



UNAUDITED THIRD QUARTER (“3Q2015”) AND NINE MONTHS (“9M2015”) FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE PERIOD ENDED 31 JANUARY 2015

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

	Group					
	3Q2015	3Q2014	Change	9M2015	9M2014	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	23,081	33,141	(30.4)	68,087	81,592	(16.6)
Cost of sales	(15,759)	(24,175)	(34.8)	(48,397)	(61,037)	(20.7)
Gross profit	7,322	8,966	(18.3)	19,690	20,555	(4.2)
Other income	177	170	4.1	582	566	2.8
Distribution expenses	(1,454)	(2,170)	(33.0)	(5,065)	(5,073)	(0.2)
Administrative expenses	(3,056)	(2,972)	2.8	(8,810)	(6,489)	35.8
Other expenses ¹	(840)	(375)	Nm	(1,182)	(398)	Nm
Profits from operating activities	2,149	3,619	(40.6)	5,215	9,161	(43.1)
Finance income	1,094	48	Nm	862	322	Nm
Finance costs	(54)	(144)	(62.5)	(252)	(222)	13.5
Net finance income / (costs)	1,040	(96)	Nm	610	100	Nm
Profit before tax	3,189	3,523	(9.5)	5,825	9,261	(37.1)
Tax expense	(482)	(337)	(43.0)	(1,007)	(1,391)	(27.6)
Profit for the period	2,707	3,186	(15.0)	4,818	7,870	(38.8)
<i>Exchange differences arising from translation of the financial statements of the subsidiaries whose functional currency is different from that of the Company</i>	783	(690)	Nm	(688)	(833)	(17)
<i>Net changes in the fair value of available-for-sale financial assets</i>	10	5	Nm	(160)	(36)	Nm
<i>Deferred tax arising from available-for-sale financial assets</i>	(2)	(1)	Nm	27	6	Nm
Other comprehensive income/(expense) for the period, net of tax	791	(686)	Nm	(821)	(863)	(4.9)
Total comprehensive income for the period attributable to owners of the Company	3,498	2,500	39.9	3,997	7,007	(43.0)
Profit attributable to owners of the Company	2,707	3,186	(15.0)	4,818	7,870	(38.8)

Notes:

Nm denotes not meaningful where there is no comparative or the fluctuation is more than 100%

¹ other non-recurring costs and provisions

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

	Group					
	3Q2015	3Q2014	Change	9M2015	9M2014	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Depreciation of property, plant and equipment	(210)	(163)	28.8	(627)	(394)	59.1
Gain on disposal of property, plant and equipment	14	-	Nm	18	5	Nm
Gain on disposal of quoted securities	-	-	Nm	316	-	Nm
Forfeited deposits from customers	118	-	Nm	118	360	(67.2)
Interest income	20	28	(28.6)	60	82	(26.8)
Interest costs	(54)	(144)	(62.5)	(252)	(222)	13.5
Amortisation of intangible assets	(55)	-	Nm	(686)	-	Nm
Amortisation of land lease prepayment	(60)	(64)	(6.3)	(186)	(220)	(15.5)
Net foreign exchange gain	885	67	Nm	305	303	0.7
Dividend income	3	11	(72.7)	31	42	(26.2)
Other miscellaneous (expenses) / income	(212)	170	Nm	339	201	68.7
Impairment loss on available-for-sale financial assets	-	(59)	Nm	-	(105)	Nm
Net changes in fair value of financial assets at fair value through profit or loss	191	-	Nm	160	-	Nm
Write-back of provision for obsolete inventories	-	-	Nm	102	-	Nm
Allowance made for slow moving and obsolete inventories	(1,325)	-	Nm	(1,502)	-	Nm

Note:

Nm 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 period/year.

	Group		Company	
	31 January 2015	30 April 2014	31 January 2015	30 April 2014
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	21,258	7,455	-	-
Land lease prepayment	6,783	7,388	-	-
Investment in subsidiaries	-	-	19,001	18,625
Intangible assets	9,545	10,241	-	-
Other financial assets	952	1,385	-	-
Club memberships	486	486	-	-
Deferred tax assets	729	729	-	-
	39,753	27,684	19,001	18,625
Current assets				
Inventories	19,917	22,525	-	-
Trade and other receivables	10,907	15,380	21,553	14,220
Contract work-in-progress	8,082	10,805	-	-
Tax recoverable	23	-	23	-
Cash and cash equivalents	23,930	36,388	2,904	10,046
	62,859	85,098	24,480	24,266
TOTAL ASSETS	102,612	112,782	43,481	42,891
LIABILITIES AND EQUITY				
Current liabilities				
Trade and other payables	21,786	29,111	739	1,329
Loans and borrowings	4,564	13,474	-	-
Current tax liabilities	1,521	1,355	-	76
	27,871	43,940	739	1,405
Non-current liabilities				
Other payables	8,617	8,670	8,702	8,670
Loans and borrowings	7,252	1,371	-	-
Deferred tax liabilities	582	420	-	-
	16,451	10,461	8,702	8,670
TOTAL LIABILITIES	44,322	54,401	9,441	10,075
NET ASSETS	58,290	58,381	34,040	32,816
EQUITY				
Equity attribute to owners of the Company				
Share capital	35,424	35,424	35,424	35,424
Treasury shares	(2,791)	(3,345)	(2,791)	(3,345)
Other reserves	(8,455)	(8,168)	1,265	731
Accumulated profits	34,112	34,470	142	6
TOTAL EQUITY	58,290	58,381	34,040	32,816
Total equity and liabilities	102,612	112,782	43,481	42,891

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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:

	Group	
	31 January 2015	30 April 2014
	S\$'000	S\$'000
<u>Amount repayable in one year or less, or on demand</u>		
- Secured	4,564	13,474
<u>Amount repayable after one year</u>		
- Secured	7,252	1,371
Total	11,816	14,845

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

- (a) Legal mortgages on factory buildings of Group's subsidiaries; 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 period.

	3 months ended		9 months ended	
	3Q2015	3Q2014	9M2015	9M2014
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Cash flows from operating activities</u>				
Profit for the period	2,707	3,186	4,818	7,870
Adjustments for:				
Amortisation of land lease prepayment	60	64	186	220
Amortisation of intangible assets	55	-	686	-
Depreciation of property, plant and equipment	210	163	627	394
Dividend income	(3)	(11)	(31)	(42)
Net foreign exchange loss / (gain)	1,307	(186)	2,070	(303)
Interest income	(20)	(28)	(60)	(82)
Interest expense	54	144	252	222
Net changes in fair value of financial assets at fair value through profit or loss	129	46	160	-
Share-based payment expense (ESOS)	399	62	757	185
Gain on disposal of property, plant and equipment	(14)	-	(18)	(5)
Gain on disposal of quoted securities	-	-	(316)	-
Impairment loss on available-for-sale financial assets	-	59	-	105
Reversal of allowance for impairment loss on trade receivables	-	-	-	(165)
Allowance made for slow moving and obsolete inventories	1,325	-	1,502	-
Write-back of provision for obsolete inventories	-	-	(102)	-
Tax expense	482	337	1,007	1,391
	3,984	650	6,720	1,920
Operating profit before working capital changes	6,691	3,836	11,538	9,790
Change in working capital:				
(Increase) / decrease in trade and other receivables	(2,906)	(11,273)	4,473	(4,430)
Decrease in contract work-in-progress	86	-	2,723	-
(Increase) / decrease in inventories	(2,132)	6,439	1,208	(3,004)
Decrease in trade and other payables	(2,382)	(9,244)	(7,378)	(9,324)
Cash (used in) / generated from operation	(643)	(10,242)	12,564	(6,968)
Interest paid	(54)	(144)	(252)	(222)
Interest received	20	28	60	82
Tax paid	(475)	(1,168)	(1,231)	(2,243)
Net cash (used in) / generated from operating activities	(1,152)	(11,526)	11,141	(9,351)
<u>Cash flows from investing activities</u>				
Dividend income received	3	11	31	42
Proceeds from other financial assets (from quoted securities)	-	-	731	-
Investments in property, plant and equipment	(6,117)	(233)	(15,134)	(757)
Proceeds from disposal of property, plant and equipment	51	-	118	5
Investments in structured deposits	-	14	-	(1,114)
Proceeds from maturity of structured deposits	-	1,760	-	2,783
Cash acquired in acquisition of subsidiaries in excess of cash consideration paid for the acquisition	-	-	-	732
Net cash (used in) / generated from investing activities	(6,063)	1,552	(14,254)	1,691
<u>Cash flows from financing activities</u>				
Repayment of bank loans	(223)	(60)	(1,036)	(1,388)
Proceeds from bank loans	6,782	-	6,782	-
Repayment of trust receipts	(1,567)	-	(24,950)	-
Proceeds from trust receipts	2,791	-	16,057	-
Repayment of finance lease liabilities	(29)	-	(90)	-
Purchase of treasury shares	(73)	(676)	(163)	(958)
Proceeds from exercise of employee share options	-	-	494	485
Dividends paid	-	-	(5,176)	(5,053)
Issue of ordinary shares	-	-	-	10,000
Net cash generated from / (used in) financing activities	7,681	(736)	(8,082)	3,086
Net increase / (decrease) in cash and cash equivalents	466	(10,710)	(11,195)	(4,574)
Cash and cash equivalents at beginning of the period / financial year	23,904	48,732	36,388	43,687
Effect of exchange rate fluctuations on cash held	(440)	(367)	(1,263)	(1,458)
Cash and cash equivalents at end of the period	23,930	37,655	23,930	37,655

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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 period.

	Group						Total
	Share capital	Treasury shares	Share option reserve	Fair value reserve	Foreign currency translation reserve	Accumulated profits/(losses)	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
At 1 May 2014	35,424	(3,345)	731	91	(8,990)	34,470	58,381
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	1,400	1,400
Other comprehensive (expenses) / income							
Exchange differences arising from translation of the financial statements of the subsidiaries whose functional currency is different from that of the Company	-	-	-	-	67	-	67
Net changes in the fair value of available-for-sale financial assets	-	-	-	(472)	-	-	(472)
Deferred tax arising from available-for-sale financial assets	-	-	-	33	-	-	33
Total other comprehensive (expenses) / income	-	-	-	(439)	67	-	(372)
Total comprehensive (expenses) / income for the period	-	-	-	(439)	67	1,400	1,028
Transaction with owners, recognised directly in equity							
Contributions by and distributions to owners							
Share-based payment transactions	-	-	148	-	-	-	148
At 31 July 2014	35,424	(3,345)	879	(348)	(8,923)	35,870	59,557
Total comprehensive expenses for the period							
Profit for the period	-	-	-	-	-	711	711
Other comprehensive income / (expenses)							
Exchange differences arising from translation of the financial statements of the subsidiaries whose functional currency is different from that of the Company	-	-	-	-	(1,538)	-	(1,538)
Net changes in the fair value of available-for-sale financial assets	-	-	-	302	-	-	302
Deferred tax arising from available-for-sale financial assets	-	-	-	(4)	-	-	(4)
Total other comprehensive income / (expenses)	-	-	-	298	(1,538)	-	(1,240)
Total comprehensive income / (expenses) for the period	-	-	-	298	(1,538)	711	(529)
Transaction with owners, recognised directly in equity							
Contributions by and distributions to owners							
Dividends to equity holders	-	-	-	-	-	(5,176)	(5,176)
Share-based payment transactions	-	-	210	-	-	-	210
Purchase of treasury shares	-	(90)	-	-	-	-	(90)
Share options exercised	-	717	(223)	-	-	-	494
Total transaction with owners	-	627	(13)	-	-	(5,176)	(4,562)
At 31 October 2014	35,424	(2,718)	866	(50)	(10,461)	31,405	54,466

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Group							
Share capital	Treasury shares	Share option reserve	Fair value reserve	Foreign currency translation reserve	Accumulated profits/(losses)	Total	
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
At 31 October 2014	35,424	(2,718)	866	(50)	(10,461)	31,405	54,466
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	2,707	2,707
Other comprehensive income / (expenses)							
Exchange differences arising from translation of the financial statements of the subsidiaries whose functional currency is different from that of the Company	-	-	-	-	783	-	783
Net changes in the fair value of available-for-sale financial assets	-	-	-	10	-	-	10
Deferred tax arising from available-for-sale financial assets	-	-	-	(2)	-	-	(2)
Total other comprehensive income	-	-	-	8	783	-	791
Total comprehensive income for the period	-	-	-	8	783	2,707	3,498
Transaction with owners, recognised directly in equity							
Contributions by and distributions to owners							
Share-based payment transactions	-	-	399	-	-	-	399
Purchase of treasury shares	-	(73)	-	-	-	-	(73)
Total transaction with owners	-	(73)	399	-	-	-	326
At 31 January 2015	35,424	(2,791)	1,265	(42)	(9,678)	34,112	58,290

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Group							
Share capital	Treasury shares	Share option reserve	Fair value reserve	Foreign currency translation reserve	Accumulated Profits/(losses)	Total	
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
At 1 May 2013	21,068	(2,554)	280	109	(8,101)	33,398	44,200
Total comprehensive income for the period							
Profit for the period	-	-	-	-	2,657	2,657	
Other comprehensive (expenses) / income							
Exchange differences arising from translation of the financial statements of the subsidiaries whose functional currency is different from that of the Company	-	-	-	-	961	-	961
Net changes in the fair value of available-for-sale financial assets	-	-	-	(34)	-	-	(34)
Deferred tax arising from available-for-sale financial assets	-	-	-	6	-	-	6
Total other comprehensive (expenses) / income	-	-	-	(28)	961	-	933
Total comprehensive (expenses) / income for the period	-	-	-	(28)	961	2,657	3,590
Transaction with owners, recognised directly in equity							
Contributions by and distributions to owners							
Share-based payment transactions	-	-	62	-	-	-	62
At 31 July 2013	21,068	(2,554)	342	81	(7,140)	36,055	47,852
Total comprehensive income for the period							
Profit for the period	-	-	-	-	2,027	2,027	
Other comprehensive expenses							
Exchange differences arising from translation of the financial statements of the subsidiaries whose functional currency is different from that of the Company	-	-	-	-	(1,104)	-	(1,104)
Net changes in the fair value of available-for-sale financial assets	-	-	-	(7)	-	-	(7)
Deferred tax arising from available-for-sale financial assets	-	-	-	1	-	-	1
Total other comprehensive expense	-	-	-	(6)	(1,104)	-	(1,110)
Total comprehensive (expenses) / income for the period	-	-	-	(6)	(1,104)	2,027	917
Transaction with owners, recognised directly in equity							
Contributions by and distributions to owners							
Dividends to equity holders	-	-	-	-	(5,053)	(5,053)	
Share-based payment transactions	-	-	61	-	-	61	
Purchase of treasury shares	-	(282)	-	-	-	(282)	
Share options exercised	-	485	(129)	-	-	356	
Issue of ordinary shares	14,356	-	-	-	-	14,356	
Total transaction with owners	14,356	203	(68)	-	(5,053)	9,438	
At 31 October 2013	35,424	(2,351)	274	75	(8,244)	33,029	58,207

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Group							
Share capital	Treasury shares	Share option reserve	Fair value reserve	Foreign currency translation reserve	Accumulated Profits/(losses)	Total	
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
At 31 October 2013	35,424	(2,351)	274	75	(8,244)	33,029	58,207
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	3,186	3,186
Other comprehensive income / (expenses)							
Exchange differences arising from translation of the financial statements of the subsidiaries whose functional currency is different from that of the Company	-	-	-	-	(690)	-	(690)
Net changes in the fair value of available-for-sale financial assets	-	-	-	5	-	-	5
Deferred tax arising from available-for-sale financial assets	-	-	-	(1)	-	-	(1)
Total other comprehensive income / (expenses)	-	-	-	4	(690)	-	(686)
Total comprehensive income / (expenses) for the period	-	-	-	4	(690)	3,186	2,500
Transaction with owners, recognised directly in equity							
Contributions by and distributions to owners							
Share-based payment transactions	-	-	62	-	-	-	62
Purchase of treasury shares	-	(676)	-	-	-	-	(676)
Total transaction with owners	-	(676)	62	-	-	-	(614)
At 31 January 2014	35,424	(3,027)	336	79	(8,934)	36,215	60,093
Total comprehensive expenses for the period							
Loss for the period	-	-	-	-	-	(1,745)	(1,745)
Other comprehensive income / (expenses)							
Exchange differences arising from translation of the financial statements of the subsidiaries whose functional currency is different from that of the Company	-	-	-	-	(56)	-	(56)
Net changes in the fair value of available-for-sale financial assets	-	-	-	14	-	-	14
Deferred tax arising from available-for-sale financial assets	-	-	-	(2)	-	-	(2)
Total other comprehensive income / (expenses)	-	-	-	12	(56)	-	(44)
Total comprehensive income / (expenses) for the period	-	-	-	12	(56)	(1,745)	(1,789)
Transaction with owners, recognised directly in equity							
Contributions by and distributions to owners							
Share-based payment transactions	-	-	395	-	-	-	395
Purchase of treasury shares	-	(318)	-	-	-	-	(318)
Total transaction with owners	-	(318)	395	-	-	-	77
At 30 April 2014	35,424	(3,345)	731	91	(8,990)	34,470	58,381

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	Company				
	Share capital	Treasury shares	Share option reserve	Accumulated profits / (losses)	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 May 2014	35,424	(3,345)	731	6	32,816
Profit for the period	-	-	-	33	33
Share based payment transactions (ESOS)	-	-	148	-	148
At 31 July 2014	35,424	(3,345)	879	39	32,997
Profit for the period	-	-	-	5,350	5,350
Dividends to equity holders	-	-	-	(5,176)	(5,176)
Share based payment transactions (ESOS)	-	-	210	-	210
Purchase of treasury shares	-	(90)	-	-	(90)
Share options exercised	-	717	(223)	-	494
At 31 October 2014	35,424	(2,718)	866	213	33,785
Loss for the period	-	-	-	(71)	(71)
Share based payment transactions (ESOS)	-	-	399	-	399
Purchase of treasury shares	-	(73)	-	-	(73)
At 31 January 2015	35,424	(2,791)	1,265	142	34,040
At 1 May 2013	21,068	(2,554)	280	(386)	18,408
Loss for the period	-	-	-	(397)	(397)
Share based payment transactions (ESOS)	-	-	62	-	62
At 31 July 2013	21,068	(2,554)	342	(783)	18,073
Profit for the period	-	-	-	5,683	5,683
Dividends to equity holders	-	-	-	(5,053)	(5,053)
Share based payment transactions (ESOS)	-	-	(68)	-	(68)
Purchase of treasury shares	-	(282)	-	-	(282)
Share options exercised	-	485	-	-	485
Issue of ordinary shares	14,356	-	-	-	14,356
At 31 October 2013	35,424	(2,351)	274	(153)	33,194
Profit for the period	-	-	-	152	152
Share based payment transactions (ESOS)	-	-	191	-	191
Purchase of treasury shares	-	(676)	-	-	(676)
Share options exercised	-	-	(129)	-	(129)
At 31 January 2014	35,424	(3,027)	336	(1)	32,732
Profit for the period	-	-	-	7	7
Share based payment transactions (ESOS)	-	-	395	-	395
Purchase of treasury shares	-	(318)	-	-	(318)
At 30 April 2014	35,424	(3,345)	731	6	32,816

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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.

As at 31 January 2015, the Company's issued and fully paid up capital (excluding treasury shares) comprises of 434,126,661 (31 January 2014: 432,284,661) ordinary shares. The changes in the Company's share capital during 9M2015 and 9M2014 are set out below.

	3Q2015		9M2015	
	Number of shares	Share Capital (\$'000)	Number of shares	Share Capital (\$'000)
Balance at beginning of the period	434,382,661	35,424	431,343,661	35,424
Purchase of treasury shares	(256,000)	-	(584,000)	-
Exercise of share options	-	-	3,367,000	-
Balance at end of the period	434,126,661	35,424	434,126,661	35,424

	3Q2014		9M2014	
	Number of shares	Share Capital (\$'000)	Number of shares	Share Capital (\$'000)
Balance at beginning of the period	434,142,661	35,424	385,004,003	21,068
Purchase of treasury shares	(1,858,000)	-	(2,618,000)	-
Exercise of share options	-	-	2,849,000	-
Issue of new shares	-	-	47,049,658	14,356
Balance at end of the period	432,284,661	35,424	432,284,661	35,424

Purchase of treasury shares

During the quarter, pursuant to the share buy-back as approved by shareholders at the extraordinary general meeting held on 29 August 2014, the Company purchased 256,000 of its own shares. As at 31 January 2015, the total consideration for the treasury shares held under the share buy-back scheme was S\$2,791,000 for a total of 12,923,000 shares.

The number of treasury shares held by the Company represents 2.98% (31 January 2014: 3.42%) of the total number of issued shares (excluding treasury shares) of the Company as at 31 January 2015

XMH Share Option Scheme

As at 31 January 2015, the outstanding balance of unexercised options under the XMH Share Option Scheme totaled 12,043,000 (31 January 2014: 15,325,000) or 2.77% (31 January 2014: 3.55%) 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 period.

	31 January 2015	31 January 2014
Total number of shares issued	447,049,661	447,049,661
Less: Treasury shares	(12,923,000)	(14,765,000)
Total	434,126,661	432,284,661

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.

	9M2015
	Number of shares
As at 1 May 2014	15,706,000
Purchase of treasury shares	584,000
Use under share options scheme	(3,367,000)
As at 31 January 2015	12,923,000

	9M2014
	Number of shares
As at 1 May 2013	14,996,000
Purchase of treasury shares	3,559,000
Use under share options scheme	(2,849,000)
As at 31 January 2014	15,706,000

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 January 2014 and 31 January 2015 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.

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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.**

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

	Group			
	3Q2015	3Q2014	9M2015	9M2014
EPS (based on consolidated net profit attributable to equity holders):-				
a) Based on the weighted average number of ordinary shares in issue (cents)	0.62	0.74	1.11	1.90
b) On a fully diluted basis (cents)	0.61	0.70	1.08	1.81
Weighted average number of shares in issue during the period used in the computing of EPS	434,126,661 ¹	433,166,824 ³	434,126,661 ¹	413,634,904 ⁴
Weighted average number of shares on fully diluted basis during the period used in the computing of EPS	445,127,292 ²	453,315,612 ⁵	445,127,292 ²	434,466,835 ⁵

Notes:

- (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.
- (3) The figures are computed taking into account the purchase of treasury shares during the period.
- (4) The figures are computed taking into account the purchase of treasury shares, issuance of ordinary shares and reissuance of treasury shares pursuant to exercise of share options during the period.
- (5) The figures are computed taking into account the potential ordinary shares to be issued for the share options granted in September 2011, 2012, and 2013 and the potential ordinary shares to be issued to settle the deferred consideration of S\$4,356,250 for the acquisition of the MPG Group (using the number of shares to be issued as if the settlement had taken place at the end of the current financial period).

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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**

	Group		Company	
	31 January 2015	30 April 2014	31 January 2015	30 April 2014
Net asset value per ordinary share based on existing share capital (cents)	13.43	13.53	7.84	7.61
Number of shares at end of the period/year	434,126,661	431,343,661	434,126,661	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.**

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 to as "MPG") post the acquisition are consolidated into the consolidated statement of comprehensive income, financial position and cash flows of the Group.

Inventory values of a subsidiary have been adjusted to recognize input errors of earlier periods and specific allowances for slow moving items based on estimated net realizable values. These adjustments, considered not material in prior periods, were recorded against our cost of sales for the period under review.

STATEMENT OF COMPREHENSIVE INCOME REVIEW

Quarter ended 31 January 2015 ("3Q2015") vs quarter ended 31 January 2014 ("3Q2014")

(i) Revenue

Revenue decreased by approximately S\$10.0 million or 30.4% due mainly to lower sales in the "distribution" and "after-sales" business segments.

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(ii) Cost of Sales and Gross Profit Margin

Cost of sales were lower by approximately S\$8.4 million or 34.8% from S\$24.2 million in 3Q2014 to S\$15.8 million in 3Q2015. Gross profit decreased by approximately S\$1.7 million or 18.3% from S\$9.0 million in 3Q2014 to S\$7.3 million in 3Q2015.

Better gross profit margin registered at 31.7% in 3Q2015 as compared to 27.1% in 3Q2014. The improvement of 4.6% was due mainly to the overall increase in gross profit margins across all business segments.

(iii) Other Income

Other income in 3Q2015 was mainly due to gain from disposal of fixed assets and forfeiture of deposit from a customer.

(iv) Distribution Expenses

Distribution expenses decreased by approximately S\$716,000 or 33.0% from S\$2.2 million in 3Q2014 to S\$1.5 million in 3Q2015. The decrease was due mainly to lower payroll expense in general.

(v) Administrative Expenses

Administrative expenses increased by approximately S\$84,000 or 2.8% from S\$3.0 million in 3Q2014 to S\$3.1 million in 3Q2015. The slight increase was due mainly to higher amortization of share option expense, offset by lower payroll expense.

(vi) Other Expenses

Other expenses relate to legal and professional fees in relation to a litigation case appealed in November 2014 and not recurring in nature.

(vii) Net Finance Income/(Costs)

The Group registered net finance income of approximately S\$1.0 million in 3Q2015 as compared to net finance costs of S\$96,000 in 3Q2014. The net finance income in 3Q2015 consisted of (i) net foreign exchange gains; and (ii) increase in fair value of financial assets.

Nine months ended 31 January 2015 ("9M2015") vs nine months ended 31 January 2014 ("9M2014")

As the Company has completed the acquisition of MPG in 2Q2014, the results and consolidated statement of comprehensive income for 9M2014 and 9M2015 were accounted for five (5) months and nine (9) months respectively.

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(i) Revenue

Revenue decreased by approximately S\$13.5 million or 16.6% was due mainly to lower sales in the “distribution” and “after-sales” business segments, offset by the increase in sales from “projects” business segment.

(ii) Cost of Sales and Gross Profit Margin

Cost of sales decreased by approximately S\$12.6 million or 20.7% from S\$61.0 million in 9M2014 to S\$48.4 million in 9M2015.

Gross profit decreased by approximately S\$865,000 or 4.2% from S\$20.6 million in 9M2014 to S\$19.7 million in 9M2015. This was primarily attributed to “distribution” and “after-sales” business segments.

Better gross profit margin was registered at 28.9% in 9M2015 as compared to 25.2% in 9M2014. The improvement of 3.7% was due mainly to the overall increase in gross profit margins across all business segments.

(iii) Distribution Expenses

Distribution expenses for 9M2015 as compared to 9M2014 were at comparable levels. This was the effect from the inclusion of MPG’s results, offset by lower payroll expense and marketing cost.

(iv) Administrative Expenses

Administrative expenses increased by approximately S\$2.3 million or 35.8% from approximately S\$6.5 million in 9M2014 to approximately S\$8.8 million in 9M2015. This increase was due mainly to the inclusion of MPG’s results and the general increase in administrative expenses in general. These increase in value were primarily from (i) amortization of intangible assets arising from the acquisition of MPG; and (ii) higher employee share option expenses.

(v) Other Expenses

Other expenses relate to legal and professional fees in relation to a litigation case appealed in November 2014 and not recurring in nature.

(vi) Net Finance Income

The Group registered net finance income of approximately S\$610,000 in 9M2015 as compared to S\$100,000 in 9M2014. This was due mainly to (i) increase in fair value of financial assets; (ii) gains on disposal of securities shares; and offset by (iii) interests of trust receipts, term loans and finance leases.

STATEMENT OF FINANCIAL POSITION REVIEW

The Group’s shareholders’ funds as at 31 January 2015 stood at S\$58.3 million as compared to S\$58.4 million at the end of the immediately preceding financial year end, 30 April 2014.

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(i) Property, plant and equipment

The increase in the property, plant and equipment of approximately S\$13.8 million was due mainly to the progress payments towards construction of the factory building in Tuas, net of depreciation.

(ii) Land lease prepayment

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

(iii) Intangible assets

Intangible assets decreased by approximately S\$696,000 to S\$9.5 million as at 31 January 2015 from S\$10.2 million as at 30 April 2014 due mainly to amortization.

(iv) Other financial assets

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

(v) Inventories

Inventories decreased by approximately S\$2.6 million from S\$22.5 million as at 30 April 2014 to S\$19.9 million as at 31 January 2015. The decrease was due mainly to customers taking deliveries on orders and the completion of contracts during the period ended 31 January 2015.

(vi) Trade and other receivables

Trade and other receivables decreased by approximately S\$4.5 million from S\$15.4 million as at 30 April 2014 to S\$10.9 million as at 31 January 2015. The decrease was due mainly to improved collections.

(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 January 2015, it stood at approximately S\$8.1 million. The decrease of approximately S\$2.7 million was due mainly to completion of work-in-progress.

(viii) Trade and other payables

Trade and other payables stood at approximately S\$21.8 million as at 31 January 2015, 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 creditors; and (ii) payment of accrued liabilities during the period.

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(ix) Loans and borrowings

Loans and borrowings stood at approximately S\$11.8 million as at 31 January 2015, a decrease of approximately S\$3.0 million from S\$14.8 million as at 30 April 2014. The decrease was due mainly to repayment of trust receipts, term loans and finance leases with completion of investments in work-in-progress partially offset with additional bank loans obtained during the period.

STATEMENT OF CASH FLOW REVIEW

Net cash and cash equivalent increased by approximately S\$0.5 million in 3Q2015, compared to a decrease in net cash and cash equivalent by approximately S\$11.7 million in 3Q2014. The increase was due mainly to improved collections from our customers, decreased inventory as customers took deliveries of orders and the increase in trust receipts and term loan, offset by repayment of bank borrowings.

Net cash generated from operating activities was approximately S\$11.1 million in 9M2015, compared to net cash used in operating activities of approximately S\$4.6 million for the corresponding period. This was due mainly to improved collections from our customers, decreased inventory as customers took deliveries of orders and the completion of contracts.

Overall, net cash and cash equivalent decreased by approximately S\$11.2 million in 9M2015, compared to the decrease by approximately S\$4.6 million in 9M2014. This was due mainly to progress payments to construction of our factory; dividend paid; and increased trust receipts net of bank borrowings.

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

Not applicable.

10. 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 slowdown in offshore and marine industry, following the extended decline in oil prices, inevitably weighed on our distribution business.

Whilst the Group does not see an immediate recovery, we believe that some of these country-specific developments will offer some cushion to our business performance. Among these, Indonesia's mega plan to promote the shipbuilding industry and Vietnamese authorities' plan to grow its fishing and logistic fleets to support fishing activities and guard territorial waters.

However, these effects will be gradual and we do not envisage any financial impact to immediately contribute to our results in FY2015. The operating environment will continue to remain challenging and volatile.

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Our subsidiary, MPG is on track to contribute positively to the Group's results as demand for standby generator sets continue to be sturdy, coupled with our existing order book on hand.

As announced on 4 March 2015, we completed the acquisition of the 80% stake in Z-Power Automation Pte. Ltd. ("ZPA"), which will be immediately earnings accretive. Concurrently, we are tapping on ZPA's inherent technical strengths and integrating the identified synergies into the enlarged Group.

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

No interim dividend for the nine months ended 31 January 2015 is recommended.

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 nine months ended 31 January 2015 to be false or misleading in any material aspect.

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15. Use of proceeds from IPO and issuance of new shares

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 fully utilised its proceeds from IPO and the issuance of new shares as set out 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	-
Sub-total	18,850	18,850	-
<u>Proceeds from new shares</u>			
4) Proposed development of industrial building and ancillary office and facilities at Tuas	8,928	8,928	-
5) General working capital	992	992	-
Sub-total	9,920	9,920	-
Total	28,770	28,770	-

BY ORDER OF THE BOARD
Mr. Tan Tin Yeow
Chairman and CEO
16 March 2015