



ATLANTIC NAVIGATION HOLDINGS (SINGAPORE) LIMITED

(Company Registration No. 200411055E)

Results for the Financial Period Ended
September 30, 2014

Unaudited Financial Statements and Dividend Announcement

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Third Quarter Financial Statement Announcement as on 30 September 2014

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

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

	3 Months ended			9 Months Ended		
	30/9/2014 ("3Q2014")	30/9/2013 ("3Q2013")	Increase/ (Decrease) %	30/9/2014 ("9M2014")	30/9/2013 ("9M2013")	Increase/ (Decrease) %
(US\$'000)						
Revenue	11,667	12,259	(4.8)%	35,265	34,820	1.3%
Cost of services	(6,609)	(6,609)	-	(20,296)	(20,689)	(1.9)%
Gross profit	5,058	5,650	(10.5)%	14,969	14,131	5.9%
Finance Income	2	-	N.M.	8	-	N.M.
Other income	4	362	(98.9)%	17	376	(95.5)%
Other items of expense						
Marketing and distribution expenses	(82)	(33)	148.5%	(213)	(84)	153.6%
Administrative expenses	(1,379)	(1,462)	(5.7)%	(3,739)	(3,785)	(1.2)%
Finance costs	(407)	(418)	(2.6)%	(1,228)	(1,016)	20.9%
Non-operating expense	(373)	-	N.M.	(373)	-	N.M.
Profit before tax	2,823	4,099	(31.1)%	9,441	9,622	(1.9)%
Income tax expense	-	-	-	-	-	-
Profit for the period attributable to owners of the Company	2,823	4,099	(31.1)%	9,441	9,622	(1.9)%
Other comprehensive income						
Items that may be reclassified subsequently to profit or loss						
Fair value changes in derivatives	-	64	N.M.	206	193	6.7%
Total comprehensive income for the period attributable to owners of the Company	2,823	4,163	(32.2)%	9,647	9,815	(1.7)%

N.M.: not meaningful

1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year.

	3 Months ended			9 Months Ended		
	30/9/2014 ("3Q2014")	30/9/2013 ("3Q2013")	Increase/ (Decrease) %	30/9/2014 ("9M2014")	30/9/2013 ("9M2013")	Increase/ (Decrease) %
(US\$'000)						
Profit for the period is stated after (charging)/crediting:						
Depreciation of property, vessels and equipment	(1,214)	(1,136)	6.9%	(3,528)	(3,291)	7.2%
Allowance for doubtful trade debts, net	-	-	N.M.	-	(66)	N.M.
Impairment loss on property, vessels and equipment	-	-	N.M.	-	(200)	N.M.
(Loss) / Gain on disposal of property, vessels and equipment	(290)	138	N.M.	(309)	148	N.M.
Grant of equity-settled share options to employees	(158)	-	N.M.	(158)	-	N.M.
Write-off of prepaid drydocking and marine insurance expenses relating to disposed vessel	(83)	-	N.M.	(83)	-	N.M.
Loss on de-recognition of derivatives	-	-	N.M.	(24)	-	N.M.

N.M.: 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.

Statement of Financial Position

	Group		Company	
	Unaudited As at 30/9/2014	Audited As at 31/12/2013	Unaudited As at 30/9/2014	Audited As at 31/12/2013
(US\$'000)				
ASSETS				
Non-current assets				
Property, vessels and equipment	92,665	75,348	-	-
Investment in subsidiaries	-	-	66,741	66,741
Prepayments	120	212	-	-
	<u>92,785</u>	<u>75,560</u>	<u>66,741</u>	<u>66,741</u>
Current assets				
Inventories	65	226	-	-
Trade and other receivables	11,757	13,958	22,008	7,622
Prepayments	386	242	-	-
Cash and cash equivalents	5,365	7,285	1,682	680
Bank deposits pledged	2,044	2,941	1,042	-
	<u>19,617</u>	<u>24,652</u>	<u>24,732</u>	<u>8,302</u>
Total assets	<u>112,402</u>	<u>100,212</u>	<u>91,473</u>	<u>75,043</u>
EQUITY AND LIABILITIES				
Current liabilities				
Trade and other payables	5,830	3,745	39	127
Other liabilities	1,392	3,245	-	60
Derivatives	-	157	-	-
Loans and borrowings	9,505	8,284	6,125	-
	<u>16,727</u>	<u>15,431</u>	<u>6,164</u>	<u>187</u>
Net current assets	<u>2,890</u>	<u>9,221</u>	<u>18,568</u>	<u>8,115</u>
Non-current liabilities				
Provisions	318	247	-	-
Derivatives	-	49	-	-
Loans and borrowings	15,883	13,354	9,969	-
	<u>16,201</u>	<u>13,650</u>	<u>9,969</u>	<u>-</u>
Total liabilities	<u>32,928</u>	<u>29,081</u>	<u>16,133</u>	<u>187</u>
Net assets	<u>79,474</u>	<u>71,131</u>	<u>75,340</u>	<u>74,856</u>
Equity attributable to owners of the Company				
Share capital	12,370	12,370	85,534	85,534
Other reserves	417	53	158	-
Retained earnings/(accumulated losses)	66,687	58,708	(10,352)	(10,678)
Total equity	<u>79,474</u>	<u>71,131</u>	<u>75,340</u>	<u>74,856</u>
Total equity and liabilities	<u>112,402</u>	<u>100,212</u>	<u>91,473</u>	<u>75,043</u>

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

	As at		As at	
	30/9/2014		31/12/2013	
(US\$'000)	Secured	Unsecured	Secured	Unsecured
(a) Amount repayable in one year or less, or on demand	9,505	-	8,284	-
(b) Amount repayable after one year	15,883	-	13,354	-
Total borrowing and securities	25,388	-	21,638	-

The above credit facilities are secured by one or several of

- (i) Mortgage over certain vessels;
- (ii) Assignment of earnings/charter proceeds, insurances and requisition compensation of mortgaged vessels;
- (iii) Assignment of all rights, titles and interests of mortgaged vessels' charters;
- (iv) Bank deposits pledged in a retention account.

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.

Statement of Cash Flows	9 Months Ended	
	30/9/2014	30/9/2013
(US\$'000)		
Operating activities		
Profit before tax	9,441	9,622
Adjustments for:		
Net loss / (gain) on disposal of property, vessels and equipment	309	(10)
Interest income	(8)	-
Depreciation of property, vessels and equipment	3,528	3,292
Write-off of prepaid drydocking and marine insurance expenses relating to disposed vessel	83	-
Allowance for doubtful debts, net	-	66
Finance costs	1,228	1,016
Provisions	71	(224)
Impairment loss on property, vessels and equipment	-	200
Grant of equity-settled share options to employees	158	-
Operating cash flows before changes in working capital	14,810	13,962
Decrease in inventories	161	105
Decrease / (increase) in trade and other receivables	2,201	(4,222)
(Increase) / decrease in prepayments	(55)	113
Increase / (decrease) trade and other payables	2,085	(12,093)
(Decrease) / increase in other liabilities	(1,853)	440
Cash flows generated from / (used in) operations	17,349	(1,695)
Interest received	8	-
Interest paid	(1,228)	(1,016)
Net cash flows generated from / (used in) operating activities	16,129	(2,711)
Investing activities		
Purchase of property, vessels and equipment	(22,271)	(3,006)
Proceeds from disposal of property, vessels and equipment	1,037	18
Net cash flows used in investing activities	(21,234)	(2,988)
Financing activities		
Dividends paid on ordinary shares	(1,462)	-
Proceeds from loans and borrowings	17,000	13,519
Repayment of loans and borrowings	(13,250)	(5,749)
Increase / (decrease) in bank deposits pledged	897	(1,404)
Net cash flows generated from financing activities	3,185	6,366
Net (decrease) / increase in cash and cash equivalents	(1,920)	667
Cash and cash equivalents at beginning of the period	7,285	7,493
Cash and cash equivalents at end of the period	5,365	8,160

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.

Statement of Changes in Equity

Group	Equity, total		Other reserves				Retained earnings
	US\$'000	US\$'000	Hedging	Share option	Merger	Total	
			US\$'000	US\$'000	US\$'000	US\$'000	
Balance at 1 January 2014	71,131	12,370	(206)	-	259	53	58,708
Profit for the period	3,033	-	-	-	-	-	3,033
Gain on fair value changes in derivatives	50	-	50	-	-	50	-
Total comprehensive income for the period	3,083	-	50	-	-	50	3,033
Balance at 31 March 2014	74,214	12,370	(156)	-	259	103	61,741
Profit for the period	3,585	-	-	-	-	-	3,585
Dividend paid	(1,462)	-	-	-	-	-	(1,462)
Gain on fair value changes in derivatives	156	-	156	-	-	156	-
Total comprehensive income for the period	2,279	-	156	-	-	156	2,123
Balance at 30 June 2014	76,493	12,370	-	-	259	259	63,864
Profit for the period, representing total comprehensive income for the period	2,823	-	-	-	-	-	2,823
Grant of equity-settled share options to employees	158	-	-	158	-	158	-
Balance at 30 September 2014	79,474	12,370	-	158	259	417	66,687

Group	Equity, total		Other reserves				Retained earnings
	US\$'000	US\$'000	Hedging	Share option	Merger	Total	
			US\$'000	US\$'000	US\$'000	US\$'000	
Balance at 1 January 2013	58,064	12,370	(300)	-	259	(41)	45,735
Profit for the period	1,884	-	-	-	-	-	1,884
Gain on fair value changes in derivatives	66	-	66	-	-	66	-
Total comprehensive income for the period	1,950	-	66	-	-	66	1,884
Balance at 31 March 2013	60,014	12,370	(234)	-	259	25	47,619
Profit for the period	3,639	-	-	-	-	-	3,639
Gain on fair value changes in derivatives	64	-	64	-	-	64	-
Total comprehensive income for the period	3,703	-	64	-	-	64	3,639
Balance at 30 June 2013	63,717	12,370	(170)	-	259	89	51,258
Profit for the period	4,099	-	-	-	-	-	4,099
Gain on fair value changes in derivatives	64	-	64	-	-	64	-
Total comprehensive income for the period	4,163	-	64	-	-	64	4,099
Balance at 30 September 2013	67,880	12,370	(106)	-	259	153	55,357

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.

Statement of Changes in Equity

Company	Equity, total	Share capital	Share option	Accumulated
	US\$'000	US\$'000	reserve	losses
	US\$'000	US\$'000	US\$'000	US\$'000
Balance at 1 January 2014	74,856	85,534	-	(10,678)
Profit for the period, representing total comprehensive income for the period	1,932	-	-	1,932
Balance at 31 March 2014	76,788	85,534	-	(8,746)
Loss for the period	(91)	-	-	(91)
Dividend paid	(1,462)	-	-	(1,462)
Total comprehensive Loss for the period	(1,553)	-	-	(1,553)
Balance at 30 June 2014	75,235	85,534	-	(10,299)
Loss for the period, representing total comprehensive income for the period	(53)	-	-	(53)
Grant of equity-settled share options to employees	158	-	158	-
Balance at 30 September 2014	75,340	85,534	158	(10,352)

Company	Equity, total	Share capital	Share option	Accumulated
	US\$'000	US\$'000	reserve	losses
	US\$'000	US\$'000	US\$'000	US\$'000
Balance at 1 January 2013	75,241	85,534	-	(10,293)
Loss for the period, representing total comprehensive income for the period	(46)	-	-	(46)
Balance at 31 March 2013	75,195	85,534	-	(10,339)
Loss for the period, representing total comprehensive income for the period	(105)	-	-	(105)
Balance at 30 June 2013	75,090	85,534	-	(10,444)
Loss for the period, representing total comprehensive income for the period	(39)	-	-	(39)
Balance at 30 September 2013	75,051	85,534	-	(10,483)

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.

As at 30 September 2014, 4,050,000 share options granted in January 2014 under the Atlantic ESOS remained outstanding. 2,025,000 share options are exercisable between 30 January 2015 and 29 January 2019, and the remaining 2,025,000 share options are exercisable between 30 January 2016 and 29 January 2019, at the exercise price of S\$0.34 if the vesting conditions are met. Save as disclosed, there were no other outstanding convertibles or treasury shares as at 30 September 2014 and 30 September 2013.

During the 9-month period ended 30 September 2014, there has been no increase in the issued and paid-up share capital of the Company.

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	
	30/9/2014	31/12/2013
Total number of issued shares excluding treasury shares	260,593,750	260,593,750

There were no treasury shares as at 30 September 2014 and 30 September 2013.

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

Not applicable.

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 Company's auditors.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of 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 period compared with those of the audited financial statements for the year ended 31 December 2013, as well as the applicable Financial Reporting Standards ("FRSs") which became effective for financial years beginning on or after 1 January 2014. The adoption of these new and revised FRSs has no material effect on the announcement for the current financial period.

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.

Please refer to item 4 above.

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.

	3 Months ended		9 Months Ended	
	30/9/2014	30/9/2013	30/9/2014	30/9/2013
Earnings per ordinary share for the period based on net profit attributable to owners of the Company (US\$ cents)				
Basic earnings per share	1.08	1.57	3.62	3.69
Diluted earnings per share	1.07	1.57	3.57	3.69
Weighted average number of ordinary shares on issue applicable to basic EPS	260,593,750	260,593,750	260,593,750	260,593,750
Weighted average number of ordinary shares on issue applicable to diluted EPS	264,213,530	260,593,750	264,213,530	260,593,750

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.

	Group as at		Company as at	
	30/9/2014	31/12/2013	30/9/2014	31/12/2013
Net asset value per ordinary share (US\$ cents)	30.5	27.3	28.9	28.7

The net assets value per ordinary shares as at 30 September 2014 and 31 December 2013 were calculated based on 260,593,750 issued shares (excluding treasury shares) as at 30 September 2014 and 31 December 2013.

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following :

- (a) any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

(a) Review of results of operations

(i) Revenue by business segments

	3 Months ended			9 Months Ended		
	30/9/2014 ("3Q2014")	30/9/2013 ("3Q2013")	Increase/ (Decrease) %	30/9/2014 ("9M2014")	30/9/2013 ("9M2013")	Increase/ (Decrease) %
(US\$'000)						
Marine logistics services	11,101	11,515	(3.6)%	33,032	33,074	(0.1)%
Ship repair, fabrication and other marine services	566	744	(23.9)%	2,233	1,746	27.9%
	11,667	12,259	(4.8)%	35,265	34,820	1.3%

The Group's revenue for marine logistics services business for 3Q2014 decreased by US\$0.4 million or 3.6% compared to 3Q2013 mainly due to off-hire days for some of the Group's owned vessels switching over to a new project charter, and lower level of cross-charters for the comparative period under review.

The Group's revenue for the ship repair, fabrication and other marine services business for 3Q2014 has decreased by US\$0.2 million or 23.9% compared to 3Q2013 mainly due to different job mix.

(ii) Gross profit and gross profit margin

	3 Months ended			9 Months Ended		
	30/9/2014 ("3Q2014")	30/9/2013 ("3Q2013")	Increase/ (Decrease) %	30/9/2014 ("9M2014")	30/9/2013 ("9M2013")	Increase/ (Decrease) %
(US\$'000)						
Gross profit						
Marine logistics services	4,802	5,280	(9.1)%	14,164	13,427	5.5%
Ship repair, fabrication and other marine services	256	370	(30.8)%	805	704	14.3%
	5,058	5,650	(10.5)%	14,969	14,131	5.9%

	3 Months ended		9 Months Ended	
	30/9/2014 ("3Q2014")	30/9/2013 ("3Q2013")	30/9/2014 ("9M2014")	30/9/2013 ("9M2013")
(US\$'000)				
Gross profit margin				
Marine logistics services	43.3%	45.9%	42.9%	40.6%
Ship repair, fabrication and other marine services	45.2%	49.7%	36.1%	40.3%
	43.4%	46.1%	42.4%	40.6%

Gross profit of marine logistics services business for 3Q2014 decreased by US\$0.5 million or 9.1% compared to 3Q2013 as a result of the lower revenue and incremental cost relating to the switchover of some of the Group's vessel to a new project charter. The division achieved a gross profit margin of 43.3% for 3Q2014, or 2.6 percentage points lower as compared to 3Q2013.

Gross profit of ship repair, fabrication and other marine services business for 3Q2014 decreased by US\$0.1 million or 30.8% as compared to 3Q2013. The decrease in gross profit was mainly due to lower revenue and lower margins due to different job mix. Gross profit margin lowered by 4.5 percentage points from 49.7% to 45.2% as a result of fixed overheads shared over a lower revenue base.

(iii) Other income

Other income for 3Q2014 is mainly administrative charges for the services provided to a client. The decrease in other income was due to one-off proceeds from the sale of a vessel and the settlement of insurance claim against grounding damage of a vessel amounting to US\$0.4 million in 3Q2013.

(iv) Marketing and distribution expenses

Marketing and distribution expenses in 3Q2014 comprised mainly travel expenses. The increase was due to the higher level of business development activities undertaken by the Group in 3Q2014.

(v) Administrative expenses

Administrative expenses for 3Q2014, including US\$0.2 million year-to-date share-based payment expense relating to the grant of equity-settled share options to employees, decreased by US\$0.1 million or 5.7% in 3Q2014 compared to 3Q2013.

(vi) Finance costs

Finance costs for 3Q2014 remained relatively constant at US\$0.4 million as compared to 3Q2013.

(vii) Non-operating expenses

Non-operating expenses of US\$0.4 million comprises US\$0.3 million loss on disposal of one of the Group's old vessels and US\$0.1 million write-off of prepaid drydocking and marine insurance expenses relating to the vessel.

(viii) Profit before tax

Profit before tax for 3Q2014 was US\$2.8 million, or about US\$1.3 million lower than 3Q2013. Profit before tax was lower due to a decrease in gross profit of US\$0.6 million, US\$0.4 million loss arising from disposal of a vessel and other income of approximately US\$4,000 in 3Q2014 as compare to other income of US\$0.4 million in 3Q2013 arising from profit on sale of a vessel and insurance claim for grounding damages to a vessel.

(b) Review of financial position

(i) Non-current assets

Non-current assets increased by US\$17.2 million from US\$75.6 million as at 31 December 2013 to US\$92.8 million as at 30 September 2014, mainly due to the addition of two vessels to the Group's fleet and advance payment on a new vessel under construction for a total amount of approximately US\$22.2 million for vessels, partially offset by depreciation charges for the period.

(ii) Current assets

Current assets decreased by US\$5.0 million from US\$24.6 million as at 31 December 2013 to US\$19.6 million as at 30 September 2014 mainly due to the decrease in cash and cash equivalents, bank deposits pledged, and trade and other receivables. Cash and cash equivalents decreased by US\$1.9 million from US\$7.3 million as at 31 December 2013 to US\$5.4 million as at 30 September 2014 mainly due to the repayment of term loans and partial financing of new vessels. Bank deposits pledged decreased by US\$0.9 million from US\$2.9 million as at 31 December 2013 to US\$2.0 million as at 30 September 2014 due to the early repayment of a term loan. Trade and other receivables decreased by US\$2.2 million from US\$14.0 million as at 31 December 2013 to US\$11.8 million as at 30 September 2014 due to timely collection of trade receivables.

(iii) Non-current liabilities

Non-current liabilities increased by US\$2.5 million from US\$13.7 million as at 31 December 2013 to US\$16.2 million as at 30 September 2014 mainly due to new bank borrowings of US\$14.5 million in June 2014 of which US\$10.9 million is non-current, partially offset by early repayment of term loan balance amount of US\$7.4 million.

(iv) Current liabilities

Current liabilities increased by US\$1.3 million from US\$15.4 million as at 31 December 2013 to US\$16.7 million as at 30 September 2014 mainly due to higher bank borrowing of US\$1.2 million. The increase in trade and other payables by US\$2.1 million from US\$3.7 million as at 31 December 2013 to US\$5.8 million as at 30 September 2014 was due to a higher level of purchases of material and services for the period under review. The decrease in other liabilities of US\$1.9 million was due mainly to lower accrual for operating and administrative expenses and finance cost.

(c) Liquidity and capital resources

(i) Net cash flow generated from operating activities

Net cash flows from operating activities amounted to US\$16.1 million mainly due to operating cash flows before changes in working capital of US\$14.8 million, decrease in trade and other receivables of US\$2.2 million, an increase in trade and other payables of US\$2.1 million, offset by a US\$1.9 million decrease in other liabilities during the period under review.

(ii) Net cash flows used in investing activities

Net cash flows used in investing activities amounting to US\$21.2 million was mainly due to addition of a multipurpose utility vessel and a multipurpose offshore support vessel to the fleet and milestone payment for new vessels under construction, offset by proceeds of US\$1.0 million received from disposal of an old supply-support vessel.

(iii) Net cash flows generated from financing activities

Net cash flows from financing activities of US\$3.2 million was a result of new bank borrowings of US\$ 17.0 million, partially offset by repayment in loans and borrowings of US\$13.3 million, payment of dividend and decrease in bank deposits pledged.

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 Group continues to capitalise on opportunities within the Middle East where, in spite of the recent oil prices sliding, offshore energy and production activities remain stable, and continues to provide a strong demand base for its business. Underpinned by a stable market environment, the Group will continue with its fleet upgrade and expansion program to grow its marine logistics services business in FY2014.

The Group had taken delivery of a new vessel in June 2014, a 60.5-metre multipurpose offshore support vessel ("MSV") and in October 2014, secured a two-year exclusive management agreement for a new MSV jointly owned through related company. As part of the fleet upgrading and expansion programme, the Group has existing contracts with shipbuilders for the construction of two new vessels, a 75-metre platform supply vessel and a self-propelled self-elevating liftboat. The vessels are expected to be delivered during the second quarter of 2015 and in December 2015 respectively. Besides, the Group has acquired an additional offshore supply vessel in January 2014 which has been deployed under a 3-year charter from 20 March 2014, plus a 2-year extendable option.

Other than fleet expansion, the Group has started to develop strategic opportunities in new markets. In May 2014, the Group set up a new subsidiary known as Atlantic Maritime Ghana Private Limited ("AMG-Ghana") in which it holds a 90% equity interest. The Group is actively working with potential new clients in the West African market through AMG-Ghana. However, the Group remains cautious of potential pressures on charter rates due to new capacity coming on-stream from other vessel owners, as well as a reduced take-up of projects for its ship repair, fabrication and marine services

11 Dividend

Not applicable.

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

No dividend has been declared or recommended.

13 Interested Person Transactions

Name of Interested Person	Aggregate value of all interested person transactions entered into during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920(1)(a)) US\$' 000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) US\$' 000
N/A	-	-

There was no interested person transaction entered into with value of more than S\$100,000 during 3Q2014. The Group does not have any IPT general mandate from shareholders pursuant to Rule 920.

14 Negative confirmation by the Board pursuant to Rule 705 (5)

The Board of Directors confirms that, to the best of their knowledge, nothing has come to their attention which may render the unaudited interim financial results for the financial period ended 30 September 2014 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Wong Siew Cheong

Executive Chairman and Chief Executive Officer

7 November 2014