

# OEL (HOLDINGS) LIMITED

(Company Registration No: 198403368H)

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## Full Year Financial Statement and Dividend Announcement for the Year Ended 31.12.2013

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### PART I - INFORMATION REQUIRED FOR FULL YEAR RESULTS ANNOUNCEMENTS

- 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.

1(a)(i) Statement of Comprehensive Income

	Group		
	Year ended 31.12.2013 S\$'000	Year ended 31.12.2012 S\$'000	Change %
<b><u>Continuing operations</u></b>			
Revenue	10,537	14,388	-26.8%
Cost of sales	(20,829)	(49,745)	-58.1%
Gross loss	(10,292)	(35,357)	-70.9%
Other operating income	251	460	-45.4%
Distribution costs	(802)	(1,309)	-38.7%
Administrative expenses	(5,930)	(3,121)	90.0%
Other operating expenses	(6,928)	(607)	1,041.4%
Finance costs	(207)	(426)	-51.4%
Loss before tax	(23,908)	(40,360)	-40.8%
Income tax credit	627	-	100%
Loss for the year	(23,281)	(40,360)	-42.3%
<b><u>Discontinued operations</u></b>			
Profit for the year from discontinued operations	38,054	11,177	240.5%
<b>Profit (Loss) for the year</b>	<b>14,773</b>	<b>(29,183)</b>	<b>NM</b>
Profit (Loss) attributable to:			
Owners of the Company	14,917	(29,257)	NM
Non-controlling interests	(144)	74	NM
	<b>14,773</b>	<b>(29,183)</b>	<b>NM</b>

### 1(a)(ii) Notes to Statement of Comprehensive Income

## Group

<b>Year ended 31.12.2013 S\$'000</b>	<b>Year ended 31.12.2012 S\$'000</b>	<b>Change %</b>
2,064	-	100.0%
(196)	(15)	1,206.7%
(613)	9,246	NM
373	334	11.7%
2,019	(75)	NM
1	-	100.0%
207	426	-51.4%
(18)	(24)	-25.0%

### Continuing operations

Loss for the year is stated after charging (crediting) the following:

Allowance for doubtful receivables – non-trade	2,064	-	100.0%
Reversal of allowance for inventories, net	(196)	(15)	1,206.7%
(Reversal of) Allowance for foreseeable losses	(613)	9,246	NM
Depreciation of property, plant and equipment *	373	334	11.7%
Foreign currency exchange adjustment loss (gain), net	2,019	(75)	NM
Loss on disposal of property, plant and equipment	1	-	100.0%
Interest expense	207	426	-51.4%
Interest income	(18)	(24)	-25.0%

## Discontinued operations

Profit for the year is stated after charging (crediting) the following:

Gain on disposal of Distribution business	(34,451)	-	100.0%
Gain on disposal of available-for-sale investment	(201)	-	100.0%
Allowance for doubtful receivables – trade	146	184	-20.7%
(Reversal of ) Allowance for inventories, net	(32)	873	NM
Bad debts written off – trade, net	78	-	100.0%
Depreciation of property, plant and equipment *	887	987	-10.1%
Foreign currency exchange adjustment (gain) loss, net	(579)	1,048	NM
Loss on disposal of property, plant and equipment	2	-	100.0%
Property, plant and equipment written off	3	7	-57.1%
Impairment of club memberships	10	7	42.9%
Interest expense	1,281	923	38.8%
Interest income	(9)	(33)	-72.7
Overprovision of tax in prior years	(507)	(158)	220.9%
Expenses incurred for disposal of Distribution business**	3,781	-	100.0%

\* This relates to depreciation of property, plant and equipment included in other operating expenses.

\*\* This relates to legal, professional fees and other expenses directly attributable to the disposal of the Distribution business.

**1(a)(iii) Statement of Other Comprehensive Income**

Group			
	Year ended 31.12.2013 S\$'000	Year ended 31.12.2012 S\$'000	Change %
Profit (Loss) for the year	14,773	(29,183)	NM
Other comprehensive income (loss):			
Item that will not be classified subsequently to profit or loss – revaluation of property, net of tax	274	4,418	-93.8%
Item that may be reclassified subsequently to profit or loss – exchange differences on translation of foreign operations	1,257	(52)	NM
Total comprehensive income (loss) for the year	16,304	(24,817)	NM
Total comprehensive income (loss) attributable to:			
Owners of the Company	16,448	(24,891)	NM
Non-controlling interests	(144)	74	NM
	16,304	(24,817)	NM

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.**

	Group		Company	
	As at 31.12.2013	As at 31.12.2012	As at 31.12.2013	As at 31.12.2012
	S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and bank balances	24,502	23,115	23,922	6,322
Trade receivables	28,830	58,885	453	27,860
Other receivables	3,845	12,234	28,896	49,082
Inventories	10,072	33,998	-	12,630
Total current assets	67,249	128,232	53,271	95,894
<b>Non-current assets</b>				
Subsidiaries	-	-	808	8,930
Associates	-	-	-	-
Restricted cash	5,000	-	5,000	-
Available-for-sale investments	12	375	12	375
Property, plant and equipment	18,415	23,708	4,985	9,479
Investment property	3,612	-	3,612	-
Goodwill	-	32	-	-
Deferred tax assets	-	302	-	-
Total non-current assets	27,039	24,417	14,417	18,784
<b>Total assets</b>	<b>94,288</b>	<b>152,649</b>	<b>67,688</b>	<b>114,678</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities</b>				
Bank overdrafts and borrowings	944	27,084	944	26,986
Trade payables	23,966	56,463	296	19,233
Other payables	18,738	21,399	8,836	8,917
Current portion of finance leases	120	152	33	33
Income tax payable	362	767	362	494
Current portion of bank loans	708	11,504	708	6,025
Provisions	-	493	-	-
Total current liabilities	44,838	117,862	11,179	61,688

	Group		Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current liabilities</b>				
Finance leases	145	285	99	132
Bank loans	1,928	1,248	540	1,248
Deferred tax liabilities	1,004	1,184	1,003	1,184
Total non-current liabilities	3,077	2,717	1,642	2,564
<b>Capital, reserves and non-controlling interests</b>				
Share capital	38,530	38,530	38,530	38,530
Reserves	7,369	(8,977)	16,337	11,896
Equity attributable to owners of the Company	45,899	29,553	54,867	50,426
Non-controlling interests	474	2,517	-	-
Total equity	46,373	32,070	54,867	50,426
<b>Total liabilities and equity</b>	94,288	152,649	67,688	114,678

#### Review of working capital, assets and liabilities

The Group's current assets decreased by S\$61.0 million or 47.6% from S\$128.2 million in FY 2012 to S\$67.2 million in FY 2013. This was mainly due to disposal of the Distribution business during the year, which resulted in a general decrease in the current assets, except for cash and bank balances which saw an increase of S\$1.4 million due to cash received from the disposal transaction. Part of the cash proceeds have been utilised to repay the outstanding bank borrowings and loans.

The Group's current liabilities decreased by S\$73.1 million or 62.0% from S\$117.9 million in FY 2012 to S\$44.8 million in FY 2013. This was mainly due to disposal of Distribution business during the year, which resulted in a general decrease in the current liabilities and repayment of bank borrowing and loans made during the year.

Based on the above, the Group's working capital (total current assets less total current liabilities) increased by S\$12.0 million or 116.1% from S\$10.4 million in FY 2012 to S\$22.4 million in FY 2013.

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

Amount repayable in one year or less, or on demand

As at 31.12.2013		As at 31.12.2012	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
120	1,652	8,667	30,073

Amount repayable after one year

As at 31.12.2013		As at 31.12.2012	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
1,533	540	285	1,248

**Details of any collateral**

The above secured borrowings are secured by certain plant and equipment of the Group and a mortgage over a property which is under construction and corporate guarantee from the Company.

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

	Year ended 31.12.2013 S\$'000	Year ended 31.12.2012 S\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit (Loss) before tax	14,814	(28,762)
Adjustments for :		
Allowance for doubtful receivables		
- Trade	146	184
- Non-trade	2,064	-
(Reversal of) Allowance for inventories, net	(228)	858
Bad debts written off – trade, net	78	-
(Reversal of ) Allowance for foreseeable losses	(613)	9,246
Depreciation of property, plant and equipment	1,260	1,321
Loss on disposal of property, plant and equipment	3	-
Gain on disposal of an associate	-	(39)
Gain on disposal of a subsidiary	-	(99)
Gain on disposal of Distribution business	(34,451)	-
Gain on disposal of available-for-sale investment	(201)	-
Impairment of club memberships	10	7
Interest expense	1,488	1,349
Interest income	(27)	(57)
Property, plant and equipment written off	3	7
Provision for warranty	326	37
Net foreign currency exchange losses	1,978	1,277
Operating cash flows before movements in working capital	(13,350)	(14,671)
Trade receivables	(7,968)	815
Other receivables	1,305	9
Inventories	1,448	(1,864)
Trade payables	(3,514)	13,086
Other payables	1,309	7,887
Provisions	(33)	(41)
Cash generated (used in) from operations	(20,803)	5,221
Income tax paid	(497)	(856)
Interest paid	(1,484)	(1,289)
Interest received	27	57
Net cash (used in) from operating activities	(22,757)	3,133
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(1,555)	(4,420)
Disposal of a subsidiary, net of cash disposed of	68,106	(1,781)
Proceeds from disposal of available-for-sale investments	504	-
Proceeds from disposal of associate	-	39
Purchase of club memberships	-	(49)
Proceeds from disposal of property, plant and equipment	7	-
Net cash from (used in) investing activities	67,062	(6,211)

	31.12.2013 S\$'000	31.12.2012 S\$'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from bank borrowings	1,062	22,920
Repayment of bank borrowings	(22,827)	(15,861)
Repayment of bank loans	(11,504)	(15,122)
Proceeds from bank loans	-	7,154
Repayment of obligations under finance leases	(207)	(212)
Dividend paid	-	(334)
Dividend paid to non-controlling interests	-	(490)
Restricted cash	(5,307)	3,645
Net cash (used in) from financing activities	(38,783)	1,700
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	5,522	(1,378)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	11,581	14,730
Effect of exchange rate changes on the balance of cash held in foreign currencies	(185)	(1,771)
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	16,918	11,581
Represented by :		
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	24,502	23,115
Restricted cash (non – current)*	5,000	-
Less: Restricted cash*	(12,584)	(7,277)
	16,918	15,838
Bank overdrafts	-	(4,257)
	16,918	11,581

\*Restricted cash mainly comprises of the retention sum of S\$10 million which forms part of the cash proceeds from the disposal of the Distributorship business during the year.

#### Review of Cash Flow Statement

Cash flow from operating activities was a net cash outflow of S\$22.8 million compared to a net cash inflow of S\$3.1 million for the same corresponding period last year. The net cash outflow was mainly due to losses in the Shipyard operations and cost related to the disposal of the Distribution business and legal cases.

The net increase in cash and cash equivalents was mainly due to the disposal of the Distribution business, offset by cash used in operating activities and repayment of bank loans and borrowings during the year.



**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 year of the immediately preceding financial year.**

GROUP (\$'000)	SHARE CAPITAL	CURRENCY TRANSLATION RESERVE	ASSET REVALUATION RESERVE	CAPITAL RESERVE	SHARE ISSUE RESERVE	RETAINED EARNINGS (ACCUMULATED LOSSES)	EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	NON- CONTROLLING INTERESTS	TOTAL EQUITY
Balance at 01.01.2012	38,530	32	1,705	102	(182)	14,591	54,778	5,109	59,887
Total comprehensive (loss) income for the year	-	(52)	4,418	-	-	(29,257)	(24,891)	74	(24,817)
Effect of disposal of a subsidiary	-	-	-	-	-	-	-	(2,176)	(2,176)
Dividends	-	-	-	-	-	(334)	(334)	-	(334)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(490)	(490)
Balance at 31.12.2012	38,530	(20)	6,123	102	(182)	(15,000)	29,553	2,517	32,070
Total comprehensive (loss) income for the year	-	1,257	274	-	-	14,917	16,448	(144)	16,304
Effect of disposal of Distribution business	-	-	-	(102)	-	-	(102)	(1,899)	(2,001)
Balance at 31.12.2013	38,530	1,237	6,397	-	(182)	(83)	45,899	474	46,373

COMPANY (S\$'000)	SHARE CAPITAL	ASSET REVALUATION RESERVE	SHARE ISSUE RESERVE	RETAINED EARNINGS	TOTAL EQUITY
Balance at 01.01.2012	38,530	1,705	(182)	13,589	53,642
Total comprehensive income (loss) for the year	-	4,418	-	(7,300)	(2,882)
Dividends	-	-	-	(334)	(334)
Balance at 31.12.2012	38,530	6,123	(182)	5,955	50,426
Total comprehensive income for the year	-	274	-	4,167	4,441
Balance at 31.12.2013	38,530	6,397	(182)	10,122	54,867

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

There is no change in the Company's share capital during the year.

- 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 financial year.**

	31.12.2013	31.12.2012
Total number of shares excluding treasury shares	668,266,667	668,266,667

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

There were no sales, transfers, disposal, cancellation and/ or use of treasury shares as at 31 December 2013 and 31 December 2012 as the Company does not have any treasury shares.

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

The figures have neither been audited nor reviewed by our 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.**

Except as disclosed in Section 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year as compared with those used in the audited financial statements for the year ended 31 December 2012.

- 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 effects of, the change.**

The Group has adopted all the new and revised FRSs, Interpretations of FRS ("INT FRS") and amendments to FRSs that are relevant to its operations and effective for annual periods beginning on or after 1 January 2013. The adoption of these new/revised FRSs, INT FRSs and amendments to FRSs does not result in changes to the Group's and Company's accounting policies and has no material effect on the amounts reported for the current period or prior years.

**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.**

**Continuing operations**

Loss per ordinary share for the year after deducting any provision for preference dividends:-

(i) Based on weighted average number of ordinary shares in issue

(ii) On a fully diluted basis

Group			
31.12.2013		31.12.2012	
(3.46)	cents	(6.05)	cents
(3.46)	cents	(6.05)	cents

**Discontinued operations**

Earnings per ordinary share for the year after deducting any provision for preference dividends:-

(i) Based on weighted average number of ordinary shares in issue

(ii) On a fully diluted basis

Group			
31.12.2013		31.12.2012	
5.69	cents	1.67	cents
5.69	cents	1.67	cents

Note: The net earnings per share is calculated based on weighted average share capital in issue of 668,266,667 ordinary shares as at 31 December 2013 (2012: 668,266,667 ordinary shares).

**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 period reported on and (b) immediately preceding financial year.**

Net asset value per ordinary share based on existing issued share capital as at the end of the year reported on

Group			
31.12.2013		31.12.2012	
6.87	cents	4.42	cents

Net asset value per ordinary share based on existing issued share capital as at the end of the year reported on

Company			
31.12.2013		31.12.2012	
8.21	cents	7.55	cents

Note: The net asset value per ordinary share is calculated based on the issued share capital of 668,266,667 ordinary shares as at 31 December 2013 (2012: 668,266,667 ordinary shares).

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

#### CONTINUING OPERATIONS

The Group continues to operate its Shipyard operations, and also holds 51% equity interests in a biofuel business in Singapore. In addition, from 1 November 2013, the Group receives rental income from leasing of its property at No. 8 Aljunied Avenue 3 in Singapore ("Property Management") after the disposal of its Distribution business.

##### **Revenue**

For the year ended 31 December 2013 ("FY2013"), revenue decreased to S\$10.5 million from S\$14.4 million in FY2012. This was mainly due to a decline in the revenue of the Shipyard operations to S\$8.8 million from S\$12.2 million previously. The decrease was attributed to lower revenue recognised from a survey vessel project which was delivered to the customer in July 2013.

In FY2013, the Property Management segment recorded revenue of S\$120,000 from two months of rental income. The biofuel business contributed revenue of S\$1.6 million in FY2013, down from S\$2.1 million due to general decline in related commodity prices in the market.

##### **Gross Loss**

The gross loss in FY2013 narrowed considerably to S\$10.3 million from S\$35.4 million in FY2012 due to lower gross loss of the Shipyard operations. In FY2013, the Shipyard operations posted a gross loss of S\$11.7 million as compared to S\$36.7 million in FY2012 which arose from additional costs that stemmed from unexpected project delays.

##### **Operating Expenses**

Operating expenses comprise mainly distribution, administrative and other operating expenses. Total operating expenses in FY2013 increased significantly to S\$13.7 million compared to S\$5.0 million in FY2012 as a consequence of higher administrative and other operating expenses.

The increase in administrative expenses was due to higher legal and professional fees that were incurred for the ongoing arbitrations of the Shipyard operations. Other operating expenses were also higher in FY2013 due to allowance made for doubtful receivables from the Shipyard operations and unrealized exchange losses due to weakening of the Thai Baht.

##### **Finance Costs**

Finance costs in FY2013 decreased to S\$0.2 million from S\$0.4 million in FY2012 due to repayment of bank borrowings.

##### **Loss from Continuing Operations**

As a result of the above factors, the Group narrowed its loss from Continuing Operations to S\$23.3 million from S\$40.4 million previously.

#### DISCONTINUED OPERATIONS

##### **Profit from discontinued operations**

The Distributorship business, together with related engineering and assembly services ("Distribution Business") was discontinued from 1 November 2013 after the Group completed the sale of the Distribution business to Sonepar Asia Pacific Limited on 31 October 2013 for a consideration sum of S\$70.0 million.

Profit from discontinued operations in FY2013 was S\$38.1 million, up 240.5% from S\$11.2 million in FY2012. The substantial increase was driven mainly by a gain of S\$34.5 million from the disposal of the Distribution business. This was partially offset by lower operating profit from the Distribution business in FY2013 as the profit earned during the 10 months period in FY 2013 as compared to the 12 months period in FY2012.

#### PROFIT / LOSS ATTRIBUTABLE TO OWNERS OF THE COMPANY

The Group recorded profit attributable to owners of the company of S\$14.9 million in FY2013, reversing a loss of S\$29.3 million in FY2012. The turnaround in the bottom line was attributed mainly to the gain on disposal of the Distribution business and a decrease in operating loss of the Shipyard operations.

The Shipyard operations recorded lower operating loss (before interest and tax) of S\$22.5 million in FY2013 compared to S\$40.1 million previously, due to restructuring and downsizing of operations in the shipyard.

#### PROPOSED DIVIDEND

The Board of Directors has recommended a special dividend per share of 0.5 cents with respect to FY2013.

- 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.**

#### Proposed acquisition of two property companies in Singapore

On 13 January 2014, the Company entered into a Heads of Agreement for the proposed acquisition of 100% equity interests in two property companies, namely Singapore Service Residence Pte Ltd and Expats Residences Pte Ltd, for consideration of S\$53.9 million (the “Acquisition”). The Acquisition is subject to the signing of a definitive Sales and Purchase Agreement and shareholders’ approval at an EGM. Please refer to the SGXNet announcements dated 16 January 2014 and 11 February 2014 for complete information on the Acquisition. The Company will keep shareholders informed of any further developments and will be making such further announcements as may be necessary or appropriate under the Listing Manual.

#### Shipyard operations

The Company has implemented a right-sizing exercise for the Shipbuilding business and continues to explore various options including repairs, outsourcing and other services to improve the results of the Shipyard operations, thus, the renaming of the Shipbuilding business to Shipyard operations.

The Company is presently involved in arbitration proceedings with three companies - Fr. Fassmer GmbH & Co. KG., Fugro Australis Pty Ltd. and Boskalis Entities. For full information, please refer to the Company’s announcements. The Company will make further announcements as and when there are material developments on the proceedings.

## 11 Dividend

### (a) Current Financial Period Reported On

The directors recommend a special and final dividend for the year ended 31 December 2013 as stated below:

Name of dividend	Special & Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.5
Dividend Rate	0.5 cents per ordinary share
Tax Rate	One-tier tax exempt

### (b) Corresponding period of the Immediately Preceding Financial Year

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

No

### (c) Date payable

To be advised.

### (d) Books closure date

To be advised.

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

Not applicable.

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

## 13 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.

The Group's segment information is as follows:

Property Management	Engineering Design and Fabrication	Shipyard	Others	Elimination	Total
S\$' 000	S\$' 000	S\$' 000	S\$' 000	S\$' 000	S\$' 000

### Continuing operations

#### 2013

#### Revenue

External sales	120	1,635	8,782	-	-	10,537
Inter-segment sales	-	5	-	-	(5)	-
Total revenue	120	1,640	8,782	-	(5)	10,537

**Results**

Segment result	120	(470)	(22,549)	(820)	-	(23,719)
Interest income						18
Finance costs						(207)
Loss before tax						(23,908)
Income tax credit						627
Loss for the year						(23,281)

**2012****Revenue**

External sales	-	2,142	12,246	-	-	14,388
Inter-segment sales	-	3	-	-	(3)	-
Total revenue	-	2,145	12,246	-	(3)	14,388

**Results**

Segment result	-	119	(40,077)	-	(39,958)
Interest income					24
Finance costs					(426)
Loss before tax					(40,360)
Income tax expense					-
Loss for the year					(40,360)

	Distributorship S\$' 000	Engineering Design and Fabrication S\$' 000	Shipyard S\$' 000	Elimination S\$' 000	Total S\$' 000
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**Discontinued operations****2013****Revenue**

External sales	123,128	18,478	-	-	141,606
Inter-segment sales	1,606	6,607	-	(8,213)	-
Total revenue	124,734	25,085	-	(8,213)	141,606

**Results**

Segment result	5,225	676	-	(358)	5,543
Gain on disposal of Distribution business					34,451
Interest income					9
Finance costs					(1,281)
Profit before tax					38,722
Income tax expense					(668)
Profit for the year					38,054



**2012****Revenue**

External sales	147,104	22,957	-	-	170,061
Inter-segment sales	5,840	4,207	-	(10,047)	-
Total revenue	152,944	27,164	-	(10,047)	170,061

**Results**

Segment result	10,790	1,698	-	-	12,488
Interest income					33
Finance costs					(923)
Profit before tax					11,598
Income tax expense					(421)
Profit for the year					11,177

**2013****Statement of financial position****Assets**

Segment assets	39,513	6,118	48,657	-	94,288
Unallocated other assets					-
Consolidated assets					94,288

**Liabilities**

Segment liabilities	9,133	2,990	30,581	-	42,704
Unallocated other liabilities					5,211
Consolidated liabilities					47,915

**Other information**

Capital additions	260	2,844	19	-	3,123
Depreciation	844	416	-	-	1,260

**2012****Statement of financial position****Assets**

Segment assets	72,305	20,318	59,724	-	152,347
Unallocated other assets					302
Consolidated assets					152,649

**Liabilities**

Segment liabilities	32,993	5,862	39,500	-	78,355
Unallocated other liabilities					42,224
Consolidated liabilities					120,579

**Other information**

Capital additions	560	72	3,845	-	4,477
Depreciation	916	405	-	-	1,321

## **Geographical information**

The Group operates in six principal geographical areas – Singapore (country of domicile), Indonesia, Thailand, China, Asia Pacific (excluding Singapore, Indonesia, Thailand and China) and United States of America.

The Group's revenue from external customers and information about its segment assets (non-current assets excluding goodwill and deferred tax assets) by geographical location are detailed below:

<u>Based on location of customer</u>	<u>Revenue from external customers</u>		<u>Non-current assets</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Singapore	37,391	46,115	18,358	12,237
Indonesia	25,553	16,994	-	-
Thailand	23,773	25,802	8,681	10,424
China	23,634	32,744	-	36
Asia Pacific (excluding Singapore, Indonesia Thailand and China)	15,357	23,730	-	347
United States of America	15,573	24,936	-	946
Others	<u>10,862</u>	<u>14,128</u>	<u>-</u>	<u>93</u>
	<u>152,143</u>	<u>184,449</u>	<u>27,039</u>	<u>24,083</u>

## **Information about major customer**

In 2012 and 2013, there is no single customer from the Distributorship segment, Property Management segment, Engineering Design and Fabrication segment and Shipyard segment that contributes greater than 10% of the Group's total revenue.

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

Please refer to item no. 8.

## **15 A breakdown of sales.**

Group		
	2013 S\$'000	2012 S\$'000
		Change %
<b>Sales reported for first half year</b>	88,506	94,240 -6.1%
<b>Operating profit (loss) after tax before deducting non-controlling interests reported for first half year</b>	1,024	(4,265) NM
<b>Sales reported for second half year</b>	63,637	90,209 -29.5%
<b>Operating profit (loss) after tax before deducting non-controlling interests reported for second half year</b>	13,749	(24,918) NM

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

Total Annual Net Dividend

	S\$'000	S\$'000
	Latest Full Year (FY2013)	Previous Full Year (FY2012)
Ordinary	3,341	NIL
Preference	NIL	NIL
Total:	3,341	NIL

- 17 If the Group has obtained a general mandate from shareholders for Interested Person Transaction (“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 does not have a general mandate from shareholders for interested person transactions.

- 18 Disclosure under Rule 704(10) of the Listing Manual Section B: Rules of Catalyst**

There are no persons occupying managerial position in the Company or any of its principal subsidiaries who is a relative of a director or CEO or substantial shareholders of the Company.

## **BY ORDER OF THE BOARD**

**HAZEL CHIA / DERICK LIM**  
**COMPANY SECRETARIES**  
**28 February 2014**

This announcement has been reviewed by the Company’s sponsor, RHT Capital Pte. Ltd. (the “Sponsor”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (“SGX-ST”). The Sponsor has not independently verified the contents of this announcement.

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

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