

Full Year Financial Statement And Dividend Announcement for the Financial Year Ended 31 December 2014

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PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS

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

	The Group		
	FY 2014 S\$'000	FY 2013 S\$'000	Change %
<u>Continuing operations</u>			
Revenue	79,013	70,643	12
Cost of sales	(55,488)	(49,114)	13
Gross Profit	23,525	21,529	9
Other income	1,676	3,566	(53)
Interest income	151	1	15000
Marketing and distribution expenses	(1,279)	(1,422)	(10)
Administrative expenses	(19,078)	(19,022)	0
Other operating expenses	(2,732)	(2,982)	(8)
Finance costs	(753)	(306)	146
Share of results of associates - net of tax	(4)	-	NM
Profit before tax from continuing operations	1,506	1,364	10
Income tax (expense)/credit	(502)	813	(162)
Profit after tax from continuing operations	1,004	2,177	(54)
<u>Discontinued operations</u>			
Loss after tax from discontinued operations	-	(190)	(100)
Profit for the year	1,004	1,987	(49)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation	1,102	113	875
Net change in fair value reserve of available-for-sale	226	140	61
Other comprehensive income for the year, net of tax	1,328	253	425
Total comprehensive income for the year	2,332	2,240	4
Profit attributable to:			
Non-controlling interests			
- Profit after tax from discontinued operations	-	60	(100)
Owners of the company			
- Profit after tax from continuing operations	1,004	2,177	(54)
- Loss after tax from discontinued operations	-	(250)	(100)
	1,004	1,987	(49)
Total comprehensive income attributable to:			
Non-controlling interests			
- Profit after tax from discontinued operations	-	60	(100)
Owners of the company			
- Profit after tax from continuing operations	2,332	2,430	(4)
- Loss after tax from discontinued operations	-	(250)	(100)
	2,332	2,240	4

Note

	The Group		
	FY 2014 S\$'000	FY 2013 S\$'000	Change %
Profit before tax from continuing operations is derived at after			
<u>Crediting/(charging) :</u>			
Depreciation of property, plant and equipment	(1,397)	(1,463)	(5)
Amortisation of intangible assets	(1,129)	(1,286)	(12)
Gain/(loss) on disposal of plant and equipment	10	(22)	(145)
(Loss)/gain on foreign exchange	(79)	45	(276)
Fair value gains of derivative on redeemable exchangeable bonds	138	-	NM
Trade receivables written off	(5)	(2)	150
Property, plant and equipment written off	(44)	(47)	(6)
Inventories written down	(59)	(116)	(49)
Reversal of foreseeable losses	24	549	(96)
Profit after tax from discontinued operations is derived at after			
<u>Crediting/(charging) :</u>			
Depreciation of property, plant and equipment	-	(73)	(100)
Property, plant and equipment written off	-	(1)	(100)
Loss on disposal of subsidiary company	-	(490)	(100)
Gain on foreign exchange	-	5	(100)

NM: Not meaningful

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.

	The Group S\$'000		The Company S\$'000	
	31 Dec 2014	31-Dec-13	31 Dec 2014	31-Dec-13
Equity attributable to equity holders of the company				
Share capital	94,844	91,660	94,844	91,660
Treasury shares	(543)	(795)	(543)	(795)
Reserves	3,575	2,310	(13,161)	(13,639)
Total equity	97,876	93,175	81,140	77,226
Non-current assets				
Property, plant and equipment	24,983	16,832	70	38
Investment in subsidiaries	-	-	90,653	88,940
Investment in associated companies	13,736	-	-	-
Quoted equity investments	1,557	1,331	1,552	1,321
Intangible assets	33,257	34,383	-	-
Finance lease receivables	19,445	-	-	-
Deferred tax assets	33	-	-	-
	93,011	52,546	92,275	90,299
Current assets				
Inventories	14,751	13,577	-	-
Trade receivables	18,175	21,032	-	-
Due from customers for contracts work-in-progress	14,297	10,318	-	-
Prepayments	216	103	67	55
Other receivables and deposits	5,172	6,359	1,116	3,525
Finance lease receivables	2,339	-	-	-
Cash and cash equivalents	8,726	19,039	204	11,993
	63,676	70,428	1,387	15,573
Total assets	156,687	122,974	93,662	105,872
Current liabilities				
Trade payables	11,153	9,707	-	-
Due to customers for contracts work-in-progress	4,022	1,081	-	-
Other payables and accruals	10,519	6,338	1,542	1,954
Tax payable	950	431	-	-
Deferred rental	-	33	-	33
Finance lease obligations	9	18	-	-
Term loans	4,595	3,641	-	-
Derivative liability	1,575	-	1,575	-
Due to subsidiaries	-	-	9,380	26,634
	32,823	21,249	12,497	28,621
Non-current liabilities				
Term loans	11,953	5,150	-	-
Redeemable exchangeable bonds	11,028	-	-	-
Deferred tax liabilities	2,986	3,370	25	25
Finance lease obligations	21	30	-	-
	25,988	8,550	25	25
Total liabilities	58,811	29,799	12,522	28,646
Net assets	97,876	93,175	81,140	77,226

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

Amount repayable in one year or less, or on demand

As at 31 December 2014		As at 31 December 2013	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
4,604	-	3,659	-

Amount repayable after one year

As at 31 December 2014		As at 31 December 2013	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
23,002	-	5,180	-

Details of any collateral

The Group's borrowings are secured by the followings:

- a first legal mortgage on a subsidiary's leasehold property
- fixed and floating charge over the subsidiary's assets
- corporate guarantees

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.

	The Group FY 2014 S\$'000	FY 2013 S\$'000
Cash flows from operating activities:		
Profit before tax from continuing operations	1,506	1,364
Loss before tax from discontinued operations	-	(149)
Adjustments for:		
Amortisation of intangible assets	1,129	1,286
Amortisation of deferred rental	(33)	(200)
Depreciation of property, plant and equipment	1,397	1,536
Property, plant and equipment written off	44	48
Inventories written down	59	116
Employee share-based expense	455	339
Fair value gains of derivative on redeemable exchangeable bonds	(138)	-
Trade receivables written off	5	2
(Gain)/loss on disposal of plant and equipment	(10)	22
Interest expense	753	306
Interest income	(151)	(1)
Loss on disposal of subsidiary company	-	490
Reversal of foreseeable losses	(24)	(549)
Operating profit before working capital changes	4,992	4,610
Changes in working capital:		
Inventories	(1,213)	4,015
Trade receivables	2,847	(10,874)
Due from customers for contracts work-in-progress	(3,945)	(1,940)
Other receivables, deposits and prepayments	1,082	(2,791)
Finance lease receivables	(21,107)	-
Trade payables	1,649	3,777
Due to customers for contracts work-in-progress	2,941	498
Other payables and accruals	4,262	2,675
Cash flows used in operations	(8,492)	(30)
Interest paid	(365)	(306)
Interest received	151	1
Income taxes paid	(401)	(853)
Net cash flows used in operating activities	(9,107)	(1,188)
Cash flows from investing activities		
Purchase of property, plant and equipment	(9,622)	(1,688)
Proceeds from disposal of plant and equipment	48	121
Investment in associated companies	(13,736)	-
Purchase of quoted equity investments	-	(476)
Net cash outflow from acquisition of subsidiary company	-	(256)
Net cash inflow from disposal of subsidiary companies	-	1,806
Cash used in investing activities	(23,310)	(493)
Cash flows from financing activities		
Repayment of loans and borrowings	(4,673)	(4,292)
Proceeds from issuance of ordinary shares under rights issue	-	9,529
Proceeds from issuance of shares pursuant to private placement	3,200	3,200
Proceeds from issuance of redeemable exchangeable bonds	12,450	-
Share issuance expense	(16)	(408)
Purchase of treasury shares	(160)	(64)
Proceeds from exercise of share options	88	-
Bills payable	-	(127)
Proceeds from loans and borrowings	12,430	2,000
Payment of dividends	(1,197)	(715)
Payment of finance lease obligations	(18)	(51)
Cash generated from financing activities	22,104	9,072
Net (decrease)/increase in cash and cash equivalents	(10,313)	7,391
Cash and cash equivalents at beginning of financial year	19,039	11,648
Cash and cash equivalents at end of financial year	8,726	19,039

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 year.

	Share capital	Treasury shares	Translation reserve	The Group Other reserves	Accumulated profits	Non-controlling interest	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Year ended 31 December 2013							
Balance as at 1 January 2013	79,339	(731)	(109)	4	611	854	79,968
Profit for the year	-	-	-	-	1,927	60	1,987
<u>Other comprehensive income</u>							
Net change in fair value reserve of available-for-sale financial assets	-	-	-	140	-	-	140
Foreign currency translation	-	-	113	-	-	-	113
Other comprehensive income for the year, net of tax	-	-	113	140	-	-	253
Total comprehensive income for the year	-	-	113	140	1,927	60	2,240
<u>Contributions by and distribution to owners</u>							
Purchase of treasury shares	-	(64)	-	-	-	-	(64)
Issuance of shares pursuant to private placement	3,200	-	-	-	-	-	3,200
Issuance of shares pursuant to rights issue	9,529	-	-	-	-	-	9,529
Share issuance expense	(408)	-	-	-	-	-	(408)
Dividends on ordinary shares	-	-	-	-	(715)	-	(715)
Employee share-based expense	-	-	-	339	-	-	339
Total transactions with owners in their capacity as owners	12,321	(64)	-	339	(715)	-	11,881
<u>Changes in ownership interests in subsidiary</u>							
Disposal of subsidiary	-	-	-	-	-	(914)	(914)
Total change in ownership interests	-	-	-	-	-	(914)	(914)
Balance as at 31 December 2013	91,660	(795)	4	483	1,823	-	93,175

	Share capital	Treasury shares	Translation reserve	The Group Other reserves	Accumulated profits	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Year ended 31 December 2014						
Balance as at 1 January 2014	91,660	(795)	4	483	1,823	93,175
Profit for the year	-	-	-	-	1,004	1,004
<u>Other comprehensive income</u>						
Net change in fair value reserve of available-for-sale financial assets	-	-	-	226	-	226
Foreign currency translation	-	-	1,102	-	-	1,102
Other comprehensive income for the year, net of tax	-	-	1,102	226	-	1,328
Total comprehensive income for the year	-	-	1,102	226	1,004	2,332
<u>Contributions by and distribution to owners</u>						
Issuance of shares pursuant to private placement	3,200	-	-	-	-	3,200
Share issuance expense	(16)	-	-	-	-	(16)
Purchase of treasury shares	-	(160)	-	-	-	(160)
Share options and share awards lapsed	-	-	-	(19)	19	-
Dividends on ordinary shares	-	-	-	-	(1,197)	(1,197)
Treasury shares reissued pursuant to share options plan	-	412	-	(325)	-	87
Employee share-based expense	-	-	-	455	-	455
Total transactions with owners in their capacity as owners	3,184	252	-	111	(1,178)	2,369
Balance as at 31 December 2014	94,844	(543)	1,106	820	1,649	97,876

	Share capital	Treasury shares	The Company Other reserves	Accumulated profits	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Year ended 31 December 2013					
Balance as at 1 January 2013	79,339	(731)	39	(14,535)	64,112
Profit for the year	-	-	-	1,093	1,093
<u>Other comprehensive income</u>					
Net change in fair value reserve of available-for-sale financial assets	-	-	140	-	140
Other comprehensive income for the year, net of tax	-	-	140	-	140
Total comprehensive income for the year	-	-	140	1,093	1,233
<u>Contributions by and distribution to owners</u>					
Purchase of treasury shares	-	(64)	-	-	(64)
Issuance of shares pursuant to private placement	3,200	-	-	-	3,200
Issuance of shares pursuant to rights issue	9,529	-	-	-	9,529
Share issuance expense	(408)	-	-	-	(408)
Dividends on ordinary shares	-	-	-	(715)	(715)
Employee share-based expense	-	-	339	-	339
Total transactions with owners in their capacity as owners	12,321	(64)	339	(715)	11,881
Balance as at 31 December 2013	91,660	(795)	518	(14,157)	77,226

	Share capital	Treasury shares	The Company Other reserves	Accumulated profits	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Year ended 31 December 2014					
Balance as at 1 January 2014	91,660	(795)	518	(14,157)	77,226
Profit for the year	-	-	-	1,314	1,314
<u>Other comprehensive income</u>					
Net change in fair value reserve of available-for-sale financial assets	-	-	231	-	231
Other comprehensive income for the year, net of tax	-	-	231	-	231
Total comprehensive income for the year	-	-	231	1,314	1,545
<u>Contributions by and distribution to owners</u>					
Issuance of shares pursuant to private placement	3,200	-	-	-	3,200
Purchase of treasury shares	-	(160)	-	-	(160)
Share issuance expense	(16)	-	-	-	(16)
Share options and share awards lapsed	-	-	(19)	19	-
Dividends on ordinary shares	-	-	-	(1,197)	(1,197)
Treasury shares reissued pursuant to share options plan	-	412	(325)	-	87
Employee share-based expense	-	-	455	-	455
Total transactions with owners in their capacity as owners	3,184	252	111	(1,178)	2,369
Balance as at 31 December 2014	94,844	(543)	860	(14,021)	81,140

Save for the foregoing, there are no other (i) changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders.

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

Changes in company's share capital:

	Quantity	Share capital S\$'000
Balance as at 30 September 2014	801,405,199	94,852
Share issuance expense	-	(8)
Balance as at 31 December 2014	801,405,199	94,844

During the fourth quarter of 2014, no Warrants were converted into ordinary shares (October to December 2013: Nil). The Company has 119,113,066 outstanding Warrants as at 31 December 2014 (31 December 2013: 119,114,466). Each Warrant carries the right to subscribe for one new ordinary share in the capital of the Company at an exercise price of S\$0.138 for each new ordinary share and is exercisable during a five year period from the date of issue.

The Company has 15,288,178 (31 December 2013: 15,600,000) outstanding employee share options as at 31 December 2014. Each share option can be used to subscribe for an ordinary shares ranging from S\$0.1043 to S\$0.1897 (31 December 2013: S\$0.11 to S\$0.20 per share option).

The Company has 3,300,000 outstanding share awards as at 31 December 2014 under the Viking Long Term Incentive Plan (31 December 2013: 3,300,000).

On 13 October 2014, a subsidiary of the Company has entered into 2 year redeemable exchangeable bonds (the "Bonds") agreement with an investor. The Investor shall be entitled to exchange all or any part of the principal amount and any accrued and unpaid Interest in respect of the Bonds for the shares of the Company (the "Shares") at S\$0.175 or a discount of 10% to the price based on the average of the volume weighted average price of the Shares traded on Catalist over the period of 30 trading days immediately prior to the date of the exercise notice, at any time during the period after the 12th month of the Bonds issue date and before the maturity date, whichever is lower. Assuming that the Investor exchanges all the Bonds in the principal amount for the Shares at the maximum exchange price of S\$0.175, the Company will be required to issue an aggregate of 71,428,571 Shares (the "Exchange Shares"). On 31 October 2014, the Company obtained the listing and quotation notice from the SGX-ST for the listing and quotation of up to 71,428,571 Exchange Shares on the Catalist Board of the SGX-ST (the "L&Q Notice"), subject to compliance with the listing requirements of the SGX-ST.

As at 31 December 2014, the number of ordinary shares in issue was 801,405,199 of which 5,628,000 were held by the Company as treasury shares. (31 December 2013: 761,403,999 ordinary shares and 7,528,000 treasury shares)

Save for the foregoing, there are no other 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 30 September 2014.

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

	As at 31 December 2014		As at 31 December 2013	
	No. of shares	S\$'000	No. of shares	S\$'000
Total number of issued shares at the end of the financial year	801,405,199	94,844	761,403,999	91,660
Number of Treasury Shares at the end of the financial year	(5,628,000)	(543)	(7,528,000)	(795)
Net number of issued shares at the end of the financial year	795,777,199	94,301	753,875,999	90,865

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.

	No. of share	S\$'000
Balance as at 1 January 2014	7,528,000	795
Treasury shares transferred on exercise of share options	(800,000)	(84)
Treasury shares transferred on vested of share awards	(3,100,000)	(328)
Purchase of treasury shares	2,000,000	160
Balance as at 31 December 2014	5,628,000	543

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 Group'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 in the financial statements for the current financial year as compared with the audited financial statements for the year ended 31 December 2013, except for those disclosed under Paragraph 5.

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 adopted the new/revised FRS and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 January 2014. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in respective FRS and INT FRS. The adoption of new/revised FRS and INT FRS did not result in any substantial changes to the Group's accounting policies or any significant impact on the Group's financial statements.

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

	FY 2014 cents	FY 2013 cents
Earnings per ordinary share		
(i) Based on the weighted average number of ordinary share on issue	0.13	0.28
(ii) On a fully diluted basis (detailing any adjustments made to the earnings)	0.12	0.28
Earnings per ordinary share from continuing operations		
(i) Based on the weighted average number of ordinary share on issue	0.13	0.32
(ii) On a fully diluted basis (detailing any adjustments made to the earnings)	0.12	0.32
Computed based on the following weighted average number of shares		
Basic	789,138,024	682,319,011
Diluted	813,022,438	687,037,816

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	
	S\$		S\$	
	31.12.14	31.12.13	31.12.14	31.12.13
Net asset value per ordinary share based on the total number of issued shares excluding treasury shares	0.12	0.12	0.10	0.10

Footnote:

Net asset value per ordinary share is based on 795,777,199 ordinary shares as at 31 December 2014 (31 December 2013: 753,875,999 shares).

- 8 **A review of the performance of the group to the extent necessary for a reasonable understanding of the 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.

Financial Performance

The Group's Revenue for the full year ended 31 December 2014 ("FY2014") increased 12% year-on-year to S\$79.0 million. The fire and gas detection systems, marine telecommunication, and controls and instrumentation businesses continued to grow revenues and orders compared to FY2013. The winches business recorded marginally higher revenue while the heating, ventilation, air-conditioning and refrigeration systems business continued to delays and project deferrals, leading to lower-than-expected revenue contribution. In addition, the new asset chartering business contributed four months' revenue in FY2014 from its land rig asset acquired in July 2014.

Gross Profit increased in tandem with the higher revenue, while Gross Profit Margin was comparable to the previous year. While the asset chartering business contributed higher Gross Margin, this was offset by the lower margins from the offshore and marine services business.

Other Income for FY2014 declined compared to FY2013, reflecting the absence of rental income after the end of a long-term sub-letting lease for a building. There was no operational impact as the Group has no business utilization for the building. This also resulted in savings in operating expenses due to the absence of lease rental expenses.

Total Expenses for FY2014 were comparable to that in FY2013. The savings in the above-mentioned building lease rental expenses were offset by the increase in expenses relating to personnel increase, travel and marketing support activities, and legal and professional services to support various new business initiatives. Finance Costs increased due to costs incurred for bank loans and redeemable exchangeable bonds related to the funding of the asset chartering business.

As a result of the above, the Group recorded Net Profit Before Tax for FY2014 of S\$1.5 million, comparable to that in FY2013. In the absence of a one-time tax credit recorded in the prior year for tax provision, which is no longer required, the Group's Net Profit After Tax was lower.

Financial Position

The Net Assets for the Group stood at S\$97.9 million as at 31 December 2014, higher compared to a year ago largely due to the private share placement in 1Q-2014 and earnings contribution for the year.

The increase in Non-Current Assets is mainly due to the capital expenditure incurred to construct a building property, as well as investments in two jack-up rigs. The capitalized expenditure amounts reflect the construction-in-progress of the assets and are recorded under Property, Plant and Equipment, and Investment in Associated Companies, respectively. Additionally, the Group also acquired a land drilling rig which has been chartered to a customer, resulting in the recording of a long-term finance lease receivable.

The decrease in Current Assets is attributable mainly to the lower cash balance after the investment in assets for charter. The combined balances of Trade Receivables and Due From Customer Contracts are consistent for the comparative periods, and the compensating effect reflects timing in customer billings.

The increases in Total Liabilities and Current Liabilities largely resulted from the higher Trade Payables and Term Loans due to the acquisition of the land drilling rig to fulfill a charter contract, and the new building construction loan. Also included in the Total Liabilities is the issuance of a redeemable exchangeable bond to fund the acquisition of a land rig, which was immediately chartered to a customer.

Cashflow

The net cash outflow for FY2014 is largely due to the investments in the asset chartering business and this is reflected in the use of cash in operations as well as for investing activities.

The net cashflow used in operations was mainly due to cash being utilized upfront to acquire the chartering assets and the chartering fees to be collected over the next few years. Considering the impact of the chartering business, the net cashflow from operations for the other businesses is positive.

Cash inflow from financing activities is higher due to the proceeds from bank loans and the redeemable exchangeable bonds for the funding of the land drilling rig for chartering purposes, which was absent in the previous year. This transaction resulted in higher loans in financing activities and the corresponding cashflow in the use of funds for operating activities.

Net cash used in investing activities resulted from the work-in-progress of the construction of the new building and the investment in the jack-up rigs, reflected in investment in associated companies.

- 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 offshore and marine ("O&M") industry remains challenging amidst a backdrop of increasing margin pressures and intense competition. The recent decline and volatility of global oil prices suggest further dampening of activities and spending in the upstream businesses which will invariably impact the industry and our customers. The Group has already seen signs of the slowdown in spending or delays in certain O&M projects.

In view of the conditions in the O&M industry, the Group will adopt a cautious approach in taking on new projects. The Group believes that the oil price impact is likely to be felt more in the offshore and marine services side of its business. The asset chartering arm should still see opportunity for contracts, albeit at more competitive rates. The expansion of the asset chartering business and the accompanying recurring revenue stream should mitigate risk of revenue and profits from the offshore and marine business.

Against this backdrop, the acquisition and chartering of the Group's land drilling rig – which commenced contribution of recurring revenue from September 2014 – has gained added significance. The Group expects to further grow its chartering asset portfolio and business going forward.

The Group had embarked on its asset ownership strategy in FY2013 with the acquisition of 30%-stakes in two jack-up rig assets which are expected to be completed – and ready for charter – in the fourth quarter of 2015. The Group, together with our partners, are actively engaging negotiations to charter these two rigs even as they are being constructed.

The Group continues to be on the lookout for similar opportunities to acquire earnings-accretive O&M and related assets, which offer a recurring revenue stream, as part of its efforts to enhance its asset portfolio and diversify revenue mix.

- 11 **Dividend**
(a) Current Financial Period Reported On

Any dividend recommended for the current financial period report on?

Name of dividend	Final Dividend (One Tier)
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.15 cents per ordinary share
Tax Rate	Tax Exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of dividend	Final Dividend (One Tier)
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.15 cents per ordinary share
Tax Rate	Tax Exempt

(c) Date payable

Subject to approval by the Shareholders at the Annual General Meeting and to be announced at a later date.

(d) Books closure date

Subject to approval by the Shareholders at the Annual General Meeting and to be announced at a later date.

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

Not applicable.

- 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.**

No IPT mandate has been obtained.

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

14 Segmental 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.

	Offshore and Marine S\$'000	Corporate S\$'000	Assets chartering S\$'000	Adjustment & Elimination S\$'000	Group S\$'000
2014					
Revenue					
External customers	77,002	-	2,011	-	79,013
Inter-segment	-	6,853	-	(6,853)	-
Total revenue	77,002	6,853	2,011	(6,853)	79,013
Results:					
Interest income	2	14	135	-	151
Dividend income	-	1,362	-	(1,362)	-
Depreciation and amortisation	(514)	(427)	-	(1,585)	(2,526)
Share of associates results	-	-	(4)	-	(4)
Other non-cash expenses	(16)	(496)	-	-	(512)
Segment profit/(loss)	2,015	1,511	2,465	(4,485)	1,506
Assets					
Investment in associated companies	-	-	13,736	-	13,736
Additions to non-current assets	197	9,446	-	-	9,643
Segment assets	80,711	117,775	40,964	(82,763)	156,687
Segment liabilities	(27,113)	(28,832)	(37,796)	34,930	(58,811)

	Offshore and Marine S\$'000	Corporate S\$'000	Retail and Distribution (Discontinued Operations) S\$'000	Adjustment & Elimination S\$'000	Group S\$'000
2013					
Revenue					
External customers	70,643	-	12,110	(12,110)	70,643
Inter-segment	-	5,170	-	(5,170)	-
Total revenue	70,643	5,170	12,110	(17,280)	70,643
Results:					
Interest income	1	-	-	-	1
Dividend income	-	801	-	(801)	-
Depreciation and amortisation	(544)	(463)	(73)	(1,669)	(2,749)
Gain on bargain purchase	-	-	-	-	-
Other non-cash expenses	(10)	(378)	(1)	1	(388)
Segment profit/(loss)	7,420	(377)	300	(5,979)	1,364
Assets					
Additions to non-current assets	434	1,282	161	(161)	1,716
Segment assets	76,107	120,911	-	(74,044)	122,974
Segment liabilities	(23,325)	(35,916)	-	29,442	(29,799)

Geographical Segment

	Revenue		Non-current assets	
	FY 2014 S\$'000	FY 2013 S\$'000	FY 2014 S\$'000	FY 2013 S\$'000
Australia	32	857	-	-
Europe	1,043	1,878	-	-
Indonesia	1,986	5,463	11	9
Kazakhstan	544	1,022	-	-
Malaysia	1,096	5,310	18	25
Middle East	2,726	761	-	-
People's Republic of China	31,324	17,461	19,769	331
Singapore	37,156	31,728	57,886	50,850
Vietnam	1,367	925	-	-
Republic of Seychelles	-	-	6,837	-
British Virgin Islands	-	-	6,900	-
Others	1,739	5,238	-	-
	79,013	70,643	91,421	51,215

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

Performance by Business Segments

The Group embarked on its asset ownership and chartering services strategy in FY2013 with the acquisition of 30%-stakes in two jack-up rig assets which are expected to complete in the fourth quarter of 2015. Building upon this strategy, the Group acquired its first operational asset – a land drilling rig – and immediately secured a chartering contract. This resulted in revenue contribution in the year under review and increase in balance sheet assets.

Aside to the fourth quarter revenue contribution from the land drilling rig, the result and performance of the other offshore and marine segment have been commented on in Note 8 of this announcement.

Performance by Geographical Segments

The Group's revenue growth in FY2014 was contributed by our overseas as well domestic contracts. While the overseas business grew marginally, the contribution mix from the various countries was very different.

Revenue from the Singapore segment accounted for 47% of total revenue – the Group's largest contributor. China represents the largest of the Group's overseas market and grew 79% year-on-year – accounting for 75% of the overseas contribution. This result is in line with the expectation of increasing investments in China due to the large market size and opportunities.

The volatility of revenue contribution from the other countries reflect the small and non-recurring business base, largely influenced by some major transactions.

The Group will continue to expand its overseas presence and focus on growth in the emerging markets to further internationalise its customer base.

16 A breakdown of sales

	FY 2014 S\$'000	The Group FY 2013 S\$'000	Change %
Sales reported for first half year	31,646	30,606	3
Operating profit after tax from continuing operations before deducting non-controlling interests reported for first half year	368	463	(21)
Sales reported for second half year	47,367	40,037	18
Operating profit after tax from continuing operations before deducting non-controlling interests reported for second half year	636	1,714	(63)

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

Total Annual Dividend

	FY 2014 S\$'000	FY 2013 S\$'000
Ordinary	1,197	715
Preference	-	-
Total	1,197	715

18 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 (11) 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 and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Lin Wei, Daniel	32	Son of Mr Andy Lim, Executive Director and Chairman, and substantial shareholder	Executive Director, Viking Offshore and Marine Limited, 2013 Director, Viking Capital Pte Ltd, 2013 Director, Viking Asset Management Pte Ltd, 2013 Director, Promoter Hydraulics Pte. Ltd., 2013 Director, Viking Facilities Management & Operations Pte. Ltd., 2013 Director, Viking LR1 Pte. Ltd., 2014 Director, Viking LR2 Pte. Ltd., 2014	Not applicable

BY ORDER OF THE BOARD

MR ANDY LIM
CHAIRMAN AND EXECUTIVE DIRECTOR

MR ONG CHOO GUAN
CHIEF EXECUTIVE OFFICER AND EXECUTIVE DIRECTOR

12 February 2015
Singapore