

**FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2016**

**PART 1 – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), HALF YEAR AND FULL YEAR RESULTS**

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

	<b>THE GROUP</b>		
	<b>From 1 Apr 2015 to 30 Jun 2016 US\$'000</b>	<b>From 1 Apr 2014 to 31 Mar 2015 US\$'000</b>	<b>Increase/ (Decrease) %</b>
<b>Revenue</b>	303,293	342,441	-11.4%
Cost of sales	(243,094)	(291,043)	-16.5%
<b>Gross profit</b>	<u>60,199</u>	<u>51,398</u>	17.1%
Other operating income	65,927	20,852	216.2%
Administrative expenses	(56,583)	(30,436)	85.9%
Finance costs	(14,914)	(7,518)	98.4%
Share of net profit of associates and joint ventures	5,176	7,693	-32.7%
Loss on deemed disposal of previously held interest in associate	-	(10,662)	NM
Loss on deemed disposal of previously held interest in subsidiary	-	(467)	NM
<b>Profit before income tax</b>	<u>59,805</u>	<u>30,860</u>	93.8%
Income tax expense	(4,596)	(3,030)	51.7%
<b>Profit for the period/year</b>	<u><u>55,209</u></u>	<u><u>27,830</u></u>	98.4%
Profit for the period/year attributable to:			
Owners of the Company	38,192	22,687	68.3%
Non-controlling interests	17,017	5,143	230.9%
<b>Profit for the period/year</b>	<u><u>55,209</u></u>	<u><u>27,830</u></u>	98.4%
<b>1(a)(ii) Statement of Comprehensive income</b>			
<b>Profit for the period/year</b>	55,209	27,830	98.4%
Other comprehensive income :			
Foreign currency translation of foreign entities	(396)	75	NM
<b>Total comprehensive income for the period/year</b>	<u><u>54,813</u></u>	<u><u>27,905</u></u>	96.4%
Total comprehensive income attributable to:			
Owners of the company	37,987	22,847	66.3%
Non-controlling interests	16,826	5,058	232.7%
<b>Total comprehensive income for the period/year</b>	<u><u>54,813</u></u>	<u><u>27,905</u></u>	96.4%

NM=: Not meaningful



**1(a)(iii) Profit before income tax is arrived at after charging / (crediting):-**

<b>THE GROUP</b>		
	<b>From 1 Apr 2015 to 30 Jun 2016 US\$'000</b>	<b>From 1 Apr 2014 to 31 Mar 2015 US\$'000</b>
Depreciation and amortisation expenses	33,573	13,998
Interest expense	14,914	7,523
Interest income	(773)	(308)
Gain on disposal of property, plant and equipment	(291)	(17,512)
Trade debts written off	38	469
Allowance for doubtful trade debts	7,514	2,153
Exchange loss - net	1,715	1,358
Allowance for impairment of goodwill	2,527	-
Allowance for impairment of property, plant and equipment	10,110	-
Change in fair value of derivative financial instrument	-	(5)

**Notes:**

This announcement covered a period of 15 month from 01 April 2015 to 30 June 2016 as compared to the previous twelve months from 01 April 2014 to 31 March 2015. The Company has changed its financial year end from 31 March to 30 June (please refer to the announcement reference no SG150916OTHRXC3J dated 16 September 2015 for further information).

**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.**

	<b>THE GROUP</b>		<b>THE COMPANY</b>	
	<b>30/6/2016</b>	<b>31/3/2015</b>	<b>30/6/2016</b>	<b>31/3/2015</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
<b><u>ASSETS</u></b>				
<b>Current assets</b>				
Cash and bank balances	26,484	134,947	3,326	35,528
Trade receivables	84,603	105,599	-	-
Other receivables	77,117	86,754	311,861	376,623
Inventories	393	440	-	-
<b>Total current assets</b>	<b>188,597</b>	<b>327,740</b>	<b>315,187</b>	<b>412,151</b>
<b>Non-current assets</b>				
Other receivables	-	23,591	-	22,183
Property, plant and equipment	407,859	436,497	6,316	6,518
Subsidiaries	-	-	143,595	179,358
Associates	39,576	42,802	-	-
Joint venture	7,944	3,348	-	-
Available-for-sale investments	2,098	2,098	2,098	2,098
Other intangible assets	2,934	2,937	-	-
Deferred tax assets	354	362	-	-
Goodwill on consolidation	5,050	6,376	-	-
<b>Total non-current assets</b>	<b>465,815</b>	<b>518,011</b>	<b>152,009</b>	<b>210,157</b>
<b>Total assets</b>	<b>654,412</b>	<b>845,751</b>	<b>467,196</b>	<b>622,308</b>
<b><u>LIABILITIES AND EQUITY</u></b>				
<b>Current liabilities</b>				
Trade payables	29,175	57,095	-	-
Other payables	28,683	50,445	126,259	120,382
Finance leases	264	163	17	17
Bank overdraft and borrowings	79,260	176,934	24,244	124,131
Income tax payable	8,355	3,810	25	55
<b>Total current liabilities</b>	<b>145,737</b>	<b>288,447</b>	<b>150,545</b>	<b>244,585</b>
<b>Non-current liabilities</b>				
Notes payables	37,237	36,064	37,237	36,064
Finance leases	771	285	29	49
Borrowings	90,722	166,670	32,188	50,719
Other payables	27,315	29,228	-	-
Deferred tax liabilities	14,203	14,929	-	-
<b>Total non-current liabilities</b>	<b>170,248</b>	<b>247,176</b>	<b>69,454</b>	<b>86,832</b>
<b>Capital and reserves</b>				
Share capital	229,528	229,528	229,528	229,528
Treasury shares	(4,017)	(3,757)	(4,017)	(3,757)
Capital reserve	11,824	11,824	11,824	11,824
Share-based payments	639	639	639	639
Merger reserve	(151,692)	(151,692)	-	-
Foreign currency translation reserve	(372)	(167)	-	-
Accumulated profits	196,234	166,590	9,223	52,657
<b>Equity attributable to owners of the Company</b>	<b>282,144</b>	<b>252,965</b>	<b>247,197</b>	<b>290,891</b>
Non-controlling interests	56,283	57,163	-	-
<b>Total equity</b>	<b>338,427</b>	<b>310,128</b>	<b>247,197</b>	<b>290,891</b>
<b>Total liabilities and equity</b>	<b>654,412</b>	<b>845,751</b>	<b>467,196</b>	<b>622,308</b>

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

	<b>THE GROUP</b>			
	<b>As at 30/6/2016</b>		<b>As at 31/3/2015</b>	
	<b>Secured US\$'000</b>	<b>Unsecured US\$'000</b>	<b>Secured US\$'000</b>	<b>Unsecured US\$'000</b>
Amount repayable in one year or less, or on demand	79,524	-	176,754	343
Amount repayable after one year	128,730	-	203,019	-
<b>Total</b>	<b>208,254</b>	<b>-</b>	<b>379,773</b>	<b>343</b>

**Details of any collateral:**

- 1) The Group's borrowings are secured by:
  - i) corporate guarantee from Company and certain subsidiaries;
  - ii) legal mortgages over the relevant properties;
  - iii) legal mortgages over certain vessels of the Group;
  - iv) certain fixed deposits and bank balances;
  - v) assignment of certain vessels' charter- hire- income and insurance policies; and
  - vi) pledge of a subsidiary's shares.
  
- 2) Obligations under finance lease are secured by the lessor's charge over the leased assets.

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

	<b>THE GROUP</b>	
	From 1 Apr 2015 to 30 Jun 2016 US\$'000	From 1 Apr 2014 to 31 Mar 2015 US\$'000
<b>Cash flows from operating activities</b>		
Profit before income tax	59,805	30,860
Adjustments for:		
Depreciation and amortisation expenses	33,573	13,998
Interest expense	14,914	7,523
Interest income	(773)	(308)
Gain on disposal of property, plant and equipment	(291)	(17,152)
Trade debts written off	38	469
Allowance for doubtful trade debts	7,514	2,153
Share of net profit of associates and joint ventures	(5,176)	(7,693)
Exchange difference	1,413	(6,540)
Settlement income	(60,000)	-
Allowance for impairment of goodwill	2,527	-
Allowance for impairment of property, plant and equipment	10,110	-
Changes in fair value of derivative financial instrument	-	(5)
Loss on deemed disposal of previously held interest in associate	-	10,662
Loss on deemed disposal of previously held interest in subsidiary	-	467
Operating cash flows before movements in working capital	<u>63,654</u>	<u>34,434</u>
Inventories	47	976
Trade receivables	57,394	12,387
Other receivables	35,949	(69,192)
Trade payables	(27,920)	(37,981)
Other payables	(24,809)	110,549
Cash generated from operations	<u>104,315</u>	<u>51,173</u>
Settlement income - other	16,050	-
Income tax paid	(43)	(661)
<b>Net cash generated from operating activities</b>	<u>120,322</u>	<u>50,512</u>
<b>Cash flows from investing activities</b>		
Interest received	773	308
Purchases of property, plant and equipment	(7,780)	(51,869)
Net cash outflow from acquisition of a subsidiary	(3,000)	(96,176)
Proceeds from disposal of property, plant and equipment	177	1,169
Proceeds from disposal of club membership	3	-
Net cash outflow from disposal of a subsidiary	-	(2,794)
Purchase of available-for-sales investment	-	(1,049)
Purchase for intangible assets	-	(677)
Advances to associates	-	(6,674)
Dividends received from associates	-	6,391
Investment in joint ventures	-	(50)
<b>Net cash used in investing activities</b>	<u>(9,827)</u>	<u>(151,421)</u>



<b>THE GROUP</b>		
	From <b>1 Apr 2015 to 30 Jun 2016</b> US\$'000	From <b>1 Apr 2014 to 31 Mar 2015</b> US\$'000
<b>Cash flows from financing activities</b>		
Interest paid	(13,086)	(7,258)
Dividend paid	(26,254)	(9,626)
Fixed deposit and bank balances pledged	35,308	(31,157)
Repayment of finance lease obligations	(253)	(224)
Repayment of borrowings	(193,794)	(97,280)
Share buy-back	(260)	(2,030)
Proceeds of borrowings	15,799	267,163
Proceeds from issuance of notes payable, net of transaction costs	-	39,469
Repayment to directors	-	(4,999)
Advance from related parties	-	4,502
Proceeds from exercise of warrants	-	9
<b>Net cash (used in)/generated from financing activities</b>	<b>(182,540)</b>	<b>158,569</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(72,045)</b>	<b>57,660</b>
Effect of exchange rate changes	(1,365)	(1,141)
Cash and cash equivalents at beginning of the period/year	97,119	40,600
<b>Cash and cash equivalents at end of the period/year</b>	<b>23,709</b>	<b>97,119</b>
<b>Cash and cash equivalents represent:</b>		
Bank and cash balance	18,469	30,485
Bank overdraft	(255)	(343)
Fixed deposits	8,015	104,462
Total	26,229	134,604
Less : fixed deposits and bank balances pledged	(2,520)	(37,485)
<b>Cash and cash equivalents as shown in statement of cash flows</b>	<b>23,709</b>	<b>97,119</b>

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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

	Share capital US\$'000	Treasury shares US\$'000	Capital reserve US\$'000	Share option reserve US\$'000	Merger reserve US\$'000	Foreign currency translation reserve US\$'000	Accumulated profits US\$'000	Total attributable to equity holders of the parent US\$'000	Non-controlling interests US\$'000	Total US\$'000
<b>THE GROUP</b>										
<b>Balance as at 1 April 2015</b>	229,528	(3,757)	11,824	639	(151,692)	(167)	166,590	252,965	57,163	310,128
<b>Total comprehensive income for the period</b>										
Profit for the period	-	-	-	-	-	-	38,192	38,192	17,017	55,209
Other comprehensive income for the period	-	-	-	-	-	(205)	-	(205)	(191)	(396)
<b>Total</b>	-	-	-	-	-	(205)	38,192	37,987	16,826	54,813
<b>Transaction with owners of the Company, recognised directly in equity</b>										
Share buy-back	-	(260)	-	-	-	-	-	(260)	-	(260)
Dividends paid	-	-	-	-	-	-	(8,548)	(8,548)	-	(8,548)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	-	(17,706)	(17,706)
<b>Total</b>	-	(260)	-	-	-	-	(8,548)	(8,808)	(17,706)	(26,514)
<b>Balance as at 30 June 2016</b>	229,528	(4,017)	11,824	639	(151,692)	(372)	196,234	282,144	56,283	338,427
<b>Balance as at 1 April 2014</b>	229,519	(1,727)	11,824	639	(151,692)	(327)	153,529	241,765	17,462	259,227
<b>Total comprehensive income for the year</b>										
Profit for the year	-	-	-	-	-	-	22,687	22,687	5,143	27,830
Other comprehensive income for the year	-	-	-	-	-	160	-	160	(85)	75
<b>Total</b>	-	-	-	-	-	160	22,687	22,847	5,058	27,905
<b>Transaction with owners of the Company, recognised directly in equity</b>										
Acquisition of subsidiary	-	-	-	-	-	-	-	-	37,104	37,104
Disposal of subsidiary	-	-	-	-	-	-	-	-	(2,461)	(2,461)
Exercise of warrants	9	-	-	-	-	-	-	9	-	9
Share buy-back	-	(2,030)	-	-	-	-	-	(2,030)	-	(2,030)
Dividends paid	-	-	-	-	-	-	(9,626)	(9,626)	-	(9,626)
<b>Total</b>	9	(2,030)	-	-	-	-	(9,626)	(11,647)	34,643	22,996
<b>Balance as at 31 March 2015</b>	229,528	(3,757)	11,824	639	(151,692)	(167)	166,590	252,965	57,163	310,128

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	Share capital US\$'000	Treasury shares US\$000	Capital reserve US\$000	Share option reserve US\$'000	Accumulated profits US\$'000	Total US\$'000
<b>THE COMPANY</b>						
<b>Balance as at 1 April 2015</b>	229,528	(3,757)	11,824	639	52,657	290,891
Share buy-back	-	(260)	-	-	-	(260)
Loss for the period representing total comprehensive income for the period	-	-	-	-	(34,886)	(34,886)
Dividend paid representing transaction with owners of the Company, recognised directly in equity	-	-	-	-	(8,548)	(8,548)
<b>Balance as at 30 June 2016</b>	<b>229,528</b>	<b>(4,017)</b>	<b>11,824</b>	<b>639</b>	<b>9,223</b>	<b>247,197</b>
<b>Balance as at 1 April 2014</b>	229,519	(1,727)	11,824	639	61,522	301,777
Profit for the year representing total comprehensive income for the year	-	-	-	-	761	761
<b>Transaction with owners of the Company, recognised directly in equity</b>						
Exercise of warrants	9	-	-	-	-	9
Dividend paid	-	-	-	-	(9,626)	(9,626)
Share buy-back	-	(2,030)	-	-	-	(2,030)
	9	(2,030)	-	-	(9,626)	(11,647)
<b>Balance as at 31 March 2015</b>	<b>229,528</b>	<b>(3,757)</b>	<b>11,824</b>	<b>639</b>	<b>52,657</b>	<b>290,891</b>

**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 issue, as at the end of the current financial periods reported on and as at the end of the corresponding period of the immediately preceding financial year.**

	No of shares	
	30 June 2016	31 Mar 2015
<b>Issued ordinary shares</b>		
Balance at the beginning of the financial period/year	823,442,375	823,415,509
Exercised of warrants	-	26,866
Balance at the end of the financial period/year	823,442,375	823,442,375
Less: Treasury shares	(16,000,800)	(13,945,600)
Total issued shares excluding treasury shares	807,441,575	809,496,775
Outstanding bonus warrants at an exercise price of S\$0.43 per share which have expired on 17 June 2016.	-	81,971,772
Outstanding share options	2,280,000	4,350,000

The Company has a share option scheme known as Falcon Energy Group Employee Share Option Scheme ("the Scheme") which was adopted on 28 October 2004 and had lapsed on 27 October 2014. As the Scheme had been discontinued, no further share options may be offered by the Company. The discontinuance of the Scheme however does not affect share options which have been granted and accepted. Such outstanding share options remain exercisable until they lapse and become null and void.





**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 above.

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

	<b>No of shares</b>
Balance as at 1 April 2015	13,945,600
Purchase of treasury shares	2,055,200
Balance as at 30 June 2016	<u>16,000,800</u>

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

The figures have neither been audited nor reviewed by the Company's auditors.

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

Not applicable.

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

The accounting policies and methods of computation are the same as in the Company's audited consolidated financial statements for the year ended 31 March 2015.

**5. If there were 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.**

There is no change in the accounting policies and methods of computation.

**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.**

	<b>THE GROUP</b>	
	<b>15M 2016</b>	<b>12M 2015</b>
Net profit/(loss) attributable to Owners of the Company (US\$'000)	<u>38,192</u>	<u>22,687</u>
Weighted average number of ordinary shares ('000)	<u>809,460</u>	<u>820,248</u>
<b>Earnings per ordinary share ("EPS") for the period/year</b>		
(a) Basic EPS (US cents)	4.72	2.77
(b) On a fully diluted EPS (US cents)#	4.72	2.77

# the outstanding options and the warrants were "out-of-money".



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

	THE GROUP		THE COMPANY	
	As at	As at	As at	As at
	30/06/2016	31/03/2015	30/06/2016	31/03/2015
	US cents	US cents	US cents	US cents
<b>Net asset value ("NAV") per ordinary share based on issued share capital excluding treasury shares as at end of the period reported on</b>	34.95	31.25	30.62	35.93

**Notes:**

The Group's and the Company's NAV (represented as equity attributable to owners of the Company) per ordinary share as at 30 June 2016 and 31 March 2015 have been computed based on the number of 807,441,575 and 809,496,775 ordinary shares issued excluding treasury shares respectively.

**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.**

15M 2016 vs 12M 2015

The Group saw a decrease in revenue of US\$39.15 million or 11.4% from US\$342.44 million for the twelve months ended 31 March 2015 ("12M 2015") to US\$303.29 million for the fifteen months ended 30 June 2016 ("15M 2016"). The difference is mainly made up of:

- i) Oilfield and Drilling Services Division's revenue decreased by US\$56.48 million due to a lower volume of works and contracted construction progress in 15M 2016.
- ii) Marine Division's revenue increased by US\$15.31 million with the inclusion of the operating results of CH Offshore Ltd's ("CHO"). CHO is a subsidiary acquired in February 2015.

The Group's average gross profit margin improved from 15.0% to 19.9% in 15M 2016 mainly due to an improved gross profit margin of the Marine Division contributed by the higher margin earned by CHO. The margin earned by the other divisions remained relatively constant.

Other operating income increased by US\$45.08 million and was due mainly to:

- i) the one-off settlement income, net of related expenses, of US\$53.50 million which was in relation to the CHO's claim relating to outstanding charter-hire.
- ii) Offset by the absence of gain on disposal of plant and equipment recorded in 12M 2015 amounting to US\$17.51 million.

Administrative expenses increased from US\$30.44 million in 12M 2015 to US\$56.58 million in 15M 2016. This was due mainly to provision for allowance for doubtful receivables of US\$7.51 million with a full provision of US\$6.25 million made on the Group's exposure to Swiber's receivables. In addition, there also an allowance for impairment for property, plant and equipment of US\$10.11 million, allowance for impairment of goodwill of US\$2.53 million and higher office expenses incurred for the fifteen months period.

Finance costs increased by US\$7.39 million from US\$7.52 million in 12M 2015 to US\$14.91 million in 15M 2016 due mainly to financing of the bank borrowings made for the purchase of additional equity interest in CH Offshore Ltd in February 2015.

The share of profit from associates and joint ventures decreased by US\$2.51 million from US\$7.69 million in 12M 2015 to US\$5.18 million in 15M 2016 in view of lower profit generated from the associates and joint ventures.

With the mentioned factors above, the Group generated a profit before tax of approximately US\$59.81 million in 15M 2016.

Statement of financial position and Statement of cash flow:

Current assets decreased by US\$139.14 million from US\$327.74 million as at 31 March 2015 to US\$188.60 million as at 30 June 2016. The decrease was mainly attributed to (i) decrease in trade receivables of US\$20.99 million due to lower revenue generated during 15M 2016 and (ii) decrease in cash and bank balances of US\$108.46 million mainly for the repayment of bank borrowings.

Non-current assets decreased by approximately US\$52.19 million from US\$518.01 million as at 31 March 2015 to US\$465.82 million as at 30 June 2016. This was mainly due to US\$23.59 million of other receivables has become current, impairment for property, plant and equipment of US\$10.11 million, impairment of goodwill of US\$2.53 million and routine depreciation and amortisation.

Both non-current liabilities and current liabilities decreased by US\$76.93 million and US\$142.76 million respectively as at 30 June 2016 compare to 31 March 2015. This was due mainly to US\$171.86 million decrease in borrowings in relation to the management's effort to contain the cost of borrowings through refinancing and capital repayment, and lower trade and other payables in line with decrease in revenue activities of the Group.

The Group generated an approximate net cash flow of US\$120.35 million from operating activities was mainly due to the collection of receivables and the settlement income. Net cash flow used in investing activities amounting to US\$9.83 million was mainly for acquisition of property, plant and equipment and acquisition of remaining equity interest in an associate that the Group does not own previously. Net cash flow used in financing activities of approximately US\$182.57 million was mainly for repayment of existing loans and interest after setting off against the draw-down of others bank facilities.

***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 business environment will continue to be challenging due to the reduction of Capex and Opex by the oil companies. This has resulted in intensified competition and reduced margins for fewer jobs.

The Group will continually seek to improve on its gross profit margin by reviewing and improving on the operational efficiency of its fleet and by exercising prudent financial control.

The Group will also intensify its business development and marketing activities to explore new business opportunities and provide services to a wider network of customers.

Save as disclosed herein, there are no known material factors or events which may affect the Group in the next reporting period and the next twelve 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	Final
Dividend Type	Cash
Dividend Amount	S\$0.01 per ordinary share
Tax Rate	One-tier tax exempt

**(c) Date payable**

Not applicable.

**(d) Book closure date**

Not applicable.

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

No final dividend has been declared for the financial period ended 30 June 2016.

**13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group did not obtain a general mandate from shareholders for Interested Person Transactions.

**Interested Person Transactions**

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	US\$'000	US\$'000
<b>Cai Wenxing</b> <sup>(1)</sup>		
- rental of premises	344	-
<b>CDS International Forwarding (TianJin) Co Ltd</b> <sup>(2)</sup>		
- sale of services	370	-
- purchase of services	3,571	-
<b>Greenland Petroleum Operation Pte Ltd</b> <sup>(3)</sup>		
- sale of services	515	-
- purchase of goods	1,514	-

Note:

- (1) Mr Cai Wenxing is a Director of the Company.
- (2) Mr Cai Wenxing holds 70% of the equity interest in CDS International Forwarding (TianJin) Co Ltd.
- (3) Greenland Petroleum Operation Pte Ltd is wholly owned by Mr Cai Wenxing and Ms Cai Wenting (Alternate Director to Mr Cai Wenxing).

**14. CONFIRMATION PURSUANT TO RULE 720(1) OF THE SGX LISTING MANUAL**

The Company confirms that it has procured the undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 pursuant to Rule 720(1) of the Listing Manual.

**PART 2 - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

**15. 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.**

Segment information about the Group's operations is presented below:

	Marine US\$'000	Oilfield and drilling services US\$'000	Oilfield projects US\$'000	Resources US\$'000	Corporate US\$'000	Elimination US\$'000	Total US\$'000
<b>BUSINESS SEGEMENT</b>							
<b>1 Apr 2015 to 30 Jun 2016</b>							
<b>Revenue</b>							
External sales	85,507	207,732	10,054	-	-	-	303,293
Inter-segment sales	748	-	-	-	-	(748)	-
<b>Total revenue</b>	<b>86,255</b>	<b>207,732</b>	<b>10,054</b>	<b>-</b>	<b>-</b>	<b>(748)</b>	<b>303,293</b>
<b>Results</b>							
Segment result	51,274	24,417	1,541	(1,050)	(7,412)	-	68,770
Share of net profit of associates and joint ventures							5,176
Interest income	363	8	-	-	402	-	773
Financial costs	(4,524)	(433)	(48)	-	(9,909)	-	(14,914)
Profit before income tax							59,805
Income tax expense							(4,596)
<b>Profit for the period</b>							<b>55,209</b>
<b>1 Apr 2014 to 31 Mar 2015</b>							
<b>Revenue</b>							
External sales	70,196	264,215	8,030	-	-	-	342,441
Inter-segment sales	4,362	4,048	-	-	-	(8,410)	-
<b>Total revenue</b>	<b>74,558</b>	<b>268,263</b>	<b>8,030</b>	<b>-</b>	<b>-</b>	<b>(8,410)</b>	<b>342,441</b>
<b>Results</b>							
Segment result	11,851	18,170	2,189	(1,701)	(132)	-	30,377
Share of net profit of associates and joint ventures							7,693
Interest income	66	15	-	1	226	-	308
Financial costs	(4,908)	(374)	-	-	(2,236)	-	(7,518)
Profit before income tax							30,860
Income tax expense							(3,030)
<b>Profit for the year</b>							<b>27,830</b>
<b>Assets and liabilities</b>							
<b>30 June 2016</b>							
Segment assets	471,404	115,454	15,979	7,457	44,118	-	654,412
Segment liabilities	162,130	46,475	12,120	214	95,046	-	315,985
<b>31 March 2015</b>							
Segment assets	628,557	129,406	10,183	7,045	70,560	-	845,751
Segment liabilities	230,151	78,158	9,755	232	217,327	-	535,623



	Marine US\$'000	Oilfield and drilling services US\$'000	Oilfield projects US\$'000	Resources US\$'000	Corporate US\$'000	Total US\$'000
<b>Other information</b>						
<b>30 Jun 2016</b>						
Allowance for doubtful trade receivables	7,737	(223)	-	-	-	7,514
Capital additions	7,849	721	50	1	-	8,621
Depreciation and amortisation expenses	31,725	1,488	47	23	290	33,573
Gain on disposal of property, plant and equipment	-	(291)	-	-	-	(291)
Trade debts written off	38	-	-	-	-	38
Allowance for impairment of goodwill	-	-	-	-	2,527	2,527
Allowance for impairment of property, plant and equipment	10,110	-	-	-	-	10,110
<b>31 March 2015</b>						
Allowance for doubtful trade receivables	-	-	2,153	-	-	2,153
Capital additions	46,378	4,672	1	1,392	197	52,640
Depreciation and amortisation expenses	12,620	1,088	2	27	261	13,998
Gain on disposal of property, plant and equipment	(17,152)	-	-	-	-	(17,152)
Trade debts written off	-	469	-	-	-	469
Amortisation of notes payable transaction costs	-	-	-	-	117	117
Amortisation of term loan issuing costs	-	-	-	-	143	143
Loss on deemed disposal of previously held interest in subsidiary	467	-	-	-	-	467
Loss on deemed disposal of previously held interest in associate	10,662	-	-	-	-	10,662



**Geographical segments**

The Group's operations are located in Americas, Asia and Middle East. The following table provides an analysis of the Group's sales by geographical market, irrespective of the origin of the goods/services and assets by their respective locations.

	Revenue US\$'000	Non-current assets* US\$'000
<b>30 Jun 2016</b>		
Malaysia	1,951	-
China	167,592	1,356
Myanmar	329	-
Indonesia	41,410	134,678
India	5,040	-
Mexico	1,628	477
United Arab Emirates	7,144	-
Singapore	36,247	272,401
Dubai	13,866	506
Vietnam	10,244	-
Brazil	16,853	6,425
Africa	989	-
<b>Total</b>	<b>303,293</b>	<b>415,843</b>
<b>31 March 2015</b>		
Malaysia	1,699	-
China	230,967	105
Myanmar	5,875	-
British Virgin Islands	-	48,753
Panama	-	12,498
Indonesia	49,823	143,946
Mexico	4,285	700
United Arab Emirates	4,966	4
Singapore	22,846	263,395
Dubai	12,348	-
Vietnam	2,458	-
Brunei	6,686	-
Africa	155	-
Russia	333	-
<b>Total</b>	<b>342,441</b>	<b>469,401</b>

\* exclude associates, joint ventures, available-for-sale investments and deferred tax assets.

**Information about major customers**

The Group's revenue derived from customers who individually account for 10% of more of the Group's revenue is detailed below:

	Marine		Oilfield and drilling services		Oilfield projects		Resources	
	2016 US\$'000	2015 US\$'000	2016 US\$'000	2015 US\$'000	2016 US\$'000	2015 US\$'000	2016 US\$'000	2015 US\$'000
Customer 1	-	-	164,265	224,753	-	-	-	-

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

Please refer to paragraph 8 for the review.

**17. A breakdown of sales**

<b>The Group</b>			
	<b>Year ended 30 June 2016 (15 months) US\$'000</b>	<b>Year ended 31 March 2015 (12 months) US\$'000</b>	<b>Increase/( Decrease) %</b>
(a) Sales reported for first 6 months	96,716	146,130	-34%
(b) Operating profit after tax reported for first 6 months	64,021	29,999	113%
(c) Sales reported for remaining months (FY2016: 9 months and 2015: 6 months)	206,577	196,311	5%
(d) Operating profit after tax reported for remaining months (FY2016: 9 months and FY2015: 6 months)	(8,812)	(2,169)	306%

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

<b>The Group</b>		
	<b>Financial year ended 30 June 2016 (15 months) US\$'000</b>	<b>Financial year ended 31 March 2015 (12 months) US\$'000</b>
Ordinary	2,863	12,157
Preference	-	-
<b>Total</b>	<b>2,863</b>	<b>12,157</b>

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

Name	Age	Family relationship with any director or chief executive officer of substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Wong Tshun Wah Kingsley	43	1) Spouse of Cai Wenting, the Alternate Director to Cai Wenxing	Regional General Manager, (Middle East) of Longzhu Oilfield (S) Pte Ltd ("Longzhu"), a subsidiary of the Company.	NA
		2) Brother-in-law of Cai Wenxing, Director of the Company	Mr Wong is responsible for over-all management and business development of Longzhu. Position held since 2009	

**BY ORDER OF THE BOARD**

**Tan Pong Tyea**  
Chairman and Chief Executive Officer

**29 Aug 2016**