1,224	3,635	<b>12,986</b>
Depreciation and amortisation					(4,637)
Other non-cash expense					(41)
Interest income					111
Finance costs					(1,164)
<b>Profit before tax</b>					<b>7,255</b>
<b>Segment assets</b>	16,076	25,776	6,912	23,956	72,720
<b>Unallocated assets</b>					50,262
<b>Total assets</b>					<b>122,982</b>
<b>Segment liabilities</b>	1,834	8,547	68	10,979	21,428
<b>Unallocated liabilities</b>					42,311
<b>Total liabilities</b>					<b>63,739</b>
<b>FY 2018 (Restated)</b>					
<b>Segment revenue</b>	19,765	36,236	9,895	17,905	<b>83,801</b>
<b>Segment profits</b>	738	3,589	933	(421)	<b>4,839</b>
Depreciation and amortisation					(5,132)
Other non-cash expense					(39)
Interest income					105
Finance costs					(570)
<b>Profit before tax</b>					<b>(797)</b>
<b>Segment assets</b>	8,815	20,143	4,554	18,893	52,405
<b>Unallocated assets</b>					49,474
<b>Total assets</b>					<b>101,879</b>
<b>Segment liabilities</b>	1,229	6,722	247	10,439	18,637
<b>Unallocated liabilities</b>					29,674
<b>Total liabilities</b>					<b>48,311</b>

The Group's revenues from external customers derived predominantly from customers in Singapore. The non-current assets of the Group are predominantly located in Singapore.

**16 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.



17. **A breakdown of sales.**

	<u>Group</u>		Change
	<u>30.06.19</u>	<u>30.06.18</u>	
	\$'000	\$'000	%
Sales reported for first half year	<u>73,133</u>	<u>48,859</u>	49.7
Operating profit after tax before deducting minority interest reported for first half year	<u>1,748</u>	<u>2,822</u>	(38.1)
Sales reported for second half year	<u>63,468</u>	<u>34,942</u>	81.6
Operating profit/(loss) after tax before deducting minority interest reported for second half year	<u>4,555</u>	<u>(3,099)</u>	(247.0)

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

<b>Total annual dividend</b>	<b>FY2019</b>	<b>FY2018</b>
	<b>\$'000</b>	<b>S'000</b>
Ordinary shares	<u>513</u>	<u>1,972</u>

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 2019**

**Anthony Koh Thong Huat**

**CEO**

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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").

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 contact person for the Sponsor is Mr Tang Yeng Yuen, Vice President, Head of Corporate Finance, at 16 Raffles Quay, #01-05 Hong Leong Building, Singapore 048581, Telephone (65) 6415 9886.