



UNAUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 March 2016

Unless otherwise defined, capitalised terms used in this announcement shall have the same meaning as ascribed to them in the Offer Document of the Secura Group Limited dated 20 January 2016 (the "Offer Document").

Secura Group Limited (the "**Company**") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 28 January 2016. The Sponsor and Issue Manager for the initial public offering (the "**IPO**") of the Company was United Overseas Bank (the "**Sponsor**").

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor, for compliance with the relevant rules of the SGX-ST. The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of the announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact persons for the Sponsor are Mr. Khong Choun Mun, Managing Director and Head, Equity Capital Markets and Mr. Chia Beng Kwan, Senior Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, Telephone: +65 6533 9898.

INTRODUCTION

Incorporation of Secura Group Limited (the "Company" or "SGL")

The Company was incorporated in the Republic of Singapore on 14 August 2015 under the Companies Act (Chapter 50) of Singapore as a private limited company under the name Secura Group Pte. Ltd.. On 14 January 2016, the Company changed its name to "Secura Group Limited" in conjunction with its conversion to a public company limited by shares.

Restructuring Exercise

Pursuant to the Restructuring Exercise executed in connection with the IPO, the Company acquired 100% equity interests in Secura Singapore Pte. Ltd. and its subsidiaries ("SSPL Group") and Soverus Group Pte. Ltd. and its subsidiaries ("SGPL Group").

BASIS OF PREPARATION

Group

Both the Company and SGPL were under common control and the pooling of interest method has been applied in accounting for SGPL Group in the consolidated financial information. For SSPL Group, the acquisition method was applied.

Purchase price allocation ("PPA")

Based on the preliminary PPA prepared by management, management has identified a PPA adjustment in relation to property, plant and equipment of \$5,000,000, as disclosed in the unaudited pro forma combined financial information which was included in the Offer Document dated 20 January 2016. Accordingly, a bargain purchase of \$5,867,000 was recognised in the consolidated statement of comprehensive income on a provisional basis. Management expects to finalise the PPA exercise within one year from the date of acquisition, 15 January 2016. Accordingly, the fair values of assets and liabilities of SSPL Group on acquisition date will be adjusted upon finalisation of the PPA exercise.

The consolidated financial information reflects the following:

Consolidated balance sheets

- (a) the assets and liabilities of the SGPL Group were recognised and measured in the consolidated balance sheet at their carrying amounts before the Restructuring Exercise;
- (b) the assets and liabilities of SSPL Group were recognised and measured in the consolidated balance sheet at their acquisition date fair values as provisionally determined by management;
- (c) the retained earnings of the Group as at 31 March 2016 included that of SGPL Group at its carrying amount and the post-acquisition reserves of SSPL Group; and
- (d) the comparative figures presented in the consolidated balance sheets relate to SGL and SGPL Group

Consolidated statement of comprehensive income

- (a) the consolidated statement of comprehensive income for the current period reflects that of SGL, SGPL Group and the post-acquisition results of SSPL Group; and
- (b) the comparative figures presented in these consolidated statement of comprehensive income were that of SGPL Group only as SGL was only incorporated in August 2015.

The Company financial information reflects the following:

The financial information of the Company comprises the balance sheet as at 31 March 2016 and 31 December 2015 and the statement of changes in equity for the period ended 31 March 2016. There were no comparative figures for the corresponding period in previous year as the Company was incorporated in August 2015, i.e. subsequent to 31 March 2015.

FIRST QUARTER FINANCIAL STATEMENT ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2016
PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

- 1(a) **An income statement and statement of comprehensive income or a statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.**

STATEMENT OF COMPREHENSIVE INCOME

	GROUP		Increase/ (Decrease) %
	Q1 FY2016 \$'000	Q1 FY2015⁽¹⁾ \$'000	
Revenue	8,684	4,848	79.1
Cost of sales	(7,237)	(4,152)	74.3
Gross profit	1,447	696	107.9
Other operating income	450	639	(29.6)
Distribution and selling expenses	(263)	(31)	748.4
Administrative expenses	(1,058)	(808)	30.9
Listing expenses	(279)	–	NM
Bargain purchase	5,867	–	NM
Share of results of joint ventures and associate	26	–	NM
Profit before tax	6,190	496	1,148.0
Income tax expense	(26)	–	NM
Profit for the period, attributable to owners of the Company	6,164	496	1,142.7
Other comprehensive income			
Items that may be classified subsequently to profit or loss			
Foreign currency translation	(75)	–	NM
Share of foreign currency translation of joint venture	(10)	–	NM
Total comprehensive income for the period, attributable to owners of the Company	6,079	496	1,125.6

NM: Not meaningful.

Note

- (1) The group's financial results for Q1 FY2015 comprises only the financial results of Soverus Group Pte. Ltd. and its subsidiaries (collectively, "**SGPL Group**"), accounted for using of pooling of interest method as common control exists between the Company and SGPL Group.

The financial results of Secura Singapore Pte. Ltd. and its subsidiaries ("**SSPL Group**") have not been included for Q1 FY2015 as the acquisition of SSPL Group took place in January 2016. The acquisition is accounted for from the date of acquisition in Q1 FY2016 in accordance with FRS103 Business Combinations. Please refer to the paragraph "Basis of Presentation" on the cover page to this announcement for further details.

1(a)(ii) Notes to combined statements of profit or loss and other comprehensive income. The Group's profit before tax was arrived at after crediting / (charging) the following:

	GROUP		
	Q1 FY2016	Q1 FY2015	Increase/ (Decrease)
	\$'000	\$'000	%
Government grant income	275	617	(55.4)
Depreciation of property, plant and equipment	(334)	(23)	1,352.2
Interest income	48	–	NM
Bargain purchase	5,867	–	NM
Foreign exchange gain, net	114	–	NM

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

STATEMENT OF FINANCIAL POSITION

	GROUP		COMPANY	
	As at 31/03/2016 \$'000	As at 31/12/2015 \$'000	As at 31/03/2016 \$'000	As at 31/12/2015 \$'000
Non-current assets				
Property, plant and equipment	14,104	342	7	–
Goodwill on consolidation	18	–	–	–
Investments in subsidiaries	–	–	11,762	–
Investments in joint ventures	471	–	–	–
Investment in associate	445	–	–	–
Deferred tax asset	164	–	–	–
Trade and other receivables	413	309	–	–
	<u>15,615</u>	<u>651</u>	<u>11,769</u>	<u>–</u>
Current assets				
Inventories	954	25	–	–
Trade and other receivables	7,162	6,712	163	–
Tax recoverable	190	–	–	–
Prepaid operating expenses	326	239	71	42
Amount due from subsidiaries	–	–	5,987	–
Amount due from a joint venture	34	–	–	–
Cash and cash equivalents	26,938	1,936	23,147	–
	<u>35,604</u>	<u>8,912</u>	<u>29,368</u>	<u>42</u>
Current liabilities				
Trade and other payables	3,063	2,361	275	647
Deferred revenue	610	88	–	–
Accrued operating expenses	989	651	152	121
Finance lease	43	43	–	–
Amount due to a joint venture	60	–	–	–
Amount due to shareholder	–	3,000	–	–
Income tax payable	572	258	–	–
	<u>5,337</u>	<u>6,401</u>	<u>427</u>	<u>768</u>
Net current assets/(liabilities)	<u>30,267</u>	<u>2,511</u>	<u>28,941</u>	<u>(726)</u>
Non-current liabilities				
Finance lease	61	72	–	–
Deferred tax liabilities	99	219	–	–
	<u>160</u>	<u>291</u>	<u>–</u>	<u>–</u>
Net assets/(liabilities)	<u>45,722</u>	<u>2,871</u>	<u>40,710</u>	<u>(726)</u>
Equity				
Share capital	38,882	1,000	38,882	–
Merger reserve	(1,110)	–	–	–
Foreign currency translation reserve	(85)	–	–	–
Retained earnings	8,035	1,871	1,828	(726)
Total equity	<u>45,722</u>	<u>2,871</u>	<u>40,710</u>	<u>(726)</u>

1(b)(ii) Aggregate amount of group's borrowings and debt securities.**Amount repayable in one year or less, or on demand**

As at 31/03/2016		As at 31/12/2015	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
43	–	43	3,000

Amount repayable after one year

As at 31/03/2016		As at 31/12/2015	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
61	–	72	–

Details of any collateral

As at the balance sheet date, the finance lease liabilities of the Group are secured by way of a motor vehicle.

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

CONSOLIDATED STATEMENT OF CASH FLOWS

	GROUP	
	Q1 FY2016 S\$'000	Q1 FY2015 S\$'000
Cash flows from operating activities:		
Profit before tax	6,190	496
Adjustments for:		
Depreciation of property, plant and equipment	334	23
Interest income	(48)	–
Receipt and recognition of deferred revenue, net	87	5
Share of results of joint ventures and associate	(26)	–
Bargain purchase	(5,867)	–
Unrealised exchange loss	(114)	–
Operating cash flows before working capital changes	556	524
Decrease/(increase) in inventories	130	(23)
Decrease in trade and other receivables	1,800	58
(Increase)/decrease in prepaid operating expenses	(43)	11
Decrease in amount due from a joint venture	3	–
(Decrease)/increase in trade and other payables	(515)	1,270
Decrease in accrued operating expenses	(173)	(580)
Cash flows generated from operations	1,758	1,260
Interest received	48	–
Tax paid	(91)	–
Net cash flows generated from operating activities	1,715	1,260
Cash flows from investing activities:		
Purchase of property, plant and equipment	(60)	(7)
Net cash inflow from acquisition of subsidiary	4,183	–
Net cash flows generated from/(used in) investing activities	4,123	(7)
Cash flows from financing activities:		
Increase in fixed deposits pledged	–	(34)
Proceeds from issue of shares	28,000	–
Share issuance expense	(880)	–
Dividend paid on ordinary shares of subsidiaries	(4,948)	–
Repayment of finance lease	(11)	–
Repayment of bank loan	–	(1)
Repayment of shareholder loan	(3,000)	–
Net cash flows generated from/(used in) financing activities	19,161	(35)
Net increase in cash and cash equivalents	24,999	1,218
Effect of exchange rate changes on cash and cash equivalents	3	–
Cash and cash equivalents at beginning of year	1,936	1,094
Cash and cash equivalents at end of year	26,938	2,312

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Attributable to equity holders of the parent				
	Share capital \$'000	Merger reserve \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000	Total equity \$'000
At 1 January 2016	–	1,000	–	1,871	2,871
<u>Contributions by and distributions to owners</u>					
Issuance of shares pursuant to IPO	28,000	–	–	–	28,000
Share issuance expense	(880)	–	–	–	(880)
Issuance of shares pursuant to the Restructuring Exercise	11,762	(2,110)	–	–	9,652
Profit for the period	–	–	–	6,164	6,164
<u>Other comprehensive income</u>					
Foreign currency translation	–	–	(75)	–	(75)
Share of foreign currency translation of joint venture	–	–	(10)	–	(10)
Other comprehensive income for the period, net of tax	–	–	(85)	–	(85)
Total comprehensive income for the period	–	–	(85)	6,164	6,079
At 31 March 2016	38,882	(1,110)	(85)	8,035	45,722
At 1 January 2015	–	1,000	–	148	1,148
Profit for the period, representing total comprehensive income for the financial period	–	–	–	496	496
At 31 March 2015	–	1,000	–	644	1,644

Company ⁽¹⁾	Share capital \$'000	Retained earnings \$'000	Total equity \$'000
At 1 January 2016 ⁽²⁾	–	(726)	(726)
<u>Contributions by and distributions to owners</u>			
Issuance of shares pursuant to IPO	28,000	–	28,000
Share issuance expense	(880)	–	(880)
Issuance of shares pursuant to the Restructuring Exercise	11,762	–	11,762
	38,882	–	38,882
Profit for the period, representing total comprehensive income for the period	–	2,554	2,554
At 31 March 2016	38,882	1,828	40,710

Note:

- (1) There are no comparative figures at the Company level for the corresponding period of the immediately preceding financial year as the Company was incorporated on 14 August 2015.
- (2) As at 1 January 2016, there were 100 issued and paid-up shares of S\$1 each.

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State 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 the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

CHANGES IN ISSUED AND PAID-UP SHARE CAPITAL

	Number of shares	Issued and paid-up share capital S\$
As at 1 January 2016	100	100
Issue of new shares of the Company ("Shares") pursuant to the restructuring exercise undertaken in connection with the IPO	287,999,900	11,762,000
Post restructuring exercise issued and paid-up share capital	288,000,000	11,762,100
New Shares issued pursuant to the IPO	112,000,000	28,000,000
Share issue expenses capitalised	–	(880,000)
As at 31 March 2016	400,000,000	38,882,100

As at 31 March 2016, there were 224,000,000 warrants outstanding (31 March 2015: Nil), each warrant carrying the right to subscribe for one Share at the exercise price of S\$0.35 per Share. There are no treasury shares held by the Company as at 31 March 2016 and 31 March 2015.

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

	As at 31/03/16	As at 31/12/15
Total number of issued Shares excluding treasury shares	400,000,000	100

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

There are no treasury shares held by the Company.

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the auditors of the Company.

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

Not Applicable.

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

The Group has applied the same accounting policies and methods of computation in the Group's financial statements for the three-month period ended 31 March 2016 as its most recently audited financial statements for the financial year ended 31 December 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.

There are no changes in the Group's accounting policies and methods of computation including any required by an accounting standard. The adoption of the new and revised Financial Reporting Standards (including their consequential amendments) and interpretations is assessed to have no material impact on the results of the Group and of the Company for the three-month period ended 31 March 2016.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group	
	Q1 2016	Q1 2015
Profit attributable to owners of the Company (S\$'000)	6,164	496
Weighted average number of Shares ('000)	345,846	144,000
Basic and diluted EPS based on weighted average number of ordinary Shares (cents)	1.78	0.34

The weighted average number of shares for the period ended 31 March 2016 is calculated based on:

- a) The number of ordinary shares outstanding from the beginning of the year, up to date of the completion of the Restructuring Exercise, amounted to 143,999,900 which represent the number of shares issued by SGL for acquisition of SGPL Group.
- b) The number of ordinary shares outstanding from the completion of Restructuring Exercise, up to the date of issuance of Invitation Shares comprise the number of shares in (a) and the 144,000,000 shares issued to acquired SGPL Group.
- c) The number of ordinary shares outstanding from the date of issuance of invitation shares, up to the end of reporting period comprise the number of shares in (a) and (b) and the 112,000,000 invitation shares issued on 27 January 2016 in connection with the initial public offering.

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-
(a) current financial period reported on; and
(b) immediately preceding financial year.**

	Group		Company	
	31/03/16	31/12/15	31/03/16	31/12/15
Net asset value (S\$'000)	45,722	2,871	40,710	(726)
Number of ordinary Shares ('000)	400,000	144,000	400,000	- *
Net asset value per ordinary Shares (cents)	11.43	1.99	10.18	(726,000)

Notes:

- * Based on 100 issued shares of the Company as at 31 December 2015.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

REVIEW OF THE GROUP'S PERFORMANCE

Revenue

Revenue increased by 79.1% or S\$3.84 million, from S\$4.85 million in the three-month period ended 31 March 2015 ("Q1 2015") to S\$8.68 million in three-month period ended 31 March 2016 ("Q1 2016") due mainly to the acquisition of 100% equity interests in Secura Singapore Pte. Ltd. and its subsidiaries ("SSPL Group").

Revenue contribution from the acquisition of SSPL Group amounted to S\$3.02 million in Q1 2016. Revenue of Soverus Group Pte. Ltd. and its subsidiaries ("SGPL Group") increased by 16.7% or S\$0.81 million, from S\$4.85 million in Q1 2015 to S\$5.66 million in Q1 2016 due mainly to increase in revenue from Security Guarding with an increase in number of contracts awarded and additional revenue contribution from Soverus Consultancy and Services Pte Ltd, a subsidiary of SGPL Group incorporated on 4 May 2015.

Cost of sales

Cost of sales increased by 74.3% or S\$3.09 million, from S\$4.15 million in Q1 2015 to S\$7.24 million in Q1 2016 due mainly to the acquisition of 100% of the equity interests in SSPL Group.

The increase in the cost of sales attributable to the acquisition of SSPL Group amounted to S\$2.35 million. Cost of sales of SGPL Group increased by 17.8% or S\$0.74 million, from S\$4.15 million in Q1 2015 to S\$4.89 million in Q1 2016, in line with the increase in revenue.

Other operating income

Other operating income decreased by 29.6% or S\$0.19 million, from S\$0.64 million in Q1 2015 to S\$0.45 million in Q1 2016 due mainly to decrease in Government Grants under the Wage Credit Scheme and Special Employment Credit.

Distribution and selling expenses

Distribution and selling expenses increased by 748.4% or S\$0.23 million, from S\$0.03 million in Q1 2015 to S\$0.26 million in Q1 2016 due mainly to the acquisition of 100% of the equity interests in SSPL Group.

Distribution and selling expenses attributable to SSPL Group amounted to S\$0.22 million in Q1 2016.

Administrative expenses

Administrative expenses increased by 30.9% or S\$0.25 million, from S\$0.81 million in Q1 2015 to S\$1.06 million in Q1 2016 due mainly to the acquisition of 100% of the equity interests in SSPL Group.

The increase in administrative expenses attributable to the acquisition of SSPL Group amounted to S\$0.12 million in Q1 2016. Administrative expenses of the Company and SGPL Group increased by 16.2% or S\$0.13 million, from S\$0.81 million in Q1 2015 to S\$0.94 million in Q1 2016 primarily due to increase in directors' fees, costs relating to continuing listing as well as increase in number of employees.

Listing expenses

We incurred expenses of S\$0.28 million in Q1 2016 in relation to professional fees for the Restructuring Exercise and the IPO.

Bargain purchase

A gain on bargain purchase of \$5.86 million was recognised in the consolidated statement of comprehensive income on a provisional basis. Management expects to finalise the PPA exercise within one year from the date of acquisition, being 15 January 2016. Accordingly, the fair values of assets and liabilities of SSPL Group on acquisition date will be adjusted upon finalisation of the PPA exercise.

Profit for the period, attributable to owners of the Company

Our profit for the period increased 1,142.7% or S\$5.67 million, from S\$0.50 million in Q1 2015 to S\$6.16 million in Q1 2016 primarily due to the one-off gain on bargain purchase of S\$5.87 million. This was offset by the increase in administrative expenses and the one-off listing expenses.

Other comprehensive income

Our loss in other comprehensive income increased S\$0.09 million in Q1 2016 arising from loss in foreign exchange translation due to the strengthening of the RM against the S\$.

REVIEW OF THE GROUP'S FINANCIAL POSITIONNon-current assets

The Group's non-current assets increased 2,298.6% or S\$14.96 million, from S\$0.65 million as at 31 December 2015 to S\$15.62 million as at 31 March 2016.

The increase in property, plant and equipment (which included a gain of approximately S\$5.00 million arising from revaluation of SSPL Group's land and building), goodwill on consolidation, investments in joint ventures, investments in associate, deferred tax asset and trade and other receivables was mainly due to the acquisition of 100% equity interest in SSPL Group.

Current assets

The Group's current assets increased 299.5% or S\$26.69 million, from S\$8.91 million as at 31 December 2015 to S\$35.60 million as at 31 March 2016.

The increase in inventories, trade and other receivables, tax recoverable and prepaid operating expenses was mainly due to the acquisition of 100% equity interest in SSPL Group.

Cash and cash equivalents increased 1,291.4% or S\$25.00 million, from S\$1.94 million as at 31 December 2015 to S\$26.94 million as at 31 March 2016 due to net proceeds from the IPO and net cash inflow from the acquisition of 100% equity interest in SSPL. This was partially offset by the repayment of existing shareholder loan of SGPL Group and dividend payment of SSPL Group.

Current liabilities

The Group's current liabilities decreased by 16.6% or S\$1.06 million from S\$6.40 million as at 31 December 2015 to S\$5.34 million as at 31 March 2016 due mainly to the repayment of existing shareholder loan of SGPL Group. This was partially offset by the acquisition of 100% equity interest in SSPL Group which resulted in the increase in trade and other payable, deferred revenue, accrued operating expenses and income tax payable.

Non-current liabilities

The Group's non-current liabilities decreased by 45.0% or S\$0.13 million from S\$0.29 million as at 31 December 2015 to S\$0.16 million as at 31 March 2016, primarily due to the repayment of finance lease of motor vehicle and decrease in deferred tax liabilities as a result of the receipt of government grant.

REVIEW OF THE GROUP'S CASH FLOWS STATEMENT

Net cash generated from operating activities for Q1 2016 amounted to S\$1.72 million.

We generated operating cash flows before working capital changes of S\$0.60 million. Net cash generated from working capital amounted S\$1.20 million due mainly to decrease in inventories of S\$0.13 million, trade and other receivable of S\$1.80 million, partially offset by the decrease in trade and other payables of S\$0.52 million and accrued operating expenses of S\$0.17 million.

Net cash generated from investing activities for Q1 2016 amounted to S\$4.12 million. This was primarily due to the net cash inflow from acquisition of 100% equity interest in SSPL Group of S\$4.18 million, partially offset by the purchase of property, plant and equipment of S\$0.06 million.

Net cash generated from financing activities for Q1 2016 amounted to S\$19.16 million. This was primarily due to net proceeds from the IPO of S\$27.12 million, partially offset by the payment of dividend to the then existing SSPL Group shareholders and repayment of shareholder loan by SGPL Group.

As at 31 March 2016, the Group's cash and cash equivalents amounted to S\$26.94 million.

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. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Group expects growth in the security guarding, cyber security and homeland security businesses to remain stable as governments and corporates increase investments to counter the threats of terrorism and cyber attacks.

The Group will continue to explore suitable opportunities to expand our security guarding, cyber security, technology and systems integration business through acquisitions, joint ventures or strategic alliances.

The Group will also continue to focus on cost rationalisation and improving work flow processes, manpower utilisation and information technology applications to increase productivity and efficiency and lowering operating costs. Barring unforeseen circumstances, the Group expects to continue to grow its business and remain profitable in the next 12 months.

11. Dividend

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

NIL

(b) Corresponding Period of the Immediately Preceding Financial Year?

NIL

(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 dividend has been declared or recommended by the Directors of the Company.

13. If the Group has obtained a general mandate from shareholders for 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 obtained a general mandate from shareholders of the Company for interested person transactions at the Annual General Meeting held on 28 April 2016. During Q1 2016, the following interested person transactions were entered into by the Group:

Name of Interested Person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGXST Listing Manual (excluding transactions less than S\$100,000)
Mr. Peter Lim	S\$121,000	–

14. Use of IPO proceeds

Pursuant to the Company's IPO, the Company received net proceeds from the IPO of approximately S\$26.2 million (the "Net Proceeds"). As at the date of this announcement, the Net Proceeds have been utilised as follows:

Purpose	Allocation of Net Proceeds (as disclosed in the Offer Document) (S\$'000)	Net Proceeds utilised as at the date of this announcement (S\$'000)	Balance of Net Proceeds as at the date of this announcement (S\$'000)
Expand security guarding business	9,300	–	9,300
Expand cyber security, technology and systems integration business	5,500	–	5,500
Enhance and upgrade security printing equipment	1,000	–	1,000
Corporate infrastructure improvements	4,000	–	4,000
General working capital purposes	6,400	(4,800)	1,600
	26,200	(4,800)	21,400

15. Confirmation by the issuer pursuant to Rule 720(1)

The Company has procured the undertakings from all its Directors and executive officers as required under Rule 720(1) of the Catalist Rules.

16. Negative confirmation by the board pursuant to Rule 705(5)

To the best knowledge of the Board of Directors, nothing has come to the attention of the Board of Directors which may render the financial results for the Q1 FY2016 of the Group and the Company to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Paul Lim Choon Wui
Chief Executive Officer

Lim Siok Leng
Chief Finance Officer

5 May 2016