

NatSteel Holdings Pte Ltd.**Balance Sheet**

| | 31 Mar 2018 | 31 Mar 2017 |
|---|--------------------|--------------------|
| | SGD' 000 | SGD' 000 |
| <u>Non-current Assets</u> | | |
| Property, plant and equipment | 83,747 | 99,259 |
| Investment property | 6,800 | 9,600 |
| Other intangible assets | 2,671 | 3,298 |
| Investments in Joint venture | - | 636 |
| Available-for-sale financial assets | 7,470 | 5,220 |
| Trade and other receivables | 12,494 | 43,322 |
| Subsidiaries (investment costs) | 101,870 | 101,870 |
| | 215,051 | 263,205 |
| <u>Current Assets</u> | | |
| Inventories | 154,945 | 115,775 |
| Trade receivables | 38,292 | 34,930 |
| Other receivables | 11,795 | 25,160 |
| Advance paid to suppliers | 66 | 28 |
| <u>Amounts due from NSH & NSA group:</u> | | |
| Trade | 26,014 | 16,743 |
| Non trade | 3,521 | 2,912 |
| Loans | 7,399 | 7,373 |
| Advance/loans due from related parties | 2,535 | 784 |
| Cash and cash equivalents | 6,854 | 3,955 |
| | 251,420 | 207,660 |
| Total Assets | 466,471 | 470,865 |
| <u>Current Liabilities</u> | | |
| Bank overdrafts / short term loan | 107,057 | 141,884 |
| Trade payables | 30,678 | 41,697 |
| Other payables | 29,332 | 16,445 |
| <u>Amounts due to NSH & NSA group:</u> | | |
| Trade | 50,965 | 42,436 |
| Non trade | 5,327 | 6,501 |
| Loans | 89,336 | 88,481 |
| Retirement benefit obligation | 38 | 128 |
| Current tax liabilities | 3,804 | 6,531 |
| Derivative financial instruments | 712 | 470 |
| | 317,249 | 344,573 |
| Net Current Assets | | |
| <u>Non-current Liabilities</u> | | |
| Advance/loans due to related parties | 120,000 | 120,000 |
| Retirement benefit obligation | 359 | 371 |
| Deferred tax liabilities | 11,803 | 5,385 |
| | 132,162 | 125,756 |
| Total Liabilities | 449,411 | 470,329 |
| Net Assets | 17,060 | 536 |
| <u>Equity</u> | | |
| Capital and reserves | | |
| Share capital | 200,025 | 200,025 |
| Other Reserves | (3,804) | (6,296) |
| Retained earnings | (179,161) | (193,193) |
| Total equity | 17,060 | 536 |

NatSteel Holdings Pte Ltd.

Income Statement

| | Apr'17-Mar'18 | Apr'16-Mar'17 |
|---|---------------|----------------|
| | SGD' 000 | SGD' 000 |
| Revenue | 687,041 | 606,126 |
| Cost of sales | (656,588) | (579,723) |
| Gross profit | 30,452 | 26,403 |
| Selling and distribution costs | (4,693) | (5,264) |
| Administrative expenses | (26,628) | (29,218) |
| Other operating (expenses) / income - net | 7,873 | 619 |
| Operating profit | 7,004 | (7,461) |
| Finance income | 14,388 | 16,847 |
| Finance costs | (9,972) | (8,893) |
| Other losses / gains - net | - | - |
| Profit before tax | 11,420 | 493 |
| Income tax expense | 3,735 | 3,731 |
| Profit for the year (from continuing operations) | 15,155 | 4,224 |

NatSteel Holdings Pte Ltd.

Cash Flow Statement

| | Apr'17-Mar'18 SGD' 000 | Apr'16-Mar'17 SGD' 000 |
|---|---------------------------|---------------------------|
| Particulars | Amount | Amount |
| <u>Cash Flows from Operating Activities</u> | | |
| Profit before taxation | 11,420 | 493 |
| Adjustments for : | | |
| Amortisation of intangible assets | 627 | 627 |
| Depreciation of property, plant and equipment | 18,834 | 20,230 |
| Provision of impairment or diminution | - | 3,419 |
| Finance expenses | 9,972 | 8,893 |
| Interest income | (892) | (578) |
| Dividend income | (360) | (360) |
| Dividend income from Subsidiaries | (13,136) | (15,909) |
| Loss (profit) on sale of property, plant and equipment | (113) | (148) |
| Provision (write back) for doubtful debts - trade /non trade | - | (10,849) |
| Provision (write back) for stock obsolescence | - | (484) |
| Provision for retirement benefits | 27 | 50 |
| Loss (profit) on fair value of foreign exchange forward contract | 485 | (3,113) |
| Fair value loss (gain) on investment properties | 1,450 | - |
| <u>Others (please specify):</u> | | |
| a) | - | 266 |
| b) | - | 9,200 |
| c)Exchange Diff on Promissory Note | 31 | 50 |
| Operating Profit before working capital changes | 28,344 | 11,787 |
| Decrease (increase) in inventories | (39,170) | (29,264) |
| Decrease (increase) in receivables | 11,609 | 8,523 |
| Increase (decrease) in payables | 9,320 | (4,734) |
| Payables: Increase (decrease) in Interco (within NSH group/NSA Group) | (1,980) | (9,171) |
| Cash (used in) / generated from operations | 8,123 | (22,860) |
| Income tax (paid) / refund | (255) | (427) |
| Payment of retirement benefits | (129) | (235) |
| Net cash (used in) / generated from operating activities | 7,740 | (23,521) |
| <u>Cash Flows from Investing Activities</u> | | |
| Investment/increase in joint ventures | - | (2,491) |
| Proceeds from sale of property, plant and equipment | 123 | 218 |
| Purchase of property, plant and equipment | (3,331) | (2,825) |
| Dividend received from investments | 360 | 360 |
| Dividend received from subsidiaries | 13,136 | 15,909 |
| Interest received | 290 | 191 |
| Repayment of loan/Advance from related parties | (26) | (801) |
| <u>Others (please specify):</u> | | |
| a)Loan to NSX | 27,903 | (11,492) |
| Net cash (used in) / generated from investing activities | 38,455 | (933) |
| <u>Cash Flows from Financing Activities</u> | | |
| Increase in amounts due to bankers | (34,827) | 84,284 |
| Repayment of loan to related companies | - | (49,619) |
| Interest paid | (9,324) | (8,797) |
| <u>Others (please specify):</u> | | |
| a) Loan from subsidiary | 855 | (1,000) |
| Net cash (used in) / generated from financing activities | (43,296) | 24,868 |
| Net Increase / (Decrease) in cash and Cash Equivalents | 2,899 | 415 |
| Cash and cash equivalents at beginning of the financial period | 3,955 | 3,540 |
| Effect of foreign exchange rate changes | - | - |
| Cash and cash equivalents at end of the financial period | 6,854 | 3,955 |

NatSteel Holdings Pte Ltd.

Statement of changes in Shareholders Equity as at 31 Mar 2018

SGD '000 2110000000 2235021000 2235014000 2235022000 2235015000 2241000000

| PARTICULARS | Attributable to equity holders of the company | | | | | | Total |
|--|---|--------------------|-----------------|----------------|---------------------|-------------------|---------------|
| | Share capital | Restricted reserve | Capital reserve | Other reserve | Revaluation reserve | Retained earnings | |
| At beginning of year | 200,025 | 236 | 77 | (10,028) | 3,420 | (193,193) | 536 |
| Opening Balance Adjustment (PI Specify) | | | | | | | |
| Opening Balance Adjustment - 1 | - | - | - | - | - | (1,350) | (1,350) |
| Opening Balance Adjustment - 2 | - | - | - | - | - | 230 | 230 |
| Opening Balance Adjustment - 3 | - | - | - | - | - | 634 | 634 |
| Opening Balance Adjustment - 4 | - | - | - | - | - | (636) | (636) |
| Fair value gains / (loss) on available-for-sale investment | - | - | - | - | 2,250 | - | 2,250 |
| Profit for the year | | | | | | 15,155 | 15,155 |
| Other Movements - 2 | - | - | - | 242 | - | - | 242 |
| At end of year | 200,025 | 236 | 77 | (9,787) | 5,670 | (179,161) | 17,060 |
| <i>Check</i> | - | - | - | - | - | - | - |

NatSteel Holdings Pte Ltd.

Statement of changes in Shareholders Equity as at 31 Mar 2017

SGD '000

| PARTICULARS | 2110000000 | 2235021000 | 2235014000 | 2235022000 | 2235015000 | 2241000000 | |
|--|---|--------------------|-----------------|-----------------|---------------------|-------------------|------------|
| | Attributable to equity holders of the company | | | | | | |
| | Share capital | Restricted reserve | Capital reserve | Other reserve | Revaluation reserve | Retained earnings | Total |
| At beginning of year | 200,025 | - | 77 | (10,903) | 3,690 | (170,538) | 22,350 |
| Opening Balance Adjustment (PI Specify) | | | | | | | |
| Opening Balance Adjustment - 1 | - | - | - | - | - | (623) | (623) |
| Opening Balance Adjustment - 3 | - | - | - | 551 | - | (26,256) | (25,705) |
| Fair value gains / (loss) on available-for-sale investment | - | - | - | - | (270) | - | (270) |
| Profit for the year | | | | | | 4,224 | 4,224 |
| Others (Please specify): | | | | | | | |
| Other Movements - 1 | - | 236 | - | - | - | - | 236 |
| Other Movements - 2 | - | - | - | 323 | - | - | 323 |
| At end of year | 200,025 | 236 | 77 | (10,028) | 3,420 | (193,193) | 536 |
| <i>Check</i> | - | - | - | - | - | - | (0) |