



**UNAUDITED FIRST QUARTER (“1Q2016”) FINANCIAL STATEMENTS ANNOUNCEMENT
FOR THE PERIOD ENDED 31 JULY 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		
	1Q2016	1Q2015	Change
	S\$'000	S\$'000	%
Revenue	23,764	25,780	(7.8%)
Cost of sales	(17,424)	(19,119)	(8.9%)
Gross profit	6,340	6,661	(4.8%)
Other income	139	15	NM
Distribution expenses	(2,086)	(1,672)	24.8%
Administrative expenses	(3,671)	(3,043)	20.6%
Other expenses	-	(192)	NM
Results from operating activities	722	1,769	(59.2%)
Finance income	229	359	(36.2%)
Finance costs	(161)	(331)	(51.4%)
Net finance income	68	28	NM
Profit before share of results of an associated company	790	1,797	(56.0%)
Share of results of an associated company	(10)	-	NM
Profit before tax	780	1,797	(56.6%)
Tax expense	(37)	(397)	(90.7%)
Profit for the period	743	1,400	(46.9%)

Items that may be reclassified subsequently to profit or loss

Exchange differences arising from translation of the financial statements of the subsidiary corporations	87	67	29.9%
Net changes in the fair value pertaining to acquisition of a subsidiary corporation	32	-	NM
Net changes in the fair value of available-for-sale financial assets	-	(472)	NM
Deferred tax arising from available-for-sale financial assets	-	33	NM
Other comprehensive income/(expense) for the period, net of tax	119	(372)	NM
Total comprehensive income for the period	862	1,028	(16.1%)

Profit attributable to:

Owners of the Company	710	1,400	(49.3%)
Non-controlling interests	33	-	NM
Total comprehensive income	743	1,400	(46.9%)

Profit attributable to:

Owners of the Company	829	1,028	(19.4%)
Non-controlling interests	33	-	NM
Total comprehensive income	862	1,028	(16.1%)

Note:

Nm 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 crediting/(charging) the following:

	Group		
	1Q2016	1Q2015	Change
	S\$'000	S\$'000	%
Gain on disposal of property, plant and equipment	-	4	NM
Disposal of club membership	(186)	-	NM
Other miscellaneous income	139	9	NM
Dividend income	4	4	NM
Net changes in fair value of financial assets at fair value through profit or loss	(105)	(20)	NM
Interest income	1	38	(97.4%)
Interest expense	(161)	(50)	NM
Net foreign exchange gain/(loss)	230	(261)	NM
Amortisation of land lease prepayment	(58)	(64)	(9.4%)
Depreciation of property, plant and equipment	(284)	(164)	73.2%
Amortisation of intangible assets	(340)	(340)	NM
Gain on disposal of quoted securities	-	316	NM
Write back of provision for doubtful debts	36	-	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 July 2015	30 April 2015	31 July 2015	30 April 2015
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Property, plant and equipment	46,770	32,467	-	-
Land lease prepayment	6,405	6,489	-	-
Intangible assets	16,173	16,470	-	-
Other financial assets	802	907	-	-
Investment in subsidiary corporations	-	-	31,801	31,801
Investment in associate	131	141	-	-
Club memberships	235	421	-	-
	70,516	56,895	31,801	31,801
Current assets				
Inventories	31,217	32,367	-	-
Trade and other receivables	28,243	31,113	12,013	11,990
Prepayment	317	377	20	7
Contract work-in-progress	8,720	9,443	-	-
Cash and short-term deposits	21,701	24,698	169	309
Tax recoverable	2	2	-	-
	90,200	98,000	12,202	12,306
Total assets	160,716	154,895	44,003	44,107
Equity attributable to owners of the Company				
Share capital	35,424	35,424	35,424	35,424
Reserve for own shares	(2,791)	(2,791)	(2,791)	(2,791)
Other reserves	(9,287)	(9,565)	1,511	1,320
Accumulated profits	35,257	34,547	449	359
	58,603	57,615	34,593	34,312
Non-controlling interests	2,819	2,754	-	-
Total equity	61,422	60,369	34,593	34,312
Non-current liabilities				
Loans and borrowings	29,275	20,694	-	-
Deferred tax liabilities	960	956	-	-
	30,235	21,650	-	-
Current liabilities				
Trade and other payables	48,673	59,074	9,367	9,752
Loans and borrowings	18,687	11,996	-	-
Current tax payables	1,699	1,806	43	43
	69,059	72,876	9,410	9,795
Total liabilities	99,294	94,526	9,410	9,795
Total equity and liabilities	160,716	154,895	44,003	44,107

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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 July 2015	30 April 2015
	S\$'000	S\$'000
Amount repayable in one year or less, or on demand - Secured	18,687	11,996
Amount repayable after one year - Secured	29,275	20,694
Total	47,962	32,690

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	
	1Q2016	1Q2015
	S\$'000	S\$'000
Cash flows from operating activities		
Profit for the period	743	1,400
Adjustments for:		
Amortisation of land lease prepayment	58	64
Amortisation of intangible assets	340	340
Depreciation of property, plant and equipment	284	164
Share-based payment expenses	191	148
Interest income	(1)	(38)
Interest expense	161	50
Dividend income	(4)	(4)
Write back of provision for doubtful debts	(36)	-
Net changes in fair value of financial assets at fair value through profit or loss	105	20
Share of results of an associated company	10	-
Disposal of club membership	186	-
Gain on disposal of security share	-	(316)
Gain on disposal of property, plant and equipment	-	(4)
Net unrealised foreign exchange loss	343	261
Tax expense	37	397
	<u>2,417</u>	<u>2,482</u>
Change in inventories	1,359	(1,200)
Change in trade and other receivables	2,966	3,701
Change in contract work-in-progress	723	(4,017)
Change in trade and other payables	(10,401)	(979)
Cash used in operating activities	(2,936)	(13)
Income taxes paid	(379)	(192)
Net cash used in operating activities	<u>(3,315)</u>	<u>(205)</u>
Cash flows from investing activities		
Interest received	1	38
Dividend received	4	4
Proceeds from sale of property, plant and equipment	82	4
Proceeds from maturity of structured deposits	-	731
Acquisition of property, plant and equipment	(14,819)	(1,978)
Net cash used in investing activities	<u>(14,732)</u>	<u>(1,201)</u>
Cash flows from financing activities		
Proceeds from borrowings	17,126	127
Repayment of borrowings	(610)	(26)
Proceeds from trust receipts	6,204	12,147
Repayment of trust receipts	(7,336)	(10,256)
Repayment of finance lease liabilities	(28)	(31)
Interest paid	(161)	(50)
Net cash generated from financing activities	<u>15,195</u>	<u>1,911</u>
Net (decrease)/increase in cash and cash equivalents	<u>(2,852)</u>	<u>505</u>
Cash and cash equivalents at beginning of the year	<u>24,494</u>	<u>36,318</u>
Effect of exchange rate fluctuations on cash held	(80)	(986)
Cash and cash equivalents at end of the period	<u>21,562</u>	<u>35,837</u>
Represented by:		
Cash at bank and on hand	17,498	35,854
Short-term fixed deposits	4,203	53
	<u>21,701</u>	<u>35,907</u>
Less: Fixed deposits under pledged	(75)	(52)
Bank overdrafts	(64)	(18)
Cash and cash equivalents in the consolidated statement of cash flows	<u>21,562</u>	<u>35,837</u>

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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									
	Share capital	Treasury shares	Share option reserve	Fair value reserve	Foreign currency translation reserve	Accumulated profits	Attributable to owners of the Company	Non-controlling interests	Total	
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 May 2015	35,424	(2,791)	1,320	122	(11,007)	34,547	57,615	2,754	60,369	
Total comprehensive income for the period	-	-	-	-	-	710	710	33	743	
Profit for the period	-	-	-	-	-	710	710	33	743	
Other comprehensive income / (expense)	-	-	-	-	87	-	87	-	87	
Exchange differences arising from translation of the financial statements of the subsidiary corporations	-	-	-	-	87	-	87	-	87	
Net changes in the fair value pertaining to acquisition of a subsidiary corporation	-	-	-	-	-	-	-	32	32	
Total other comprehensive income / (expense)	-	-	-	-	87	-	87	32	119	
Total comprehensive income / (expense) for the period	-	-	-	-	87	710	797	65	862	
Transaction with owners, recognised directly in equity	-	-	-	-	-	-	-	-	-	
Contributions by and distributions to owners	-	-	191	-	-	-	191	-	191	
Share-based payment transactions	-	-	-	-	-	-	-	-	-	
At 31 July 2015	35,424	(2,791)	1,511	122	(10,920)	35,257	58,603	2,819	61,422	
At 1 May 2014	35,424	(3,345)	731	91	(8,990)	34,470	58,381	-	58,381	
Total comprehensive income for the period	-	-	-	-	-	1,400	1,400	-	1,400	
Profit for the period	-	-	-	-	-	1,400	1,400	-	1,400	
Other comprehensive (expense) / income	-	-	-	-	67	-	67	-	67	
Exchange differences arising from translation of the financial statements of the subsidiary corporations	-	-	-	(472)	-	-	(472)	-	(472)	
Net changes in the fair value of available-for-sale financial assets	-	-	-	33	-	-	33	-	33	
Deferred tax arising from available-for-sale financial assets	-	-	-	(439)	67	-	(372)	-	(372)	
Total other comprehensive (expense) / income	-	-	-	(439)	67	-	(372)	-	(372)	
Total comprehensive (expense) / income for the period	-	-	-	(439)	67	1,400	1,028	-	1,028	
Transaction with owners, recognised directly in equity	-	-	-	-	-	-	-	-	-	
Contributions by and distributions to owners	-	-	148	-	-	-	148	-	148	
Share-based payment transactions	-	-	-	-	-	-	-	-	-	
At 31 July 2014	35,424	(3,345)	879	(348)	(8,923)	35,870	59,557	-	59,557	

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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.

	Company				
	Share capital	Treasury shares	Share option reserve	Accumulated profit	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 May 2015	35,424	(2,791)	1,320	359	34,312
Profit for the period				90	90
Share based payment transactions	-	-	191	-	191
At 31 July 2015	35,424	(2,791)	1,511	449	34,593
At 1 May 2014	35,424	(3,345)	731	6	32,816
Profit for the period	-	-	-	33	33
Share based payment transactions	-	-	148	-	148
At 31 July 2014	35,424	(3,345)	879	39	32,997

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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 July 2015, the Company's issued and fully paid up capital (excluding treasury shares) comprises of 434,126,661 (31 July 2014: 431,343,661) ordinary shares. Company's share capital in 1Q2016 and 1Q2015 are set out below and no movements were noted during the period.

	1Q2016	
	Number of shares	Share Capital (S\$'000)
Balance at beginning of period	434,126,661	35,424
Purchase of treasury shares	-	-
Exercise of share options	-	-
Issue of new shares	-	-
Balance at end of period	434,126,661	35,424

	1Q2015	
	Number of shares	Share Capital (S\$'000)
Balance at beginning of period	431,343,661	35,424
Purchase of treasury shares	-	-
Exercise of share options	-	-
Issue of new shares	-	-
Balance at end of period	431,343,661	35,424

Purchase of treasury shares

During the quarter, there was no share buy-back transaction in 1Q2016. As at 31 July 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 July 2014: 3.00%) of the total number of issued shares (excluding treasury shares) of the Company as at 31 July 2015

XMH Share Option Scheme

As at 31 July 2015, the outstanding balance of unexercised options under the XMH Share Option Scheme totaled 12,043,000 (31 July 2014: 15,325,000) or 2.77% (31 July 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 July 2015	31 July 2014
Total number of shares issued	447,049,661	447,049,661
Less: Treasury shares	(12,923,000)	(15,706,000)
Total	434,126,661	431,343,661

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.

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 2014 and 31 July 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 2015.

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.

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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	
	1Q2016	1Q2015
EPS (based on consolidated net profit attributable to equity holders):-		
a) Based on the weighted average number of ordinary shares in issue (cents)	0.16	0.32
b) On a fully diluted basis (cents)	0.16	0.31
Weighted average number of shares in issue during the period used in the computing of EPS	434,126,661 ⁽²⁾	431,343,661 ⁽¹⁾
Weighted average number of shares on fully diluted basis during the period used in the computing of EPS	445,127,292 ⁽³⁾	455,963,746 ⁽³⁾

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, September 2012 and September 2013.
- (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, September 2013 and September 2014.
- (3) 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).

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 July 2015	30 April 2015	31 July 2015	30 April 2015
Net asset value per ordinary share based on existing share capital (cents)	13.50	13.27	7.97	7.90
Number of shares at end of the period/year	434,126,661	434,126,661	434,126,661	434,126,661

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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 80% of the issued and paid-up share capital of Z-Power Automation Pte. Ltd. ("ZPA") in 4Q2015. The results of ZPA post-acquisition are consolidated into the statement of comprehensive income of the Group.

STATEMENT OF COMPREHENSIVE INCOME REVIEW

Quarter ended 31 July 2015 ("1Q2016") vs quarter ended 31 July 2014 ("1Q2015")

(i) Revenue

Revenue decreased by approximately S\$2.0 million or 7.8% from S\$25.8 million in 1Q2015 to S\$23.8 million in 1Q2016. The decrease was due mainly to lower revenue in the "projects" and "aftersales" business segments of approximately S\$3.0 million and S\$1.1 million respectively. Lower revenue in the "projects" business segment was primarily due to the timing of contract deliveries in 1Q2016 as compared to the exceptionally high deliveries recorded in 1Q2015. Nonetheless, this decrease was offset by higher revenue in the "distribution" business segment of approximately S\$2.1 million as customers took more deliveries in 1Q2016.

(ii) Cost of Sales and Gross Profit Margin

Correspondingly, cost of sales also decreased by approximately S\$1.7 million or 8.9% from S\$19.1 million in 1Q2015 to S\$17.4 million in 1Q2016.

Better gross profit margin registered was at 26.7% in 1Q2016 as compared to 25.8% in 1Q2015. The improvement of 0.9% was due mainly to higher gross profit margins in the "projects" and "distribution" business segments.

(iii) Other Income

Higher other income in 1Q2016 as compared to 1Q2015 was due mainly to an insurance claim received and increased commission charges to customers.

(iv) Distribution Expenses

Distribution expenses increased by approximately S\$414,000 or 24.8% from S\$1.7 million in 1Q2015 to S\$2.1 million in 1Q2016. The increase was due mainly to the consolidation of ZPA's results and higher marketing expenses in general.

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(v) Administrative Expenses

Administrative expenses increased by approximately S\$628,000 or 20.6% from S\$3.0 million in 1Q2015 to S\$3.7 million in 1Q2016. The increase was due mainly to the consolidation of ZPA's results and higher amortization of intangible assets, offset by lower professional fees incurred in 1Q2016.

(vi) Other Expenses

Other expenses in 1Q2015 were legal fees incurred in relation to a litigation case which has been concluded in November 2015.

(vii) Net Finance Income/(Cost)

The Group registered net finance income of approximately S\$68,000 and S\$28,000 in 1Q2016 and 1Q2015 respectively. The higher net finance income in 1Q2016 was due mainly to foreign exchange gain recorded as opposed to net foreign exchange losses in 1Q2015. The finance costs were also higher in 1Q2016 by approximately S\$91,000 as compared to 1Q2015.

(viii) Tax expense

Tax expense was lower by approximately S\$338,000 or 90.7% to S\$37,000 in 1Q2016 and in line with the lower profit before tax in 1Q2016 as compared to 1Q2015.

STATEMENT OF FINANCIAL POSITION REVIEW

The Group's shareholders' funds as at 31 July 2015 stood at S\$58.6 million as compared to S\$57.6 million at the end of the immediately preceding financial year end, 30 April 2015.

(i) Property, plant and equipment

The increase in the property, plant and equipment of approximately S\$14.3 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 during the period.

(iii) Intangible assets

The main intangible assets consisted of goodwill and other intangible assets at approximately S\$11.8 million and S\$4.4 million respectively. The decrease was due mainly to amortization during the period.

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(iv) Club memberships

The decrease in club memberships was due to a disposal made in July 2015.

(v) Inventories

Inventories decreased by approximately S\$1.2 million from S\$32.4 million as at 30 April 2015 to S\$31.2 million as at 31 July 2015. The decrease was due mainly to deliveries made in the “distribution” business segment during the period ended 31 July 2015 and in line with the increased revenue in the “distribution” business segment.

(vi) Trade and other receivables

Trade and other receivables decreased by approximately S\$2.9 million from S\$31.1 million as at 30 April 2015 to S\$28.2 million as at 31 July 2015. The decrease was due mainly to improved collections from both “distribution” and “projects” business segments. In addition, the Group also recorded net GST claims from IRAS during the period.

(vii) Contract work-in-progress

Contract work-in-progress decreased from S\$9.4 million as at 30 April 2015 to S\$8.7 million as at 31 July 2015 as more projects were completed during the period compared to contracts won being advanced to work-in-progress stage.

(viii) Trade and other payables

Trade and other payables stood at approximately S\$48.7 million as at 31 July 2015, as compared to S\$59.1 million as at 30 April 2015. The decrease of approximately S\$10.4 million was due mainly to (i) settlement of amount due to trade suppliers; (ii) reduced advance payment from customers as orders were delivered; and (iii) payment of accrued liabilities in 1Q2016.

(ix) Loans and borrowings

Loans and borrowings stood at approximately S\$48.0 million as at 31 July 2015, an increase of approximately S\$15.3 million from S\$32.7 million as at 30 April 2015. The increase was due mainly to loans drawn down during the period to finance the construction of the new factory building in Tuas.

STATEMENT OF CASH FLOW REVIEW

Net cash used in operating activities was S\$3.3 million in 1Q2016 as compared to S\$205,000 in 1Q2015. The increase was primarily due to settlement of amount due to trade suppliers and payment of accrued expenses. These were offset by receipts from trade customers, inventories and contract work-in-progress deliveries to trade and project customers during the period.

Net cash used in investing activities was approximately S\$14.7 million in 1Q2016 as compared to S\$1.2 million in 1Q2015. This was due mainly to loans drawn down for progress payments towards construction of the factory building in Tuas.

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Net cash generated from financing activities was approximately S\$15.2 million in 1Q2016 as compared to S\$1.9 million in 1Q2015. This was due mainly to loans drawn down for progress payments towards construction of the factory building in Tuas.

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.

Amidst the global economic slowdown, recent activities of emerging economies have declined and advanced economies are displaying a lacklustre recovery. The slowdown in the Indonesian economy has inevitably affected the Group's recent financial performance as the country is a major geographical market for the Group. As such, the Group remains focused on improving overall profitability through diversification and the streamlining of costs.

The Group hopes to see positive contribution from the increased orders in fishing and commercial activities, as well as the increased enquiries from Indonesia for marine engines. Additionally, the Group intends to diversify from offshore applications by adding on onshore applications of its business such as infocomm data centres and infrastructure projects. Overall, the Group will continue to make concerted efforts to pitch projects as a whole in order to increase revenue streams, profitability and capitalize on its enlarged client base.

To date, the order book remains healthy with a steady flow through 2017. Half of the recent contract wins by both ZPA and MPG of S\$23.1 million are expected to be delivered by end of 2015, while the rest are to be delivered in 2016, despite a slower first quarter.

Moving forward, the Group expects to relocate to its new 7-storey facility at Tuas in November 2015. This will provide the Group the ability to accommodate all its subsidiaries and production lines, increase general warehousing capacities, as well as save costs in the long term.

The Group remains cautious and will exercise prudence while operating in this very challenging environment.

**FIRST QUARTER FINANCIAL STATEMENTS ANNOUNCEMENT
FOR THE PERIOD ENDED 31 JULY 2015**

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 three months ended 31 July 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 three months ended 31 July 2015 to be false or misleading in any material aspect.

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

13 September 2015