



**UNAUDITED FIRST QUARTER (“1Q2015”) FINANCIAL STATEMENT ANNOUNCEMENT  
FOR THE PERIOD ENDED 31 JULY 2014**

**1(a)(i) A consolidated statement of comprehensive income (for the Group), together with a comparative statement for the corresponding period/year of the immediately preceding financial period/year.**

(In S\$'000) Description	Group		
	1Q2015	1Q2014	Change (%)
<b>Revenue</b>	25,780	21,393	20.5
Cost of sales	(19,119)	(16,057)	19.1
<b>Gross profit</b>	<b>6,661</b>	<b>5,336</b>	24.8
Other income	15	411	(96.4)
Distribution expenses	(1,672)	(1,319)	26.8
Administrative expenses	(3,235)	(1,455)	122.3
<b>Profit from operating activities</b>	<b>1,769</b>	<b>2,973</b>	(40.5)
Finance income	359	334	7.5
Finance costs	(331)	(67)	94.0
<b>Net finance income / (costs)</b>	<b>28</b>	<b>267</b>	89.5
<b>Profit before tax</b>	<b>1,797</b>	<b>3,240</b>	(44.5)
Tax expense	(397)	(583)	(31.9)
<b>Profit for the period</b>	<b>1,400</b>	<b>2,657</b>	(47.3)
<i>Exchange differences arising from translation of the financial statements of the subsidiaries whose functional currency is different from that of the Company</i>	67	961	(93.0)
<i>Net changes in the fair value of available-for-sale financial assets</i>	(472)	(34)	n.m
<i>Deferred tax arising from available-for-sale financial assets</i>	33	6	n.m
<i>Other comprehensive income for the period, net of tax</i>	(372)	933	(n.m)
<b>Total comprehensive income for the period</b>	<b>1,028</b>	<b>3,590</b>	(71.4)
Profit attributable to owners of the Company	1,400	2,657	(47.3)
<b>Total comprehensive income attributable to owners of the Company</b>	<b>1,028</b>	<b>3,590</b>	(71.4)

Note:

n.m denotes not meaningful where there is no comparative or the fluctuation is more than 100%

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**1(a)(ii) The statement of comprehensive income is arrived after (charging)/crediting the following:**

(In S\$'000) Description	Group		Change (%)
	1Q2015	1Q2014	
Depreciation of property, plant and equipment	(164)	(83)	96.4
Gain on disposal of property, plant and equipment	4	5	(16.0)
Gain on disposal of securities shares	316	-	n.m
Forfeited deposits from customers	-	360	n.m
Interest income	38	25	56.0
Interest costs	(50)	(1)	n.m
Amortisation of intangible assets	(340)	-	n.m
Amortisation of land lease prepayment	(64)	(88)	27.3
Foreign exchange gain / (losses)	(261)	295	n.m
Dividend income	4	14	n.m
Other miscellaneous income	9	46	(80.4)
Net changes in fair value of financial assets at fair value through profit or loss	(20)	(66)	64.3

Note:

n.m denotes not meaningful where there is no comparative or the fluctuation is more than 100%

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

(In S\$'000) Description	Group		Company	
	31 July 2014	30 April 2014	31 July 2014	30 April 2014
<b>ASSETS</b>				
<u>Non-current Assets</u>				
Property, plant and equipment	9,206	7,455	-	-
Land lease prepayment	7,264	7,388	-	-
Investment in subsidiaries	-	-	18,625	18,625
Intangible assets	9,901	10,241	-	-
Other financial assets	776	1,385	-	-
Club memberships	486	486	-	-
Deferred tax assets	729	729	-	-
<b>Total non-current assets</b>	<b>28,362</b>	<b>27,684</b>	<b>18,625</b>	<b>18,625</b>
<u>Current Assets</u>				
Cash and cash equivalents	35,907	36,388	9,130	10,046
Inventories	23,725	22,525	-	-
Trade and other receivables	11,679	15,380	14,584	14,220
Contract work-in-progress	14,822	10,805	-	-
<b>Total current assets</b>	<b>86,133</b>	<b>85,098</b>	<b>23,714</b>	<b>24,266</b>
<b>TOTAL ASSETS</b>	<b>114,495</b>	<b>112,782</b>	<b>42,339</b>	<b>42,891</b>
<b>LIABILITIES AND EQUITY</b>				
<u>Current Liabilities</u>				
Trade and other payables	28,132	29,111	653	1,329
Loans and borrowings	14,997	13,474	-	-
Current tax liabilities	1,560	1,355	19	76
<b>Total current liabilities</b>	<b>44,689</b>	<b>43,940</b>	<b>672</b>	<b>1,405</b>
<u>Non-current Liabilities</u>				
Other payables	8,670	8,670	8,670	8,670
Loans and borrowings	1,159	1,371	-	-
Deferred tax liabilities	420	420	-	-
<b>Total non-current liabilities</b>	<b>10,249</b>	<b>10,461</b>	<b>8,670</b>	<b>8,670</b>
<b>TOTAL LIABILITIES</b>	<b>54,938</b>	<b>54,401</b>	<b>9,342</b>	<b>10,075</b>
<b>NET ASSETS</b>	<b>59,557</b>	<b>58,381</b>	<b>32,997</b>	<b>32,816</b>
<b>EQUITY</b>				
<b>Equity attributable to owners of the Company</b>				
Share capital	35,424	35,424	35,424	35,424
Reserve for own shares	(3,345)	(3,345)	(3,345)	(3,345)
Other reserves	(8,392)	(8,168)	879	731
Accumulated profits	35,870	34,470	39	6
<b>Total equity</b>	<b>59,557</b>	<b>58,381</b>	<b>32,997</b>	<b>32,816</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>114,495</b>	<b>112,782</b>	<b>42,339</b>	<b>42,891</b>

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**1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the financial period reported on with comparative figures as at the end of the immediately preceding financial year:**

Description (in S\$'000)	Group	
	31 July 2014	30 April 2014
<u>Amount repayable in one year or less, or on demand</u>		
- Secured	14,997	13,474
<u>Amount repayable after one year</u>		
- Secured	1,159	1,371
Total	16,156	14,845

The Group has certain banking facilities which are secured by the following: -

- (a) Legal mortgage on a factory building of a subsidiary; and
- (b) Corporate guarantee by the Company.

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**1(c) A consolidated statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Description (in S\$'000)	3 months ended	
	31 July 2014 1Q2015	31 July 2013 1Q2014
<b><u>Cash flows from operating activities</u></b>		
Profit for the period	1,400	2,657
Adjustments for:		
Amortisation of land lease prepayment	64	88
Amortisation of intangible assets	340	-
Depreciation of property, plant and equipment	164	83
Dividend income	(4)	(14)
Net foreign exchange (gains) / losses	261	(295)
Interest income	(38)	(25)
Interest expense	50	1
Net changes in fair value of financial assets at fair value through profit or loss	20	66
Share-based payment expense	148	62
Gain on disposal of property, plant and equipment	(4)	(5)
Gain on disposal of securities shares	(316)	-
Tax expense	397	583
	1,082	544
<b>Operating profit before working capital changes</b>	<b>2,482</b>	<b>3,201</b>
Changes in working capital:		
Decrease / (increase) in trade and other receivables	3,701	(963)
Decrease / (increase) in contract work-in-progress	(4,017)	-
Decrease / (increase) in inventories	(1,200)	(648)
Increase / (decrease) in trade and other payables	(979)	1,002
Financial assets at fair value through profit and loss	-	-
<b>Cash generated from / (used in) operations</b>	<b>(13)</b>	<b>2,592</b>
Interest paid	(50)	(1)
Interest received	38	25
Tax paid	(192)	-
<b>Net cash inflow from / (used in) operating activities</b>	<b>(217)</b>	<b>2,616</b>
<b><u>Cash flows from investing activities</u></b>		
Dividend income received	4	14
Proceeds from / (investments in) other financial assets	731	(1,114)
Purchase of property, plant and equipment	(1,978)	(236)
Proceeds from disposal of property, plant and equipment	4	5
<b>Net cash generated / (used in) investing activities</b>	<b>(1,239)</b>	<b>(1,331)</b>
<b><u>Cash flows from financing activities</u></b>		
Net addition / (repayment) of bank loans	101	(342)
Net increase / (decrease) in trust receipts	1,891	-
Net increase / (decrease) in finance lease liabilities	(31)	-
<b>Net cash generated from / (used in) financing activities</b>	<b>1,961</b>	<b>(342)</b>
Net increase in cash and cash equivalents	505	943
Cash and cash equivalents at beginning of the financial year	36,388	43,687
Effects of exchange rate fluctuations on cash held	(986)	830
<b>Cash and cash equivalents at end of financial period</b>	<b>35,907</b>	<b>45,460</b>

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**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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Description	Group						
	Share capital	Treasury shares	Share option premium	Fair value reserve	Foreign currency translation reserves	Accumulated profits	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>At 1 May 2014</b>	35,424	(3,345)	731	91	(8,990)	34,470	58,381
<b>Total comprehensive income for the period</b>							
Profit for the period	-	-	-	-	-	1,400	1,400
<b>Other comprehensive income/(expense)</b>							
Exchange differences arising from translation of the financial statements of the subsidiaries whose functional currency are different from that of the Company	-	-	-	-	67	-	67
Net changes in the fair value of financial asset available-for-sale	-	-	-	(472)	-	-	(472)
Deferred tax arising from other comprehensive income	-	-	-	33	-	-	33
<b>Total other comprehensive (expense)/income</b>	-	-	-	(439)	67	-	(372)
<b>Total comprehensive income and expenses for the period</b>	-	-	-	(439)	67	1,400	1,028
Share-based payment transactions	-	-	148	-	-	-	148
<b>At 31 July 2014</b>	<b>35,424</b>	<b>(3,345)</b>	<b>879</b>	<b>(348)</b>	<b>(8,923)</b>	<b>35,870</b>	<b>59,557</b>
<b>At 1 May 2013</b>	21,068	(2,554)	280	109	(8,101)	33,398	44,200
<b>Total comprehensive income for the period</b>							
Profit for the period	-	-	-	-	-	2,657	2,657
<b>Other comprehensive income/(expense)</b>							
Exchange differences arising from translation of the financial statements of the subsidiaries whose functional currency are different from that of the Company	-	-	(472)	(205)	961	-	284
Net changes in the fair value of financial asset available-for-sale	-	-	-	(34)	-	-	(34)
Deferred tax arising from other comprehensive income	-	-	33	6	-	-	39
<b>Total other comprehensive (expense)/income</b>	-	-	(439)	(233)	961	-	289
<b>Total comprehensive income and expenses for the period</b>	-	-	(439)	(233)	961	2,657	2,946
Share-based payment transactions	-	-	62	-	-	-	62
<b>At 31 July 2013</b>	<b>21,068</b>	<b>(2,554)</b>	<b>(97)</b>	<b>(124)</b>	<b>(7,140)</b>	<b>36,055</b>	<b>47,208</b>
	<b>Company</b>						
Description	Share capital	Treasury shares	Share option reserve	Accumulated profits / (losses)	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
<b>At 1 May 2014</b>	35,424	(3,345)	731	6	32,816		
Profit for the period	-	-	-	33	33		
Share-based payment transactions	-	-	148	-	148		
<b>At 31 July 2014</b>	<b>35,424</b>	<b>(3,345)</b>	<b>879</b>	<b>39</b>	<b>32,997</b>		
<b>At 1 May 2013</b>	21,068	(2,554)	280	(386)	18,408		
Loss for the period	-	-	-	(397)	(397)		
Share-based payment transactions	-	-	62	-	62		
<b>At 31 July 2013</b>	<b>21,068</b>	<b>(2,554)</b>	<b>342</b>	<b>(783)</b>	<b>18,073</b>		

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**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 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 current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Purchase of treasury shares

As at 31 July 2014, the Company's issued and fully paid up capital (excluding treasury shares) comprises of 431,343,661 (31 July 2013: 385,004,003) ordinary shares. There are no changes in the Company's share capital in 1Q2015 as compared to 1Q2014.

Description	1Q2015	
	Number of Shares	Share Capital (S\$'000)
As at 1 May 2014	431,343,661	35,424
Purchase of treasury shares, if any	-	-
As at 31 July 2014	431,343,661	35,424

Description	1Q2014	
	Number of Shares	Share Capital (S\$'000)
As at 1 May 2013	385,004,003	21,068
Purchase of treasury shares, if any	-	-
As at 31 July 2013	385,004,003	21,068

The number of treasury shares held by the Company represents 3.64% (31 July 2013: 3.90%) of the total number of issued shares (excluding treasury shares) of the Company as at 31 July 2014.

The total consideration for the purchase of treasury shares since the launch of the share buy-back scheme was S\$3,345,000 for a total of 15,706,000 shares.

XMH Share Option Scheme

As at 31 July 2014, the outstanding balance of unexercised options under the XMH Share Option Scheme totalled 15,325,000 (31 July 2013: 10,419,000) or 3.55% (31 July 2013: 2.60%) of total issued shares in the capital of the Company.

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

Description	31 July 2014	31 July 2013
Total number of shares issued	447,049,661	400,000,003
Less: Treasury shares	(15,706,000)	(14,996,000)
Total	431,343,661	385,004,003

- 1(d)(iv) A statement showing all sales, transfer, 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 standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)**

The figures for the quarters ended 31 July 2013 and 31 July 2014 have not been audited or reviewed by auditors.

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those adopted for the audited consolidated financial statements for the financial year ended 30 April 2014.

- 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.**

Not applicable.

- 6. Earnings per ordinary share ("EPS") 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.**



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Earnings per ordinary share for the period based on net profit attributable to shareholders:-

Description	Group	
	1Q2015	1Q2014
EPS (based on consolidated net profit attributable to equity holders):-		
a) Based on the weighted average no. of ordinary shares in issue (cents)	0.32	0.69
b) On a fully diluted basis (cents)	0.31	0.68
Weighted average no. of shares in issue during the period/year used in the computing of EPS	431,343,661	385,004,003
Weighted average no. of shares on fully diluted basis during the period/year used in the computing of EPS	455,963,746 <sup>(2)</sup>	391,634,932 <sup>(1)</sup>

Note:

- (1) The figures are computed taking into account the purchase of treasury shares and the potential ordinary shares to be issued for the share options granted in September 2011 and September 2012.
- (2) The figures are computed taking into account the purchase of treasury shares and the potential ordinary shares to be issued for the share options granted in September 2011, September 2012 and September 2013.

**7. Net asset value (for the Company 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

Description	Group		Company	
	31 July 2014	30 April 2014	31 July 2014	30 April 2014
Net asset value per ordinary share based on existing share capital (cents)	13.81	13.53	7.65	7.61
Number of shares at end of the period	431,343,661	431,343,661	431,343,661	431,343,661

**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.

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The Company has completed the acquisition of the entire issued capital of Mech-Power Generator Pte. Ltd. in 2Q2014. The results of Mech-Power Generator Pte. Ltd. and its wholly-owned subsidiary (collectively referred as the “MPG”) post the acquisition are consolidated into the consolidated statement of comprehensive income, financial position and cash flows of the Group.

**STATEMENT OF COMPREHENSIVE INCOME REVIEW**

**Quarter ended 31 July 2014 (“1Q2015”) vs quarter ended 31 July 2013 (“1Q2014”)**

**(i) Revenue**

Revenue increased by approximately S\$4.4 million or 20.5% was due mainly to the newly included “projects” business segment of approximately S\$19.1 million, offset by lower revenue from “distribution” business segment. The decrease in revenue of approximately S\$14.7 million from the latter was due mainly to slower sales to our Indonesian’s customers.

**(ii) Cost of Sales and Gross Profit Margin**

Correspondingly, cost of sales also increased by approximately S\$3.0 million or 19.1% from S\$16.1 million in 1Q2014 to S\$19.1 million in 1Q2015. Gross profit increased by approximately S\$1.4 million or 24.8% from S\$5.3m in 1Q2014 to S\$6.7 million in 1Q2015. This was primarily attributed to “projects” business segment.

Better gross profit margin was registered at 25.8% in 1Q2015 as compared to 24.9% in 1Q2014. The improvement of 0.9 percent was due mainly to the overall increase in gross profit margins across all business segments.

**(iii) Other Income**

Lower other income in 1Q2015 as compared to 1Q2014 was due mainly to the absence of forfeiture of deposits.

**(iv) Distribution Expenses**

Distribution expenses increased by approximately S\$353,000 or 26.8% from S\$1.3 million in 1Q2014 to S\$1.7 million in 1Q2015. The increase was due mainly to the consolidation of MPG’s results, offset by lower distribution expense registered in our core business with lesser sales activities.

**(v) Administrative Expenses**

Administrative expenses increased by approximately S\$3.2 million or 122.2% from approximately S\$1.5 million in 1Q2014 to approximately S\$3.2 million in 1Q2015. This increase was due mainly to the (i) inclusion of MPG’s results; (ii) amortisation of intangible assets arising from MPG’s acquisition; and (iii) higher legal and professional fees incurred.

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**(vi) Net Finance Income/(Costs)**

The Group generated net finance income of approximately S\$28,000 in 1Q2015 and S\$267,000 in 1Q2014. The net finance income in 1Q2015 was due mainly to (i) gain from the disposal of securities, (ii) interests of trust receipts, term loans and finance leases; and (iii) foreign exchange losses. This was as opposed to net foreign exchange gains as reported in 1Q2014.

**STATEMENT OF FINANCIAL POSITION REVIEW**

The Group's shareholders' funds as at 31 July 2014 stood at S\$59.6 million as compared to S\$58.4 million at the end of the immediately preceding financial year end, 30 April 2014. The stronger balance sheet position was due mainly to (i) higher inventory level as back-to-back orders' stocks were received at period end; (ii) higher contract work-in-progress to support project sales; and (iii) increased investment in construction in progress during the period.

**(i) Property, plant and equipment**

The increase in the property, plant and equipment of approximately S\$1.7 million was due mainly to the progress payments towards construction of the factory building in Tuas and net of the usual depreciation charged for the period.

**(ii) Land lease prepayment**

Land lease prepayment relates to the lease of a parcel of land located at Tuas Crescent entered into by the Group in FY2013. The decrease was due mainly to translation adjustment of Japanese Yen against Singapore Dollar and the amortisation for the period.

**(iii) Intangible assets**

Intangible assets decreased by approximately S\$340,000 to S\$9.9 million as at 31 July 2014 from S\$10.1 million as at 30 April 2014. This was due mainly to the amortisation of intangible assets during the period.

**(iv) Other financial assets**

This relates to available-for-sale financial assets for securities shares quoted on the Singapore Stock Exchange. During the period, part of these securities shares were sold for a capital gain.

**(v) Inventories**

Inventories increased by approximately S\$1.2 million from S\$22.5 million as at 30 April 2014 to S\$23.7 million as at 31 July 2014. The increase was due mainly to the replenishment of inventories, supported by customers' orders at period ended 31 July 2014.

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**(vi) Trade and other receivables**

Trade and other receivables decreased by approximately S\$3.7 million from S\$15.4 million as at 30 April 2014 to S\$11.7 million as at 31 July 2014. The decrease was due mainly to improved collection from customers.

**(vii) Contract work-in-progress**

Contract work-in-progress are amounts due from project customers based on percentage of work done by a subsidiary. As at 31 July 2014, it stood at approximately S\$14.8 million. The increase of approximately S\$4.0 million was due mainly to investments in work-in-progress.

**(viii) Trade and other payables**

Trade and other payables stood at approximately S\$28.1 million as at 31 July 2014, as compared to S\$29.1 million as at 30 April 2014. The decrease was due mainly to (i) settlement of amount due to trade suppliers in 1Q2015; and (ii) payment of accrued liabilities during the period.

**(ix) Loans and borrowings**

Loans and borrowings stood at approximately S\$16.2 million as at 31 July 2014, an increase of approximately S\$1.4 million from S\$14.8 million as at 30 April 2014. The increase was due mainly to investments in work-in-progress.

**STATEMENT OF CASH FLOW REVIEW**

Net cash used in operating activities was approximately S\$13,000 for the three months ended 31 July 2014 as compared to net cash generated from operating activities of approximately S\$2.6 million for the corresponding period. This was due mainly to (i) increased contract work-in-progress for deliveries to project customers arising the business nature of a subsidiary; (ii) higher inventory receipts for back-to-back orders placed by distribution customers; and (iii) general increase in receipts from our trade customers.

Net cash used in investing activities amounted to approximately S\$1.2 million. This was due mainly to construction of our factory building, offset by proceeds from the disposal of securities.

Net cash generated from financing activities was approximately S\$2.0 million. This was due mainly to the increase in trust receipts utilisation for purchases to support project orders on hand.

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

Not applicable.

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**10. Commentary on the significant trends and the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Group's core business of the distribution of diesel engines continues to see the effects of Indonesia's fragile economy and reduced commodity export to China.<sup>1</sup>

The Group remains positive that the Indonesian economy will gradually recover. We believe our customers will eventually take deliveries of orders placed.

Locally, MPG continues to contribute positively to the Group's financials. Integration has been smooth and now the Group is able to offer a wider range of solutions to its expanded customer base.

As announced on 20 August 2014, the proposed acquisition of Z-Power Automation Pte. Ltd. is in line with our expansion plans. This proposed acquisition will enable the Group to increase its presence in the offshore industry while simultaneously adding a complementary suite of services to Group's capabilities.

We remain on the lookout for more synergistic M&A opportunities to further enhance and increase the Group's current capabilities.

**11. Dividend**

**a) Current financial period reported on  
Any dividend declared for the current financial period reported on?**

None.

**b) Corresponding period of the immediately preceding financial period  
Any dividend declared for the corresponding period of the immediately preceding financial year?**

None.

**c) Date payable:**

Not applicable.

**d) Books Closure Date:**

Not applicable.

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

Not applicable.

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<sup>1</sup> <http://blogs.wsj.com/economics/2014/09/01/indonesias-economy-remains-fragile/>

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FOR THE PERIOD ENDED 31 JULY 2014**

- 13. If the Company 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 sought a general mandate for interested person transaction(s) from the shareholders.

- 14. Confirmation pursuant to the Rule 705(5) of the listing manual**

The Board of Directors of the Company hereby confirms to the best of its knowledge that nothing has come to its attention which may render the unaudited interim financial results for the quarter ended 31 July 2014 to be false or misleading in any material aspect.

- 15. Use of IPO proceeds**

The net proceeds raised from the Company's IPO, after deducting listing expenses of approximately S\$2.4 million was approximately S\$18.9 million and the issuance of new shares was approximately S\$9.9 million, net of expenses.

As at the date of this report, the Company has utilised its proceeds as in the table below:

Description / Purpose (in S\$'000)	Amount Raised	Amount Utilised	Balance Amount
<u>Proceeds from IPO</u>			
1) Development of new premises or acquisition of premises for general warehousing and work areas and the establishment of an assembly line for in-house power generating sets	10,000	10,000	-
2) Pursue expansion opportunities	7,000	7,000	-
3) General working capital	1,850	1,850	-
<b>Sub-total</b>	<b>18,850</b>	<b>18,850</b>	<b>-</b>
<u>Proceeds from new shares</u>			
4) Proposed development of industrial building and ancillary office and facilities at Tuas	8,928	2,636	6,292
5) General working capital	992	992	-
<b>Sub-total</b>	<b>9,920</b>	<b>3,628</b>	<b>6,292</b>
<b>Total</b>	<b>28,770</b>	<b>22,478</b>	<b>6,292</b>

**BY ORDER OF THE BOARD**  
**Mr. Tan Tin Yeow**  
**Chairman and CEO**  
12 September 2014