

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

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

	GROUP					
	3 months ended	3 months ended		9 months ended	9 months ended	
	30.09.15	30.09.14	Change	30.09.15	30.09.14	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue	74,691	79,312	(5.8)	244,265	252,078	(3.1)
Cost of sales	(66,843)	(70,621)	(5.3)	(220,692)	(225,774)	(2.3)
Gross profit	7,848	8,691	(9.7)	23,573	26,304	(10.4)
Other operating (expense) income	(439)	(33)	n.m.	913	1,199	(23.9)
Selling and distribution costs	(1,483)	(1,465)	1.2	(4,661)	(4,598)	1.4
Administrative expenses	(14,910)	(4,483)	232.6	(25,111)	(15,074)	66.6
Finance costs	(494)	(523)	(5.5)	(1,494)	(1,335)	11.9
Loss profit before income tax	(9,478)	2,187	n.m.	(6,780)	6,496	n.m.
Income tax	(350)	(179)	95.5	(830)	(1,000)	(17.0)
Net loss profit for the period	(9,828)	2,008	n.m.	(7,610)	5,496	n.m.
Other comprehensive income						
<i>Items that may be reclassified subsequently to profit or loss</i>						
Exchange differences on translation of foreign operations	(205)	288	n.m.	94	(49)	n.m.
Available-for-sale financial assets	(65)	6	n.m.	(52)	20	n.m.
Other comprehensive income for the period, net of tax	(270)	294	n.m.	42	(29)	n.m.
Total comprehensive income for the period, net of tax	(10,098)	2,302	n.m.	(7,568)	5,467	n.m.
Profit attributable to:						
Shareholders of the Company	(9,828)	2,008	n.m.	(7,610)	5,496	n.m.
Non-controlling interests	-	-	-	-	-	-
Total comprehensive income attributable to:						
Shareholders of the Company	(10,098)	2,302	n.m.	(7,568)	5,467	n.m.
Non-controlling interests	-	-	-	-	-	-

n.m. Not meaningful

	GROUP					
Profit before income tax is arrived at after crediting (charging) the following:	3 months ended	3 months ended		9 months ended	9 months ended	
	30.09.15	30.09.14	Change	30.09.15	30.09.14	Change
	\$'000	\$'000	%	\$'000	\$'000	%
1. Interest income	77	49	57.1	230	141	63.1
2. Interest expense	(305)	(363)	(16.0)	(873)	(883)	(1.1)
3. Depreciation	(2,286)	(1,895)	13.5	(7,215)	(4,567)	58.0
4. Amortisation of intangible assets	(606)	(571)	6.1	(1,788)	(1,756)	1.8
5. Fair value gain (loss) on derivatives financial instruments	(1,318)	1,084	n.m.	(1,009)	110	n.m.
6. Fair value (loss) gain on held for trading investments	(26)	(23)	13.0	5	38	(86.8)
7. Gain (Loss) on disposal of property, plant and equipment	(206)	17	n.m.	31	(31)	n.m.
8. Net exchange (loss) gain	(99)	(241)	(58.9)	12	221	(94.6)
9. Impairment on vessels	(2,136)	-	100	(2,136)	-	100
10. Loss on inventory write down	(6,457)	-	100	(6,457)	-	100
11. Finance costs, including:	(494)	(523)	(5.5)	(1,494)	(1,335)	11.9
a) Bank charges	(189)	(160)	18.1	(621)	(452)	37.4
b) Interest expenses for:						
Bills payable and short-term trade loans	(245)	(286)	(14.3)	(694)	(683)	1.6
Finance leases	(11)	(10)	10.0	(40)	(21)	90.5
Vessel loan	-	-	-	-	(12)	n.m.
Revolving loans and term loans	(49)	(67)	(26.9)	(139)	(167)	(16.8)

n.m. Not meaningful

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

	GROUP			COMPANY		
	30.09.15	31.12.14	Change	30.09.15	31.12.14	Change
	\$'000	\$'000	%	\$'000	\$'000	%
ASSETS						
Current assets:						
Cash and bank balances	30,818	20,483	50.5	10,071	5,619	79.2
Trade receivables	71,144	65,035	9.4	-	-	-
Other receivables and prepayments	5,426	4,574	18.6	30,823	14,234	116.5
Tax recoverable	295	70	n.m.	1	1	-
Available-for-sale financial assets	2,444	1,992	22.7	2,441	1,989	22.7
Held for trading investments	2,490	2,485	0.2	2,197	2,223	(1.2)
Derivative financial instruments	-	-	-	-	-	-
Assets held for sale	12,134	-	100	-	-	-
Inventories	40,550	48,374	(16.2)	-	-	-
Total current assets	165,301	143,013	15.6	45,533	24,066	89.2
Non-current assets:						
Trade receivables	41	148	(72.3)	-	-	-
Other receivables and prepayments	983	1,075	(8.6)	-	-	-
Investment in subsidiaries	-	-	-	98,468	97,968	0.5
Available-for-sale financial assets	412	412	-	405	405	-
Property, plant and equipment	55,373	70,202	(21.1)	871	767	13.6
Intangible assets	4,944	5,055	(2.2)	-	-	-
Deferred tax assets	-	8	(100.0)	-	-	-
Total non-current assets	61,753	76,900	(19.7)	99,744	99,140	0.6
Total assets	227,054	219,913	3.2	145,277	123,206	17.9

	GROUP			COMPANY		
	30.09.15	31.12.14	Change	30.09.15	31.12.14	Change
	\$'000	\$'000	%	\$'000	\$'000	%
LIABILITIES AND EQUITY						
Current liabilities:						
Trade payables	63,272	54,206	16.7	89	220	(59.5)
Other payables and provisions	8,808	8,609	2.3	41,488	34,601	19.9
Income tax payable	146	147	(0.7)	-	-	-
Borrowings	60,217	55,521	8.5	1,521	5,228	(70.9)
Derivative financial instruments	2,138	700	n.m.	-	-	-
Total current liabilities	134,581	119,183	12.9	43,098	40,049	7.6
Non-current liabilities:						
Borrowings	15,718	13,977	12.5	9,915	11,058	(10.3)
Deferred tax liabilities	347	355	(2.3)	-	-	-
Total non-current liabilities	16,065	14,332	12.1	9,915	11,058	(10.3)
Total liabilities	150,646	133,515	12.8	53,013	51,107	3.7
Capital and reserves:						
Share capital	77,929	121,450	(35.8)	77,929	121,450	(35.8)
Treasury shares	(5,894)	(5,894)	-	(5,894)	(5,894)	-
Investment revaluation reserve	12	64	(81.3)	12	64	(81.3)
Foreign currency translation reserve	(8,646)	(8,740)	(1.1)	-	-	-
Accumulated profit (loss)	13,007	(20,482)	n.m.	20,217	(43,521)	n.m.
Total equity	76,408	86,398	(11.6)	92,264	72,099	28.0
Total liabilities and equity	227,054	219,913	3.2	145,277	123,206	17.9

n.m: Not meaningful

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

Detail of borrowings:

	GROUP		COMPANY	
	30.09.15	31.12.14	30.09.15	31.12.14
	\$'000	\$'000	\$'000	\$'000
Current				
Unsecured				
Bills payable	17,179	19,663	-	-
Export trade loans	33,409	25,279	-	-
Revolving loans	4,639	8,056	-	3,708
Term loans	2,647	200	-	-
Secured				
Term loans	1,920	1,920	1,500	1,500
Finance leases	<u>423</u>	<u>403</u>	<u>21</u>	<u>20</u>
	60,217	55,521	1,521	5,228
Non-current				
Unsecured				
Term loans	4,177	550	-	-
Secured				
Term loans	10,785	12,225	9,875	11,000
Finance leases	<u>756</u>	<u>1,202</u>	<u>40</u>	<u>58</u>
	15,718	13,977	9,915	11,058
Total borrowings	75,935	69,498	11,436	16,286

The borrowings are repayable as follows:

	GROUP		COMPANY	
	30.09.15	31.12.14	30.09.15	31.12.14
	\$'000	\$'000	\$'000	\$'000
On demand or within one year	60,217	55,521	1,521	5,228
In the second year	5,412	2,871	1,522	1,522
In the third year	3,317	2,301	1,518	1,522
In the fourth year	1,614	2,228	1,500	1,514
In the fifth year	5,375	6,577	5,375	6,500
After five years	-	-	-	-
	75,935	69,498	11,436	16,286
Less: Amount due for settlement within 12 months (shown under current liabilities)	(60,217)	(55,521)	(1,521)	(5,228)
Amount due for settlement after 12 months	15,718	13,977	9,915	11,058

Bank borrowings

1) Trade finance:

The Group has banking facilities related to bills discounted with recourse, trade bills payable, revolving credit, export trade loan, and bank overdrafts of \$159,407,000 (FY2014: \$88,409,000), of which \$55,227,000 (FY2014: \$52,998,000) was utilised as at 30 September 2015. These banking facilities are secured by corporate guarantee from the Company. These banking facilities bear interest rates from 1.7% to 5.8% (FY2014: 1.6% to 5.8%) per annum.

2) Term loans:

The Group and the Company have term loans balance as at 30 September 2015 of \$19,529,000 (FY2014: \$14,895,000) and \$11,375,000 (FY2014: \$12,500,000) respectively. Term loans of S\$1,000,000 and US\$4,000,000 were drawn down during the year to finance the working capital of the subsidiaries in the Group. These term loans as at 30 September 2015 bear interest of 2.4% to 3.29% per annum.

3) Finance leases

The Group and the Company acquired certain of its plant and equipment under finance leases in accordance with the Group's policy. The leases bear an average interest rate of 2.2% per annum (FY2014: 2.2% per annum) and are repayable over an average lease term of 4 years (FY2014: 4 years). Interest rates are fixed at contract dates and on fixed repayment basis without contingent rental payments. The Group's obligations under finance leases are secured by the Group's title to the leased assets, recorded within property, plant and equipment.

As at 30 September 2015, where applicable, the Group and the Company have obtained the necessary waiver for the imposed financial covenant requirements on borrowings.

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

Group	3 months ended	3 months ended	9 months ended	9 months ended
	30.09.15	30.09.14	30.09.15	30.09.14
	\$'000	\$'000	\$'000	\$'000
Operating activities:				
(Loss) Profit before income tax	(9,478)	2,187	(6,780)	6,496
Adjustments for:				
Loss on inventory write down	6,457	-	6,457	-
Allowance for (reversal of) impairment of asset	2,136	(160)	2,136	(160)
Depreciation	2,286	1,895	7,215	4,567
Loss (Gain) on disposal of property, plant and equipment	206	(17)	(31)	31
Amortisation of intangible assets	606	571	1,788	1,756
Loss on disposal of available-for-sales financial assets	-	-	-	2
Fair value loss (gain) on derivatives financial instruments	1,318	(1,084)	1,009	(110)
Fair value loss (gain) on held for trading investments	26	23	(5)	(38)
Interest income	(77)	(49)	(230)	(141)
Interest expense	305	363	873	883
Net foreign exchange loss (gain)	(1,199)	98	(1,023)	(98)
Operating cash flows before movement in working capital	2,586	3,827	11,409	13,188
Trade receivables	(773)	(3,872)	(3,592)	(18,123)
Other receivables and prepayments	1,153	(1,845)	1,416	(991)
Inventories	1,892	(8,248)	4,390	(8,424)
Trade payables	(6,017)	8,154	5,105	15,503
Other payables	2,707	927	(218)	1,416
Cash generated (used in) from operations	1,449	(1,057)	18,510	2,569
Interest paid	(305)	(363)	(873)	(883)
Income tax paid	(386)	(192)	(1,056)	(524)
Net cash (used in) from operating activities	758	(1,612)	16,581	1,162

	3 months ended	3 months ended	9 months ended	9 months ended
	30.09.15	30.09.14	30.09.15	30.09.14
	\$'000	\$'000	\$'000	\$'000
Investing activities:				
Proceeds from sale of debt securities	-	-	-	500
Proceeds from disposal of property, plant and equipment	-	19	829	34
Purchase of financial assets	(2)	(2,269)	(504)	(2,521)
Purchase of property, plant and equipment	(1,246)	(14,794)	(6,537)	(17,009)
Intangible assets	(510)	(524)	(1,677)	(1,635)
Interest received	77	49	230	141
Proceeds from derivative financial instruments	274	67	429	716
Net cash used in investing activities	(1,407)	(17,452)	(7,230)	(19,774)
Financing activities:				
Repayment of obligations under finance leases	(154)	(99)	(426)	(218)
Proceeds from bank borrowings	62,139	74,112	178,867	179,643
Repayment of bank borrowings	(63,222)	(58,707)	(176,246)	(154,533)
Refunds for unclaimed dividends	-	12	8	12
Payment of dividend	-	-	(2,430)	(3,646)
Net cash from financing activities	(1,076)	15,318	(227)	21,258
Net (decrease) increase in cash and cash equivalents	(1,725)	(3,746)	9,124	2,646
Effects of exchange rate changes on the balance of cash held in foreign currencies	1,074	236	1,211	72
Cash and cash equivalents at beginning of period	31,469	31,904	20,483	25,676
Cash and cash equivalents at end of period	30,818	28,394	30,818	28,394

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share capital	Treasury shares	Investment revaluation reserve	Foreign currency translation reserve	Accumulated losses	Total
Group	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Latest Period						
Balance at 1 January 2015	121,450	(5,894)	64	(8,740)	(20,482)	86,398
<i>Total comprehensive income for the period</i>						
Profit for the period	-	-	-	-	1,218	1,218
Other comprehensive income for the period	-	-	26	824	-	850
Total	-	-	26	824	1,218	2,068
Balance at 31 March 2015	121,450	(5,894)	90	(7,916)	(19,264)	88,466
<i>Total comprehensive income for the period</i>						
Profit for the period	-	-	-	-	1,000	1,000
Other comprehensive loss for the period	-	-	(13)	(525)	-	(538)
Dividend paid	-	-	-	-	(2,430)	(2,430)
Refund of unclaimed dividend	-	-	-	-	8	8
Capital reduction	(43,521)	-	-	-	43,521	-
Total	(43,521)	-	(13)	(525)	42,099	(1,960)
Balance at 30 June 2015	77,929	(5,894)	77	(8,441)	22,835	86,506
<i>Total comprehensive loss for the period</i>						
Loss for the period	-	-	-	-	(9,828)	(9,828)
Other comprehensive loss for the period	-	-	(65)	(205)	-	(270)
Total	-	-	(65)	(205)	(9,828)	(10,098)
Balance at 30 September 2015	77,929	(5,894)	12	(8,646)	13,007	76,408
Previous Corresponding Period						
Balance at 1 January 2014	121,450	(5,894)	62	(9,561)	(21,409)	84,648
<i>Total comprehensive income for the period</i>						
Profit for the period	-	-	-	-	1,680	1,680
Other comprehensive loss for the period	-	-	4	(151)	-	(147)
Total	-	-	4	(151)	1,680	1,533
Balance at 31 March 2014	121,450	(5,984)	66	(9,712)	(19,729)	86,181
<i>Total comprehensive income for the period</i>						
Profit for the period	-	-	-	-	1,808	1,808
Other comprehensive loss for the period	-	-	10	(186)	-	(176)
Dividend paid	-	-	-	-	(3,646)	(3,646)
Total	-	-	10	(186)	(1,838)	(2,014)
Balance at 30 June 2014	121,450	(5,894)	76	(9,898)	(21,567)	84,167
<i>Total comprehensive income for the period</i>						
Profit for the period	-	-	-	-	2,008	2,008
Other comprehensive income for the period	-	-	6	288	-	294
Refund of unclaimed dividends	-	-	-	-	12	12
Total	-	-	6	288	2,020	2,314
Balance at 30 September 2014	121,450	(5,894)	82	(9,610)	(19,547)	86,481

	Share capital	Treasury shares	Investment revaluation reserve	Accumulated losses	Total
Company	\$'000	\$'000	\$'000	\$'000	\$'000
Latest Period					
Balance at 1 January 2015	121,450	(5,894)	64	(43,521)	72,099
<i>Total comprehensive income for the period</i>					
Profit for the period	-	-	-	979	979
Other comprehensive income for the period	-	-	26	-	26
Total	-	-	26	979	1,005
Balance at 31 March 2015	121,450	(5,894)	90	(42,542)	73,104
<i>Total comprehensive loss for the period</i>					
Profit for the period	-	-	-	216	216
Other comprehensive loss for the period	-	-	(13)	-	(13)
Dividend paid	-	-	-	(2,430)	(2,430)
Refund of unclaimed dividend	-	-	-	8	8
Capital reduction	(43,521)	-	-	43,521	-
Total	(43,521)	-	(13)	41,315	(2,219)
Balance at 30 June 2015	77,929	(5,894)	77	(1,227)	70,885
<i>Total comprehensive loss for the period</i>					
Profit for the period	-	-	-	21,444	21,444
Other comprehensive loss for the period	-	-	(65)	-	(65)
Total	-	-	(65)	21,444	21,379
Balance at 30 September 2015	77,929	(5,894)	12	20,217	92,264
Previous Corresponding Period					
Balance at 1 January 2014	121,450	(5,894)	62	(46,926)	68,692
<i>Total comprehensive income for the period</i>					
Profit for the period	-	-	-	187	187
Other comprehensive income for the period	-	-	4	-	4
Total	-	-	4	187	191
Balance at 31 March 2014	121,450	(5,894)	66	(46,739)	68,883
<i>Total comprehensive income for the period</i>					
Profit for the period	-	-	-	191	191
Other comprehensive income for the period	-	-	10	-	10
Dividend paid	-	-	-	(3,646)	(3,646)
Total	-	-	10	(3,455)	(3,445)
Balance at 30 June 2014	121,450	(5,894)	76	(50,194)	65,438
<i>Total comprehensive loss for the period</i>					
Loss for the period	-	-	-	(34)	(34)
Other comprehensive income for the period	-	-	6	-	6
Refund of unclaimed dividends	-	-	-	12	12
Total	-	-	6	(22)	(16)
Balance at 30 September 2014	121,450	(5,894)	82	(50,216)	65,422

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 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.

Share Capital	2015 '000	2014 '000	2015 \$'000	2014 \$'000
	Number of ordinary shares			
<u>Ordinary shares issued and fully paid</u>				
Balance as at 1 January and 31 March	510,094	510,094	121,450	121,450
Share consolidation exercise	(459,085)	-	-	-
Capital reduction	-	-	(43,521)	-
Balance as at 30 June and 30 September	51,009	510,094	77,929	121,450

Share consolidation exercise ("Share Consolidation") was carried out by the Company, consolidating every 10 existing issued ordinary shares into 1 ordinary share in the capital of the company. Subsequent to the EGM approval on 24 April 2015, the exercise was completed and announced on 20 May 2015, with 51,009,343 as the new issued number of ordinary shares.

Capital reduction exercise was carried out by the Company, reducing the issued and fully paid-up share capital of the Company from \$121,450,105.41 to \$77,929,440.16. Subsequent to the EGM approval on 24 April 2015, the exercise was completed and announced on 8 June 2015.

As at 30 September 2015, there were no unissued ordinary shares under exercisable options. All options had expired during the financial year ended 31 December 2013.

Treasury Shares	2015 '000	2014 '000	2015 \$'000	2014 \$'000
	Number of treasury shares			
<u>Ordinary shares issued and fully paid</u>				
Balance as at 1 January and 31 March	24,001	24,001	5,894	5,894
Share consolidation exercise	(21,601)	-	-	-
Balance as at 30 June and 30 September	2,400	24,001	5,894	5,894

Share consolidation exercise was carried out by the Company, consolidating every 10 existing issued ordinary shares into 1 ordinary share in the capital of the company. Subsequent to the EGM approval on 24 April 2015, the exercise was completed and announced on 20 May 2015, with 2,400,100 as the new total number of treasury shares held.

The Companies Act was amended to allow companies to hold Treasury Shares after 30 January 2006. Pursuant to a share purchase mandate ("Share Purchase Mandate") approved by shareholders on 12 April 2006 and renewed on 10 April 2007, the Company purchased a total of 24,001,000 shares through market purchase on the Singapore Exchange Securities Trading Limited. The total amount paid to acquire shares pursuant to the Share Purchase Mandate was \$5,894,000 and has been deducted from shareholders' equity. The repurchased shares are held as "Treasury Shares".

1 (d)(iii) Total number of issued shares excluding treasury shares

	30.09.15 '000	31.12.14 '000
Number of ordinary shares	51,009	510,094
Treasury shares	(2,400)	(24,001)
Number of issued shares excluding treasury shares	48,609	486,093

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

Please refer to 1(d)(ii)

1 (d)(v) Status on the use of proceeds from IPO and any offerings pursuant to Chapter 8 of the SGX Listing Manual and whether the use of proceeds is in accordance with the stated use.

There is no use of proceeds during the period ended 30 September 2015.

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

These figures have not been audited nor 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 same accounting policies and methods of computation have been applied in the financial statements as in the most recently audited annual financial statements as at 31 December 2014 except for the adoption of Financial Reporting Standards ("FRSs") which are relevant to the Group's operations and became effective for the financial years beginning on or after 1 January 2015.

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 adoption of the new and revised FRSs have no material effect on the Group's and Company's accounting policies or have any significant impact on the 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.

	GROUP			
	3 months ended	3 months ended	9 months ended	9 months ended
	30.09.15	30.09.14	30.09.15	30.09.14
	(in cents)	(in cents)	(in cents)	(in cents)
(Loss) Earnings per share (EPS)				
(a) Based on weighted average number of ordinary shares in issue	(20.2)	4.1	(15.7)	11.3
(b) On a fully diluted basis	(20.2)	4.1	(15.7)	11.3

Earnings per share for the current periods have been computed based on the revised number of shares of 48,609,243 shares as a result of the Share Consolidation. For comparison, earnings per share for the corresponding periods last year have been re-computed based on the revised number of shares of 48,609,243 shares.

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

	GROUP		COMPANY	
	30.09.15	31.12.14	30.09.15	31.12.14
	(in dollars)	(in dollars)	(in dollars)	(in dollars)
Net asset value per ordinary share	1.57	1.78	1.90	1.48
Net tangible asset value per ordinary share	1.47	1.67	1.90	1.48

The Group's and the Company's net assets value per ordinary share for the periods have been computed based on the revised number of shares of 48,609,243 shares as a result of the Share Consolidation.

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.**

Review of Group's performance

Revenue

The Group was able to maintain a comparable turnover for 3Q2015 and 9M2015 in spite of the absence of significant contract win for Marine and Material Supply segment. This was due to a strong pick up in the Group's turnover for its Electronics division, especially on its collaborative joint development of LED Lighting products. The Group's Electronics division saw a 52.5% and 73.3% revenue increase for 3Q2015 and 9M2015 respectively vis-à-vis the corresponding periods for year 2014.

Group turnover for 3Q2015 was at \$74.7 million (3Q2014: \$79.3 million) and \$244.3 million for 9M2015 (9M2014: \$252.1 million).

Profitability

Group's gross profit margin was at 10.5% for 3Q2015, an improvement over the average gross profit margin of 9.7% over the last 9 months of 2015.

The Group was able to register an operating profit of \$0.5 million for 3Q 2015. The Group's Marine and Material Supply segment continued to face operating losses from fixed overhead and depreciation due to market over capacity and global slowdown in marine industry.

In 3Q2015, the Group took non-cash accounting charges of \$10.3 million comprising of the following:-

1. \$1.7 million unrealized mark-to-market loss for its currency hedging instrument, which the Group uses to hedge its operational cost in China, mainly for factory costs and local materials purchase requirements. The mark-to-market was triggered as a result of sudden devaluation of Chinese Yuan in 3Q2015.
2. \$6.5 million additional one off impairment in inventories in view of the continuous depression of the China's Purchase Price index. This change in market condition triggered the review of the projects on hand, the performance of the current product lines and the existing product design and development priorities.
3. \$2.1 million impairment charge on 5 of the Group's vessels. The Group had signed sale and purchase agreements and the expected delivery would be in 4Q2015. The deposits for the said sale had been received. The sale of excess vessels was carried out in line with the Group's moving towards asset light strategy for Marine and Material Supply segment moving forward. The expected positive cash in-flows of approximately \$12.0 million would further strengthen the liquidity position of the Group.

Consequently, for 3Q2015 and 9M2015, the Group registered net loss after tax of \$9.8 million and \$7.6 million respectively.

Financial Resources

The Group's financial position as at 30 September 2015 remained healthy with cash and cash equivalents of \$30.8 million (FY2014: \$20.5 million) and a positive net current asset position of \$30.7 million (FY2014: \$23.8 million) which improved the current ratio from 1.20 to 1.23 times.

The Group was able to continue generating positive operating cash flows before movement in working capital with \$11.4 million of positive operating cash flows for 9 months up to 30 September 2015 (9M2014: \$13.2 million).

Trade receivables and trade payables as at 30 September 2015 had increased by \$6.1 million and \$9.1 million respectively. The increase was in line with the growth in the Electronics business segment. Trade payables turnover-days reduced from 91 days to 66 days in 30 September 2015 with receivables turnover-days maintaining at 70 days (FY2014: 69 days). As at 30 September 2015, the trade receivables and trade payables were carried at \$71.1 million (FY2014: \$65.0 million) and \$63.3 million (FY2014: \$54.2 million) respectively.

Inventory turnover days increased from 59 days in 31 December 2014 to 61 days in 30 September 2015 in support of the increase in transactions in the Electronics business segment. As at 30 September 2015, the inventory balance was \$40.6 million (FY2014: \$48.4 million).

The Group shareholders' fund decreased to \$76.4 million from \$86.4 million with net gearing ratio of 59.0% as at 30 September 2015.

As at 30 September, the Group has sufficient financial resources (including existing banking facilities) to fund its operations and capital expenditure requirements for the next 12 months.

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

The 3Q2015 financial results are in line with the prospect statement made in 2Q2015 announcement dated 16 July 2015.

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.

Due to the slower global growth projection for 4Q2015 and year 2016 together with continuous currency volatility, the Group expects these factors to pose strong headwinds for the next 12 months.

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? Yes.

Name of Dividend: Interim

Dividend Type: Cash

Dividend Amount Per Share: \$0.0025 per share (tax exempt one-tier)

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

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

Not applicable

13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("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.

There was no IPT mandate in force during the financial period ended 30 September 2015. There was no interested person transaction in the financial period ended 30 September 2015 that was discloseable under Rule 920(1)(a)(ii) of the SGX-ST Listing Manual.

CONFIRMATION BY THE BOARD

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the third quarter ended 30 September 2015 to be false or misleading.

On behalf of the Board of Directors

Michael Mun Hong Yew
CEO and Chairman

Martin Chia Heok Miin
Executive Director