

EZRA HOLDINGS LIMITED

**Financial Statement And Dividend Announcement
For the financial year and fourth quarter ended 31 August 2015**

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

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

(Amounts expressed in United States dollars)

CONSOLIDATED INCOME STATEMENT

	Group			Group		
	3 months ended		Incr/ (decr) %	12 months ended		Incr/ (decr) %
31 August 2015	31 August 2014	31 August 2015		31 August 2014		
	US\$'000	US\$'000 (Re-presented)		US\$'000	US\$'000 (Re-presented)	
<u>Continuing operations</u>						
Revenue	147,393	120,926	22	543,839	489,942	11
Cost of sales	(131,372)	(103,065)	27	(453,557)	(397,881)	14
Gross profit	16,021	17,861	(10)	90,282	92,061	(2)
Other income, net	50,131	5,309	n/m	124,945	7,611	n/m
Administrative expenses	(38,510)	(22,505)	71	(83,259)	(65,756)	27
Profit from continuing operations	27,642	665	n/m	131,968	33,916	n/m
Financial income	1,452	956	52	5,214	3,604	45
Financial expenses	(11,357)	(10,092)	13	(43,607)	(39,084)	12
Share of profit of associated companies	3,539	2,121	67	12,243	33,780	(64)
Share of profit of joint venture companies	3,713	636	n/m	13,594	3,196	n/m
Profit/(loss) before tax from continuing operations	24,989	(5,714)	n/m	119,412	35,412	n/m
Tax	(6,930)	449	n/m	(12,096)	(7,714)	57
Profit/(loss) after tax from continuing operations	18,059	(5,265)	n/m	107,316	27,698	n/m
<u>Discontinued operations</u>						
(Loss)/profit from discontinued operations, net of tax	(16,699)	18,175	n/m	(40,299)	26,324	n/m
Profit after tax	1,360	12,910	(89)	67,017	54,022	24

CONSOLIDATED INCOME STATEMENT (CONT'D)

	Group 3 months ended			Group 12 months ended		
	31 August 2015 US\$'000	31 August 2014 US\$'000 (Re- presented)	Incr/ (decr) %	31 August 2015 US\$'000	31 August 2014 US\$'000 (Re- presented)	Incr/ (decr) %
<u>Attributable to:</u>						
Owners of the parent						
Profit from continuing operations, net of tax	8,888	(7,137)	n/m	84,030	18,945	n/m
(Loss)/profit from discontinued operations, net of tax	(16,699)	18,175	n/m	(40,299)	26,324	n/m
(Loss)/profit attributable to the owners of the Company	(7,811)	11,038	n/m	43,731	45,269	(3)
Non-controlling interests						
Profit from continuing operations, net of tax	9,171	1,872	n/m	23,286	8,753	166
Profit from discontinued operations, net of tax	-	-	n/m	-	-	n/m
Profit attributable to non-controlling interests	9,171	1,872	n/m	23,286	8,753	166
nm – not meaningful						

Profit before tax from continuing operations was stated after (charging)/crediting:-

	Group 3 months ended			Group 12 months ended		
	31 August 2015	31 August 2014	Incr/ (decr)	31 August 2015	31 August 2014	Incr/ (decr)
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Amortisation of other intangible assets	(1,131)	(20)	n/m	(1,190)	(76)	n/m
Depreciation of fixed assets	(15,286)	(14,267)	7	(68,126)	(53,162)	28
Gain/(loss) on disposal of fixed assets	29,299	(240)	n/m	30,522	(197)	n/m
Impairment loss on fixed assets	-	(88)	(100)	(10,000)	(607)	n/m
Fixed assets written off	(46)	(2,556)	(98)	(72)	(2,561)	(97)
Inventories written-off	(279)	-	n/m	(279)	-	n/m
Realised gain/(loss) on derivative instruments, net	64	(27)	n/m	(9,623)	(143)	n/m
Gross dividend income from AFS investments	3,600	1,200	200	4,800	1,200	n/m
Gross dividend income from fair value through profit and loss ("FVTPL") investments	-	-	n/m	-	180	(100)
Fair value changes in respect of FVTPL investments, net	-	-	n/m	-	345	(100)
(Loss)/gain on dilution of interest in an associated company	-	(103)	(100)	-	4,995	(100)
Foreign exchange gain/(loss), net	4,509	2,403	88	26,481	(4,420)	n/m
Bad debts (written off)/recovered, net	(122)	(7)	n/m	102	484	(79)
Allowance for of doubtful debts, net	(8,631)	(4,149)	108	(9,052)	(4,149)	118
Gain on bargain purchase on acquisition of subsidiaries	11,714	-	n/m	118,047	-	n/m
Realised loss on share of hedging reserves on step-up of associated companies to subsidiaries	-	-	n/m	(199)	-	n/m
Realised gain on share of fair value reserves on step-up of associated companies to subsidiaries	-	-	n/m	1,715	-	n/m
Loss on step up of associated and joint venture companies to subsidiaries	(25)	-	n/m	(42,329)	-	n/m
Impairment loss on goodwill	-	-	n/m	(311)	-	n/m

nm – not meaningful

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group 3 months ended			Group 12 months ended		
	31 August 2015	31 August 2014	Incr/ (decr)	31 August 2015	31 August 2014	Incr/ (decr)
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
	(Re-presented)			(Re-presented)		
Profit after tax	1,360	12,910	(89)	67,017	54,022	24
Other comprehensive income:						
Exchange differences on translating foreign operations	(2,256)	(554)	n/m	(8,123)	1,217	n/m
Remeasurement loss on defined benefits obligations	(156)	-	n/m	(156)	-	n/m
Reclassification of fair value reserves on step-up of associated company included in profit or loss	-	-	n/m	(1,715)	-	n/m
Reclassification of hedging reserves on step-up of associated company included in profit or loss	-	-	n/m	199	-	n/m
Fair value changes on cash flow hedges	(8,623)	617	n/m	(17,901)	3,169	n/m
Share of other comprehensive income of associated companies and joint ventures companies	(8,017)	(11,200)	(28)	(9,911)	3,127	n/m
Other comprehensive income for the financial period, net of tax	(19,052)	(11,137)	71	(37,607)	7,513	n/m
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD/YEAR	(17,692)	1,773	n/m	29,410	61,535	(52)
Total comprehensive income attributable to:						
Owners of the parent	(26,109)	(99)	n/m	7,811	52,782	(85)
Non-controlling interests	8,417	1,872	n/m	21,599	8,753	147
	(17,692)	1,773	n/m	29,410	61,535	(52)
<u>Attributable to owners of the Company:</u>						
Total comprehensive income from continuing operations, net of tax	(9,012)	(18,359)	(51)	48,361	26,350	84
Total comprehensive income from discontinued operations, net of tax	(17,097)	18,260	n/m	(40,550)	26,432	n/m
Total comprehensive income for the year attributable to owners of the Company	(26,109)	(99)	n/m	7,811	52,782	(85)

nm – not meaningful

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

(Amounts expressed in United States dollars)

	Group		Company	
	31 August 2015 US\$'000	31 August 2014 US\$'000	31 August 2015 US\$'000	31 August 2014 US\$'000
Non-current assets				
Fixed assets	1,012,908	1,593,955	870	1,468
Goodwill	17,848	231,370	-	-
Other intangible assets	9,634	10,509	-	-
Investments in subsidiaries	-	-	216,293	306,965
Investments in associated companies	212,818	187,765	-	29,743
Investments in joint venture companies	191,265	25,738	6,987	18,987
Available for sale ("AFS") investments	3,112	3,075	3,075	3,075
Long term receivable from subsidiaries	-	-	139,021	13,817
Long term receivable from an associated company	-	48,080	-	37,800
Funding scheme pension	-	48	-	-
Other receivable	14,317	-	-	-
Trade receivable	53,532	49,621	-	-
Deferred tax assets	700	2,496	-	-
Current assets				
Assets held for sale	102,548	120,298	351,805	101,785
Assets included in disposal group classified as held for sale	1,599,952	-	-	-
Inventories and work-in-progress	78,017	91,364	-	-
Trade receivables	244,713	546,406	-	-
Other receivables	96,277	36,517	4,050	1,969
Other current assets	44,484	69,042	503	536
Balances due from	-	-	-	-
- subsidiaries	-	-	661,488	792,050
- associated companies	76,957	145,110	7,183	13,234
- joint venture companies	221	22,090	-	6
Derivative financial instruments	177	615	-	615
Cash and cash equivalents	377,601	174,365	292,267	94,827
Cash pledged	40,234	4,528	-	-
	2,661,181	1,210,335	1,317,296	1,005,022
Current liabilities				
Liabilities included in disposal group classified as held for sale	988,996	-	-	-
Trade payables	53,777	154,001	-	-
Other payables	163,517	270,282	20,482	33,278
Bills payable to banks	255,797	228,585	41,957	56,601
Deferred income	868	1,540	-	-
Progress billings in excess of work-in-progress	56,642	61,766	-	-
Balances due to	-	-	-	-
- subsidiaries	-	-	53,830	40,278
- associated companies	7,410	60,789	-	-
- joint venture companies	2,500	2,500	2,500	2,500
Derivative financial instruments	41,167	3,847	34,752	3,398
Lease obligations	2,522	1,054	-	30
Bank term loans	153,609	281,122	12,000	92,192
Perpetual securities	106,232	-	106,232	-
Notes payable	226,489	-	226,489	-
Provision for tax	14,124	17,734	2,192	2,125
	2,073,650	1,083,220	500,434	230,402
Net current assets	587,531	127,115	816,862	774,620

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

(Amounts expressed in United States dollars)

	Group		Company	
	31 August 2015 US\$'000	31 August 2014 US\$'000	31 August 2015 US\$'000	31 August 2014 US\$'000
Non-current liabilities				
Other payables	-	(26,076)	-	(6,076)
Pension liability	-	(1,297)	-	-
Deferred income	(10,193)	(24,442)	-	-
Lease obligations	(11,886)	(811)	-	-
Bank term loans	(607,810)	(665,940)	(154,000)	(11,000)
Notes payable	(105,806)	(374,405)	(105,806)	(374,405)
Deferred tax liabilities	(2,659)	(1,032)	-	-
NET ASSETS	1,365,311	1,185,769	923,302	794,994
EQUITY				
Share capital	634,736	490,085	634,736	490,085
Perpetual securities	-	123,047	-	123,047
Accumulated profits	557,734	523,716	302,464	190,976
Capital reserve	(48,019)	(3,242)	7,448	(2,353)
Fair value adjustment reserve	-	4,951	-	-
Hedging reserve	(17,238)	243	(13,970)	615
Translation reserve	(15,826)	(1,622)	-	-
Treasury shares	(7,376)	(7,376)	(7,376)	(7,376)
	1,104,011	1,129,802	923,302	794,994
Non-controlling interests	261,300	55,967	-	-
TOTAL EQUITY	1,365,311	1,185,769	923,302	794,994
	-	-	-	-

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

	31 August 2015		31 August 2014	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Amount repayable in one year or less, or on demand	238,406	506,243	302,316	208,445
Amount repayable after one year	419,545	305,957	653,155	388,001

Details of any collaterals

The above term loans and bills payable are secured by way of legal mortgages on the vessels, leasehold property, equipments and cash deposits of the Group.

Certain motor vehicles and vessel are under finance lease arrangements.

1(c) A statement of cashflows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

(Amounts expressed in United States dollars)

	Group		Group	
	3 months ended		12 months ended	
	31 August 2015 US\$'000	31 August 2014 US\$'000	31 August 2015 US\$'000	31 August 2014 US\$'000
Cash flows from operating activities				
Profit/(loss) before tax from continuing operations	24,989	(5,714)	119,412	35,412
(Loss)/profit before tax from discontinued operations	(8,768)	22,678	(26,229)	39,290
	16,221	16,964	93,183	74,702
Profit before tax				
Adjustments:				
Depreciation of fixed assets	34,054	19,618	103,092	71,289
Impairment loss on fixed assets	-	88	10,000	607
Fixed assets written off	(113)	2,553	72	3,057
Inventories written off	328	-	328	-
Amortisation of other intangible assets	1,323	212	1,957	843
Gain/(loss) on disposal of fixed assets	(29,299)	240	(30,522)	197
Share of profit of associated companies	(3,536)	(2,104)	(12,391)	(33,763)
Share of profit of joint venture companies	(3,713)	(636)	(13,594)	(3,196)
Gain on dilution of interest in an associated company	-	103	-	(4,995)
Realised (gain)/loss on derivative financial instruments, net	(64)	27	9,623	270
Fair value changes in respect of FVTPL investments, net	-	-	-	(345)
Unrealised exchange (gain)/loss	(13,764)	1,588	(33,310)	539
Interest expense	19,937	11,165	55,645	42,656
Interest income	(1,464)	(971)	(5,254)	(3,629)
Gross dividend income from AFS investments	(3,600)	(1,200)	(4,800)	(1,200)
Gross dividend income from FVTPL investments	-	-	-	(180)
Bad debts written off/(recovered), net	391	(407)	259	(898)
Allowance for doubtful debts, net	10,101	4,149	12,899	4,149
Realised loss on share of hedging reserves on step up of associated companies to subsidiaries	-	-	199	-
Realised gain on share of fair value reserves on step-up of associated companies to subsidiaries	-	-	(1,715)	-
Gain on bargain purchase on acquisition of subsidiaries	(11,714)	-	(118,047)	-
Loss on step up of associate and joint venture companies to subsidiaries	25	-	42,329	-
Impairment loss on goodwill	-	-	311	-
Operating profit before working capital changes	15,113	51,389	110,264	150,103
<i>Decrease/(increase) in:</i>				
Inventories and work-in-progress	12,786	5,123	(5,179)	(10,305)
Trade receivables	(96,193)	(37,713)	99,171	(106,191)
Other receivables and other current assets	74,041	40,477	(23,156)	15,342
Due from associated companies, net	3,213	5,898	16,169	1,377
Due from joint venture companies, net	4,026	(7,290)	9,810	(340)
<i>Increase/(decrease) in:</i>				
Trade payables	46,096	65,807	7,303	1,834
Other payables	24,975	(22,705)	(16,677)	85,174
Progress billings in excess of work-in-progress	(24,545)	(55,195)	18,237	20,738
Cash generated from operations	59,512	45,791	215,942	157,732
Interest paid	(14,270)	(6,124)	(50,177)	(44,520)
Interest income received	966	972	3,981	3,245
Tax paid	(8,189)	553	(27,222)	(16,435)
Net cash generated from operating activities	38,019	41,192	142,524	100,022

1(c) A statement of cashflows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

(Amounts expressed in United States dollars)

	Group		Group	
	3 months ended		12 months ended	
	31 August 2015 US\$'000	31 August 2014 US\$'000	31 August 2015 US\$'000	31 August 2014 US\$'000
Cash flows from investing activities				
Purchase of fixed assets	(84,088)	(53,565)	(319,960)	(326,963)
Purchase of intangible asset	-	(433)	(549)	(433)
Purchase of an AFS investment	-	(3,075)	-	(3,075)
Proceeds from disposal of fixed assets	25,846	5,860	30,268	5,911
Proceeds from disposal of assets held for sale	-	-	15,300	-
Proceeds from disposal of FVTPL investments	-	-	-	2,627
Dividend received (net) from FVTPL investments	-	-	-	180
Dividend received (net) from an associated company	-	-	8,859	-
Dividend received (net) from joint venture companies	-	655	-	1,260
Dividend received (net) from AFS investment	-	-	1,200	-
(Increase)/decrease in cash pledged	(1,970)	779	(6,806)	(1,868)
Acquisition of subsidiaries, net of cash paid	-	-	25,206	-
Interest paid and capitalised as fixed assets and assets held for sale	(207)	(2,357)	(8,707)	(8,614)
Net cash used in from investing activities	(60,419)	(52,136)	(255,189)	(330,975)
Cash flows from financing activities				
Proceeds from bills payable, net	15,728	8,623	43,171	25,077
Repayment of lease obligations, net	(438)	(233)	(2,551)	(1,027)
Proceeds from bank term loans	179,806	33,401	549,838	404,245
Repayment of bank term loans	(67,598)	(49,971)	(403,947)	(225,187)
Payment for derivative financial instruments, net	63	(27)	(9,623)	(270)
Redemption of convertible bonds	-	-	-	(50,000)
Acquisition of non-controlling interests	-	-	(718)	-
Proceeds from issuance of new ordinary shares by subsidiaries, net of transaction costs	-	-	59,899	-
Proceeds from issuance of new ordinary shares by the Company, net of transaction costs	144,651	-	144,651	-
Proceeds from issuance of fixed rate notes , net of transaction costs	-	-	-	94,587
Payment for perpetual securities distribution	-	-	(10,072)	(10,327)
Payment of dividend on ordinary shares	-	-	-	(3,814)
Payment of dividend by subsidiary company to non-controlling interest	-	-	(969)	(1,541)
Net cash generated from/(used in) financing activities	272,212	(8,207)	369,679	231,743
Net increase/(decrease) in cash and cash equivalents	249,812	(19,151)	257,014	790
Effects of exchange on cash and cash equivalents	(3,700)	95	(5,559)	497
Cash and cash equivalents at beginning of financial period	179,708	193,421	174,365	173,078
Cash and cash equivalents at end of financial period	425,820	174,365	425,820	174,365

Cash and cash equivalents included in the consolidated cash flows statement comprise the following amounts:

- From continuing operations	377,601
- From discontinued operations	48,219
	<u>425,820</u>

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

(Amounts expressed in United States dollars)

Group	Attributable to owners of the parent										
	Share capital US\$'000	Perpetual securities US\$'000	Accumulated profits US\$'000	Capital reserve US\$'000	Fair value adjustment reserve US\$'000	Hedging reserve US\$'000	Translation reserve US\$'000	Treasury shares US\$'000	Total equity attributable to owners of the parent US\$'000	Non-controlling interests US\$'000	Total equity US\$'000
Balance at 1 September 2013	490,085	122,940	492,695	(3,210)	3,491	(2,790)	(4,674)	(7,376)	1,091,161	48,755	1,139,916
Total comprehensive income for the financial period	-	-	45,269	(32)	1,460	3,033	3,052	-	52,782	8,753	61,535
Accrued perpetual securities distribution	-	10,434	(10,434)	-	-	-	-	-	-	-	-
Payment of perpetual securities distribution	-	(10,327)	-	-	-	-	-	-	(10,327)	-	(10,327)
Payment of dividend on ordinary shares	-	-	(3,814)	-	-	-	-	-	(3,814)	-	(3,814)
Payment of dividend by subsidiary company to non-controlling interest	-	-	-	-	-	-	-	-	-	(1,541)	(1,541)
Total transactions with owners in their capacity as owners	-	107	(14,248)	-	-	-	-	-	(14,141)	(1,541)	(15,682)
Balance at 31 August 2014	490,085	123,047	523,716	(3,242)	4,951	243	(1,622)	(7,376)	1,129,802	55,967	1,185,769

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

(Amounts expressed in United States dollars)

Group	Attributable to owners of the parent										
	Share capital US\$'000	Perpetual securities US\$'000	Accumulated profits US\$'000	Capital reserve US\$'000	Fair value adjustment reserve US\$'000	Hedging reserve US\$'000	Translation reserve US\$'000	Treasury shares US\$'000	Total equity attributable to owners of the parent US\$'000	Non-controlling interests US\$'000	Total equity US\$'000
Balance at 1 September 2014	490,085	123,047	523,716	(3,242)	4,951	243	(1,622)	(7,376)	1,129,802	55,967	1,185,769
Total comprehensive income for the financial period	-	-	43,575	872	(4,951)	(17,481)	(14,204)	-	7,811	21,599	29,410
Accrued perpetual securities distribution	-	9,557	(9,557)	-	-	-	-	-	-	-	-
Payment of perpetual securities distribution	-	(10,072)	-	-	-	-	-	-	(10,072)	-	(10,072)
Payment of dividend by subsidiary company to non-controlling interest	-	-	-	-	-	-	-	-	-	(969)	(969)
Share issuance, net of issuance expenses	144,651	-	-	-	-	-	-	-	144,651	-	144,651
Total contributions by and distribution to owners	144,651	(515)	(9,557)	-	-	-	-	-	134,579	(969)	133,610
Dilution of equity interest in subsidiaries to non-controlling interest without change in control	-	-	-	(55,800)	-	-	-	-	(55,800)	185,771	129,971
Acquisition of non-controlling interest in subsidiaries	-	-	-	350	-	-	-	-	350	(1,068)	(718)
Total changes in ownership interests in subsidiaries	-	-	-	(55,450)	-	-	-	-	(55,450)	184,703	129,253
Total transactions with owners in their capacity as owners	144,651	(515)	(9,557)	(55,450)	-	-	-	-	79,129	183,734	262,863
Others											
Reclassification of perpetual securities as liabilities	-	(122,532)	-	9,801	-	-	-	-	(112,731)	-	(112,731)
Balance at 31 August 2015	634,736	-	557,734	(48,019)	-	(17,238)	(15,826)	(7,376)	1,104,011	261,300	1,365,311

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

(Amounts expressed in United States dollars)

Company	Attributable to equity owners of the parent							
	Share capital US\$'000	Perpetual securities US\$'000	Accumulated profits US\$'000	Capital reserve US\$'000	Hedging reserve US\$'000	Total reserves US\$'000	Treasury shares US\$'000	Total equity US\$'000
Balance at 1 September 2013	490,085	122,940	205,073	(2,353)	(2,554)	200,166	(7,376)	805,815
Total comprehensive income for the financial period	-	-	151	-	3,169	3,320	-	3,320
Accrued perpetual securities distribution	-	10,434	(10,434)	-	-	(10,434)	-	-
Payment of perpetual securities distribution	-	(10,327)	-	-	-	-	-	(10,327)
Payment of dividend on ordinary shares	-	-	(3,814)	-	-	(3,814)	-	(3,814)
Total transactions with owners in their capacity as owners	-	107	(14,248)	-	-	(14,248)	-	(14,141)
Balance at 31 August 2014	490,085	123,047	190,976	(2,353)	615	189,238	(7,376)	794,994
Balance at 1 September 2014	490,085	123,047	190,976	(2,353)	615	189,238	(7,376)	794,994
Total comprehensive income for the financial period	-	-	121,045	-	(14,585)	106,460	-	106,460
Accrued perpetual securities distribution	-	9,557	(9,557)	-	-	(9,557)	-	-
Payment of perpetual securities distribution	-	(10,072)	-	-	-	-	-	(10,072)
Share issuance, net of issuance expenses	144,651	-	-	-	-	-	-	144,651
Total transactions with owners in their capacity as owners	144,651	(515)	(9,557)	-	-	(9,557)	-	134,579
Others								
Reclassification of perpetual securities as liabilities	-	(122,532)	-	9,801	-	9,801	-	(112,731)
Balance at 31 August 2015	634,736	-	302,464	7,448	(13,970)	295,942	(7,376)	923,302

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 of the issuer, 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

As at 31 August 2015, the Company's total issued shares is 2,942,400,977 (31 August 2014: 977,896,088) with 3,439,880 (31 August 2014: 3,439,880) shares being held as treasury shares.

Issuance of new ordinary shares via bonus issue

On 24 October 2014, the Company announced a proposed bonus issue of new ordinary shares in the capital of the Company (the "Shares") on the basis of one (1) new Share ("Bonus Share") for every 25 existing Shares held by shareholders of the Company. The Company had on 23 December 2014, allotted and issued 38,978,653 Bonus Shares. As at 23 December 2014, the Company's total issued shares is 1,016,874,741 with 3,439,880 shares being held as treasury shares.

Issuance of new ordinary shares via rights issue

On 23 June 2015, the Company obtained shareholders' approval at an extraordinary general meeting for the issue of up to 1,925,526,236 new ordinary shares ("Rights Issue") in the capital of the Company (the "Shares") on the basis of 190 rights Shares ("Rights Shares") for every 100 existing Shares held by shareholders of the Company at S\$0.105 per Rights Share.

The Company had on 28 July 2015, allotted and issued 1,925,526,236 Rights Shares. As at 28 July 2015, the Company's total issued shares is 2,942,400,977 with 3,439,880 shares being held as treasury shares.

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

The Company's total issued shares excluding treasury shares is 2,938,961,097 as at 31 August 2015 (31 August 2014: 974,456,208).

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

As at 31 August 2015, the Company has 3,439,880 shares being held as treasury shares. There is no change in the treasury shares during the financial period.

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

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

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the financial year and fourth quarter ended 31 August 2015 as the most recently audited financial statements for the financial year ended 31 August 2014 ("FY14").

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 the new and revised FRSs and Interpretation of FRS (INT FRS) that are effective for annual periods beginning on or after 1 September 2014. The adoption of these new/revised FRS and INT FRSs do not have material effect on the financial performance or position of the Group.

Discontinued operations and re-presentation of prior periods' financials

On 27 August 2015, the Group entered into a binding memorandum of understanding with Chiyoda Corporation in relation to a proposed joint venture between the Group and Chiyoda Corporation in respect of the subsea services business. Subsequently, the Group entered into a binding sale and subscription agreement with Chiyoda Corporation for the proposed joint venture on 29 September 2015.

As a result, certain subsidiaries and associated companies related to the Subsea Services Division have been classified as discontinued operations in accordance with FRS 105 *Non-current Assets Held for Sale and Discontinued Operations*. As required by FRS 105,

- all line items of the income statement of the discontinued operations in the current period are condensed into a single amount and presented as “(Loss)/profit from discontinued operations, net of tax” on the consolidated income statement; and
- comparative periods' consolidated income statement and earnings per share in relation to the discontinued operations are re-presented. The comparative figures in the statements of financial position are not required to be re-presented or restated.

The statement of cashflows is prepared on the basis of aggregating the effects of both continuing and discontinued operations.

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: -

	12 months ended	
	31 August 2015	31 August 2014 (Restated and re-presented)
Net profit attributable to owners of the parent (US\$'000)	43,731	45,269
Adjusted: Loss/(profit) from discontinued operation, net of tax, attributable to the owners of the Company	40,299	(26,324)
Profit from continuing operations, net of tax, attributable to the owners of the Company used in the computation of basic earnings per share from continuing operations	84,030	18,945
Weighted average ordinary shares for calculation of ('000):		
- Basic earnings per share	1,908,398	1,673,255 [@]
- Diluted earnings per share	1,908,398	1,673,255 [@]

Earnings per ordinary share (“EPS”) (US cents) from:

Continuing operations attributable to owners of the Company

(a) Based on the weighted average number of ordinary shares on issue	4.40	1.13
(b) On a fully diluted basis (detailing any adjustments made to the earnings)	4.40	1.13

EARNINGS PER ORDINARY SHARE (“EPS”) (CONT’D)

Earnings per ordinary share (“EPS”) (US cents) from:

Discontinued operation attributable to owners of the Company

(a) Based on the weighted average number of ordinary shares on issue	(2.11)	1.57
(b) On a fully diluted basis (detailing any adjustments made to the earnings)	(2.11)	1.57

Total profit attributable to owners of the Company

(a) Based on the weighted average number of ordinary shares on issue	2.29	2.70
(b) On a fully diluted basis (detailing any adjustments made to the earnings)	2.29	2.70

For “Diluted earnings per share”, the weighted average number of ordinary shares for the financial year ended 31 August 2014 includes the number of additional shares to be issued upon conversion of the convertible bonds. Adjustment is made to net profit attributable to the owners of the parent for the effect of the convertible bonds. The diluted EPS is the same as the basic EPS, as the effect of the convertible bonds is anti-dilutive.

The convertible bonds were redeemed on 28 February 2014. Hence, there is no dilutive effect on the financial year ended 31 August 2015.

On 6 July 2015, a subsidiary of the Group, Triyards Holdings Limited (“Triyards”), issued warrants for the purchase of 29,500,000 ordinary shares in Triyards. For the period from 6 July 2015 to 31 August 2015, there is no dilutive impact on the earnings from the warrants issued by Triyards.

© Following the events that took place in the financial year ended 31 August 2015, the weighted average number of ordinary shares for the financial year ended 31 August 2014 has been restated in accordance with FRS 33 *Earnings Per Share*:

- Bonus issue on 23 December 2014 - the weighted average ordinary shares have been restated based on the assumption that the bonus issue of one (1) Bonus Share for every 25 existing ordinary shares of the Company have been issued and allocated before the beginning of 1 September 2013.
- Rights issue on 28 July 2015 – adjustments have been to the prior year’s weighted average ordinary shares on a pro-rata basis based on an adjustment factor calculated based on the market price and theoretical ex-rights price of an ordinary share.

7. Net asset value (for the issuer and group) per ordinary share based on 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	
	As at 31 August 2015	As at 31 August 2014 (Restated)	As at 31 August 2015	As at 31 August 2014 (Restated)
Net asset value per ordinary share (US cents)	46.46	117.00 [#]	31.42	78.45 [#]

[#] Following the bonus issue on 23 December 2014, the total number of issued ordinary shares for the financial period ended 31 August 2014 have been restated based on the assumption that the bonus issue of one (1) Bonus Share for every 25 existing ordinary shares of the Company have been issued and allocated before the beginning of 1 September 2013.

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

The review of the performance of the Group is based on the financials prepared in accordance with the requirements of FRS 105 *Non-current Assets Held for Sale and Discontinued Operations*.

The Group's business segments are categorised into the following:

- **Subsea Services Division:** Predominantly made up of EMAS AMC Group, which is part of the discontinued operations, and Energy Services Division
 - EMAS AMC Group is a global EPCIC service provider of comprehensive subsea-to-surface solutions for the offshore oil and gas industry, especially in the SURF and Subsea Tie-Back sector. Core business services include subsea installation of umbilicals/power cables, pipelines as well as platforms, FPSO and floater installations.
 - **Energy Services Division:** Energy Services Division provides well intervention and drilling services both onshore and offshore, offering fully integrated solutions that combine its marine assets with state-of-the-art intervention equipment and services.
- **Offshore Support and Production Services Division:** Predominantly EMAS Offshore Limited which
 - Manages and operates a young, versatile fleet of advanced offshore support vessels, offering an extensive range of maritime services that cater to the client's needs throughout a field's life cycle; and
 - Owns and operates cutting-edge FPSO (floating production, storage and offloading) facilities, offering services that support the post-exploration needs of offshore fields, such as FPSO conversion management.
- **Marine Services Division:** Predominantly Triyards Holdings Limited which provides fabrication of SEUs (self-elevating, mobile offshore units). TRIYARDS provides its integrated engineering, ship construction and fabrication services out of yard facilities located in Singapore, Vietnam and the US.

REVIEW OF PERFORMANCE:

Revenue

Financial year ended 31 August 2015 ("FY15")
3 months ended 31 August 2015 ("4Q15")

The Group's revenue increased by US\$53.9 million (11%) for the financial year ended 31 August 2015 ("FY15") when compared to the corresponding period for the financial year ended 31 August 2014 ("FY14"). The increase was due to an increase in revenue of US\$17.5 million from Energy Services Division and US\$94.7 million from Marine Services Division. The increase was partially offset by a decrease in revenue of US\$58.3 million from Offshore Support and Production Services Division.

The Group's revenue increased by US\$26.5 million (22%) for the three months ended 31 August 2015 ("4Q15") when compared to the corresponding period for the three months ended 31 August 2014 ("4Q14"). The increase was due to an increase in revenue of US\$6.1 million from Energy Services Division and US\$35.3 million from Marine Services Division. The increase was partially offset by a decrease in revenue of US\$14.9 million from Offshore Support and Production Services Division.

The increase in revenue in FY15 and 4Q15 when compared to FY14 and 4Q14 respectively from Energy Services Division was mainly due to execution of projects with higher value.

REVIEW OF PERFORMANCE (CONT'D):

Revenue (cont'd)

The increase in revenue in FY15 and 4Q15 when compared to FY14 and 4Q14 respectively from Marine Services Division was mainly due to:-

- (i) New source of revenue contribution in FY15 from the newly acquired subsidiaries of Triyards Holdings Limited, namely, Strategic Marine (S) Pte. Ltd. and Strategic Marine (V) Company Limited (collectively “Strategic Marine Entities”); and
- (ii) Higher contribution from the existing operations as there were more units of self-elevating units (“SEU”) and multi-purpose support vessels under construction in FY15 and 4Q15 as compared to FY14 and 4Q14 respectively.

The decrease in revenue for FY15 and 4Q15 when compared to FY14 and 4Q14 respectively from Offshore Support and Production Services Division was mainly due to weakness in both the shallow water anchor handling, towing and supply (“AHTS”) and shallow water platform support vessels (“PSV”) segments and the absence of revenue contribution from one (1) leased-in vessel which was returned to the owner in the second half of FY14.

Gross profit

Financial year ended 31 August 2015 (“FY15”)
3 months ended 31 August 2015 (“4Q15”)

Gross profit decreased slightly from US\$92.1 million in FY14 to US\$90.3 million in FY15 and gross profit margin decreased from 19% in FY14 to 17% in FY15. Gross profit decreased slightly from US\$17.9 million in 4Q14 to US\$16.0 million in 4Q15 and gross profit margin decreased from 15% in 4Q14 to 11% in 4Q15.

The decline in gross profit margin for both FY15 and 4Q15 when compared to FY14 and 4Q14 respectively is mainly due to the decrease in gross profit margin of Marine Services Division which is the largest contributor to the gross profit.

The Marine Services Division contributed higher levels of gross profit in both FY15 and 4Q15 when compared to FY14 and 4Q14 respectively and the increase was due to

- (i) New source of gross profit contribution from the newly acquired Strategic Marine Entities;
- (ii) Higher level of fabrication activities from the existing operations with higher level of activities from the construction of self elevating units in FY15 as compared to FY14; and
- (iii) Higher contribution from engineering design work.

The gross profit margin declined in FY15 and 4Q15 when compared to FY14 and 4Q14 respectively. This was mainly due to the change in product mix resulting from the newly acquired Strategic Marine Entities which carries a lower gross profit margin.

Weakness in both the shallow water AHTS and shallow water PSV segments have negatively impacted gross profit and margin of Offshore Support and Production Services Division in FY15 and 4Q15 when compared to FY14 and 4Q14 respectively.

The increase in gross profit in FY15 and 4Q15 when compared to FY14 and 4Q14 respectively from Energy Services Division was mainly due to higher revenue in the current year and quarter. The gross profit margin improved in 4Q15 when compared to 4Q14 as a result of the execution of higher margin projects in the current quarter. However, the overall gross profit margin declined in FY15 when compared to FY14 as a result of higher mix of projects with lower margin in the current year.

REVIEW OF PERFORMANCE (CONT'D):

Other income, net

Financial year ended 31 August 2015 (“FY15”)

The increase in other income, net was mainly due to:-

- (i) Recognition of one-off gain on bargain purchase from the acquisition of subsidiaries of US\$118.0 million;
- (ii) Turn-around of the foreign exchange loss in FY14 of US\$4.4 million to foreign exchange gain of US\$26.5 million; and
- (iii) Net gain on disposal of fixed assets of US\$30.5 million in FY15.

The increase was partially offset by the one-off loss on step up of associated and joint venture companies to subsidiaries of US\$42.3 million, one-off impairment of fixed assets of US\$10.0 million and realised loss on derivative instruments of US\$9.6 million in FY15.

3 months ended 31 August 2015 (“4Q15”)

The increase in other income, net was mainly due to:-

- (i) Adjustment to one-off gain on bargain purchase from the acquisition of subsidiaries of US\$11.7 million in 4Q15 as a result of finalisation of purchase price allocation exercise;
- (ii) Increase in foreign exchange gain from US\$2.4 million in FY14 to US\$4.5 million in 4Q15; and
- (iii) Net gain on disposal of fixed assets of US\$29.3 million in 4Q15.

Administrative expenses

Financial year ended 31 August 2015 (“FY15”)

3 months ended 31 August 2015 (“4Q15”)

The increase in administrative expenses for FY15 and 4Q15 when compared to FY14 and 4Q14 respectively was mainly due to the addition from the newly acquired Strategic Marine Entities and EMAS Offshore Limited (“EOL”) and its subsidiaries (collectively “EOL Group”).

In addition, the increase in administrative expenses for 4Q15 when compared to 4Q14 was also due to higher amount of allowance for doubtful debts being provided in the current financial year.

The increase is partially offset by greater cost discipline exercised across the Group with a focus on rightsizing the cost base of operations relative to foreseeable revenue expectations. Excluding the effects of the consolidation of Strategic Marine Entities and EOL Group and the higher amount of allowances for doubtful debt, administrative expenses have declined by approximately 16%.

Amortisation of other intangible assets

Financial year ended 31 August 2015 (“FY15”)

3 months ended 31 August 2015 (“4Q15”)

The increase in amortisation of other intangible assets for FY15 and 4Q15 when compared to FY14 and 4Q14 was mainly due to amortisation of intangible assets identified in the course of the purchase price allocation exercise performed for the acquisition of Strategic Marine Entities.

REVIEW OF PERFORMANCE (CONT'D):

Depreciation of fixed assets

Financial year ended 31 August 2015 ("FY15")
3 months ended 31 August 2015 ("4Q15")

The increase in depreciation of fixed assets for FY15 and 4Q15 when compared to FY14 and 4Q14 was mainly due to addition from the newly acquired Strategic Marine Entities and EOL Group and the additional depreciation charge from newly acquired fixed assets which were put into operation.

Financial expenses

Financial year ended 31 August 2015 ("FY15")
3 months ended 31 August 2015 ("4Q15")

The increase in financial expenses for FY15 and 4Q15 when compared to FY14 and 4Q14 was mainly due to the addition from the newly acquired Strategic Marine Entities and EOL Group.

Share of profit of associated companies

Financial year ended 31 August 2015 ("FY15")

The decrease in share of profit of associated companies for FY15 when compared to FY14 was mainly due to absence of contribution by EOL Group which was consolidated as subsidiaries of the Group from October 2014.

3 months ended 31 August 2015 ("4Q15")

The increase in share of profit of associated companies for 4Q15 when compared to 4Q14 was mainly due to addition from the newly acquired associated companies when EOL Group was consolidated as subsidiaries of the Group from October 2014.

The increase was partially offset by the absence of contribution by EOL Group which was consolidated as subsidiaries of the Group from October 2014.

Share of profit of joint venture companies

Financial year ended 31 August 2015 ("FY15")
3 months ended 31 August 2015 ("4Q15")

The increase in share of profit of joint venture companies for FY15 and 4Q15 when compared to FY14 and 4Q14 respectively was mainly due to addition from the newly acquired joint venture companies when EOL Group was consolidated as subsidiaries of the Group from October 2014.

The increase was partially offset by the absence of contribution by Lewek Antares Shipping Pte Ltd ("Lewek Antares") which was consolidated as a subsidiary upon the consolidation of EOL Group from October 2014 and the Group also shared a non-recurring impairment loss on fixed assets of a joint venture amounting to US\$0.8 million.

Profit before tax from continuing operations

Financial year ended 31 August 2015 ("FY15")

Profit before tax from continuing operations increased by US\$84.0 million to US\$119.4 million in FY15 when compared to FY14. The increase was mainly due to higher other income, net and higher share of profit of joint venture companies which was partially offset by higher administrative expenses and lower share of profit from associated companies.

REVIEW OF PERFORMANCE (CONT'D):

Profit before tax from continuing operations (cont'd)

3 months ended 31 August 2015 ("4Q15")

Profit before tax from continuing operations turn-around from a loss of US\$5.7 million in 4Q14 to profit of US\$25.0 million in 4Q15. The turn-around was mainly due to higher other income, net and higher share of profit of associated and joint venture companies which was partially offset by higher administrative expenses.

Tax

Tax expense/(credit) in FY15 and FY14 amounted to US\$12.1 million and US\$7.7 million respectively and tax expense in 4Q15 and 4Q14 amounted to US\$6.9 million and US\$(0.4) million respectively.

The increase in tax expense in FY15 and 4Q15 when compared to FY14 and 4Q14 respectively is mainly due to corporate tax provision resulting from higher profits derived from foreign subsidiaries.

Charter income derived from Singapore and certain foreign flagged vessels which operate in international waters continue to remain tax exempt under Section 13 of the Singapore Income Tax Act and Maritime Sector Incentive - Approved International Shipping Enterprise Scheme.

(Loss)/profit from discontinued operations, net of tax

Subsequent to the re-presentation of the consolidated income statement, the contribution from Subsea Services Division from certain subsea entities has being reclassified to "(loss)/profit from discontinued operations, net of tax". Summarised items of the income statement relating to the discontinued operations are presented as below:

	Financial year ended		Increase /
	31 August 2015	31 August 2014	(Decrease)
	US\$'000	US\$'000	%
Revenue	976,417	998,409	(2)
(Loss)/profits from operations	(14,379)	42,854	n.m.
(Loss)/profit from discontinued operations	<u>(40,299)</u>	<u>26,324</u>	n.m.

	Quarter ended		Increase /
	31 August 2015	31 August 2014	(Decrease)
	US\$'000	US\$'000	%
Revenue	359,159	325,046	10
(Loss)/profits from operations	(197)	23,753	n.m.
(Loss)/profit from discontinued operations	<u>(16,699)</u>	<u>18,175</u>	n.m.

The loss contributed from discontinued operations in FY15 as compared to the profits from discontinued operations in FY14 was mainly due to lower gross and operating profit contribution. This is offset by lower administrative expenses and higher exchange gain as compared to FY14.

REVIEW OF PERFORMANCE (CONT'D):

(Loss)/profit from discontinued operations, net of tax (cont'd)

Financial year ended 31 August 2015 ("FY15")

The loss from operations in FY15 compared to a profit operations in FY14 was mainly due to:-

- (i) Lower profit contribution from *Lewek Express* as a result of her planned 5-year mandatory dry-docking in 1Q15;
- (ii) Lower profit contribution and negative utilisation impact from *Lewek Champion* as a result of her unexpected gangway malfunction;
- (iii) Lower utilisation rate of non-project enabling vessels; and
- (iv) Lower profit contribution resulting from weather and equipment issues on certain projects.

The above is partially offset by lower administrative expenses in FY15 as compared to FY14 as a result of greater cost discipline exercised to right size to the cost base of operations to be in line with revenue expectations.

3 months ended 31 August 2015 ("4Q15")

The loss contributed from discontinued operations in 4Q15 as compared to the profits from discontinued operations in 4Q14 was mainly due to loss from operations, higher interest and tax expense. This is partially offset by lower administrative expenses in 4Q15 as compared to 4Q14.

The loss from operations was mainly due to lower amount of variation orders billed as a result of fewer project close out and lower project contribution as a result of weather and equipment issues on certain projects.

The higher interest expense in 4Q15 compared to 4Q14 was mainly due to the interest expense relating to *Lewek Constellation*, being expensed off instead of capitalised, upon her completion in the current quarter.

The higher tax expense in 4Q15 as compared to 4Q14 was mainly due to corporate tax provision relating to a foreign branch.

The lower administrative expenses in 4Q15 as compared to 4Q14 reflect the continuous cost savings exercised throughout the year.

REVIEW OF STATEMENT OF FINANCIAL POSITION AND CASH FLOWS:

Non-current assets

The decrease in non-current assets was mainly due to:-

- (i) Reclassification of fixed assets and goodwill attributable to the discontinued operation to "Assets included in disposal group classified as held for sale" within the current assets;
- (ii) Depreciation and impairment loss on fixed assets for the year;
- (iii) Disposal of vessel during the year;
- (iv) Decrease in investments in joint venture companies as the investment in *Lewek Antares* was reclassified as investment in subsidiary upon the consolidation of EOL Group; and
- (v) Decrease in long term receivable from an associated company as the receivable was reclassified as long term receivable due from subsidiary and hence eliminated on consolidation of EOL Group.

The decrease is partially offset by:-

- (i) Increase in fixed assets from the acquisition of vessels and construction of new yard and office facilities;
- (ii) The addition of fixed assets of newly acquired subsidiaries, EOL Group and Strategic Marine Entities also contributed to the increase in fixed assets;
- (iii) Increase in investment in associated companies and joint venture companies from the addition of arising from the acquisition of EOL. The increase was partially offset by the reclassification of the investment in EOL as an associated company to investment in subsidiary upon the consolidation of EOL Group; and
- (iv) Increase in other receivables was mainly due to the addition arising from the consolidation of EOL Group.

REVIEW OF STATEMENT OF FINANCIAL POSITION AND CASH FLOWS (CONT'D):

Current assets

The increase in current assets was mainly due to:-

- (i) Increase in assets included in disposal group classified as held for sale which was not present in the comparative period. The assets included in disposal group classified as held for sale relate to both non-current and current assets of the discontinued operations; and
- (ii) Increase in other receivables was mainly due to receivables from sale of vessels ; and
- (iii) Increase in cash and bank balances was mainly due to the proceeds raised from bank term loans, issuance of new shares of both the Company and EOL and cash arising from the consolidation of EOL Group. The increase was partially offset by the cash used for capital expenditure and reclassification of cash and bank balances relating to the discontinued operations to assets included in disposal group classified as held for sale.

The increase in current assets was partially offset by:-

- (i) Decreases in trade receivables, inventories and work-in-progress and other current assets as a result of the reclassification of the balances relating to the discontinued operations to assets included in disposal group classified as held for sale.
- (ii) Decrease in balances due from associated companies as the balances due from EOL Group was reclassified as balances due from subsidiaries and eliminated upon the consolidation of EOL Group; and
- (iii) Decrease in balances due from joint venture companies as the balance due from Lewek Antares was reclassified as balances due from subsidiaries and eliminated upon the consolidation of EOL Group.

Current liabilities

The increase in current liabilities was mainly due to:-

- (i) Increase in liabilities included in disposal group classified as held for sale which was not present in the comparative period. The liabilities included in disposal group classified as held for sale relate to both non-current and current liabilities of the discontinued operations;
- (ii) Increase in bills payable to bank was mainly due to the addition arising from the consolidation of EOL Group and increase in project financing arising from Marine Services Division;
- (iii) Increase in perpetual securities and notes payable as a result of reclassification of the amounts payable in the next financial year; and
- (iv) Increase in derivative financial liabilities as a result of strengthening of United States Dollar ("USD") against Singapore Dollar ("SGD") which resulted in an increase in the marked-to-market losses from the currency swaps held by the Group.

The increase in current liabilities was partially offset by:-

- (i) Decrease in trade and other payables and bank term loans as a result of the reclassification of the balances relating to the discontinued operations to liabilities included in disposal group classified as held for sale.
- (ii) Decrease in balances due to associated companies as the balances due to EOL Group was reclassified as balances due to subsidiaries and eliminated upon consolidation of EOL Group; and
- (iii) In addition to the reclassification due to discontinued operations, further decrease in bank term loans due to repayment of short-term financing and revolving credit facilities.

REVIEW OF STATEMENT OF FINANCIAL POSITION AND CASH FLOWS (CONT'D):

Non-current liabilities

The decrease in non-current liabilities was mainly due to:-

- (i) Reclassification of non-current other payables, pension liability and bank term loans attributable to the discontinued operation to “Liabilities included in disposal group classified as held for sale” within the current liabilities;
- (ii) Decrease in notes payable as a result of both strengthening of USD against SGD which resulted in favourable revaluation gain on the SGD denominated notes payables and reclassification of the amounts payable in the next financial year to current liabilities; and
- (iii) Decrease in deferred income which was realised upon the consolidation of EOL Group.

The increase was partially offset by an increase in the non-current lease obligation resulting from the finance lease arrangement for a vessel also contributed to the increase.

Equity

The increase in total equity was mainly due to:-

- (i) Increase in share capital arising from the Rights Issue;
- (ii) Increase in accumulated profits due to profit for the financial year; and
- (iii) Increase in non-controlling interests due to the dilution of the Group's equity interests in the Offshore Support Services companies, as part of the Business Combination Agreement, and from the acquisition of EOL Group.

The increase was partially offset by:-

- (i) Reclassification of the perpetual securities to current liabilities;
- (ii) Increase in the deficit in the capital reserves due to the loss on dilution of the Group's equity interests in the Offshore Support Services companies without a loss of control; and
- (iii) Turn-around of the surplus in hedging reserve to a deficit mainly due to strengthening of USD against SGD which resulted in an increase in the unrealised losses from the cross currency swaps.

Cash flows

Financial year ended 31 August 2015 (“FY15”)

Net cash inflow from operating activities increased from US\$100.0 million in FY14 to US\$142.5 million in FY15 as a result of greater working capital discipline across the Group and its subsidiaries with a focus on shortening cash flow cycles to increase cash flow.

The higher net cash inflow was partially offset by net outflow due to the receivables from sale of vessels.

Net cash outflow from investing activities decreased from US\$331.0 million in FY14 to US\$255.2 million in FY15 and was mainly due to:-

- (i) Higher proceeds from disposal of fixed assets and assets held for sale as compared to FY14;
- (ii) Dividends from associated companies and other investment which did not occurred in FY14; and
- (iii) Cash inflows from the acquisition of subsidiaries which did not occurred in FY14.

Net cash inflow from financing activities increased from US\$231.7 million in FY14 to US\$369.7 million in FY15 as a result of inflow from net proceeds from Rights Issue of US\$144.7 million and issuance of new ordinary shares by subsidiaries of US\$59.9 million which did not occurred in FY14.

The increase in financing activities is partially offset by higher repayment of debts in FY15 as compared to FY14. In addition, there was an increase in payment for derivative financial instruments resulting from the settlement of a SGD150.0 million forward currency swap.

REVIEW OF STATEMENT OF FINANCIAL POSITION AND CASH FLOWS (CONT'D):

Cash flows (cont'd)

3 months ended 31 August 2015 ("4Q15")

Net cash inflow from operating activities decreased marginally from US\$41.2 million in 4Q14 to US\$38.0 million in 4Q15.

Net cash outflow from investing activities increase from US\$52.1 million in 4Q14 to US\$60.4 million in 4Q15 and was mainly due to increase in cash pledge and acquisition of fixed assets. The net cashflow is partially offset by higher proceeds from disposal of fixed assets as compared to 4Q14.

Net cash flow from financing activities turn-around from an outflow of US\$8.2 million in 4Q14 to an inflow of US\$272.2 million in 4Q15 as a result of the net proceeds from Rights Issue of US\$144.7 million coupled with increased in bank borrowings in 4Q15.

Proceeds utilisation

Proceeds utilization of Share Placement exercise

On 16 March 2012, the Company issued and allotted 110,000,000 new ordinary shares in the capital of the Company ("the Placement Shares") pursuant to a private placement at an issue price of S\$1.10 for each Placement Share to raise gross proceeds of S\$121 million.

The net proceeds from the Share Placement exercise have been fully utilised by the Company for repayment of existing debt and general working capital purposes. Details of utilisation have been announced.

Proceeds utilisation of S\$150 million Perpetual Securities

On 18 September 2012, the Company issued a S\$150 million Fixed Rate Subordinated Perpetual Securities (the "Securities"). The Securities were issued under the US\$500 million Multicurrency Debt Issuance Programme established by the Company on 28 August 2012. The net proceeds from the issuance of the Securities (after deducting issuance expenses) will be used by the Company to refinance existing borrowings of the Company and its subsidiaries, and for general working capital purposes.

The net proceeds from the Securities have been fully utilised for repayment of existing debt, purchase of equipment on board vessels and general working capital purposes. Details of utilisation have been announced.

Proceeds utilisation of Rights Issue

On 28 July 2015, the Company issued and allotted 1,925,526,236 new ordinary shares in the capital of the Company pursuant to a Rights Issue at an issue price of S\$0.105 for each Rights Share to raise gross proceeds of S\$202.2 million.

The net proceeds from the Rights Issue have been fully utilised for repayment of existing debt. Details of utilisation have been announced.

REVIEW OF STATEMENT OF FINANCIAL POSITION AND CASH FLOWS (CONT'D):

Financial ratios

The Group's net debt to equity ratio (defined as ratio of total external indebtedness (net of cash and cash equivalents and cash pledged) owing to bank and financial institutions to total equity) has decreased to 0.77 times as at the end of FY15 as compared to 1.16 times at end of FY14.

Interest cover is 4.6 times in FY15 compared to 4.4 times in FY14.

	Financial year ended	
	31 August 2015	31 August 2014
	US\$'000	US\$'000
<u>EBITDA from continuing operations</u>		
- Profit before tax	119,412	35,412
- Depreciation and amortisation	69,316	53,238
- Interest expense	43,607	39,084
EBITDA from continuing operations	232,335	127,734
<u>EBITDA from discontinued operations</u>		
- (Loss)/profit before tax	(26,229)	39,290
- Depreciation and amortisation	35,733	18,894
- Interest expense	12,038	3,572
EBITDA from discontinued operations	21,542	61,756
Total EBITDA	253,877	189,490
Interest cover ratio	4.6	4.4

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

Not applicable.

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

The global Oil and Gas Industry continues to experience significant challenges in light of the current oil price environment. Consequently, this has led to reduced oil and gas spending and activity and uncertainty in new awards across the offshore services segment. As a result, the Group is likely to continue to face strong headwinds under the current market conditions.

Nevertheless, the Company remains focused on its strategy to develop its subsea services business. The Company has recently entered into an agreement with Chiyoda Corporation (“Chiyoda”) to invest in Ezra’s Subsea Services business, EMAS AMC, to form EMAS CHIYODA Subsea – a 50:50 joint venture. The partnership with Chiyoda is expected to create the opportunity for EMAS AMC to expand its subsea-to-surface offerings. Following completion of the transaction (which is expected to take place in 1HFY2016), the Company believes that EMAS CHIYODA Subsea will be better positioned to capitalize on market opportunities and manage risks in light of market conditions.

The Offshore Support and Production Services Division is likely to experience lower charter rates and/or decreased vessel utilization which will have an impact on the division’s financial performance.

As the Marine Services Division diversifies its products and services across oilfield fabrication value chain, from construction, production, decommissioning, to inspection and maintenance of offshore infrastructure servicing offshore fields, the division believes that there will be continued demand for its offerings, notwithstanding the competitive and challenging environment.

The Group through the strategic initiatives undertaken in FY2015 has significantly reduced gearing and has addressed significant near term debt maturities up to end October 2015.

As of 31 August 2015, the Group maintains a backlog of US\$2.0* billion.

** The Group's backlog is inclusive of a backlog of US\$397 million from the two FPSOs, Lewek EMAS and Perisai Kamelia that EMAS Offshore Limited has stakes in.*

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No

(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

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

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 Interested Party Transactions ("IPTs").

14. Negative confirmation pursuant to Rule 705(5).

Not required for announcement on full year results.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

15. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

Business segments

Financial year ended 31 August 2015	Offshore Support and Production Services US\$'000	Marine Services US\$'000	Subsea Services US\$'000	Disposal Group Held for Sale US\$'000	Group US\$'000
Revenue					
Sales	249,742	282,902	1,033,546	(976,417)	589,773
Inter-segment sales	(45,934)	—	—	—	(45,934)
Sales to external customers	203,808	282,902	1,033,546	(976,417)	543,839
Profit from operations	37,720	14,740	(15,478)	14,379	51,361
Share of profit of associated companies	11,616	—	—	—	11,616
Share of profit of joint venture companies	14,751	—	—	—	14,751
Financial income					5,214
Financial expenses					(43,607)
Tax					(12,096)
Unallocated other income, net					90,659
Unallocated expenses					(10,052)
Unallocated share of associated companies					627
Unallocated share of joint venture companies					(1,157)
Net profit for the financial year					107,316
Assets					
Segment assets	1,407,029	450,688	1,651,188		3,508,905
Unallocated assets					668,410
Total assets					4,177,315
Liabilities					
Segment liabilities	784,189	239,266	986,930		2,010,385
Unallocated liabilities					801,619
Total liabilities					2,812,004
Other information					
Capital expenditure	54,329	27,886	289,742		371,957
Unallocated capital expenditure					2,621
Total capital expenditure					374,578
Depreciation and amortisation	46,899	13,551	42,075	(35,733)	66,792
Unallocated depreciation and amortisation					2,524
Total depreciation and amortisation					69,316

Business segments (cont'd)

Financial year ended 31 August 2014 (Re-presented)	Offshore Support and Production Services US\$'000	Marine Services US\$'000	Subsea Services US\$'000	Disposal Group Held for Sale US\$'000	Group US\$'000
Revenue					
Sales	279,166	188,213	1,034,642	(1,004,044)	497,977
Inter-segment sales	(8,035)	—	(5,635)	5,635	(8,035)
Sales to external customers	271,131	188,213	1,029,007	(998,409)	489,942
Profit from operations	31,618	22,451	47,390	(42,854)	58,605
Share of profit of associated companies	4,111	—	—	—	4,111
Share of profit of joint venture companies	2,538	—	—	—	2,538
Financial income					3,604
Financial expenses					(39,084)
Tax					(7,714)
Unallocated other income, net					(7,048)
Unallocated expenses					(17,641)
Unallocated share of associated companies					29,669
Unallocated share of joint venture companies					658
Net profit for the financial year					<u>27,698</u>
Assets					
Segment assets	857,786	428,843	1,582,711		2,869,340
Unallocated assets					493,652
Total assets					<u>3,362,992</u>
Liabilities					
Segment liabilities	538,415	255,119	739,231		1,532,765
Unallocated liabilities					644,458
Total liabilities					<u>2,177,223</u>
Other information					
Capital expenditure	84,384	34,356	219,624		338,364
Unallocated capital expenditure					3,141
Total capital expenditure					<u>341,505</u>
Depreciation and amortisation	37,459	8,162	24,595	(18,894)	51,322
Unallocated depreciation and amortisation					1,916
Total depreciation and amortisation					<u>53,238</u>

Geographical segments

Revenue ⁽¹⁾

	Group	
	31 August 2015	31 August 2014
	US\$'000	US\$'000 (Re-presented)
Singapore	94,200	99,489
South East Asia ⁽²⁾	211,426	206,564
Americas	22,336	39,536
Europe	139,211	36,435
Other countries ⁽³⁾	76,666	107,918
	<u>543,839</u>	<u>489,942</u>

⁽¹⁾ Revenue is based on the location of customers.

⁽²⁾ South East Asia includes Indonesia, Thailand, Brunei, Malaysia, The Philippines and Vietnam and excludes Singapore.

⁽³⁾ Other countries include Australia, New Zealand, China, Hong Kong, South Korea, India, United Arab Emirates, Angola, Congo, Ghana, Ivory Coast and Nigeria.

Non-current assets (comprising fixed assets, goodwill, other intangible assets and investments in associated and joint venture companies) are based on the location of the companies that own those assets.

Non-Current Assets

	Group	
	31 August 2015	31 August 2014
	US\$'000	US\$'000
Singapore	980,940	1,350,901
South East Asia ⁽⁴⁾	286,084	230,382
Other countries ⁽⁵⁾	177,449	468,054
	<u>1,444,473</u>	<u>2,049,337</u>

⁽⁴⁾ South East Asia includes Malaysia, Thailand and Vietnam and excludes Singapore.

⁽⁵⁾ Other countries include the India, United Kingdom, British Virgin Islands, United States of America, Australia and Norway.

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

In FY2015, the Company entered into an agreement with Chiyoda Corporation (“Chiyoda”) to invest in the Company’s Subsea Services business, EMAS AMC, to form EMAS CHIYODA Subsea – a 50:50 joint venture. As a result of this transaction, the performance of the Subsea Services business was no longer consolidated as part of the Group’s FY2015 results.

With the completion of the consolidation of Ezra’s Offshore Support Services companies into EMAS Offshore Limited, the Group believes that the Offshore Support Services business will continue to contribute significantly.

Revenue contribution outside of South East Asia (including Singapore) accounts for 43.8% (FY2014: 37.5%) of revenue. The Group expects to have continual strong contribution outside of South East Asia.

17. A breakdown of sales

	31 August 2015	Group 31 August 2014	Increase / (Decrease)
	US\$'000	US\$'000 (Re-presented)	%
Sales reported for first half year	257,137	238,694	7.7
Operating profit after tax before deducting non-controlling interests reported for first half year	65,265	30,882	111.3
Sales reported for second half year	286,702	251,248	14.1
Operating profit after tax before deducting non-controlling interests reported for second half year	1,752	23,140	n.m.

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

	Latest Full Year US\$'000	Previous Full Year US\$'000
Ordinary	—	—
Preference	—	—
Total	—	—

19. Disclosure of person occupying a managerial position in the issuer or 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.

Pursuant to Rule 704(13) of the Listing Manual, there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.