FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::THIRD QUARTER RESULTS

Issuer & Securities

Issuer/ Manager

800 SUPER HOLDINGS LIMITED

Securities

800 SUPER HOLDINGS LIMITED - SG2D42972083 - 5TG

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Announcement Details

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Lee Cheng Chye

Designation

Chief Executive Officer

Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)

Please refer to the attachment.

Additional Details

For Financial Period Ended

31/03/2019

Attachments

800%20Super%20-%20Q3%202019%20Financial%20Announcement_240519.pdf

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800 Super Holdings Limited

Company Registration No.: 201108701K

UNAUDITED THIRD QUARTER ("3Q2019") AND NINE MONTHS ("9M2019") FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.

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

The contact person for the Sponsor is Mr Joseph Au, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, and E-mail: sponsorship@ppcf.com.sg*).*

800 Super Holdings Limited

Company Registration No.: 201108701K

UNAUDITED THIRD QUARTER ("Q32019") AND NINE MONTHS ("9M2019") FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

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

	Group					
	(Unaudited) 3 months ended 31/03/2019 S$'000	(Unaudited) 3 months ended 31/03/2018 S$'000	+ / (-) %	(Unaudited) 9 months ended 31/03/2019 S$'000	(Unaudited) 9 months ended 31/03/2018 S$'000	+ / (-) %
Revenue	47,908	37,082	29.2	136,898	113,215	20.9
Other income	209	70	198.6	397	376	5.6
Other gain/(loss)-net	(2)	(94)	(97.9)	31	(200)	N.M.
Purchase of supplies and disposal charges	(11,752)	(7,736)	51.9	(33,013)	(19,163)	72.3
Sub-contractor charges	(1,016)	(959)	5.9	(2,884)	(2,563)	12.5
Depreciation of property, plant and equipment	(4,447)	(2,235)	99.0	(10,895)	(7,030)	55.0
Other expenses	(6,841)	(5,748)	19.0	(20,160)	(17,501)	15.2
Employee benefits expense	(19,917)	(15,726)	26.7	(60,879)	(54,176)	12.4
Finance expenses	(1,057)	(103)	926.2	(2,093)	(517)	304.8
Profit before income tax	**3,085**	**4,551**	(32.2)	**7,402**	**12,441**	(40.5)
Income tax expense	(1,132)	(621)	82.3	(1,864)	(1,652)	12.8
Net profit for the financial period	**1,953**	**3,930**	(50.3)	**5,538**	**10,789**	(48.7)

N.M. : Not meaningful
*. : Less than $1,000

800 Super Holdings Limited

Company Registration No.: 201108701K

UNAUDITED THIRD QUARTER ("Q32019") AND NINE MONTHS ("9M2019") FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019

	Group					
	(Unaudited) 3 months ended 31/03/2019 S$'000	(Unaudited) 3 months ended 31/03/2018 S$'000	+ / (-) %	(Unaudited) 9 months ended 31/03/2019 S$'000	(Unaudited) 9 months ended 31/03/2018 S$'000	+ / (-) %
Other comprehensive income						
Items that may be reclassified subsequently to profit or loss:						
- Net fair value loss on available-for-sale financial assets	-	*	N.M.	-	*	N.M.
- Currency translation differences arising from consolidation- (loss)/gain	(9)	15	N.M.	(7)	24	N.M.
Net profit for the financial period	**1,944**	**3,945**	(50.7)	**5,531**	**10,813**	(48.8)
Items that will not be reclassified subsequently to profit or loss:						
- Net fair value loss on financial assets, at FVOCI	(1)	-	N.M.	(2)	-	N.M.
Total comprehensive income for the financial period	**1,943**	**3,945**	(50.7)	**5,529**	**10,813**	(48.9)
Profit/ (loss) attributable to:						
Equity holders of the Company	1,956	3,938	(50.3)	5,557	10,809	(48.6)
Non-controlling interests	(3)	(8)	(62.5)	(19)	(20)	(5.0)
	1,953	**3,930**	(50.3)	**5,538**	**10,789**	(48.7)
Total comprehensive income/ (loss) attributable to:						
Equity holders of the Company	1,946	3,951	(50.7)	5,548	10,831	(48.8)
Non-controlling interests	(3)	(6)	(50.0)	(19)	(18)	5.6
	1,943	**3,945**	(50.7)	**5,529**	**10,813**	(48.9)

N.M. : Not meaningful

800 Super Holdings Limited

Company Registration No.: 201108701K

UNAUDITED THIRD QUARTER ("Q32019") AND NINE MONTHS ("9M2019") FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019

Notes to Consolidated Statement of Comprehensive Income

The Group's profit before income tax is arrived at after charging/(crediting):

	Group					
	Unaudited 3 months ended 31/03/2019 S$'000	Unaudited 3 months ended 31/03/2018 S$'000	+ / (-) %	Unaudited 9 months ended 31/03/2019 S$'000	Unaudited 9 months ended 31/03/2018 S$'000	+ / (-) %
Depreciation of property, plant and equipment	4,447	2,235	99.0	10,895	7,030	55.0
Finance expenses	1,057	103	926.2	2,093	517	304.8
Interest income	(12)	(8)	50.0	(32)	(60)	(46.7)
Gain on disposal of property, plant and equipment	-	-	-	(9)	(1)	N.M.
Property, plant and equipment written off	15	-	N.M.	15	12	25.0
Foreign exchange (gain)/loss	(12)	94	N.M.	(36)	189	N.M.
Bad debts written-off	12	5	140.0	26	34	(23.5)
Allowance for impairment of trade receivables	-	2	N.M.	-	25	N.M.

N.M. : Not meaningful

800 Super Holdings Limited

Company Registration No.: 201108701K

UNAUDITED THIRD QUARTER ("Q32019") AND NINE MONTHS ("9M2019") FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019

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

	Group		Company	
	(Unaudited) 31/03/2019 S$'000	(Audited) 30/06/2018 S$'000	(Unaudited) 31/03/2019 S$'000	(Audited) 30/06/2018 S$'000
ASSETS				
Current assets				
Cash and cash equivalents	11,437	5,605	802	556
Trade and other receivables	37,677	34,698	21,614	16,319
Inventories	1,209	1,367	-	-
Other assets	2,844	1,786	289	181
	53,167	43,456	22,705	17,056
Non-current assets				
Other assets	882	1,313	-	-
Available-for-sale financial assets	-	2	-	-
Financial assets, at FVOCI	*	-	-	-
Investment in subsidiary corporations	-	-	19,358	19,358
Property, plant and equipment	191,245	166,023	113,225	105,028
Deferred income tax assets	211	149	-	-
	192,338	167,487	132,583	124,386
Total assets	**245,505**	**210,943**	**155,288**	**141,442**
LIABILITIES				
Current liabilities				
Trade and other payables	30,456	31,894	54,158	42,252
Current income tax liabilities	43	1,127	-	-
Borrowings	23,266	18,545	7,088	6,856
	53,765	51,566	61,246	49,108
Non-current liabilities				
Borrowings	97,219	70,523	64,948	62,379
Deferred income tax liabilities	5,696	3,770	1,888	898
	102,915	74,293	66,836	63,277
Total liabilities	**156,680**	**125,859**	**128,082**	**112,385**
Net Assets	**88,825**	**85,084**	**27,206**	**29,057**
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	22,772	22,772	22,772	22,772
Other reserves	3,070	3,079	-	-
Retained profits	63,042	59,273	4,434	6,285
	88,884	85,124	27,206	29,057
Non-controlling interests	(59)	(40)	-	-
Total Equity	**88,825**	**85,084**	**27,206**	**29,057**

* Less than S$1,000

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31/03/2019 (Unaudited)		As at 30/06/2018 (Audited)	
Secured S$'000	**Unsecured S$'000**	**Secured S$'000**	**Unsecured S$'000**
23,266	-	18,545	-

Amount repayable after one year

As at 31/03/2019 (Unaudited)		As at 30/06/2018 (Audited)	
Secured S$'000	**Unsecured S$'000**	**Secured S$'000**	**Unsecured S$'000**
97,219	-	70,523	-

Details of any collateral

The borrowings of the Group are secured as follows:

(i) First legal mortgage over the leasehold land and leasehold buildings of the Group;

(ii) Charge over the leased motor vehicles, leased bins and containers and leased machinery of the Group;

(iii) Pledge of fixed deposit placed with a financial institution;

(iv) Legal corporate guarantees from the Company for its subsidiary corporations' banking and finance lease facilities; and

(v) Legal corporate guarantees from a subsidiary corporation for the Company's banking facilities.

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**

	Group			
	Unaudited 3 months ended 31/03/2019 S$'000	**Unaudited 3 months ended 31/03/2018 S$'000**	**Unaudited 9 months ended 31/03/2019 S$'000**	**Unaudited 9 months ended 31/03/2018 S$'000**
Cash flows from operating activities				
Net profit	1,953	3,930	5,538	10,789
Adjustments for:				
Income tax expense	1,132	621	1,864	1,652
Depreciation of property, plant and equipment	4,447	2,235	10,895	7,030
Gain on disposal of property, plant and equipment	-	-	(9)	(1)
Property, plant and equipment written off	15	-	15	12
Interest income	(12)	(8)	(32)	(60)
Finance expense	1,057	103	2,093	517
Unrealised currency translation (gain)/loss	(14)	30	(7)	66
Operating cash flows before movements in working capital	8,578	6,911	20,357	20,005
Changes in working capital				
Trade and other receivables	2,737	2,838	(2,979)	(548)
Inventories	(200)	(232)	158	(596)
Other assets	(610)	(972)	(627)	(783)
Trade and other payables	(5,468)	(1,220)	7,355	(154)
Cash generated from operations	5,037	7,325	24,264	17,924
Interest received	12	8	32	74
Income tax paid	(525)	(1,103)	(1,084)	(2,524)
Net cash provided by operating activities	**4,524**	**6,230**	**23,212**	**15,474**

	Group			
	Unaudited 3 months ended 31/03/2019 S$'000	Unaudited 3 months ended 31/03/2018 S$'000	Unaudited 9 months ended 31/03/2019 S$'000	Unaudited 9 months ended 31/03/2018 S$'000
Cash flows from investing activities				
Acquisition of a subsidiary, net of cash acquired	-	-	-	(4,317)
Additions of property, plant and equipment	(1,490)	(12,043)	(27,730)	(44,535)
Proceeds from disposal of property, plant and equipment	-	21	9	22
Interest paid	-	(480)	(797)	(923)
Net cash used in investing activities	**(1,490)**	**(12,502)**	**(28,518)**	**(49,753)**
Cash flows from financing activities				
Fixed deposits pledged to a financial institution	-	-	(1,500)	-
Repayments of finance lease liabilities	(2,347)	(2,102)	(5,444)	(5,891)
Repayments of borrowings	(4,236)	(2,669)	(15,277)	(5,740)
Proceeds from borrowings	6,629	15,419	35,635	38,370
Dividends paid	-	-	(1,788)	(5,364)
Interest paid	(953)	(61)	(1,987)	(454)
Net cash (used in)/ provided by financing activities	**(907)**	**10,587**	**9,639**	**20,921**
Net increase/ (decrease) in cash and cash equivalents	**2,127**	**4,315**	**4,333**	**(13,358)**
Cash and cash equivalents				
Effects of currency translation on cash and cash equivalents	(1)	(2)	(1)	(6)
At the beginning of the financial period	7,811	7,409	5,605	25,086
At the end of the financial period	**9,937**	**11,722**	**9,937**	**11,722**

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	(Unaudited)	
	9 months ended	
	31/03/2019	**31/03/2018**
	S$'000	**S$'000**
Cash and bank balances	11,437	11,845
Less: Pledged short-term deposits	(1,500)	-
Less: Bank overdraft	-	(123)
Cash and cash equivalents per consolidated statement of cash flows	9,937	11,722

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

	Share capital	Fair value reserve	Foreign currency translation reserve	Capital reserve	Retained profits	Total equity attributable to owners of the Company	Non-controlling interests	Total
Group	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
(Unaudited)								
Balance as at 1 July 2018	**22,772**	**37**	**42**	**3,000**	**59,273**	**85,124**	**(40)**	**85,084**
Total comprehensive Income/ (loss) for the financial period	-	(*)	29	-	1,743	1,772	(11)	1,761
Balance as at 30 September 2018	**22,772**	**37**	**71**	**3,000**	**61,016**	**86,896**	**(51)**	**86,845**
Dividends	-	-	-	-	(1,788)	(1,788)	-	(1,788)
Total comprehensive Income/ (loss) for the financial period	-	(1)	(27)	-	1,858	1,830	(5)	1,825
Balance as at 31 December 2018	**22,772**	**36**	**44**	**3,000**	**61,086**	**86,938**	**(56)**	**86,882**
Total comprehensive Income/ (loss) for the financial period	-	(1)	(9)	-	1,956	1,946	(3)	1,943
Balance as at 31 March 2019	**22,772**	**35**	**35**	**3,000**	**63,042**	**88,884**	**(59)**	**88,825**
(Unaudited)								
Balance as at 1 July 2017	**22,772**	**37**	**11**	**-**	**58,482**	**81,302**	**(6)**	**81,296**
Total comprehensive Income/ (loss) for the financial period	-	(*)	3	-	4,400	4,403	(8)	4,395
Balance as at 30 September 2017	**22,772**	**37**	**14**	**-**	**62,882**	**85,705**	**(14)**	**85,691**
Dividends	-	-	-	-	(5,364)	(5,364)	-	(5,364)
Total comprehensive Income/ (loss) for the financial period	-	(*)	6	-	2,471	2,477	(4)	2,473
Balance as at 31 December 2017	**22,772**	**37**	**20**	**-**	**59,989**	**82,818**	**(18)**	**82,800**
Total comprehensive Income/ (loss) for the financial period	-	(*)	13	-	3,938	3,951	(6)	3,945
Balance as at 31 March 2018	**22,772**	**37**	**33**	**-**	**63,927**	**86,769**	**(24)**	**86,745**

* Less than $1,000

Company	Share capital S$'000	Retained profits S$'000	Total S$'000
(Unaudited)			
Balance as at 1 July 2018	22,772	6,285	29,057
Total comprehensive loss for the financial period	-	(1,065)	(1,065)
Balance as at 30 September 2018	**22,772**	**5,220**	**27,992**
Dividends	-	(1,788)	(1,788)
Total comprehensive loss for the financial period	-	(1,238)	(1,238)
Balance as at 31 December 2018	**22,772**	**2,194**	**24,966**
Total comprehensive loss for the financial period	-	2,240	2,240
Balance as at 31 March 2019	**22,772**	**4,434**	**27,206**
(Unaudited)			
Balance as at 1 July 2017	22,772	9,623	32,395
Total comprehensive loss for the financial period	-	(739)	(739)
Balance as at 30 September 2017	**22,772**	**8,884**	**31,656**
Dividends	-	(5,364)	(5,364)
Total comprehensive loss for the financial period	-	(935)	(935)
Balance as at 31 December 2017	**22,772**	**2,585**	**25,357**
Total comprehensive loss for the financial period	-	(101)	(101)
Balance as at 31 March 2018	**22,772**	**2,484**	**25,256**

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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as the end of the corresponding period of the immediately preceding financial year.

There was no change in the issued and paid-up share capital of the Company from 31 December 2018 up to 31 March 2019. The Company's share capital was S$22,772,000 comprising 178,800,000 shares as at 31 March 2019 and 31 December 2018.

There were no outstanding convertibles, treasury shares or subsidiary holdings as at 31 March 2019 and 31 March 2018. The Company has 178,800,000 issued shares (excluding treasury shares and subsidiary holdings) as at 31 March 2019 and 31 March 2018.

There were no treasury shares and subsidiary holdings as at 31 March 2019 and 31 March 2018.

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

	Company	
	31/03/2019	**30/06/2018**
Total number of issued shares excluding treasury shares	178,800,000	178,800,000

The Company did not have any treasury shares as at 31 March 2019 and 30 June 2018.

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

Not applicable. The Company did not have any treasury shares during and as at the end of the financial period reported on.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. The Company did not have any subsidiary holdings during and as at the end of the financial period reported on.

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

The financial information of the Group relating to the nine-month period ended 31 March 2019 has been extracted from the interim condensed financial statements prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34, Interim Financial Reporting. This financial information has been reviewed by the auditors in accordance with Singapore Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Company.

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

Please refer to the Independent Auditor's Review Report for the nine-month period ended 31 March 2019 dated 23 May 2019 as announced together with this announcement.

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

Save as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period as compared to its audited financial statements for the financial year ended 30 June 2018.

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

The Group has adopted all applicable Singapore Financial Reporting Standards (International) ("SFRS(I)") that become effective for the financial periods beginning on or after 1 July 2018. The adoption of these standards did not result in substantial changes to the Group's accounting policies and methods of computation, and there is no material impact to the financial statements of the Group for the current financial period reported on.

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		Group	
	Unaudited 3 months ended 31/03/2019	**Unaudited 3 months ended 31/03/2018**	**Unaudited 9 months ended 31/03/2019**	**Unaudited 9 months ended 31/03/2018**
Profit attributable to equity holders of the Company (S$'000)	1,956	3,938	5,557	10,809
Basic and diluted earnings per share ("**EPS**") in Singapore cents	1.09	2.20	3.11	6.05

EPS for the respective financial periods are computed based on the profit attributable to equity holders of the Company and weighted average number of shares of 178,800,000 shares.

The diluted EPS and basic EPS are the same as there were no potentially dilutive ordinary shares outstanding as at 31 March 2019 and 31 March 2018.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year

	Group		Company	
	(Unaudited) 31/03/2019	(Audited) 30/06/2018	(Unaudited) 31/03/2019	(Audited) 30/06/2018
Net asset value per ordinary share based on issued share capital (Singapore cents)	49.68	47.59	15.22	16.25
Number of ordinary shares	178,800,000	178,800,000	178,800,000	178,800,000

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss 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 INCOME STATEMENT

Revenue

In Q32019, the Group achieved revenue of S$47.9 million, an increase of S$10.8 million or 29.2% from S$37.1 million in Q32018, due to contributions from new projects being the Pasir Ris-Bedok public waste collection sector and the biomass plant and sludge treatment plant ("Waste Treatment Plants").

Purchase of supplies and disposal charges

Purchase of supplies and disposal charges increased by S$4.1 million or 51.9% from S$7.7 million in Q32018 to S$11.8 million in Q32019, mainly due to expenses incurred in the operations of the public waste collection sectors and the Waste Treatment Plants.

Depreciation expenses

Depreciation expenses increased by S$2.2 million or 99.0% from S$2.2 million in Q32018 to S$4.4 million in Q32019, mainly attributable to the newly acquired assets to support the various new projects.

Other expenses

Other expenses increased by S$1.1 million or 19.0% from S$5.7 million in Q32018 to S$6.8 million in Q32019, in line with additional sector operational activities in the public waste collection sector and the Waste Treatment Plants.

Employee benefits expense

Employee benefits expense increased by S$4.2 million or 26.7% from S$15.7 million in Q32018 to S$19.9 million in Q32019, mainly due to increased employee headcount following commencing of operation activities of new projects.

Finance expenses

Finance expenses increased by 926.2% from S$0.1 million in Q32018 to S$1.1 million in Q32019, mainly due to (i) higher borrowings to finance additional assets related to the new business contracts such as the Pasir Ris-Bedok public waste collection and laundry plant; and (ii) finance cost for Waste Treatment Plants which is recognised as finance expenses when it started operating.

Profit before income tax

As a result of the abovementioned factors, profit before income tax decreased by S$1.5 million from S$4.6 million in Q32018 to S$3.1 million in Q32019.

Income tax expense

Income tax expense increased by S$0.5 million or 82.3% to S$1.1 million in Q32019 mainly due to non-deductible expenses and non-recognition of deferred tax assets from a subsidiary.

REVIEW OF FINANCIAL POSITION

Non-current assets

As at 31 March 2019, non-current assets amounted to S$192.3 million as compared to S$167.5 million as at 30 June 2018, mainly due to an increase in property, plant and equipment relating to the Pasir-Bedok public waste collection sector, laundry equipment and construction of the sludge treatment facility in Tuas South.

Net current liabilities

The Group had net current liabilities of S$0.6 million as at 31 March 2019 as compared to S$8.1 million as at 30 June 2018 primarily attributable to the increase in cash and cash equivalents of S$5.8 million and the increase in trade receivables of S$3.0 million in tandem with the increased revenue contributions from new projects.

Notwithstanding the net current liabilities position, the Board is of the reasonable opinion that, after having made due and careful enquiry and after taking into account our Group's existing cash and cash equivalents and the working capital available to us as at 31 March 2019, the Group will be able to meet its short term obligations as and when they fall due.

Non-current liabilities

As at 31 March 2019, non-current liabilities amounted to S$102.9 million as compared to S$74.3 million as at 30 June 2018. The increase was mainly due to increased bank borrowings to finance the purchase of property, plant and equipment for the Pasir Ris-Bedok public waste collection sector, laundry equipment and the construction of the sludge treatment facility in Tuas South.

REVIEW OF CASH FLOW STATEMENT

Net cash provided by operating activities in Q32019 of S$4.5 million was mainly due to (i) a net profit of S$2.0 million, and (ii) adjustment for depreciation of property, plant and equipment of S$4.4 million. The increase was partially offset by a cash outflow from working capital changes of S$3.5 million mainly due to a decrease in trade and other payables. Net cash used in investing activities of S$1.5 million mainly due to additions of property, plant and equipment. Net cash used in financing activities of S$0.9 million mainly attributable to repayment of finance lease liabilities, partially offset by net proceeds from borrowings. As a result, the Group recorded a net increase in cash and cash equivalents of S$2.1 million in Q32019

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

In the Company's Q22019 results announcement for the financial period ended 31 December 2018, it was mentioned that "the Group is expected to remain profitable for the next financial reporting period". There is no variation in the Group's profitability for Q32019 between the aforementioned statement and the unaudited results presented in this announcement.

10. A commentary at the date of the announcement of 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 Sludge Treatment Facility located in Tuas South has begun full commercial operations in January 2019. The development of the laundry plant at Tuas South is currently undergoing testing and commissioning. Upon completion, the laundry plant will provide competitive industrial laundry services primarily to customers in hospitality and commercial sectors in Singapore.

The industry which the Group is operating, i.e. the provision of waste management and treatment, cleaning and conservancy, horticultural and industrial laundry services is highly competitive. The Group is competing on the basis of pricing, quality and timeliness of service delivery as well as past track record. The Group remains optimistic about the operating conditions in the coming financial quarter ending 30 June 2019, and will continue to leverage on the its strengths as an comprehensive environmental solutions provider to compete for new projects.

11. Dividend

(a) Current Financial Period Reported On

No dividend has been declared or recommended for the current financial period.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No

(c) Date payable:

Not applicable

(d) Books closure date:

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

No dividend has been declared or recommended for the financial period ended 31 March 2019 after taking consideration of the Group's capital commitment plan and its cash flow requirements.

13. Interested person transactions

The Group does not have a general mandate for interested person transactions. There were no interested person transactions of S$100,000 or more for Q32019.

14. Confirmation Pursuant to Rule 705(5) of the Listing Manual

The Board of Directors (the "Board") confirms that, to the best of their knowledge, nothing has come to the attention of the Board which may render the unaudited financial results of the Company and the Group for the financial period ended 31 March 2019 presented in this announcement, to be false or misleading in any material aspect.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)

The Company confirms that it has procured undertakings from all of its directors and executive officers in the required format.

BY ORDER OF THE BOARD

Lee Cheng Chye
Chief Executive Officer and Executive Director
24 May 2019

Voluntary Conditional Cash Offer

On 6 May 2019, an announcement was made by 8S Capital Holdings Pte. Ltd. (the "Offeror"), that the Offeror intends to make a voluntary conditional cash offer for all the issued ordinary shares in the capital of the Company, other than those already held by the Company as treasury share and those already held by Offeror.

The Singapore Code on Take-overs and Mergers

The Unaudited Financial Statements For The Third Quarter and Nine-month Period Ended 31 March 2019 have been reported on in accordance with The Singapore Code on Take-overs and Mergers.

Auditor's Consent

Nexia TS Public Accounting Corporation has given and has not withdrawn its consent to the release of its review letter dated 23 May 2019 on the Unaudited Interim Condensed Financial Statements For The Nine-month Period Ended 31 March 2019 for purpose of attachment to the Company's announcement on its unaudited results for the period ended 31 March 2019, and all references to its name in the form and context in which they appear herein.

Independent Financial Adviser's Consent

Novus Corporate Finance Pte. Ltd., the independent financial adviser to the directors of the Company who are considered independent for the purposes of the offer by 8S Capital Holdings Pte. Ltd. for all the issued ordinary shares of the Company, has given and has not withdrawn its consent to the release of the Unaudited Financial Statements For The Third Quarter and Nine-month Period Ended 31 March 2019 with the inclusion therein of its name and its letter dated 23 May 2019.

800 Super Holdings Limited and its Subsidiary Corporations
(Incorporated in the Republic of Singapore)
(Company Registration No.: 201108701K)

Review Report for the financial period ended 31 March 2019

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Associated with

Smith & Williamson

The Board of Directors
800 Super Holdings Limited
17A Senoko Way,
Singapore 758056

Independent auditor's report on the Review of Interim Condensed Financial Statements for the nine-month period ended 31 March 2019

Introduction

We have reviewed the accompanying unaudited interim condensed consolidated financial statements of 800 Super Holdings Limited (the "Company") and its subsidiary corporations (collectively, the "Group"), which comprise the interim condensed statements of financial position of the Group and the Company and the interim condensed consolidated statement of comprehensive income, and interim condensed cash flow statement for the period from 1 July 2018 to 31 March 2019, and explanatory notes.

Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with Singapore Financial Reporting Standard (International) 1-34 *Interim Financial Reporting* (SFRS(I) 1-34). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with SFRS(I) 1-34.

Other Matter

We have not carried out a review in accordance with Singapore Standards on Review Engagements on the interim financial information for the nine-month period ended 31 March 2018 included as comparative figures in this interim financial information, as the Group was not required to present reviewed financial information for the period. The interim financial information for the nine-month period ended 31 March 2018 is the responsibility of the management and directors.

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Restriction of Use

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Interim Financial Information for the purpose of assisting the Company to comply with Rule 25 of the Singapore Code on Take-overs and Mergers, and for no other purpose. Our report is included in the Company's announcement of its unaudited results for the nine-month period ended 31 March 2019, for the information of its members. We do not assume responsibility to anyone other than the Company for our work, for our report, or for the conclusions we have reached in our report.

Nexia TS

Nexia TS Public Accounting Corporation
Public Accountants and Chartered Accountants
Singapore
23 May 2019

		Group			Company		
	Note	31 March 2019 $'000	30 June 2018 $'000	1 July 2017 $'000	31 March 2019 $'000	30 June 2018 $'000	1 July 2017 $'000
ASSETS							
Current Assets							
Cash and cash equivalents	6	11,437	5,605	25,086	802	556	4,038
Trade and other receivables	7	37,677	34,698	30,312	21,614	16,319	12,048
Inventories		1,209	1,367	680	-	-	-
Other assets		2,844	1,786	1,687	289	181	215
		53,167	43,456	57,765	22,705	17,056	16,301
Non-Current Assets							
Other assets		882	1,313	926	-	-	1
Available-for-sale financial assets		-	2	2	-	-	-
Financial assets, at FVOCI		*	-	-	-	-	-
Investments in subsidiary corporations		-	-	-	19,358	19,358	18,358
Property, plant and equipment	8	191,245	166,023	99,429	113,225	105,028	52,944
Deferred income tax assets		211	149	567	-	-	-
		192,338	167,487	100,924	132,583	124,386	71,303
Total Assets		245,505	210,943	158,689	155,288	141,442	87,604
LIABILITIES							
Current Liabilities							
Trade and other payables	9	30,456	31,894	20,173	54,158	42,252	22,124
Current income tax liabilities		43	1,127	2,887	-	-	-
Borrowings		23,266	18,545	11,009	7,088	6,856	2,346
		53,765	51,566	34,069	61,246	49,108	24,470
Non-Current Liabilities							
Borrowings		97,219	70,523	41,001	64,948	62,379	30,739
Deferred income tax liabilities		5,696	3,770	2,323	1,888	898	-
		102,915	74,293	43,324	66,836	63,277	30,739
Total Liabilities		156,680	125,859	77,393	128,082	112,385	55,209
NET ASSETS		88,825	85,084	81,296	27,206	29,057	32,395
EQUITY							
Capital and reserves attributable to equity holders of the Company							
Share capital		22,772	22,772	22,772	22,772	22,772	22,772
Other reserves		3,070	3,079	48	-	-	-
Retained profits		63,042	59,273	58,482	4,434	6,285	9,623
		88,884	85,124	81,302	27,206	29,057	32,395
Non-controlling interests		(59)	(40)	(6)	-	-	-
Total Equity		88,825	85,084	81,296	27,206	29,057	32,395

* Less than $1,000

The accompanying notes form an integral part of these financial statements.

	Note	For the financial period from 1 July 2018 to 31 March 2019 $'000	For the financial period from 1 July 2017 to 31 March 2018 $'000
Revenue		136,898	113,215
Other income			
- Interest income from bank deposits		32	60
- Others	3	365	316
Other gain/(loss) - net		31	(200)
Purchase of supplies and disposal charges		(33,013)	(19,163)
Sub-contractor charges		(2,884)	(2,563)
Depreciation of property, plant and equipment		(10,895)	(7,030)
Other expenses			
- Loss allowance on trade receivables		-	(25)
- Others	4	(20,160)	(17,476)
Employee benefits expenses		(60,879)	(54,176)
Finance expenses		(2,093)	(517)
Profit before income tax		7,402	12,441
Income tax expense	5	(1,864)	(1,652)
Net profit		5,538	10,789
Other comprehensive (loss)/income			
Items that may be reclassified subsequently to profit or loss:			
Available-for-sale financial assets			
- Fair value loss		-	(*)
Currency translation differences arising from consolidation – (loss)/gain		(7)	24
Items that will not be reclassified subsequently to profit or loss:			
Net fair value loss on financial assets, at FVOCI		(2)	-
Other comprehensive (loss)/income, net of tax		(9)	24
Total comprehensive income		5,529	10,813
Profit attributable to:			
Equity holders of the Company		5,557	10,809
Non-controlling interests		(19)	(20)
		5,538	10,789
Total comprehensive income attributable to:			
Equity holders of the Company		5,548	10,831
Non-controlling interests		(19)	(18)
		5,529	10,813
Earnings per share for profit attributable to equity holders of the Company (cents per share)			
- Basic and diluted		3.11	6.05

* Less than $1,000

The accompanying notes form an integral part of these financial statements.

	Note	Share capital	Fair value reserve	Foreign currency translation reserve	Capital reserve	Distributable retained profits	Total equity attributable to equity holders of the Company	Non-controlling interests	Total equity
		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
31 March 2019									
Beginning of financial period		22,772	37	42	3,000	59,273	85,124	(40)	85,084
Dividends	10	-	-	-	-	(1,788)	(1,788)	-	(1,788)
Total comprehensive income for the financial period		-	(2)	(7)	-	5,557	5,548	(19)	5,529
End of financial period		22,772	35	35	3,000	63,042	88,884	(59)	88,825
31 March 2018									
Beginning of financial period		22,772	37	11	-	58,482	81,302	(6)	81,296
Dividends	10					(5,364)	(5,364)	-	(5,364)
Total comprehensive income for the financial period		-	(*)	22	-	10,809	10,831	(18)	10,813
End of financial period		22,772	37	33	-	63,927	86,769	(24)	86,745

The accompanying notes form an integral part of these financial statements.

	For the financial period from 1 July 2018 to 31 March 2019 $'000	For the financial period from 1 July 2017 to 31 March 2018 $'000
Cash flows from operating activities		
Net profit	5,538	10,789
Adjustments for:		
- Income tax expense	1,864	1,652
- Depreciation of property, plant and equipment	10,895	7,030
- (Gain)/loss on disposal of property, plant and equipment	(9)	(1)
- Property, plant and equipment written off	15	12
- Interest income	(32)	(60)
- Interest expense	2,093	517
- Unrealised currency translation loss/(gain)	(7)	66
	20,357	20,005
Change in working capital:		
- Trade and other receivables	(2,979)	(548)
- Inventories	158	(596)
- Other assets	(627)	(783)
- Trade and other payables	7,355	(154)
Cash generated from operations	24,264	17,924
Interest received	32	74
Income tax paid	(1,084)	(2,524)
Net cash provided by operating activities	23,212	15,474
Cash flows from investing activities		
Acquisition of a subsidiary corporation, net of cash acquired	-	(4,317)
Additions to property, plant and equipment	(27,730)	(44,535)
Proceeds from disposal of property, plant and equipment	9	22
Interest paid	(797)	(923)
Net cash used in investing activities	(28,518)	(49,753)
Cash flows from financing activities		
Fixed deposits pledged to a financial institution	(1,500)	-
Repayments of finance lease liabilities	(5,444)	(5,891)
Repayments of borrowings	(15,277)	(5,740)
Proceeds from borrowings	35,635	38,370
Dividends paid	(1,788)	(5,364)
Interest paid	(1,987)	(454)
Net cash provided by financing activities	9,639	20,921
Net increase/(decrease) in cash and cash equivalents	4,333	(13,358)
Beginning of financial period	5,605	25,086
Effects of currency translation on cash and cash equivalents	(1)	(6)
End of financial period	9,937	11,722

The accompanying notes form an integral part of these financial statements.

Reconciliation of liabilities arising from financing activities

	1 July 2018	Principal and interest proceeds/ (payments)	← Non-cash changes: Addition	Acquisition	Interest expense	Other →	31 March 2019
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Bank borrowings	78,505	17,845	-	-	2,513	-	98,863
Finance lease liabilities	10,563	(5,821)	10,539	-	377	5,964	21,622

	1 July 2017	Principal and interest proceeds/ (payments)	← Non-cash changes: Addition	Acquisition	Interest expense	Other →	31 March 2018
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Bank borrowings	34,444	31,589	-	3,718	1,165	-	70,916
Finance lease liabilities	17,566	(6,166)	262	344	275	50	12,331

The "Other" column relates to transfer of payables to finance lease liabilities.

The accompanying notes form an integral part of these financial statements.

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1 Significant accounting policies

1.1 Basis of preparation

These interim condensed financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34, Interim Financial Reporting. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar ("SGD" or "$") and all values in the tables are rounded to the nearest thousand ($'000) as indicated.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.

Adoption of SFRS(I)

As required by the listing requirements of Singapore Exchange, the Group has adopted SFRS(I) on 1 July 2018. These financial statements for the financial period ended 31 March 2019 are the first set of financial statements the Group prepared in accordance with SFRS(I). The Group's previously issued financial statements for periods up to and including the financial year ended 30 June 2018 were prepared in accordance with Singapore Financial Reporting Standards ("SFRS").

In adopting SFRS(I) on 1 July 2018, the Group is required to apply all of the specific transition requirements in SFRS(I) 1 *First-time Adoption of SFRS(I).*

Under SFRS(I) 1, these financial statements are required to be prepared using accounting policies that comply with SFRS(I) effective as at 31 March 2019. The same accounting policies are applied throughout all periods presented in these financial statements, subject to the mandatory exceptions and optional exemptions under SFRS(I) 1.

The Group's opening balance sheet has been prepared as at 1 July 2018, which is the Group's date of transition to SFRS(I).

There were no material adjustments to the Group's and the Company's statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows arising from the transition from SFRS to SFRS(I).

a. *Adoption of SFRS(I) 9*

SFRS(I) 9 *Financial Instruments* sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. It also introduces a new 'expected credit loss' model and a new general hedge accounting model. The Group adopted SFRS(I) 9 from 1 July 2018.

1 Significant accounting policies (Cont'd)

1.1 Basis of preparation (Cont'd)

a. *Adoption of SFRS(I) 9 (Cont'd)*

(i) Short-term exemption on adoption of SFRS(I) 9

In accordance with the exemption in SFRS(I) 1, the Group elected not to restate information for 2018. Accordingly, the information presented for 2018 is presented, as previously reported, under FRS 39 *Financial Instruments: Recognition and Measurement*. Differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of SFRS(I) 9 are recognised in retained profits and reserves as at 1 July 2018. Arising from this election, the Group is exempted from providing disclosures required by SFRS(I) 7 *Financial Instruments: Disclosures* for the comparative period to the extent that these disclosures relate to items within the scope of SFRS(I) 9. Instead, disclosures under SFRS 107 *Financial Instruments: Disclosures* relating to items within the scope of SFRS 39 are provided for the comparative period.

(ii) Classification of financial assets and financial liabilities

For an explanation of how the Group classifies and measures financial assets and related gains and losses under SFRS(I) 9, see Note 1.7. The adoption of SFRS(I) 9 has not had a significant effect on the Group's accounting policies for financial liabilities.

Trade and other receivables, service concession receivables and cash and cash equivalents that were classified as loans and receivables under SFRS 39 are now classified at amortised cost. No adjustment in the allowance for impairment was recognised in opening retained profits of the Group and of the Company at 1 July 2018 respectively on transition to SFRS(I) 9.

The investment in listed equity security that was classified as available-for-sale financial asset under SFRS 39 of which the Group intends to hold for long-term appreciation, is designated at 1 July 2018 as measured at fair value through other comprehensive income ("FVOCI").

b. *Adoption of SFRS(I) 15*

In accordance with the requirement of SFRS(I) 1, the Group adopted all of the requirements of SFRS(I) 15 *Revenue from Contracts with Customers* as of 1 July 2018. SFRS(I) 15 utilises a methodical framework for entities to follow in order to recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The change did not impact the cumulated revenue recognised or the related assets and liabilities on the transition date.

The adoption of SFRS(I) 15 resulted in no impact to the opening retained profits nor to the opening balance of accumulated other comprehensive income on 1 July 2018.

The accounting policies for revenue recognition under SFRS(I) 15 is as disclosed on Note 1.13 to the financial statements.

1 Significant accounting policies (Cont'd)

1.2 Group accounting

(a) Subsidiary Corporations

(i) Consolidation

Subsidiary corporations are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiary corporations are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the asset transferred. Accounting policies of subsidiary corporations have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary corporation's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary corporation, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary corporation or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary corporation measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair values of the identifiable net assets acquired is recorded as goodwill.

1 Significant accounting policies (Cont'd)

1.2 Group accounting (Cont'd)

(a) Subsidiary Corporations (Cont'd)

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary corporation results in a loss of control over the subsidiary corporation, the assets and liabilities of the subsidiary corporation including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained profits if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiary corporations" for the accounting policy on investments in subsidiary corporations in the separate financial statements of the Company.

(b) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary corporation that do not result in a loss of control over the subsidiary corporation are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

1.3 Investments in subsidiary corporations

Investments in subsidiary corporations are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

1.4 Property, plant and equipment

(i) Measurement

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any costs that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Cost also includes borrowings costs (refer to Note 1.16 on borrowing costs).

1 Significant accounting policies (Cont'd)

1.4 Property, plant and equipment (Cont'd)

(ii) Depreciation

Depreciation is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Leasehold land	over the lease terms of 22 - 23 years
Leasehold buildings and improvements	over the lease term ranged from 18 – 45 years/ 5 years
Motor vehicles	5 -10 years
Bins and containers	5 -10 years
Machinery	3 -10 years
Boat	10 years
Office equipment	3 years
Computers	3 years
Furniture and fittings	3 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at the end of each reporting period. The effects of any revision are recognised in profit or loss when the changes arise.

Construction-in-progress represent the costs of property, plant and equipment under development. When construction-in-progress are completed and are ready for their intended use, they are recognised as property, plant and equipment and depreciated over their useful lives.

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use.

(iii) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(iv) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "other gain/(loss) – net".

1.5 Goodwill

Goodwill on acquisitions of subsidiary corporations and businesses represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired.

Goodwill on subsidiary corporations is recognised as a separate intangible asset and carried at cost less accumulated impairment losses.

1 Significant accounting policies (Cont'd)

1.5 Goodwill (Cont'd)

Gains and losses on the disposal of subsidiary corporations include the carrying amount of goodwill relating to the entity sold.

1.6 Impairment of non-financial assets

(a) Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(b) Property, plant and equipment
Investments in subsidiary corporations

Property, plant and equipment and investments in subsidiary corporations are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating units ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

1 Significant accounting policies (Cont'd)

1.6 Impairment of non-financial assets

(b) *Property, plant and equipment*
Investments in subsidiary corporations (Cont'd)

An impairment loss for an asset other than goodwill is reversed if, and only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in profit or loss.

1.7 Financial assets

The accounting for financial assets before 1 July 2018 are as follows:

The Group classifies its financial assets as loans and receivables. The classification depends on the nature of the asset and the purpose for which the asset was acquired. The Group determines the classification of the financial assets at initial recognition, re-evaluates this designation at reporting date.
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in active markets. They are presented as current assets, except for those maturing later than twelve months after the reporting date which are presented as non-current assets.

Loans and receivables are presented as trade and other receivables (Note 7) and cash and cash equivalents (Note 6) on the statement of financial position. They are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

An allowance for impairment of loans and receivables is recognised when there is objective evidence that the Group will not be able to collect all the amounts due in accordance to the original terms of the receivables. The carrying amount of these assets is reduced through the use of an impairment allowance account, which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss. The impairment allowance is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

The accounting for financial assets from 1 July 2018 are as follows:

The Group classifies its financial assets in the following measurement categories:

• Amortised cost; and
• Fair value through other comprehensive income ("FVOCI").

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

1 Significant accounting policies (Cont'd)

1.7 Financial assets (Cont'd)

Financial assets with embedded derivatives are considered in their entirely when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

At subsequent measurement

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

Debt instruments

Debt instruments mainly comprise of cash and cash equivalents, trade and other receivables. There are three subsequent measurement categories, depending on the Group's business model for managing the asset and the cash flow characteristics of the asset:

- Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired.

  Interest income from these financial assets is included in interest income using the effective interest rate method.

- FVOCI: Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income ("OCI") and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "other gains and losses". Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income".

1 Significant accounting policies (Cont'd)

1.7 Financial assets (Cont'd)

For trade receivables, the Group applies the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

1.8 Financial guarantees

The Company has issued corporate guarantees to banks for bank borrowings of its subsidiary corporations. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiary corporations fail to make principal or interest payments when due in accordance with the terms of their borrowings.

Financial guarantees are initially recognised at their fair values plus transaction costs in the Company's statement of financial position. Financial guarantees are subsequently amortised to profit or loss over the period of the subsidiary corporations' borrowings, unless it is probable that the Company will reimburse the banks for an amount higher than the unamortised amount. In this case, the financial guarantees shall be carried at the expected amount payable to the banks in the Company's statement of financial position.

Intra-group transactions are eliminated on consolidation.

1.9 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

1.10 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

1 Significant accounting policies (Cont'd)

1.11 Provisions

Provisions for other liabilities and charges are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provision are not recognised for future operating losses.

Other provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the statement of comprehensive income as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

1.12 Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and derivatives) are based on quoted market prices at the end of the reporting period. The quoted market prices used for financial assets are the current bid prices.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

1.13 Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised goods or services to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied over time or at a point in time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) Rendering of service

Revenue from rendering of services is recognised in the accounting period in which the services are rendered. For recurring service contracts, revenue is recognised over time, based on actual services provided. For ad hoc services, revenue is recognised at a point in time when services are rendered.

(b) Interest income

Interest income is recognised using the effective interest method.

(c) Dividend income

Dividend income is recognised when the right to receive payment is established.

1 Significant accounting policies (Cont'd)

1.13 Revenue recognition (Cont'd)

(d) *Other income*

Other income is recognised at the point of entitlement of income.

(e) *Management fee income*

Management fee income is recognised when services are rendered.

1.14 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiary corporations, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(a) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period; and

(b) based on the tax consequence that will follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Group accounts for investment tax credits (for example, productivity and innovative credit) similar to accounting for other tax credits where deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

1 Significant accounting policies (Cont'd)

1.15 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) *Defined contribution plans*

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) *Employee leave entitlement*

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

(c) *Profit sharing and bonus plans*

The Group recognises a liability and an expense for bonuses and profit-sharing. Profit sharing is computed based on the Group's audited consolidated profit before income tax expense and before paying profit sharing. The Group recognises a provision when contractually obliged to pay or when there is a past practice that has created a constructive obligation to pay.

1.16 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to the construction of properties and assets under construction. This includes those costs on borrowings acquired specifically for the construction of properties and assets under construction, as well as those in relation to general borrowings used to finance the construction of properties and assets under construction.

The actual borrowing costs incurred during the period up to the issuance of the temporary occupation permit less any investment income on temporary investment of these borrowings, are capitalised in the cost of the property under construction. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings.

1. Significant accounting policies (Cont'd)

1.17 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollar, which is the functional currency of the Company.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the end of the reporting period are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in profit or loss within "finance expenses". All other foreign exchange gains and losses impacting profit or loss are presented in profit or loss within "other gain/(loss) – net".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing exchange rates at the reporting date;

(ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

1 Significant accounting policies (Cont'd)

1.18 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, cash and cash deposits held with financial institutions which are subject to an insignificant risk of change in value. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

1.19 Leases

The Group leases motor vehicles, bins and containers and machinery under finance leases, and land, premises and machinery under operating leases from non-related parties.

(i) Lessee - Finance leases

Leases where the Group assumes substantially all risks and rewards incidental to ownership of the leased assets are classified as finance leases.

The leased assets and the corresponding lease liabilities (net of finance charges) under finance leases are recognised in the statement of financial position as property, plant and equipment and finance lease liabilities respectively, at the inception of the leases based on the lower of the fair value of the leased assets and the present value of the minimum lease payments.

Each lease payment is apportioned between the finance expense and the reduction of the outstanding lease liability. The finance expense is recognised in profit or loss on a basis that reflects a constant periodic rate of interest on the finance lease liability.

(ii) Lessee - Operating leases

Leases where substantially all risks and rewards incidental to ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

Contingent rents are recognised as an expense to profit or loss when incurred.

1.20 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are either recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis or offset against the related expenses in profit or loss.

Government grants relating to assets are deducted against the carrying amount of the assets.

1 Significant accounting policies (Cont'd)

1.21 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

1.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors who is responsible for allocating resources and assessing performance of the operating segments.

1.23 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

1.24 Dividends to Company's shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

2 Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

(a) Impairment of trade receivables

As at 31 March 2019, the Group's trade receivables amounted to $17,988,000 (30 June 2018: $16,149,000) (Note 7), arising from the Group's different revenue segments – provision of environmental service and provision of laundry service.

Based on the Group's historical credit loss experience, trade receivables exhibited significantly different loss patterns for each revenue segment. Management has determined the expected loss rates by grouping the receivables according to the category of internal credit rating of each segment. A loss allowance of $89,000 (30 June 2018: allowance for impairment of $89,000) (Note 7) for trade receivables was recognised as at 31 March 2019.

The carrying amount of trade receivables is disclosed in Note 7 to the interim condensed financial statements.

(b) Useful lives of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these property, plant and equipment, except for leasehold land and leasehold buildings and improvements, to be within 3 to 10 years.

Changes in the expected level of usage and technological development could impact the economic useful lives of these assets; therefore, future depreciation charges could be revised. If the actual useful lives of these items of property, plant and equipment were to differ by 10% from management's estimates, the carrying amounts of the property, plant and equipment would be an estimated $802,000 (financial period ended 31 March 2018: $523,000) higher or lower.

The carrying amounts of property, plant and equipment are disclosed in Note 8 to the interim condensed financial statements.

3 Other income - others

	Group	
	For the financial period from 1 July 2018 to 31 March 2019 $'000	For the financial period from 1 July 2017 to 31 March 2018 $'000
Rental income	8	-
Skills development grant	141	126
Others	216	190
	365	316

4 Other expenses - others

	Group	
	For the financial period from 1 July 2018 to 31 March 2019 $'000	For the financial period from 1 July 2017 to 31 March 2018 $'000
Foreign worker levies	7,054	6,872
Insurance	269	278
Legal and professional fee	934	607
License fees	364	420
Medical fees	353	250
Rental on operating leases	1,486	1,348
Repair and maintenance	1,809	1,193
Skill development levy	141	131
Staff training	247	192
Telephone	304	246
Transport	421	356
Upkeep of leasehold building	351	186
Upkeep of motor vehicles	3,443	2,917
Utilities	1,224	652
Workers' accommodation	148	251
Workers' welfare	339	527
Advertisement	92	165
Directors' fee	120	108
Postage, printing & stationery	283	75
Others	778	702
	20,160	17,476

5 Income tax expense

	Group	
	For the financial period from 1 July 2018 to 31 March 2019 $'000	For the financial period from 1 July 2017 to 31 March 2018 $'000
Tax expense attributable to profit is made up of:		
- Current income tax	-	2,007
- Deferred income tax	1,902	-
Over provision in prior financial years:		
- Current income tax	-	(355)
- Deferred income tax	(38)	-
	1,864	1,652

The income tax expense on the Group's profit before income tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax is as follows:

	Group	
	For the financial period from 1 July 2018 to 31 March 2019 $'000	For the financial period from 1 July 2017 to 31 March 2018 $'000
Profit before income tax	7,402	12,441
Tax calculated at tax rate of 17% (2018: 17%)	1,258	2,115
Effects of:		
- Expenses not deductible for tax purposes	577	-
- Deferred income tax assets not recognised	67	-
- Singapore statutory stepped income	-	(78)
- Tax rebate	-	(30)
- Over provision in prior financial years	(38)	(355)
Tax charge	1,864	1,652

6 Cash and cash equivalents

	Group			Company		
	31 March 2019 $'000	30 June 2018 $'000	1 July 2017 $'000	31 March 2019 $'000	30 June 2018 $'000	1 July 2017 $'000
Cash at bank and on hand	9,937	5,605	15,394	802	556	1,038
Short-term bank deposits	1,500	-	9,692	-	-	3,000
	11,437	5,605	25,086	802	556	4,038

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group		
	31 March 2019 $'000	30 June 2018 $'000	1 July 2017 $'000
Cash and bank balances (as above)	11,437	5,605	25,086
Less: Bank deposits pledged	(1,500)	-	-
Cash and cash equivalents per consolidated statement of cash flows	9,937	5,605	25,086

Short-term bank deposits are made for varying periods of between one week to three months depending on the immediate cash requirements of the Group and the Company, and earn interests at the respective short-term deposit rates.

7 Trade and other receivables

	Group			Company		
	31 March 2019 $'000	30 June 2018 $'000	1 July 2017 $'000	31 March 2019 $'000	30 June 2018 $'000	1 July 2017 $'000
Trade receivables:						
- Subsidiary corporations	-	-	-	524	1,355	1,070
- Non-related parties	17,988	16,149	14,202	*	-	-
- Unbilled receivables	19,585	18,025	15,837	-	-	-
- Less: Loss allowance	(89)	(89)	(64)	-	-	-
	37,484	34,085	29,975	524	1,355	1,070
Other receivables:						
- Subsidiary corporations	-	-	-	20,968	14,401	10,694
- Non-related parties	143	569	297	122	563	284
- Staff advances	50	44	40	-	-	-
	37,677	34,698	30,312	21,614	16,319	12,048

* Less than $1,000

8 Property, plant and equipment

	Leasehold land	Leasehold buildings and improvements	Motor vehicles	Bins and containers	Machinery	Boat	Office equipment	Computers	Furniture and fittings	Construction-in-progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group											
31 March 2019											
Cost											
Beginning of financial period	16,259	42,748	51,037	10,139	32,133	152	1,647	811	872	63,606	219,404
Additions	-	9,125	7,951	4,139	6,509	-	4	133	-	8,848	36,709
Reclassification	-	14,937	4,782	2,953	38,639	-	-	14	-	(61,325)	-
Disposals	-	-	-	-	(1)	-	-	-	-	-	(1)
Written off	-	-	(390)	-	-	-	-	-	-	-	(390)
Adjustment	-	(38)	-	-	(531)	-	-	-	-	(9)	(578)
Exchange differences	-	*	-	-	2	-	-	-	-	-	2
End of financial period	16,259	66,772	63,380	17,231	76,751	152	1,651	958	872	11,120	255,146
Accumulated Depreciation											
Beginning of financial period	3,995	5,993	27,468	6,100	6,968	85	1,393	537	842	-	53,381
Depreciation charge	538	2,331	4,144	1,021	2,620	11	96	115	16	-	10,892
Disposals	-	-	-	-	(1)	-	-	-	-	-	(1)
Written off	-	-	(375)	-	-	-	-	-	-	-	(375)
Exchange differences	-	*	-	-	4	-	*	*	-	-	4
End of financial period	4,533	8,324	31,237	7,121	9,591	96	1,489	652	858	-	63,901
Net Book Value											
End of financial period	11,726	58,448	32,143	10,110	67,160	56	162	306	14	11,120	191,245

* Less than $1,000

8 Property, plant and equipment (Cont'd)

	Leasehold land	Leasehold buildings and improvements	Motor vehicles	Bins and containers	Machinery	Boat	Office equipment	Computers	Furniture and fittings	Construction-in-progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group											
30 June 2018											
Cost											
Beginning of financial year	16,259	20,542	49,533	10,160	10,697	152	1,605	791	847	32,223	142,809
Additions	-	5,340	1,319	-	2,885	-	33	15	16	58,305	67,913
Reclassification	-	9,817	-	-	17,097	-	-	-	8	(26,922)	-
Acquisition of a subsidiary corporation	-	7,050	260	-	1,508	-	12	5	1	-	8,836
Disposals	-	-	(66)	-	-	-	-	-	-	-	(66)
Written off	-	-	(9)	(21)	(4)	-	-	-	-	-	(34)
Exchange differences	-	(1)	-	-	(50)	-	(3)	-	-	-	(54)
End of financial year	16,259	42,748	51,037	10,139	32,133	152	1,647	811	872	63,606	219,404
Accumulated Depreciation											
Beginning of financial year	3,275	3,976	22,991	5,376	5,288	70	1,226	412	766	-	43,380
Depreciation charge	720	2,018	4,532	732	1,699	15	168	125	76	-	10,085
Disposals	-	-	(46)	-	-	-	-	-	-	-	(46)
Written off	-	-	(9)	(8)	(4)	-	-	-	-	-	(21)
Exchange differences	-	(1)	-	-	(15)	-	(1)	-	-	-	(17)
End of financial year	3,995	5,993	27,468	6,100	6,968	85	1,393	537	842	-	53,381
Net Book Value											
End of financial year	12,264	36,755	23,569	4,039	25,165	67	254	274	30	63,606	166,023

8 **Property, plant and equipment (Cont'd)**

	Leasehold land	Leasehold buildings and improvements	Machinery	Office equipment	Computer	Furniture and fittings	Construction -in-progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Company								
31 March 2019								
Cost								
Beginning of financial period	16,259	25,012	16,739	26	1	32	52,769	110,838
Additions	-	6,884	4,945	-	-	-	180	12,009
Reclassification	-	14,295	38,474	-	-	-	(52,769)	-
Adjustment	-	(38)	(531)	-	-	-	-	(569)
End of financial period	16,259	46,153	59,627	26	1	32	180	122,278
Accumulated Depreciation								
Beginning of financial period	3,995	1,480	314	4	-	17	-	5,810
Depreciation charge	538	1,340	1,356	2	1	6	-	3,243
End of financial period	4,533	2,820	1,670	6	1	23	-	9,053
Net Book Value								
End of financial period	11,726	43,333	57,957	20	-	9	180	113,225
30 June 2018								
Cost								
Beginning of financial year	16,259	9,927	-	5	1	24	30,683	56,899
Additions	-	5,259	1,182	21	-	8	47,469	53,939
Reclassification	-	9,826	15,557	-	-	-	(25,383)	-
End of financial year	16,259	25,012	16,739	26	1	32	52,769	110,838
Accumulated Depreciation								
Beginning of financial year	3,275	669	-	2	-	9	-	3,955
Depreciation charge	720	811	314	2	-	8	-	1,855
End of financial year	3,995	1,480	314	4	-	17	-	5,810
Net Book Value								
End of financial year	12,264	23,532	16,425	22	1	15	52,769	105,028

* Less than $1,000

9 Trade and other payables

	Group			Company		
	31 March 2019 $'000	30 June 2018 $'000	1 July 2017 $'000	31 March 2019 $'000	30 June 2018 $'000	1 July 2017 $'000
Trade payables:						
- Non-related parties	11,224	16,155	8,302	1,920	3,229	4,524
- Subsidiary corporations	-	-	-	1,160	1,160	-
Other payables:						
- Subsidiary corporations	-	-	-	43,364	32,925	15,086
- Non-related parties	3,281	1,624	1,856	-	-	-
Accrued operating expenses	15,457	13,510	9,729	7,714	4,938	2,514
Deferred income	494	605	286	-	-	-
	30,456	31,894	20,173	54,158	42,252	22,124

10 Dividends

	Group and Company	
	For the financial period from 1 July 2018 to 31 March 2019 $'000	For the financial period from 1 July 2017 to 31 March 2018 $'000
Ordinary dividends paid		
Final tax exempt (1-tier) dividend paid in respect of the previous financial period of 1.0 cent (2018: 3.0 cents) per share	1,788	5,364

11 Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and the related parties at terms agreed between the parties:

Sales and purchases of goods and services

	Group	
	For the financial period from 1 July 2018 to 31 March 2019 $'000	For the financial period from 1 July 2017 to 31 March 2018 $'000
Professional fees	(25)	(25)

Related parties comprise mainly companies which are controlled or significantly influenced by the Group's key management personnel and their close family members.

12 Segment information

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Board of Directors comprises of executive and non-executive directors.

The Board of Directors considers the business from a business segment perspective.

The Board of Directors has organised he business of the Group in two operating segments – Environmental services and Laundry services.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

The Board of Directors monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss. Group income taxes are managed on a group basis and are not allocated to operating segments.

The segment information provided to the Board of Directors for the reportable segments are as follows:

	Environmental services		**Laundry services**		**Consolidated**	
	For the financial period ended 31 March 2019 $'000	**For the financial period ended 30 June 2018 $'000**	**For the financial period ended 31 March 2019 $'000**	**For the financial period ended 30 June 2018 $'000**	**For the financial period ended 31 March 2019 $'000**	**For the financial period ended 30 June 2018 $'000**
Revenue						
Total segment revenue	132,634	109,888	4,446	3,330	137,080	113,218
Inter-segment revenue	(182)	(3)	(*)	(*)	(182)	(3)
Revenue to external parties	132,452	109,885	4,446	3,330	136,898	113,215
Adjusted EBITDA	20,565	20,239	(207)	(311)	20,358	19,928
Depreciation	10,462	6,721	433	309	10,895	7,030

12 Segment information (Cont'd)

	Environmental services		Laundry services		Consolidated	
	For the financial period ended 31 March 2019	For the financial period ended 30 June 2018	For the financial period ended 31 March 2019	For the financial period ended 30 June 2018	For the financial period ended 31 March 2019	For the financial period ended 30 June 2018
	$'000	$'000	$'000	$'000	$'000	$'000
Segment assets	215,914	196,647	17,944	8,540	233,857	205,187
Unallocated assets					11,648	5,756
Total assets					245,505	210,943
Segment assets include:-						
Additions to:						
Property, plant and equipment	28,561	67,734	8,148	179	36,709	67,913
Segment liabilities	18,788	25,534	11,668	6,360	30,456	31,894
Unallocated liabilities					126,224	93,965
Total liabilities					156,680	125,859

The revenue from external parties reported to the Board of Directors is measured in a manner consistent with that in the consolidated statement of comprehensive income.

The Board of Directors assesses the performance of the operating segments based on a measure of gross profit, (loss)/ profit before tax and segment results for the Group's operations. This measurement basis excludes the effects of expenditure from the operating segments such as restructuring costs, impairment loss and other administrative expenses including interest income and interest expenses that are either not expected to recur regularly in every period or allocated to the segments as these type of activities are separately analysed and driven by the finance department, which manages the financial position of the Group.

12 Segment information (Cont'd)

Geographical information

The group's operations are primary carried out in Singapore. Accordingly, no geographical segment assets and revenue from external customers' information are presented.

Revenue of $29,977,000 (2018: $29,328,000) are derived from one (2018: one) external customers. These revenues are attributable to the environmental services segment.

(a) *Reconciliation*

(i) Segment profits

A reconciliation of adjusted EBITDA to profit before income tax is as follows:

	Group	
	For the financial period ended 31 March 2019 S$'000	For the financial period ended 31 March 2018 S$'000
Adjusted EBITDA for reportable segments	20,358	19,928
Depreciation of property, plant and equipment	(10,895)	(7,030)
Finance expense	(2,093)	(517)
Interest income	32	60
Profit before income tax	7,402	12,441

(ii) Segment assets

The amounts provided to the Board of Directors with respect to total assets are measured in a manner consistent with that of the financial statements. For the purposes of monitoring segment performance and allocating resources between segments, the Board of Directors monitors the property, plant and equipment, inventories, certain trade and other receivables and operating cash attributable to each segment. All assets are allocated to reportable segments other than deferred income tax assets and cash and cash equivalents.

Segment assets are reconciled to total assets as follows:

	Group	
	31 March 2019 S$'000	30 June 2018 S$'000
Segment assets for reporting segments	233,857	205,187
Unallocated:		
- Available-for-sale financial assets	-	2
- Financial asset, at FVOCI	*	-
- Deferred income tax assets	211	149
- Cash and cash equivalents	11,437	5,605
	205,505	210,943

* Less than $1,000

12 Segment information (Cont'd)

Geographical information (Cont'd)

(a) *Reconciliation (Cont'd)*

(iii) Segment liabilities

The amounts provided to the Board of Directors with respect to total liabilities are measured in a manner consistent with that of the financial statements. These liabilities are allocated based on the operations of the segment. All liabilities are allocated to the reportable segments other than certain trade and other payables, borrowings and current and deferred income tax liabilities.

Segment liabilities are reconciled to total liabilities as follows:

	Group	
	31 March 2019	**30 June 2018**
	$'000	**$'000**
Segment liabilities for reporting segments	30,456	31,894
Unallocated:		
- Current income tax liabilities	43	1,127
- Deferred income tax liabilities	5,696	3,770
- Borrowings	120,485	89,068
	156,680	125,859

13 Financial risk management

This note provides an update on the financial risk management disclosures with significant changes since the last annual financial report.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group are cash and cash equivalents, trade receivables and unbilled receivables. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit history. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

Trade receivables

The Group uses a provision matrix to measure the lifetime expected credit loss allowance for trade receivables. In measuring the expected credit losses, trade receivables are grouped based on individual characteristic of each customer and days past due. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward.

13 Financial risk management (Cont'd)

Credit risk (Cont'd)

Trade receivables (Cont'd)

Majority of the Group's customers have been transacting with the Group for over 3 years, and none of these customers' balance have been written off or are credit-impaired at the balance sheet date. Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group considers a financial asset as in default if the counterparty fails to make contractual payments after 120 days when they fall due, and writes off the financial asset when a debtor fails to make contractual payments greater than 365 days past due. Where receivables are written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

The movements in credit loss allowance are as follows:

	Trade receivables $'000
Group	
Balance at 1 July 2018 under SFRS	89
Application of SFRS(I) 9	-
Balance at 1 July 2018 under SFRS(I) 9	89
Loss allowance recognised in profit or loss during the financial period on:	
- Assets acquired/originated	-
Receivables written off as uncollectible	-
Currency translation differences	-
Balance at 31 March 2019 (Note 7)	89

The trade receivables of the Group comprise 2 debtors (30 June 2018: 1 debtors) that individually represented 38.7% (30 June 2018: 29.6%) of trade receivables.

The credit risk for trade receivables and unbilled receivables based on the information provided to key management is as follows:

	Group	
	31 March 2019 $'000	30 June 2018 $'000
By types of customers:		
Non-related parties	37,573	34,174

14 New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2019 and which the Group has not early adopted:

Effective for annual periods beginning on or after 1 January 2019

- SFRS(I) 16 *Leases*

  SFRS(I) 16 will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not change significantly.

  Some of the commitments of the Group may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under SFRS(I) 16.

  The new standard also introduces expanded disclosure requirements and changes in presentation.

  The Group is required to adopt a new accounting framework from 1 July 2019. The new accounting framework has similar requirements of SFRS(I) 16. The standard will affect primarily the accounting for the Group's operating leases. However, the Group has yet to determine to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit and classification of cash flows.

15 Subsequent events

On 6 May 2019, an announcement was made by 8S Capital Holdings Pte. Ltd. (the "Offeror"), that the Offeror intends to make a voluntary conditional cash offer (the "Offer") for all the issued ordinary shares in the capital of the Company, other than those already held by the Company as treasury share and those already held by Offeror.

Pursuant to the Offer, certain shareholders of the Company holding in aggregate approximately 77.62% of the shares have irrevocably undertaken to tender in their shares in acceptance of the Offer, which will result in a substantial change of the Company's shareholders.

16 Authorisation of financial statements for issue

The interim condensed consolidated financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 23 May 2019.

NOVUS
CORPORATE FINANCE

23 May 2019

The Board of Directors
800 Super Holdings Limited
No. 17A Senoko Way
Singapore 758056

Dear Sirs,

VOLUNTARY CONDITIONAL CASH OFFER (THE "OFFER") FOR ALL THE ISSUED AND PAID-UP ORDINARY SHARES (THE "SHARES") IN THE CAPITAL OF 800 SUPER HOLDINGS LIMITED (THE "COMPANY"), OTHER THAN THOSE ALREADY HELD, DIRECTLY OR INDIRECTLY, BY 8S CAPITAL HOLDINGS PTE. LTD. (THE "OFFEROR")

On 6 May 2019, RHB Securities Singapore Pte. Ltd. announced, for and on behalf of the Offeror, the Offer for all the Shares, other than those Shares already held, directly or indirectly, by the Offeror at the date of the Offer.

The Board of Directors of the Company had approved the unaudited consolidated financial results for the third quarter ended 31 March 2019 ("**3Q2019**") (the "**3Q2019 Results**"), which will be announced by the Company on 24 May 2019. This letter has been prepared for inclusion in the 3Q2019 Results and we have given and have not withdrawn our consent to the release of the 3Q2019 Results with the inclusion of our name and this letter.

We also note that on 12 February 2019, the Company had announced its unaudited interim condensed financial information for the second quarter ended 31 December 2018 which contained the following statement on the prospects of the Group for 3Q2019 (the "**Previous Prospects Statement**"):

"Barring any unforeseen circumstances, the Group is expected to remain to be profitable for the next financial reporting period"

With regard to the aforementioned, we have examined the 3Q2019 Results and have discussed the same with the management of the Company who are responsible for its preparation. We also note the following statement in the 3Q2019 Results announcement in relation to any variance between the Previous Prospects Statement and the actual 3Q2019 Results:

"There is no variation in the Group's profitability for Q32019 between the aforementioned statement and the unaudited results presented in this announcement."

We have relied on and assumed the accuracy and completeness of all information provided to or discussed with us by the Company. We have also considered the report on the review of interim condensed financial statements prepared by the Company's auditors, Nexia TS Public Accounting Corporation, dated 23 May 2019 in relation to their review of the unaudited interim condensed financial information for 3Q2019. Save as provided in this letter, we do not express any other opinion or view on the Previous Prospects Statement and the 3Q2019 Results. The Board of Directors of the Company remains solely responsible for the Previous Prospects Statement and the 3Q2019 Results.

Based on the above, we are of the opinion that the Previous Prospects Statement has been made and the 3Q2019 Results has been prepared after due and careful enquiry by the Board of Directors of the Company.

NOVUS CORPORATE FINANCE

This letter is provided to the Board of Directors of the Company solely for the purpose of complying with Rule 25 of the Singapore Code on Take-overs and Mergers and not for any other purpose. We do not accept any responsibility to any other person(s), other than the Board of Directors of the Company in respect of, arising out of, or in connection with this letter.

Yours sincerely
For and on behalf of
NOVUS CORPORATE FINANCE PTE. LTD.

Andrew Leo
Chief Executive Officer

Melvin Teo
Senior Manager