



Financial Statement Announcement for 4th Quarter ended 31 December 2013

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

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

The Board of Directors announces the unaudited results of the Group for the 4th quarter and Financial Year ended 31 December 2013.

	Group					
	4th Qtr 2013	4th Qtr 2012	Increase / (Decrease)	Full Year 2013	Full Year 2012	Increase / (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
CONTINUING OPERATIONS						
Revenue	3,974	6,453	(38%)	16,215	21,886	(26%)
Cost of services	(1,644)	(2,196)	(25%)	(6,486)	(7,507)	(14%)
Gross profit	2,330	4,257	(45%)	9,729	14,379	(32%)
Other operating income	242	172	41%	815	464	76%
Administrative expenses	(851)	(614)	39%	(2,793)	(3,481)	(20%)
Depreciation for idle asset disposed	-	-	n.m.	(990)	-	n.m.
Impairment in value of tangible asset	-	-	n.m.	(6,981)	-	n.m.
Loss on disposal of tangible asset	(25)	-	n.m.	(662)	-	n.m.
Profit/(loss) before tax from continuing operations	1,696	3,815	(56%)	(882)	11,362	n.m.
Income tax expense	(314)	(1,182)	(73%)	(989)	(4,212)	(77%)
Profit/(loss) from continuing operations, net of tax	1,382	2,633	(48%)	(1,871)	7,150	(126%)
DISCONTINUED OPERATIONS						
Profit / (loss) from discontinued operations, net of tax						
Transportation Segment	249	(14,181)	n.m.	1,667	(12,220)	n.m.
Profit / (loss) for the period / year	1,631	(11,548)	n.m.	(204)	(5,070)	(96%)
Other comprehensive income after tax:						
Items that are or may be reclassified subsequently to profit or loss						
Currency translation differences on consolidation	2,816	958		10,126	(8,601)	
Currency translation differences reclassified to profit or loss on disposal of a subsidiary	-	-		(56)	-	
Other comprehensive income for the year, net of tax of nil	2,816	958	n.m.	10,070	(8,601)	n.m.
Total comprehensive income for the period / year	4,447	(10,590)		9,866	(13,671)	
Net Profit/(Loss) attributable to:						
Owners of the parent	1,644	(12,253)		(1,033)	(6,493)	
-profit/(loss) from continuing operations, net of tax	1,401	2,674		(1,851)	7,268	
-profit/(loss) from discontinued operations, net of tax	243	(14,927)		818	(13,761)	
Non-controlling interests	(13)	705		829	1,423	
-profit/(loss) from continuing operations, net of tax	(19)	(41)		(20)	(118)	
-profit from discontinued operations, net of tax	6	746		849	1,541	
	1,631	(11,548)		(204)	(5,070)	
Total comprehensive income attributable to:						
Owners of the parent	3,635	(11,402)		8,064	(13,228)	
- from continuing operations, net of tax	3,392	3,366		6,590	1,991	
- from discontinued operations, net of tax	243	(14,768)		1,474	(15,219)	
Non-controlling interests	812	812		1,802	(443)	
- from continuing operations, net of tax	806	(100)		270	(467)	
- from discontinued operations, net of tax	6	912		1,532	24	
	4,447	(10,590)		9,866	(13,671)	

n.m. Not meaningful

1 (a)(ii) Included in the determination of profit before tax from continuing operations are the following items:

	Group					
	4th Qtr	4th Qtr	Increase /	Full Year	Full Year	Increase /
	2013	2012	(Decrease)	2013	2012	(Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Depreciation of plant and equipment	1,430	1,678	(15%)	5,657	5,962	(5%)
Depreciation for idle asset disposed	-	-	n.m.	990	-	n.m.
Interest income	(242)	(172)	41%	(815)	(447)	82%
Net foreign exchange (gain) / loss	5	(34)	n.m.	(45)	383	n.m.

n.m. Not meaningful

1 (a)(iii) Discontinued operations:

The disposal of the Transportation Segment was approved by shareholders in an Extraordinary General Meeting ("EGM") on 25 April 2013 and the disposal was completed on 28 June 2013. With the completion of the disposal of the Transportation Segment, Wenlin Xinghai Ocean Shipping Co., Ltd ("Xinghai") ceased to be one of the subsidiaries of the Group.

As at 31 December 2012, the assets and liabilities related to the Transportation Segment were presented in the balance sheet as "Assets classified as held for resale" and "Liabilities classified as held for sale".

According to FRS105, an entity shall not depreciate (or amortise) a non-current asset while it is classified as held for sale or while it is part of a disposal group classified as held for sale. Hence there were no depreciation and amortisation charged for 2013 in relation to the Transportation Segment.

Balance sheet disclosures

	Discontinued operations	
	31-Dec-13	31-Dec-12
	S\$'000	S\$'000
Assets:		
Intangible assets	-	11,098
Re-measurement to fair value less cost to sell	-	(7,548)
	-	3,550
Plant and equipment	-	66,236
Re-measurement to fair value less cost to sell	-	(8,227)
	-	58,009
Trade and other receivables	-	1,018
Cash and bank balances	-	15,445
Assets classified as held for sale	-	78,022
Liabilities:		
Other payables	-	974
Current tax payable	-	5,953
Deferred tax liabilities	-	2,441
Liabilities directly associated with disposal segment classified as held for sale	-	9,368
Net assets classified as held for sale	-	68,654

Profit and loss disclosures

The results of the disposal segment are as follows:

	Discontinued operations			
	4th Qtr	4th Qtr	Full Year	Full Year
	2013	2012	2013	2012
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	-	6,095	5,645	23,276
Depreciation and amortisation	-	(733)	-	(2,923)
Expenses	(15)	(4,241)	(5,116)	(16,368)
Profit from discontinued operations	(15)	1,121	529	3,985
Gain / (loss) on disposal of plant and equipment	-	-	489	(3,041)
Loss on disposal of a subsidiary	264	-	(570)	-
Re-measurement to fair value less cost to sell	-	(15,775)	-	(15,775)
Profit / (Loss) before tax from discontinued operations	249	(14,654)	448	(14,831)
Income tax credit	-	473	1,219	2,611
Profit / (Loss) from discontinued operations, net of tax	249	(14,181)	1,667	(12,220)

1 (a)(iii) Discontinued operations (continued):Cash flow statement disclosures

The cash flows attributable to the disposal segment are as follows:

	Discontinued operations			
	4th Qtr	4th Qtr	Full Year	Full Year
	2013	2012	2013	2012
	S\$'000	S\$'000	S\$'000	S\$'000
Operating	-	2,072	603	5,634
Investing	-	(2,130)	13	(15,693)
Financing	-	93	(2,194)	16,706
Net cash inflows	-	35	(1,578)	6,647

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

	Notes	Group		Company	
		31-Dec-13	31-Dec-12	31-Dec-13	31-Dec-12
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Non-current assets:					
Investments in subsidiaries		-	-	82,606	82,606
Plant and equipment	III	44,425	60,959	11	36
Total non-current assets		44,425	60,959	82,617	82,642
Current assets:					
Cash and bank balances	I	97,892	27,509	535	515
Other receivables	II	12,315	23,929	10,999	13,042
Total current assets		110,207	51,438	11,534	13,557
Assets classified as held for sale		-	78,022	-	-
Total assets		154,632	190,419	94,151	96,199
LIABILITIES AND EQUITY					
Current liabilities:					
Other payables		6,143	5,979	475	407
Due to a director		-	731	-	-
Receipt in advance	IV	1,514	1,738	-	-
Current tax payable		43	990	1	1
		7,700	9,438	476	408
Liabilities classified as held for sale		-	9,368	-	-
Total current liabilities		7,700	18,806	476	408
Non-current liability:					
Deferred tax liabilities		2,492	2,590	150	150
Total non-current liabilities		2,492	2,590	150	150
Total liabilities		10,192	21,396	626	558
Equity attributable to owners of the parent					
Issued capital		68,080	68,080	68,080	68,080
Share option reserve		166	166	166	166
Foreign currency translation reserve		5,277	(2,310)	-	-
Statutory common reserve		20,560	21,904	-	-
Retained earnings		47,209	49,206	25,279	27,395
Other reserve		-	(1,454)	-	-
		141,292	135,592	93,525	95,641
Non-controlling interests		3,148	33,431	-	-
Total equity		144,440	169,023	93,525	95,641
Total liabilities and equity		154,632	190,419	94,151	96,199

1(b) Notes to Balance Sheets**I Cash and bank balances**

Cash and cash balances increased by S\$54.9 million from S\$43.0 million (including S\$15.4 million classified as discontinued operations in the previous financial year) to S\$97.9 million. The increase was mainly due to the following transactions:

- i) Refund of deposits of RMB120 million (S\$23.9 million) paid for an office building as the acquisition was cancelled;
- ii) Consideration of S\$26.6 million received for disposal of the Transportation Segment;
- iii) Decrease in cash and bank balances of S\$13.9 million related to Xinghai upon it ceased to be the Group's subsidiary;
- iv) Receipt of S\$6.1 million in respect of the disposal of ZJ40 drilling equipment;
- v) Final dividend payments of S\$1.0 million to our shareholders;
- vi) Payments of S\$2.1 million for the Corporate Income Taxes due in the PRC; and
- vii). Cash generated from operations.

For details, please refer to the cashflow statements in 1(c).

II Other receivables

	Group		Company	
	31-Dec-13	31-Dec-12	31-Dec-13	31-Dec-12
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Current</u>				
Consideration receivable	11,967	-	-	-
Refundable deposits	49	23,560	35	39
Prepayments	299	369	45	51
Due from subsidiaries	-	-	10,919	12,952
	12,315	23,929	10,999	13,042

Consideration receivable represented the outstanding fourth tranche payments in respect of the disposal of the Transportation Segment as at 31 December 2013 and all outstanding consideration receivable of S\$12.0 million was duly received by the Group on 6 January 2014.

The decrease in refundable deposits was mainly due to the full refund of the deposits of RMB120 million (S\$23.9 million) paid for the cancelled office building acquisition.

III Plant and equipment

Plant and equipment decreased by S\$16.5 million from previous financial year to S\$44.4 million. It was mainly due to the disposal of the ZJ40 drilling equipment in September 2013.

IV Receipt in advance

This represents the rental payments received in advance in respect of the drilling facilities owned by the Group.

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

The group did not have any borrowings or outstanding debt securities as at 31 December 2013 and 2012.

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			
	4th Qtr	4th Qtr	Full Year	Full Year
	2013	2012	2013	2012
	S\$'000	S\$'000	S\$'000	S\$'000
Operating activities				
Profit / (loss) before income tax				
From continuing operations	1,696	3,815	(882)	11,362
From discontinued operations	249	(14,654)	448	(14,831)
Adjustments for:				
Depreciation of plant and equipment	1,430	2,211	6,647	8,076
Loss / (Gain) on disposal of plant and equipment	26	(10)	174	3,041
Loss on disposal of a subsidiary	(263)	-	570	-
Impairment in value of tangible asset	-	-	6,981	-
Re-measurement to fair value less cost to sell	-	15,775	-	15,775
Interest income	(242)	(187)	(815)	(501)
Amortisation of deferred expenses	-	-	-	123
Amortisation of intangible assets	-	200	-	809
Unrealised currency translation differences	(201)	2,698	(4,006)	386
Operating cash flow before movements in working capital	2,695	9,848	9,117	24,240
Trade receivables	-	334	240	1,166
Other receivables	(154)	(3,375)	(431)	(137)
Due to a director	-	4	(731)	(37)
Receipt in advance	29	(226)	(224)	239
Other payables	(246)	(1,323)	265	(1,235)
Cash generated from operations	2,324	5,262	8,236	24,236
Income tax paid	(10)	(1,048)	(2,107)	(3,270)
Net cash generated from operating activities	2,314	4,214	6,129	20,966
Investing activities				
Interest received	242	188	815	378
Proceeds from disposal of plant and equipment	(103)	4,834	17,829	18,810
Deposit refunded	-	-	23,892	-
Deposit for purchase of plant and equipment	-	(8,816)	-	(23,426)
Purchase of plant and equipment (I)	-	(2,075)	-	(6,517)
Disposal of a subsidiary, net of cash disposed of (II)	138	-	1,004	-
Net cash generated from / (used in) investing activities	277	(5,869)	43,540	(10,755)
Financing activities				
Final dividends paid	-	-	(964)	(1,927)
Receipt of payment upon completion of a contract	-	-	-	5,639
Net cash generated from / (used in) financing activities	-	-	(964)	3,712
Effect of exchange rate changes on the balance of cash held in foreign currencies	1,986	323	6,233	(2,188)
Net (decrease) / increase in cash and cash equivalents	4,577	(1,332)	54,938	11,735
Cash and cash equivalents at beginning of quarter / year	93,315	44,286	42,954	31,219
Cash and cash equivalents at end of quarter / year (III)	97,892	42,954	97,892	42,954

1(c) Notes to cash flow statement**I Purchase of plant and equipment**

Additions to plant and equipment
Less: prepayments for plant and equipment made last year

Group	
Full Year 2013	Full Year 2012
S\$'000	S\$'000
-	67,147
-	(60,630)
-	6,517

II Disposal of a subsidiary, net of cash disposed of

Cash and bank balances
Trade receivables
Other receivables
Intangible assets
Plant and equipment
Other payables
Tax payable
Deferred tax liabilities

Statutory common reserve
Currency translation differences reclassified
Non-controlling interests
Re-measurement to fair value less cost to sell
Loss on disposal of subsidiary
Total consideration

Group	
Full Year 2013	Full Year 2012
S\$'000	S\$'000
13,867	-
574	-
2,884	-
11,188	-
51,102	-
(1,074)	-
(4,734)	-
(2,494)	-
71,313	-
(1,344)	-
(56)	-
(32,085)	-
(15,775)	-
(570)	-
21,483	-
<hr/>	
Satisfied by:	
Cash	-
Consideration receivable	-
21,483	-
<hr/>	

Analysis of net inflow of cash and cash equivalents arising on disposal:

Cash consideration received
Cash and bank balances disposed of

14,871	-
(13,867)	-
1,004	-
<hr/>	

III Cash and cash equivalents

- Continuing operations
Cash at banks and on hand
Fixed deposits

- Discontinued operation (1 (a)(iii))
Cash at banks and on hand

Group	
31-Dec-13	31-Dec-12
S\$'000	S\$'000
45,567	7,919
52,325	19,590
97,892	27,509
-	15,445
97,892	42,954

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Changes in Equity for the year ended 31 December 2013

Group	Share capital	Share option reserve	Other reserve *	Foreign currency translation reserve	Statutory common reserve	Retained earnings	Equity attributable to the owners of the parent	Non-controlling Interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2013	68,080	166	(1,454)	(2,310)	21,904	49,206	135,592	33,431	169,023
Translation adjustment recognised directly in equity	-	-	1,213	1,693	-	-	2,906	691	3,597
Profit / (loss) for the period	-	-	-	-	-	(5,030)	(5,030)	633	(4,397)
Total comprehensive income for the period	-	-	1,213	1,693	-	(5,030)	(2,124)	1,324	(800)
Transfer to statutory common reserve	-	-	-	-	-	-	-	-	-
Balance at 31 March 2013	68,080	166	(241)	(617)	21,904	44,176	133,468	34,755	168,223
Translation adjustment recognised directly in equity	-	-	297	3,660	-	-	3,957	193	4,150
Profit for the period	-	-	-	-	-	695	695	209	904
Total comprehensive income for the period	-	-	297	3,660	-	695	4,652	402	5,054
Transfer to statutory common reserve	-	-	-	-	-	-	-	-	-
Disposal of a subsidiary	-	-	(56)	-	(1,344)	-	(1,400)	(32,085)	(33,485)
Dividends paid	-	-	-	-	-	(964)	(964)	-	(964)
Balance at 30 June 2013	68,080	166	-	3,043	20,560	43,907	135,756	3,072	138,828
Translation adjustment recognised directly in equity	-	-	-	(476)	-	-	(476)	(17)	(493)
Profit for the period	-	-	-	-	-	1,658	1,658	-	1,658
Total comprehensive income for the period	-	-	-	(476)	-	1,658	1,182	(17)	1,165
Transfer to statutory common reserve	-	-	-	-	-	-	-	-	-
Balance at 30 September 2013	68,080	166	-	2,567	20,560	45,565	136,938	3,055	139,993
Translation adjustment recognised directly in equity	-	-	-	2,710	-	-	2,710	106	2,816
Profit / (loss) for the period	-	-	-	-	-	1,644	1,644	(13)	1,631
Total comprehensive income for the period	-	-	-	2,710	-	1,644	4,354	93	4,447
Transfer to statutory common reserve	-	-	-	-	-	-	-	-	-
Balance at 31 December 2013	68,080	166	-	5,277	20,560	47,209	141,292	3,148	144,440

Consolidated Statement of Changes in Equity for the year ended 31 December 2012

Group	Share capital	Share option reserve	Other reserve *	Foreign currency translation reserve	Statutory common reserve	Retained earnings	Equity attributable to the owners of the parent	Non-controlling Interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January, 2012	68,080	166	-	2,971	21,792	57,738	150,747	33,874	184,621
Translation adjustment recognised directly in equity	-	-	-	(4,319)	-	-	(4,319)	(1,133)	(5,452)
Profit for the period	-	-	-	-	-	1,739	1,739	605	2,344
Total comprehensive income for the period	-	-	-	(4,319)	-	1,739	(2,580)	(528)	(3,108)
Transfer to statutory common reserve	-	-	-	-	10	(10)	-	-	-
Balance at 31 March, 2012	68,080	166	-	(1,348)	21,802	59,467	148,167	33,346	181,513
Translation adjustment recognised directly in equity	-	-	-	339	-	-	339	83	422
Profit / (loss) for the period	-	-	-	-	-	399	399	(1,132)	(733)
Total comprehensive income for the period	-	-	-	339	-	399	738	(1,049)	(311)
Transfer to statutory common reserve	-	-	-	-	40	(40)	-	-	-
Dividends paid	-	-	-	-	-	(1,927)	(1,927)	-	(1,927)
Balance at 30 June, 2012	68,080	166	-	(1,009)	21,842	57,899	146,978	32,297	179,275
Translation adjustment recognised directly in equity	-	-	-	(3,606)	-	-	(3,606)	(923)	(4,529)
Profit for the period	-	-	-	-	-	3,622	3,622	1,245	4,867
Total comprehensive income for the period	-	-	-	(3,606)	-	3,622	16	322	338
Transfer to statutory common reserve	-	-	-	-	25	(25)	-	-	-
Balance at 30 September, 2012	68,080	166	-	(4,615)	21,867	61,496	146,994	32,619	179,613
Translation adjustment recognised directly in equity	-	-	-	851	-	-	851	107	958
Profit / (loss) for the period	-	-	-	-	-	(12,253)	(12,253)	705	(11,548)
Total comprehensive income for the period	-	-	-	851	-	(12,253)	(11,402)	812	(10,590)
Transfer to statutory common reserve	-	-	-	-	37	(37)	-	-	-
Reserve attributable to disposal segment held for sale	-	-	(1,454)	1,454	-	-	-	-	-
Balance at 31 December, 2012	68,080	166	(1,454)	(2,310)	21,904	49,206	135,592	33,431	169,023

* Other reserve relates to the cumulative income or expense recognised directly in other comprehensive income relating to asset and disposal group classified as held for sale.

Statement of Changes in Equity of the Company for the year ended 31 December 2013 and 2012

Company	Share capital	Share option reserve	Retained earnings	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2013	68,080	166	27,395	95,641
Total comprehensive income for the period	-	-	(241)	(241)
Balance at 31 March 2013	68,080	166	27,154	95,400
Total comprehensive income for the period	-	-	(233)	(233)
Dividends paid	-	-	(964)	(964)
Balance at 30 June 2013	68,080	166	25,957	94,203
Total comprehensive income for the period	-	-	(400)	(400)
Balance at 30 September 2013	68,080	166	25,557	93,803
Total comprehensive income for the period	-	-	(278)	(278)
Balance at 31 December 2013	68,080	166	25,279	93,525

Company	Share capital	Share option reserve	Retained earnings	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January, 2012	68,080	166	31,087	99,333
Total comprehensive income for the period	-	-	(623)	(623)
Balance at 31 March, 2012	68,080	166	30,464	98,710
Total comprehensive income for the period	-	-	(367)	(367)
Dividends paid	-	-	(1,927)	(1,927)
Balance at 30 June, 2012	68,080	166	28,170	96,416
Total comprehensive income for the period	-	-	(375)	(375)
Balance at 30 September, 2012	68,080	166	27,795	96,041
Total comprehensive income for the period	-	-	(400)	(400)
Balance at 31 December, 2012	68,080	166	27,395	95,641

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 or 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	No. of shares
Ordinary shares issued and fully paid	('000)
Balance as at 1 January 2013	
and as at 31 December 2013	<u>401,430</u>

During the financial year ended 31 December 2013, the Company did not issue new shares under the Universal Resource and Services Employee Share Option Scheme.

As at 31 December 2013, options to subscribe for ordinary shares in our Company remained outstanding as follows:

	As at 31 Dec 2013	As at 31 Dec 2012
	No. of shares	No. of shares
Pursuant to Universal Resource and Services Employee Share Option Scheme	<u>1,785,000</u>	<u>1,785,000</u>

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 end of the immediately preceding year.

The Company's total number of issued shares (excluding treasury shares) as at 31 December 2013 was 401,429,540 (31 December 2012: 401,429,540) .

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

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

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

Not Applicable.

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

The Group has applied the same accounting policies and methods of computation in the financial information for the current financial period compared with those of the audited financial statements for the financial 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 effect of, the change.

The Group has adopted the new and revised accounting standards which became effective for annual periods beginning on or after 1 January 2013. This includes the following FRS which are relevant to the Group:

Reference	Description
FRS 1	Amendments to FRS 1: Presentation of Items of Other Comprehensive Income
Revised FRS 19	Employee Benefits
FRS 107	Amendments to FRS 107: Disclosures - Offsetting of Financial Assets and Financial Liabilities
FRS 113	Fair Value Measurements

The adoption of these new and revised accounting standards did not give rise to any significant impact on the financial statements for the financial year ended 31 December 2013.

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:-

(a) Based on the weighted average number of ordinary shares on issue; and

(b) On a fully diluted basis (detailing any adjustments made to the earnings).

	Group			
	4th Qtr 2013	4th Qtr 2012	Full Year 2013	Full Year 2012
Earnings per ordinary share from continuing operations attributable to owners of the parent:				
Based on weighted average no. of ordinary shares in issue (basic) and on a fully diluted basis (cents)	0.35	0.67	(0.46)	1.81
Earnings / (losses) per ordinary share:				
Based on weighted average no. of ordinary shares in issue (basic) and on a fully diluted basis (cents)	0.41	(3.05)	(0.26)	(1.62)
Number of shares in issue:				
Based on weighted average no. of ordinary shares in issue and on a fully diluted basis (in million)	401.43	401.43	401.43	401.43

Earnings per ordinary share is calculated based on the Group's profit for the financial period attributable to the owners of the Company divided by the weighted average number of ordinary shares in issue during the period under review.

Diluted earnings per ordinary share is calculated based on the same basis as earnings per share by applying the weighted average number of ordinary shares and adjusted to include the outstanding share options and conversion of the convertible bonds deemed converted up to the respective reporting periods.

The 1,785,000 (2012: 1,785,000) share options granted to directors and employees under the existing employee share option scheme do not have a dilutive effect because the average market price of the Company's ordinary shares for the financial years ended 31 December 2013 and 2012 during which the options were outstanding does not exceed the exercise price of the options.

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	
	31-Dec-13	31-Dec-12	31-Dec-13	31-Dec-12
Net Assets Value (S\$ '000)	141,292	135,592	93,525	95,641
Based on existing issued share capital (cents per share)	35.20	33.78	23.30	23.83
Net Assets Value has been computed based on the share capital of (in million of shares)	401.43	401.43	401.43	401.43

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.

Revenue

2013 was a difficult year for the Group and our business model was altered in order to adapt the fast changing and challenging oil and gas business environment in the PRC. The change in the business model arises from the disposal of the refined oil transportation business and the accelerated phase-out of one of our drilling equipment experienced unfavorable market demands. As a result, the group recorded less revenue when compared to FY 2012.

The Group's continuing operations recorded a revenue of S\$4.0 million in Q4 2013, which was the same level as previous quarters in 2013. On the other hand, there was a decrease of S\$2.5 million (or 38%) as compared to the previous corresponding quarter in 2012. The decrease was mainly due to: (a) no revenue generated from the ZJ40 drilling equipment since 2013; and (b) the Drilling Services Segment and the Oil Well Maintenance Segment have been combined into one reporting segment since 2013 and there had been no income from the drilling service operations since Q2 2012.

For the FY 2013, our Group reported a revenue of S\$16.2 million for continuing operations or 26% decrease as compared to FY 2012. The decrease was mainly due to loss of revenue generated from the ZJ40 drilling equipment.

The disposal of the Transportation Segment was completed and the revenue from this segment has been re-classified as discontinued operations.

Details for revenue generated from each segment are as follows:

	Group					
	4th Qtr	4th Qtr	Increase /	Full Year	Full Year	Increase /
	2013	2012	(Decrease)	2013	2012	(Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
CONTINUING OPERATIONS						
Rental of Drilling Rig	3,749	6,349	-41%	15,707	21,077	-25%
Oil well maintenance	225	104	116%	508	809	-37%
	<u>3,974</u>	<u>6,453</u>	<u>-38%</u>	<u>16,215</u>	<u>21,886</u>	<u>-26%</u>
DISCONTINUED OPERATIONS						
Transportation Services	-	6,095	-100%	5,645	23,276	-76%
	<u>-</u>	<u>6,095</u>		<u>5,645</u>	<u>23,276</u>	
Total	<u>3,974</u>	<u>12,548</u>	<u>-68%</u>	<u>21,860</u>	<u>45,162</u>	<u>-52%</u>

Profitability

The Group's major profit contributions in FY 2013 are now from our LWD / MWD drilling machines. Gross profit margin from continuing operations for Q4 2013 was seven percentage points lower as compared to Q4 2012 and the gross profit margin for FY 2013 was six percentage points lower as compared to the previous year, as there were no more contributions from ZJ40 drilling equipment in FY 2013.

	Group							
	4th Qtr		4th Qtr		Full Year		Full Year	
	2013		2012		2013		2012	
	S\$'000	GP%	S\$'000	GP%	S\$'000	GP%	S\$'000	GP%
CONTINUING OPERATIONS								
Rental of Drilling Rig	2,234	59.6%	4,250	66.9%	9,686	61.7%	13,989	66.4%
Oil well maintenance	96	42.7%	7	6.7%	43	8.5%	390	48.2%
	<u>2,330</u>	<u>58.6%</u>	<u>4,257</u>	<u>66.0%</u>	<u>9,729</u>	<u>60.0%</u>	<u>14,379</u>	<u>65.7%</u>
DISCONTINUED OPERATIONS								
Transportation Services	-	n.m.	1,484	24.3%	744	13.2%	5,527	23.7%
	<u>-</u>		<u>1,484</u>		<u>744</u>		<u>5,527</u>	
Total	<u>2,330</u>	<u>58.6%</u>	<u>5,741</u>	<u>45.8%</u>	<u>10,473</u>	<u>47.9%</u>	<u>19,906</u>	<u>44.1%</u>

Rental of Drilling Rig

The profit margin for 4Q 2013 was comparatively lower and recorded a slight dip from 67% to 60% as compared to 4Q 2012. This is mainly due to the revised renewal rentals of the first batch LWD/MWD drilling rigs acquired in 2010. Overall profit margin for FY 2013 was maintained at 62% as the effect from the lower renewal rentals of the first batch LWD/MWD was partly compensated by the contributions from those new drilling equipment acquired in 2012.

Oil well maintenance

The Group combined the Drilling Services Segment and the Oil Well Maintenance Segment for reporting purpose since FY 2013. There had been no income from the drilling service operations since Q2 2012 upon the completion of the service contract.

The oil well service operation is not significant and recorded a slight gross profit for Q4 2013.

Transportation Services

As reported in Section 1(a)(iii), the disposal of the Transportation Segment was completed in FY 2013 and Xinghai ceased to be the Group's subsidiary in 2Q 2013. Hence there is no gross profit figures reported for Q4 2013.

Net profit/(loss) attributable to the owners of the parent

During the financial year, while our Group suffered an adverse impact from the impairment charge of \$7.0 million relating to the ZJ40 drilling equipment, the overall position had been recovered from the profits generated from our continuing operations for past quarters. Together with other cost savings on administrative expenses, our Group reported a net profit of S\$1.6 million for Q4 2013 and a minimal net loss of S\$0.2 million for FY 2013.

Depreciation in relation to the ZJ40 drilling equipment was reclassified from Cost of Services as Depreciation for Idle Asset Disposed upon its disposal in Q3 2013, as ZJ40 drilling equipment ceased generating revenue from the beginning of 2013.

No finance cost was incurred in FY 2013 and 2012.

Overall net profit attributable to the shareholders for the Q4 2013 was S\$1.6 million and there is an overall loss attributable to the shareholders of S\$1.0 million for FY 2013.

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.

Rental income from our Rental of Drilling Rig Segment will provide the Group a relatively stable source of revenue, income and cashflow. The Group is now solely dependent on the Rental of Drilling Rig Segment.

With the rapid changing business landscape in China, we will face additional and new challenges for our existing businesses. In view of diversifying our group's business from sole business segment and one geographical location, The Company is currently evaluating a production sharing contract participating opportunity in Indonesia. Further diligence works are being carried out and the Board and the Management will exercise extreme caution when evaluating this opportunity and the Company will make further announcements if there are any developments.

11 Dividend**(a) Current Financial Period Reported On****Any dividend declared for the current financial period reported on?**

Name of Dividend:	Final Dividend
Dividend Type:	Cash
Dividend Amount per Share:	0.10 cents
Par Value of Shares:	Nil
Tax Rate:	Tax exempt (one-tier)

(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
Dividend Type:	Cash
Dividend Amount per Share:	0.24 cents
Par Value of Shares:	Nil
Tax Rate:	Tax exempt (one-tier)

(c) Date payable

To be advised.

(d) Books closure date

To be advised.

12 To disclose in the quarterly and full year announcements whether the group has obtained a general mandate from shareholders for Interested Person Transactions (IPT), and the aggregate value of such transactions. If no IPT mandate has been obtained, a statement is required.

No IPT mandate has been obtained from our shareholders.

ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**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.**

For management purposes, the Group is organised into business units based on their products and services, and has five reportable operating segments as follows:

- I. The rental of drilling rig segment is in the business of leasing drilling rigs to external parties.
- II. The transportation of petroleum products, shipping intermediary services and distribution of the products for ship and non-dangerous chemical fuel oil. This segment was disposed in FY 2013 and presented as discontinued operations as explained in 1(a)(iii).
- III. The time charter segment provided vessel leasing to external customers. The businesses of time charter segment was ceased in January 2012.
- IV. The oil well maintenance segment provides technical maintenance services to the oil wells.
- V. The corporate segment is involved in Group-level corporate services and treasury functions.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

Transfer prices between operating segments are at arm's length basis in a manner similar to transactions with third parties.

	Rental of drilling rigs \$'000	(Discontinued operations) Transport- ation of petroleum products \$'000	Time charter \$'000	Oil Well Maintenance \$'000	Corporate \$'000	Adjustments \$'000	Total \$'000
Group 2013							
Revenue:							
External customers	15,707	5,630	-	508	-	(5,630)	16,215
Total revenue	15,707	5,630	-	508	-	(5,630)	16,215
Results:							
Depreciation and amortisation	(6,491)	-	-	(125)	(31)	-	(6,647)
Segment profit / (loss)	494	448	-	108	(1,484)	(448)	(882)
Assets							
Additions to non-current assets	-	-	-	-	2	-	2
Segment assets	146,353	-	-	667	7,612	-	154,632
Segment liabilities	4,098	-	-	287	5,807	-	10,192

	Rental of drilling rigs \$'000	(Discontinued operations) Transport- ation of petroleum products \$'000	Time charter \$'000	Oil Well Maintenance \$'000	Corporate \$'000	Adjustments \$'000	Total \$'000
Group 2012							
Revenue:							
External customers	21,077	23,025	251	809	-	(23,276)	21,886
Total revenue	21,077	23,025	251	809	-	(23,276)	21,886
Results:							
Depreciation and amortisation	(5,807)	(2,917)	(6)	(120)	(36)	2,924	(5,962)
Other non-cash expenses	-	(18,816)	-	-	-	18,816	-
Segment profit / (loss)	12,884	(14,995)	164	531	(2,053)	14,831	11,362
Assets							
Additions to non-current assets	27,902	39,192	-	-	53	-	67,147
Segment assets	110,780	78,022	-	624	993	-	190,419
Segment liabilities	5,234	9,368	-	358	6,436	-	21,396

Geographical information

Revenue and non-current assets information based on the geographical location of customers and assets respective are as follows:

All revenues of the Group are derived from the People's Republic of China.

\$11,000 (FY2012: \$36,000) of the non-current assets of the Group are located in Singapore and the rest are located in the People's Republic of China.

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.

Not Applicable.

15 A breakdown of sales as follows:-

	Group	
	FY2013 S\$'000	FY2012 S\$'000
Revenue (Continuing operations) reported for first half year	8,363	9,544
Operating profit/(loss) after tax before deducting non-controlling interests reported for the first half year	(3,493)	1,611
Revenue (Continuing operations) reported for second half year	7,852	12,342
Operating profit / (loss) after tax before deducting non-controlling interests reported for the second half year	3,289	(6,681)

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:-

	Latest Full Year S\$'000	Previous Full Year S\$'000
Ordinary	964	1,927
Preference	NIL	NIL
Total	964	1,927

17 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) of the Listing Manual. If there are no such persons, the issuer must make an appropriate negative statement.

There is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

28 February 2014