



MTQ CORPORATION LIMITED

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FOR IMMEDIATE RELEASE

Market conditions and non-cash adjustments impact 4Q and 12M FY2016 earnings

- Market environment remains challenging
- Non-cash impairments of goodwill, intangible assets and fixed assets of S\$12.9 million in 4QFY2016
- Cost control and strengthening balance sheet as we look towards market recovery

Singapore, 10 May 2016 – SGX Mainboard-listed MTQ Corporation Limited (“MTQ” or “Group”), an established regional engineering, maintenance and subsea services group, reported today its results for the three months and full year ended 31 March 2016 (“4QFY2016” and “12MFY2016”, respectively).

Financial Highlights	4QFY2016	4QFY2015	Chg	12MFY2016	12MFY2015	Chg
	SGD'000	SGD'000	%	SGD'000	SGD'000	%
Revenue	49,344	63,755	(23)	221,788	295,640	(25)
Gross Profit	10,900	18,333	(41)	54,729	92,664	(41)
Gross Profit Margin	22.1%	28.8%		24.7 %	31.3 %	
Other Operating Expenses	(20,684)	(13,231)	56	(43,956)	(35,108)	22
Staff Costs	(8,639)	(10,708)	(19)	(36,890)	(46,227)	(20)
(Loss)/Profit Before Taxation	(18,319)	(5,916)	210	(22,772)	9,177	n/m
Net (Loss)/Profit Attributable to Equity Holders (PATMI)	(14,785)	(6,527)	127	(18,467)	5,021	n/m

*n/m: Not meaningful

Financial Review

The Group reported S\$49.3 million revenue for 4QFY2016, a decrease of 23% quarter-on-quarter (“qoq”) as the Group continues to see weaker demand in its sectors. Market pressures have persisted resulting in lower margins for the quarter.

In light of the continual depressed market conditions, the Group has taken impairments of goodwill, intangible assets and fixed assets totaling S\$12.9 million in 4QFY2016. These adjustments, which are non-cash in nature have impacted the financials of the Group. Excluding the impairments and fixed assets written-off, operating expenses and staff costs as a whole have continued to decline. The Group reported a net loss attributable to shareholders of S\$14.8 million for 4QFY2016.

Balance Sheet	31 Mar 2016	31 Mar 2015
	SGD'000	SGD'000
Net current assets	66,444	82,389
Net assets	113,374	138,350
Cash and cash equivalents	24,967	44,135
Bank borrowings and finance leases	44,087	60,432
Shareholder's funds	105,664	128,960
Net gearing¹	14.4%	10.5%
Net assets value per share²	68 cents	83 cents

¹ Net gearing ratio is calculated based on net debt divided by net capitalization. The Group includes within its net debt, bank borrowings and finance lease payable, less cash and cash equivalents. Net capitalization refers to net debt plus total equity.

² Net assets value is calculated based on the Group's net assets after deducting the non-controlling interest, divided by the total number of issued shares excluding treasury shares as at the end of the financial period, adjusted for the effect of bonus issue.

During the 12MFY2016, the Group generated S\$10.4 million cash from operation. Investing activities wise, the Group spent a total of S\$9.7 million mainly on investing in new fixed assets as well as payment of the final tranche of the consideration for Binder acquisition. During the year, the Group repaid bank borrowings of S\$19.9 million by deploying some of the cash resources to reduce interest expenses. The Group also refinanced part of its borrowings resulting in longer debt maturity profile. Net gearing was 14.4% as at the year-end date, with cash and cash equivalents of S\$25.0 million as at 31 March 2016.

Outlook

Commenting on the financial results and outlook, Mr Kuah Boon Wee, Group Chief Executive Officer said,

“Our performance for the quarter under review was reflective of the current downturn in the oil and gas industry, and this is expected to continue in the foreseeable future. The sluggish activity level of the industry has severely impacted the Group’s financial performance and resulted in the Group’s first full-year loss position in over a decade.

The Group’s financial position is sound. Whereas we do not expect a swift turnaround of the industry, we are in good position to weather the current downturn. Our focus is to broaden our reach in this increasingly competitive environment, enhance efficiency and utilisation.”

- End -

About MTQ Corporation Limited (Bloomberg Code: MTQ.SP)

Established in 1969, **MTQ Corporation Limited (“MTQ”)** specialises in engineering solutions for oilfield equipment, including repair, manufacture and rental operations. Well-known for its broad experience for over 30 years and commitment to service quality, MTQ is the authorised working partner for some of the world’s largest OEMs in drilling equipment, and is accredited to carry out manufacturing and repair works in accordance to American Petroleum Institute Standards. The Premier group, in addition to repair and manufacture of oilfield equipments, is also supplier of oilfield equipment and tools manufactured by some of the leading global brands. Through its wholly owned subsidiary MTQ Engine Systems (Aust) Pty Ltd, the Group is also the leading independent supplier of turbocharger and fuel injection parts and services in Australia with a nationwide network. Neptune Marine Services Limited is located in Perth, Western Australia, and has operational presence in the UK and Asia. Neptune provides engineering services to offshore oil and gas, marine and renewable energy industries with a focus on subsea and topside services. In 2014, MTQ expanded into the design and manufacturing of proprietary and custom-built pipe support and pipe suspension solutions for the oil & gas sector through Binder Group Pty Ltd, which has production facilities in Perth and Indonesia.

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MTQ CORPORATION LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number 196900057Z)

Unaudited Financial Statements And Dividend Announcement For The Quarter and Year Ended 31 March 2016

1(a) A statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately financial year.

(i) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER AND YEAR ENDED 31 MARCH 2016

	Group 3 months ended			Group 12 months ended		
	31.3.16	31.3.15	Change	31.3.16	31.3.15	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	49,344	63,755	-23%	221,788	295,640	-25%
Cost of sales (Note A)	(38,444)	(45,422)	15%	(167,059)	(202,976)	18%
Gross profit	10,900	18,333	-41%	54,729	92,664	-41%
Other income (Note B)	593	667	-11%	4,693	1,280	267%
Staff costs	(8,639)	(10,708)	19%	(36,890)	(46,227)	20%
Other operating expenses (Note C)	(20,684)	(13,231)	-56%	(42,956)	(35,108)	-22%
(Loss)/profit from operating activities	(17,830)	(4,939)	-261%	(20,424)	12,609	n/m
Finance costs (Note D)	(506)	(563)	10%	(2,063)	(2,405)	14%
Share of results of joint venture	17	(414)	n/m	(285)	(1,027)	72%
(Loss)/profit before taxation	(18,319)	(5,916)	-210%	(22,772)	9,177	n/m
Taxation (expense)/credit (Note E)	2,468	(555)	n/m	3,391	(3,703)	n/m
(Loss)/profit for the financial period/year, net of tax	(15,851)	(6,471)	-145%	(19,381)	5,474	n/m
Other comprehensive income:						
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Exchange difference on translation of foreign operations	(3,418)	(1,754)	-95%	(2,463)	(7,035)	65%
Net (loss)/gain on hedge of net investment in foreign operation	(30)	1,110	n/m	360	3,540	-90%
Net fair value gain/(loss) on derivatives	231	(76)	n/m	307	(76)	n/m
Other comprehensive (loss)/income for the financial period/year, net of tax (Note F)	(3,217)	(720)	-347%	(1,796)	(3,571)	50%
Total comprehensive (loss)/income for the financial period/year	(19,068)	(7,191)	-165%	(21,177)	1,903	n/m
Attributable to:						
Owners of the Company	(14,785)	(6,527)	-127%	(18,467)	5,021	n/m
Non-controlling interests	(1,066)	56	n/m	(914)	453	n/m
	(15,851)	(6,471)	-145%	(19,381)	5,474	n/m
Total comprehensive (loss)/income attributable to:						
Owners of the Company	(17,780)	(7,105)	-150%	(20,150)	1,902	n/m
Non-controlling interests	(1,288)	(86)	-1398%	(1,027)	1	n/m
	(19,068)	(7,191)	-165%	(21,177)	1,903	n/m

n/m : not meaningful



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Note A - Cost of sales include :-

	Group			Group		
	3 months ended	3 months ended	Change	12 months ended	12 months ended	Change
	31.3.16	31.3.15	%	31.3.16	31.3.15	%
	S\$'000	S\$'000		S\$'000	S\$'000	
Operating lease expenses	2,562	2,681	-4%	11,450	11,111	3%
Depreciation of property, plant and equipment	2,737	2,848	-4%	11,209	10,427	7%

Note B - Other income comprises :-

	Group			Group		
	3 months ended	3 months ended	Change	12 months ended	12 months ended	Change
	31.3.16	31.3.15	%	31.3.16	31.3.15	%
	S\$'000	S\$'000		S\$'000	S\$'000	
Interest income	60	23	161%	196	177	11%
Rental income	-	-	0%	-	3	-100%
Gain/(loss) on sale of property, plant and equipment, net	5	(20)	n/m	772	(156)	n/m
Government grants	174	286	-39%	369	302	22%
Commission received	244	257	-5%	665	663	0%
Gain on disposal of scrap	13	40	-68%	82	153	-46%
Insurance claims	-	-	0%	2,364	-	100%
Others	97	81	20%	245	138	78%
	593	667	-11%	4,693	1,280	267%

Note C - Other operating expenses include :-

	Group			Group		
	3 months ended	3 months ended	Change	12 months ended	12 months ended	Change
	31.3.16	31.3.15	%	31.3.16	31.3.15	%
	S\$'000	S\$'000		S\$'000	S\$'000	
Depreciation of property, plant and equipment	514	544	-6%	2,065	2,138	-3%
Amortisation of intangible assets	45	90	-50%	181	289	-37%
Fixed assets written off	514	-	100%	2,017	354	470%
Loss/(gain) on exchange, net	412	(1,092)	n/m	731	(2,538)	n/m
Allowance for/(reversal of) doubtful receivables, net	(155)	153	n/m	335	(197)	n/m
Bad debts written off/(back), net	1	45	-98%	(46)	61	n/m
Allowance for inventory obsolescence and inventories written off	26	23	13%	175	173	1%
Impairment of goodwill	5,761	6,828	-16%	5,761	6,828	-16%
Impairment of intangible assets	172	-	100%	172	-	100%
Impairment of fixed assets	7,042	-	100%	7,042	-	100%
Audit, legal, consultancy and professional fees	939	707	33%	3,730	3,951	-6%
Operating lease expenses	1,465	1,789	-18%	6,230	6,806	-8%
Utilities expenses	398	686	-42%	1,877	2,480	-24%

Note D - Finance costs comprise :-

	Group			Group		
	3 months ended	3 months ended	Change	12 months ended	12 months ended	Change
	31.3.16	31.3.15	%	31.3.16	31.3.15	%
	S\$'000	S\$'000		S\$'000	S\$'000	
Interest on:						
- bank loans and overdrafts	503	544	-8%	2,029	2,360	-14%
- finance lease payables	1	17	-94%	32	43	-26%
- others	2	2	0%	2	2	0%
	506	563	-10%	2,063	2,405	-14%

Note E - Taxation expense/(credit) :-

Included in the tax expense/(credit) were under/(over) provision in respect of prior years:-

	Group			Group		
	3 months ended	3 months ended	Change	12 months ended	12 months ended	Change
	31.3.16	31.3.15	%	31.3.16	31.3.15	%
	S\$'000	S\$'000		S\$'000	S\$'000	
- current taxation	(1,195)	(207)	477%	(1,387)	(202)	587%
- deferred taxation	(513)	74	n/m	(435)	(195)	123%
	(1,708)	(133)	1184%	(1,822)	(397)	359%

Note F - Disclosure of tax effect relating to other comprehensive income :-

There was no tax expense/benefit incurred/derived from any component of other comprehensive income.



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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.

STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2016

Non-current assets

Goodwill
Intangible assets
Investment properties
Property, plant and equipment
Investment in subsidiaries
Investment in joint venture
Receivables
Prepayments
Deferred tax assets

Current assets

Inventories
Trade and other receivables
Prepayments
Cash and cash equivalents

Current liabilities

Trade and other payables
Derivatives
Finance lease payable
Bank borrowings
Provisions
Provision for taxation

Net current assets

Non-current liabilities

Other payables
Finance lease payable
Long term bank borrowings
Deferred tax liabilities
Provisions

Net assets

Equity attributable to owners of the Company

Share capital [1(d)(i)]
Treasury shares [1(d)(iv)]
Reserves [1(d)(i)]
Shareholders' funds
Non-controlling interests

Total equity

Group		Company	
31.3.16	31.3.15	31.3.16	31.3.15
S\$'000	S\$'000	S\$'000	S\$'000
15,488	21,568	-	-
148	472	-	-
-	-	944	991
63,440	81,616	305	505
-	-	63,969	45,066
962	1,543	-	-
2,175	1,144	54,016	80,762
18	35	11	28
8,976	6,947	-	-
91,207	113,325	119,245	127,352
25,735	26,952	-	-
52,883	68,873	3,701	11,850
3,300	3,120	37	100
24,967	44,135	823	2,413
106,885	143,080	4,561	14,363
(31,883)	(44,460)	(1,745)	(2,457)
-	(120)	-	-
(343)	(455)	-	-
(3,079)	(6,932)	(1,008)	(3,864)
(1,523)	(1,455)	-	-
(3,613)	(7,269)	(391)	(809)
(40,441)	(60,691)	(3,144)	(7,130)
66,444	82,389	1,417	7,233
(392)	-	(10,354)	(6,239)
(171)	(342)	-	-
(40,494)	(52,703)	(13,068)	(9,252)
(1,483)	(2,466)	(35)	(93)
(1,737)	(1,853)	(80)	(78)
(44,277)	(57,364)	(23,537)	(15,662)
113,374	138,350	97,125	118,923
36,807	36,807	36,807	36,807
(116)	-	(116)	-
68,973	92,153	60,434	82,116
105,664	128,960	97,125	118,923
7,710	9,390	-	-
113,374	138,350	97,125	118,923

Balance Sheet Review

During the annual impairment assessment, the Group has impaired of goodwill, intangible assets and fixed assets amounting to S\$5.8 million, S\$0.1 million and S\$7.0 million respectively. In addition to the impairment of the fixed assets, the Group's fixed assets have decreased largely due to the disposal of certain diving assets as well as the assets written-off arising from the relocation of Neptune Group to the current location.

During the year, the Group repaid S\$19.9 million of borrowings by deploying some of the cash resources to reduce interest expenses. The Group has also refinanced part of its borrowings resulting in longer debt maturity profile. Net gearing was 14.4% as at 31 March 2016.

Apart from the translation of foreign operations and dividends paid during the year, the decrease in net assets was mainly a result of the net loss for the year recorded by the Group, which also brought about the decrease in provision for taxation and increased deferred tax assets as at 31 March 2016.

Change in working capital was mainly a result of timing of settlement.



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Unaudited Financial Statements And Dividend Announcement For The Quarter and Year Ended 31 March 2016

1(b)(ii) Aggregate amount of the group's borrowings and debt securities as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year.

	31.3.16		31.3.15	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on demand	2,073	1,349	5,049	2,338
Amount repayable after one year	10,968	29,697	12,363	40,682
	<u>13,041</u>	<u>31,046</u>	<u>17,412</u>	<u>43,020</u>

The Group's borrowings as at 31 March 2016 decreased to S\$44.1 million from S\$60.4 million mainly due to repayment and revaluation of bank loans as well as refinancing of a bank facility. The borrowings as at 31 March 2015 were incorrectly classified (between secured and unsecured) and have now been corrected. Details of the collateral for the secured bank borrowings are as follows:

Facility 1: S\$9.1 million

- First all-monies registered legal mortgage over a 50-year leasehold land and property at Bahrain International Investment Park, Hidd, Kingdom of Bahrain;
- First registered fixed and floating charge over a subsidiary;
- Registered charge over the book debts of the Company; and
- Corporate guarantee from a subsidiary of the Company.

Facility 2: S\$2.7 million

- Fixed and floating charge over all the assets of a subsidiary; and
- Corporate guarantee from the Company.

Facility 3: S\$0.7 million

- Fixed and floating charge over the assets of a subsidiary; and
- Corporate guarantee from the Company.

There were no debt securities as at 31 March 2016 and 31 March 2015.



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Unaudited Financial Statements And Dividend Announcement For The Quarter and Year Ended 31 March 2016

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

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2016

	Group		Group	
	3 months ended	3 months ended	12 months ended	12 months ended
	31.3.16	31.3.15	31.3.16	31.3.15
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities:				
(Loss)/profit from operations before taxation	(18,319)	(5,916)	(22,772)	9,177
Adjustments for:				
Depreciation of property, plant and equipment	3,251	3,392	13,274	12,565
Impairment loss on property, plant and equipment	7,042	-	7,042	-
Amortisation of intangible assets	45	90	181	289
(Gain)/loss on sale of property, plant and equipment, net	(5)	20	(772)	156
Fixed assets written off	514	-	2,017	354
Allowance for/(reversal of) doubtful receivables, net	(155)	153	335	(197)
Bad debts written off/(back), net	1	45	(46)	61
Allowance for inventory obsolescence and inventories written off	26	23	175	173
Share of joint venture results	(17)	414	285	1,027
Impairment loss on intangible assets	172	-	172	-
Impairment loss on goodwill	5,761	6,828	5,761	6,828
Employee equity benefits expense	83	174	235	758
Provision (reversed)/made during the year	(23)	286	92	534
Interest income	(60)	(23)	(196)	(177)
Interest expense	506	563	2,063	2,405
Operating (loss)/profit before changes in working capital	(1,178)	6,049	7,846	33,953
(Increase)/decrease in inventories	913	1,071	1,024	1,706
(Increase)/decrease in receivables and prepayments	(604)	8,481	15,869	11,177
Increase/(decrease) in payables	(2,556)	(3,200)	(8,614)	(8,116)
Currency realignment	(2,123)	(158)	(1,004)	(880)
Cash (used in)/generated from operations	(5,548)	12,243	15,121	37,840
Interest income received	60	23	196	177
Interest expense paid	(73)	(567)	(1,578)	(2,413)
Income taxes paid, net	(709)	(1,533)	(3,387)	(4,794)
Net cash (used in)/generated from operating activities	(6,270)	10,166	10,352	30,810
Cash flows from investing activities:				
Purchase of property, plant and equipment	(1,210)	(5,041)	(7,789)	(14,782)
Proceeds from sale of property, plant and equipment	148	216	3,419	1,365
Purchase of intangible assets	-	(21)	-	(219)
Acquisition of subsidiary (net cash outflow on acquisition of subsidiary)	(3,989)	(978)	(3,989)	(978)
Loans to joint venture	-	-	(1,419)	-
Loans granted to staff	(23)	-	(68)	(130)
Loans repaid by staff	37	16	99	92
Net cash used in investing activities	(5,037)	(5,808)	(9,747)	(14,652)
Cash flows from financing activities:				
Dividend paid	-	(2,324)	(3,082)	(3,594)
Dividend paid by a subsidiary to non-controlling interests	-	-	(653)	-
Share issuance expense	-	(43)	-	(82)
Proceeds from bank borrowings	5,000	-	5,003	1,100
Share buy-back	-	-	(312)	-
Reduction in share capital of a subsidiary	-	(334)	-	(334)
Settlement of share-based payment arrangements	-	-	-	(665)
Repayment of bank borrowings	(16,009)	(943)	(19,921)	(3,620)
Repayment of finance lease	(111)	(143)	(480)	(544)
Net cash used in financing activities	(11,120)	(3,787)	(19,445)	(7,739)
Net change in cash and cash equivalents	(22,427)	571	(18,840)	8,419
Cash and cash equivalents at beginning of financial period	47,846	43,962	44,135	37,432
Effect of exchange rate changes on cash and cash equivalents	(452)	(398)	(328)	(1,716)
Cash and cash equivalents at end of financial period	24,967	44,135	24,967	44,135

Note

Cash and cash equivalents consist of the following:-

	Group	
	As at	As at
	31.3.16	31.3.15
	S\$'000	S\$'000
Fixed deposits	2,126	8,257
Cash at bank and in hand	22,841	35,878
	24,967	44,135

Cash Flows Review

During the 3 months ended 31 March 2016, the Group had a net cash outflow in operating activities of about S\$6.3 million mainly arising from the loss recorded during the period and changes in working capital. For the financial year ended 31 March 2016, the Group generated S\$10.4 million from operation.

The Group spent a total of S\$9.7 million for the year in investing activities mainly on investing in new fixed assets as well as payment of the final tranche of the consideration for Binder acquisition.

Taking into account of the net repayment of borrowings and the dividends paid during the year, the Group had a total net cash outflow of S\$18.8 million, bringing the cash to S\$25.0 million as at 31 March 2016.



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Unaudited Financial Statements And Dividend Announcement For The Quarter and Year Ended 31 March 2016

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.

STATEMENTS OF CHANGES IN TOTAL EQUITY FOR THE YEAR ENDED 31 MARCH 2016

Group	Attributable to owners of the Company						Shareholders' Funds	Non-Controlling Interest	Total Equity
	Share Capital	Treasury Shares	Foreign Currency Translation Reserve	Retained Earnings	Fair Value Adjustment Reserve	Other Reserves			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 April 2014	34,108	-	(7)	95,105	-	1,745	130,951	9,655	140,606
Adjustment to initial accounting for business combination	-	-	3	(297)	-	-	(294)	-	(294)
Balance as at 1 April 2014, restated	34,108	-	(4)	94,808	-	1,745	130,657	9,655	140,312
Profit for the financial year, net of tax	-	-	-	5,021	-	-	5,021	453	5,474
Other comprehensive income/(loss)									
Exchange difference on translation of subsidiaries	-	-	(6,583)	-	-	-	(6,583)	(452)	(7,035)
Net gain on hedge of net investment in foreign operation	-	-	3,540	-	-	-	3,540	-	3,540
Net fair value of loss on derivatives	-	-	-	-	-	(76)	(76)	-	(76)
Other comprehensive income/(loss) for the financial year	-	-	(3,043)	-	-	(76)	(3,119)	(452)	(3,571)
Total comprehensive income/(loss) for the financial year	-	-	(3,043)	5,021	-	(76)	1,902	1	1,903
Contributions by and distributions to owners									
Dividend paid in respect of previous financial period, tax exempt (one-tier)	-	-	-	(6,125)	-	-	(6,125)	-	(6,125)
Issuance of ordinary shares pursuant to scrip dividend scheme	2,531	-	-	-	-	-	2,531	-	2,531
Issuance of ordinary shares pursuant to scrip MTQ Share Plan	250	-	-	-	-	(250)	-	-	-
Share issuance expense	(82)	-	-	-	-	-	(82)	-	(82)
Settlement of share-based payment arrangements	-	-	-	-	-	(548)	(548)	(83)	(631)
Employee equity benefits expense	-	-	-	-	-	758	758	18	776
Total contributions by and distribution to owners	2,699	-	-	(6,125)	-	(40)	(3,466)	(65)	(3,531)
Changes in ownership interests in subsidiaries									
Reduction in share capital of a subsidiary	-	-	-	-	-	(133)	(133)	(201)	(334)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	(133)	(133)	(201)	(334)
Balance as at 31 March 2015	36,807	-	(3,047)	93,704	-	1,496	128,960	9,390	138,350
Balance as at 1 April 2015	36,807	-	(3,047)	93,704	-	1,496	128,960	9,390	138,350
Loss for the financial year, net of tax	-	-	-	(18,467)	-	-	(18,467)	(914)	(19,381)
Other comprehensive income/(loss)									
Exchange difference on translation of subsidiaries	-	-	(2,310)	-	-	-	(2,310)	(153)	(2,463)
Net gain on hedge of net investment in foreign operation	-	-	360	-	-	-	360	-	360
Net fair value of loss on derivatives	-	-	-	-	-	267	267	40	307
Other comprehensive income/(loss) for the financial period	-	-	(1,950)	-	-	267	(1,683)	(113)	(1,796)
Total comprehensive income/(loss) for the financial year	-	-	(1,950)	(18,467)	-	267	(20,150)	(1,027)	(21,177)
Contributions by and distributions to owners									
Dividend paid in respect of previous financial period, tax exempt (one-tier)	-	-	-	(3,082)	-	-	(3,082)	-	(3,082)
Dividend paid by a subsidiary to non-controlling interests	-	-	-	-	-	-	-	(653)	(653)
Settlement of share-based payment arrangements	-	196	-	-	-	(196)	-	-	-
Employee equity benefits expense	-	-	-	-	-	248	248	-	248
Share buy-back	-	(312)	-	-	-	-	(312)	-	(312)
Total contributions by and distribution to owners	-	(116)	-	(3,082)	-	52	(3,146)	(653)	(3,799)
Balance as at 31 March 2016	36,807	(116)	(4,997)	72,155	-	1,815	105,664	7,710	113,374



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STATEMENTS OF CHANGES IN TOTAL EQUITY FOR THE YEAR ENDED 31 MARCH 2016

Company

	Share Capital S\$'000	Treasury Shares S\$'000	Retained Earnings S\$'000	Other Reserve S\$'000	Shareholders' Funds S\$'000
Balance as at 1 April 2014	34,108	-	79,335	2,303	115,746
Profit for the financial year, net of tax, representing total comprehensive income for the financial year	-	-	6,209	-	6,209
Dividend paid in respect of previous financial period, tax exempt (one-tier)	-	-	(6,125)	-	(6,125)
Issuance of ordinary shares pursuant to scrip dividend scheme	2,531	-	-	-	2,531
Issuance of ordinary shares pursuant to scrip MTQ Share Plan	250	-	-	(250)	-
Employee equity benefits expense	-	-	-	644	644
Share issuance expense	(82)	-	-	-	(82)
Total transactions with owners in their capacity as owners	2,699	-	(6,125)	394	(3,032)
Balance as at 31 March 2015	36,807	-	79,419	2,697	118,923
Balance as at 1 April 2015	36,807	-	79,419	2,697	118,923
Loss for the financial year, net of tax, representing total comprehensive income for the financial year	-	-	(18,652)	-	(18,652)
Dividend paid in respect of previous financial period, tax exempt (one-tier)	-	-	(3,082)	-	(3,082)
Share buy-back	-	(312)	-	-	(312)
Settlement of share-based payment arrangements	-	196	-	(196)	-
Employee equity benefits expense	-	-	-	248	248
Total transactions with owners in their capacity as owners	-	(116)	(3,082)	52	(3,146)
Balance as at 31 March 2016	36,807	(116)	57,685	2,749	97,125



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1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	31.3.16 (S\$'000)	31.12.15 (S\$'000)
Share Capital	36,807	36,807
	31.3.16 ('000)	31.3.15 ('000)
Total number of issued shares	154,521	154,521
Total number of treasury shares	148	-
Total number of issued shares excluding treasury shares	154,373	154,521

MTQ Share Plan

As at 31 March 2016, the aggregate number of shares comprised in Awards granted pursuant to the MTQ Share Plan which are not released amounted to 388,979 shares (31 March 2015: 310,081). The movements in the number of shares comprised in Awards granted under the MTQ Share Plan for the quarter are as follows:

Shares comprised in Awards granted:

Date of Grant	Outstanding as at 1/1/2016	Granted	Number of shares		Outstanding as at 31/3/2016
			Released	Forfeited	
29/8/2014	155,043	-	-	-	155,043
26/8/2015	251,476	-	-	(17,540)	233,936
	406,519	-	-	(17,540)	388,979

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.

	31.3.16 ('000)	31.3.15 ('000)
Total number of issued shares	154,521	154,521
Total number of treasury shares	148	-
Total number of issued shares excluding treasury shares	154,373	154,521

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

There was no movement in treasury shares in the quarter ended 31 March 2016. There were 148,351 treasury shares as at 31 March 2016 and 31 December 2015.

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

The figures have not been audited nor reviewed by the Company's auditors.

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computation as in the most recently audited financial statements. The Group has also applied FRS and INT FRS that became effective in the financial year beginning on or after 1 April 2015. The adoption of these FRS and INT FRS has no significant impact on the financial statements.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.



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- 6 Earnings per ordinary share 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	
	3 months ended 31.3.16 (cents)	3 months ended 31.3.15 (cents)	12 months ended 31.3.16 (cents)	12 months ended 31.3.15 (cents)
Earnings per ordinary share:-				
Basic (Note A)	(9.58)	(4.22)	(11.97)	3.27
Diluted (Note A)	(9.58)	(4.22)	(11.97)	3.26

Note A

	Group		Group	
	3 months ended 31.3.16 \$'000	3 months ended 31.3.15 \$'000	12 months ended 31.3.16 \$'000	12 months ended 31.3.15 \$'000
(Loss)/profit attributable to owners of the Company	(14,785)	(6,527)	(18,467)	5,021

	Number of shares		Number of shares	
	3 months ended 31.3.16 '000	3 months ended 31.3.15 '000	12 months ended 31.3.16 '000	12 months ended 31.3.15 '000
Weighted average number of ordinary shares for basic earnings per share computation	154,373	154,521	154,320	153,344
Effects of dilution:				
- Employee share-based payment scheme	-	-	-	641
Weighted average number of ordinary shares for diluted earnings per share computation	154,373	154,521	154,320	153,985

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

	Group		Company	
	31.3.16 (\$)	31.3.15 (\$)	31.3.16 (\$)	31.3.15 (\$)
Net asset value per ordinary share*	0.68	0.83	0.63	0.77

* Based on the net assets after deducting the non-controlling interests, divided by total number of issued shares excluding treasury shares as at end of financial period.



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- 8 A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.**

3 months ended 31 March 2016 ("4QFY2016") vs 3 months ended 31 March 2015 ("4QFY2015")

The Group reported S\$49.3 million revenue for 4QFY2016, a decrease of 23% quarter-on-quarter as the Group continues to see weaker demand in the oil and gas sector. Market pressures have persisted resulting in lower margins for the quarter.

In light of the continual depressed market conditions, the Group has taken impairments of goodwill, intangible assets and fixed assets totaling S\$12.9 million in 4QFY2016. These adjustments, which are non-cash in nature have impacted the financials of the Group. Excluding the impairments and fixed assets written-off, operating expenses and staff costs as a whole have continued to decline. Notwithstanding such efforts, the Group reported a net loss attributable to shareholders of S\$14.8 million for 4QFY2016.

12 months ended 31 March 2016 ("12MFY2016") vs 12 months ended 31 March 2015 ("12MFY2015")

The Group reported S\$221.8 million revenue for 12MFY2016, a decrease of 25% year-on-year as the Group continues to see weaker demand in the oil and gas sector particularly in Southeast Asia and the North Sea region. Market pressures have persisted resulting in lower margins for the year.

In light of the continual depressed market conditions, the Group has taken impairments of goodwill, intangible assets and fixed assets totaling S\$12.9 million in 12MFY2016. These adjustments, which are non-cash in nature have impacted the financials of the Group. Excluding the impairments and fixed assets written-off, operating expenses and staff costs as a whole have declined compared to 12MFY2015. Notwithstanding such efforts, the Group reported a net loss attributable to shareholders of S\$18.5 million for 12MFY2016.

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

No forecast nor prospect statement has been previously disclosed to shareholders.

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

The Group's performance for the quarter under review was reflective of the current downturn in the oil and gas industry, and this is expected to continue in the foreseeable future.

- 11 If a decision regarding dividend has been made, the required information has been disclosed.**

a) Current Financial Period Reported On

Any dividend declared for the present financial period? No

b) Corresponding Period of the Immediate Preceding Financial Year

Any dividend declared for the previous corresponding period? Yes

For the financial year ended 31 March 2015

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount per share (in cents)	2.0 cents per ordinary share
Tax Rate	Tax-exempt (one-tier)

c) Date payable

Not applicable

d) Books closure date

Not applicable

- 12 If no dividend has been declared/recommendeded, a statement to that effect.**

No dividend has been declared/recommendeded for the financial year ended 31 March 2016.

- 13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group has not obtained a general mandate from shareholders for IPTs.

- 14 Confirmation of Undertakings from Directors and Executive Officer pursuant to Rule 720(1) of the Listing Manual**

Pursuant to Listing Rule 720(1), the Company has received undertakings from all its directors and executive officers in the form as set out in Appendix 7.7 of the SGX-ST Listing Manual.



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15 Business Segmental Information

By Operating Segments

For The Financial Year Ended 31 March 2016							
Continuing Operations							
Investment Holding	Engine Systems	Oilfield Engineering	Neptune	Others	Eliminations	Total	
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue & Expenses							
External sales	-	43,125	58,098	120,565	-	-	221,788
Inter-segment sales	5,048	-	332	25	-	(5,405)	-
Total sales	5,048	43,125	58,430	120,590	-	(5,405)	221,788
Interest income	-	26	45	125	-	-	196
Depreciation and amortisation	(497)	(800)	(5,174)	(6,984)	-	-	(13,455)
Allowance for inventory obsolescence	-	(124)	(51)	-	-	-	(175)
Impairment of fixed assets	-	-	-	(7,042)	-	-	(7,042)
Impairment of goodwill	-	-	(5,761)	-	-	-	(5,761)
Impairment of intangible assets	-	-	(172)	-	-	-	(172)
Allowance for impairment of trade	-	(75)	(21)	(239)	-	-	(335)
Bad debts (written off)/ recovered, net	-	-	46	-	-	-	46
Finance costs	(1,314)	(124)	(614)	(11)	-	-	(2,063)
Share of results of joint venture	-	-	(285)	-	-	-	(285)
Segment profit/(loss) before tax	1,393	1,604	(9,270)	(9,466)	(41)	(6,992)	(22,772)
Taxation	795	(280)	1,512	1,364	-	-	3,391
Assets & Liabilities							
Additions to non-current assets	60	468	2,131	5,355	-	-	8,014
Segment assets	8,162	23,807	76,826	80,321	-	-	189,116
Deferred tax assets	-	-	-	-	-	-	8,976
Total assets							198,092
Segment liabilities	(1,904)	(7,250)	(9,709)	(16,666)	(6)	-	(35,535)
Provision for taxation	-	-	-	-	-	-	(3,613)
Deferred tax liabilities	-	-	-	-	-	-	(1,483)
Bank borrowings and finance lease liabilities	-	-	-	-	-	-	(44,087)
Total liabilities							(84,718)

For The Financial Year Ended 31 March 2015							
Continuing Operations							
Investment Holding	Engine Systems	Oilfield Engineering	Neptune	Others	Eliminations	Total	
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue & Expenses							
External sales	-	47,214	96,478	151,948	-	-	295,640
Inter-segment sales	7,208	-	3,172	41	-	(10,421)	-
Total sales	7,208	47,214	99,650	151,989	-	(10,421)	295,640
Interest income	3	39	18	117	-	-	177
Depreciation and amortisation	(532)	(1,062)	(4,858)	(6,402)	-	-	(12,854)
Allowance for inventory obsolescence	-	(173)	-	-	-	-	(173)
Impairment of goodwill	-	(970)	(5,858)	-	-	-	(6,828)
Allowance for impairment of trade receivables (made)/reversed	-	46	126	25	-	-	197
Bad debts (written off)/ recovered, net	(1)	-	(7)	(53)	-	-	(61)
Finance costs	(6)	(155)	(634)	(1,610)	-	-	(2,405)
Share of results of joint venture	-	-	(1,027)	-	-	-	(1,027)
Segment profit/(loss) before tax	4,976	1,176	8,995	3,635	(27)	(9,578)	9,177
Taxation	(705)	(486)	(993)	(1,519)	-	-	(3,703)
Assets & Liabilities							
Additions to non-current assets	256	342	3,689	10,422	-	-	14,709
Segment assets	11,580	24,218	113,848	99,808	4	-	249,458
Deferred tax assets	-	-	-	-	-	-	6,947
Total assets							256,405
Segment liabilities	(6,868)	(6,924)	(13,460)	(20,628)	(8)	-	(47,888)
Provision for taxation	-	-	-	-	-	-	(7,269)
Deferred tax liabilities	-	-	-	-	-	-	(2,466)
Bank borrowings and finance lease liabilities	-	-	-	-	-	-	(60,432)
Total liabilities							(118,055)

By Geographical Segments

For The Financial Year Ended 31 March 2016							
Singapore	Australia	Bahrain	United Kingdom	Indonesia	Others	Total	
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
External sales	50,276	128,750	15,109	27,653	-	-	221,788
Non-current assets*	30,586	17,398	21,830	9,251	962	11	80,038
For The Financial Year Ended 31 March 2015							
Singapore	Australia	Bahrain	United Kingdom	Indonesia	Others	Total	
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
External sales	77,109	151,433	15,434	51,664	-	-	295,640
Non-current assets*	33,211	37,361	22,321	10,763	1,543	-	105,199

* Excludes deferred tax assets and non-current receivables and prepayments



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16 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Refer to item 8.

17 A breakdown of sales as follows:-

	Group		
	31.3.16	31.3.15	Increase/ (decrease) %
	S\$'000	S\$'000	
First half year			
(a) Revenue	117,832	157,028	-25%
(b) Profit/(loss) after tax	(2,578)	9,819	-126%
Second half year			
(a) Revenue	103,956	138,612	-25%
(b) Profit/(loss) after tax	(16,803)	(4,345)	287%

18 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-

	Latest Full Year (FY2016) S\$'000	Previous Full Year (FY2015) S\$'000
a) Ordinary	-	3,077
- Interim	-	3,082
- Final	-	-
b) Preference	-	-
c) Total	-	6,159

19 Disclosure of person occupying a managerial position in the issuer of any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director, chief executive	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any,
Kuah Kok Kim	71	Father of Director and Chief Executive Officer, Kuah Boon Wee	Re-designated as Non-executive Chairman since 2012	NIL
Kuah Boon Wee	49	Son of Director and substantial shareholder, Kuah Kok Kim	Appointed as Group Chief Executive Officer since 2010	NIL

BY ORDER OF THE BOARD

Dominic Siu Man Kit
Company Secretary
10 May 2016