

**QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2014**

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

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

Financial statements on consolidated results for the year ended 30 June 2014. Certain items reported for the year ended 30 June 2013 have been reclassified to conform to this report for the year ended 30 June 2014.

	Note	Group			Group		
		Fourth Quarter			Twelve Months		
		Apr 2014 - Jun 2014	Apr 2013 - Jun 2013	Inc/ (Dec)	Jul 2013 - Jun 2014	Jul 2012 - Jun 2013	Inc/ (Dec)
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue		14,887	13,770	8.1	49,830	50,818	(1.9)
Cost of sales		(12,538)	(10,883)	15.2	(40,210)	(39,856)	0.9
Gross profit		2,349	2,887	(18.6)	9,620	10,962	(12.2)
Other operating income		(7,504)	249	N.M	1,588	5,589	(71.6)
Other operating expenses		1,086	(1,584)	N.M	(10,447)	(1,708)	511.7
Distribution and selling expenses		(37)	(34)	8.8	(152)	(198)	(23.2)
Administrative expenses		(2,346)	(2,982)	(21.3)	(9,803)	(10,731)	(8.6)
Finance income		275	297	(7.4)	2,027	903	124.5
Finance costs		(169)	(34)	397.1	(335)	(223)	50.2
(Loss)/profit before income tax	1	(6,346)	(1,201)	428.4	(7,502)	4,594	N.M
Income tax		(3)	(113)	(97.3)	(477)	(998)	(52.2)
<b>Net (loss)/profit for the year</b>		(6,349)	(1,314)	383.2	(7,979)	3,596	N.M
Other comprehensive income/(loss)		5,494	(746)	N.M	(39,720)	1,196	N.M
Total comprehensive (loss)/income		(855)	(2,060)	(58.5)	(47,699)	4,792	N.M
<b>Net (loss)/profit attributable to:</b>							
Equity holders of the Company		(6,535)	(618)	957.4	(8,147)	1,623	N.M
Non-controlling interests		186	(696)	N.M	168	1,973	(91.5)
		(6,349)	(1,314)	383.2	(7,979)	3,596	N.M
<b>Total comprehensive (loss)/income attributable to:</b>							
Equity holders of the Company		(1,234)	(465)	165.3	(47,888)	3,623	N.M
Non-controlling interests		379	(1,595)	N.M	189	1,169	(83.8)
		(855)	(2,060)	(58.5)	(47,699)	4,792	N.M

**QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2014**

Notes:

**1) Profit/(loss) before tax is arrived at after (charging)/crediting the following:-**

	Group			Group		
	Fourth Quarter			Twelve Months		
	Apr 2014 - Jun 2014 S\$'000	Apr 2013 - Jun 2013 S\$'000	Inc/ (Dec) %	Jul 2013 - Jun 2014 S\$'000	Jul 2012 - Jun 2013 S\$'000	Inc/ (Dec) %
Trade receivables written off	-	(26)	(100.0)	-	(27)	(100.0)
Stocks written off	(167)	(412)	(59.5)	(167)	(412)	(59.5)
Provision of obsolete stocks	(231)	(792)	(70.8)	(231)	(792)	(70.8)
Depreciation of property, plant and equipment	(137)	(231)	(40.7)	(673)	(747)	(9.9)
Realised exchange (loss)/gain (net)	(56)	(49)	14.3	(65)	194	N.M
Unrealised exchange gain/(loss) (net)	320	(90)	N.M	(504)	110	N.M
Interest expense on borrowings	(149)	(12)	1,141.7	(198)	(72)	175.0
Interest income	275	297	(7.4)	2,027	903	124.5
Gain on disposal of property, plant and equipment	215	96	124.0	273	979	(72.1)
Gain/(loss) on disposal of other financial assets	1,800	1,750	2.9	(8,796)	3,167	N.M
(Loss)/gain on disposal of a subsidiary	(2,656)	-	N.M	967	-	N.M
Transfer of fair value from reserves	(5,465)	(1,419)	285.1	(392)	652	N.M
Fair valuation of financial asset held for trading	(8)	-	N.M	(89)	-	N.M
Impairment of available-for-sale financial assets	(179)	-	N.M	(179)	-	N.M
Adjustment for over/(under) provision of tax in respect of prior years	-	138	(100.0)	(56)	85	N.M

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

	Group			Group		
	Fourth Quarter			Twelve Months		
	Apr 2014 - Jun 2014 S\$'000	Apr 2013 - Jun 2013 S\$'000	Inc/ (Dec) %	Jul 2013 - Jun 2014 S\$'000	Jul 2012 - Jun 2013 S\$'000	Inc/ (Dec) %
<i>Other comprehensive income:</i>						
Exchange difference on translation of foreign operations	275	(2,331)	N.M	85	(2,793)	N.M
Fair value (loss)/gain recognised in equity on revaluation of available-for-sale financial assets during the year	(425)	(436)	(2.5)	(40,376)	4,635	N.M
Impairment of available-for-sale financial assets during the year	179	-	N.M	179	-	N.M
Reversal of fair value loss/(gain) from equity on disposal of available-for-sale financial assets during the year	5,465	1,419	285.1	325	(652)	N.M
Fair value reclassification adjustment relating to subsidiary disposed of	-	-	N.M	67	-	N.M
Deferred tax on fair value changes to available-for-sale financial assets	-	602	(100.0)	-	6	(100.0)
<b>Other comprehensive income/(loss)</b>	<b>5,494</b>	<b>(746)</b>	<b>N.M</b>	<b>(39,720)</b>	<b>1,196</b>	<b>N.M</b>

**QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2014**

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

	Note	Group		Company	
		30-Jun-14 S\$'000	30-Jun-13 S\$'000	30-Jun-14 S\$'000	30-Jun-13 S\$'000
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Property, plant and equipment	1	6,195	6,690	53	39
Investment in subsidiaries		-	-	14,449	14,602
Investment in associated companies		2	2	-	-
Investment in joint venture entities		-	-	-	-
Goodwill	2	1,570	1,570	-	-
Other intangible assets	3	29,023	28,949	-	-
Other financial assets	4	4,799	50,581	26	31,924
<b>Total Non-Current Assets</b>		<b>41,589</b>	<b>87,792</b>	<b>14,528</b>	<b>46,565</b>
<b>Current Assets</b>					
Other financial assets	4	-	540	-	540
Inventories	5	7,576	7,123	-	-
Trade and other receivables	6	8,394	9,227	622	842
Related parties balances	8	220	2,026	3,786	1,497
Cash and bank deposits		4,682	6,391	25	320
Fixed deposits		15,453	16,098	-	-
<b>Total Current Assets</b>		<b>36,325</b>	<b>41,405</b>	<b>4,433</b>	<b>3,199</b>
<b>Total Assets</b>		<b>77,914</b>	<b>129,197</b>	<b>18,961</b>	<b>49,764</b>
<b>LIABILITIES AND EQUITY</b>					
<b>Current Liabilities</b>					
Trade and other payables	7	8,652	8,973	2,356	2,979
Bank overdrafts	9	809	700	-	-
Related parties balances	8	427	2,879	1,823	4,570
Borrowings	9	48	32	-	-
Finance lease obligations	10	10	12	-	12
Income tax liabilities	11	582	644	-	-
<b>Total Current Liabilities</b>		<b>10,528</b>	<b>13,240</b>	<b>4,179</b>	<b>7,561</b>
<b>Non-Current Liabilities</b>					
Borrowings	9	68	103	-	-
Finance lease obligations	10	32	-	-	-
Deferred tax liabilities	12	7,265	7,383	-	-
<b>Total Non-Current Liabilities</b>		<b>7,365</b>	<b>7,486</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities</b>		<b>17,893</b>	<b>20,726</b>	<b>4,179</b>	<b>7,561</b>
<b>EQUITY</b>					
Share capital		120,127	120,127	120,127	120,127
Reserves		(86,818)	(38,930)	(105,345)	(77,924)
		33,309	81,197	14,782	42,203
Non-controlling interests		26,712	27,274	-	-
<b>Total Equity</b>		<b>60,021</b>	<b>108,471</b>	<b>14,782</b>	<b>42,203</b>
<b>Total Liabilities and Equity</b>		<b>77,914</b>	<b>129,197</b>	<b>18,961</b>	<b>49,764</b>

**QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2014**

**Notes to the consolidated statement of financial position**

**1) Property, plant and equipment**

Property, plant and equipment decreased from net book value of S\$6.7 million as at 30 June 2013 to S\$6.2 million as at 30 June 2014. Total additions during the year were S\$0.4 million. Depreciation charged was S\$0.7 million. Translation differences was approximately S\$0.2 million.

**2) Goodwill**

Goodwill remains unchanged over the financial year.

	Jun-14	Jun-13
	S\$'000	S\$'000
Mid-Continent Equipment Group Pte Ltd	1,570	1,570

**3) Other Intangible assets**

	Jun-14	Jun-13
	S\$'000	S\$'000
20% (2013: 20%) participating interest for the exploration of an area covered by the Petroleum Exploration Licence 101 granted under the Petroleum Act 2000 of South Australia	4,495	4,493

Coal concession rights granted by the Government of Indonesia for a period of 30 years, commencing from the date that mining operations commences, to explore, mine and extract coal from the Kuaro coal formation located at Kabupaten Pasir, East Kalimantan, Indonesia\*

26,420	26,420
1,138	1,138
27,558	27,558

Exploration and evaluation expenditure incurred for the Kuaro coal formation located at Kabupaten Pasir, East Kalimantan, Indonesia

32,053	32,051
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Translation Differences

(3,030)	(3,102)
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29,023	28,949
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*\*Due to the impending legal proceedings in relation to the Group's ownership interest in PT Batubara Selaras Sapta, the directors have been unable to determine the recoverable amount of the Group's investment in the Coal Concession Rights. Any adjustment to the figures will largely be dependent on the outcome of the legal proceedings and may significantly affect the Group's results.*

**QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2014**

**4) Other financial assets**

Other financial assets decreased from S\$51.1 million as at 30 June 2013 to S\$4.8 million as at 30 June 2014. The change was mainly due to movement in financial assets held for trading and fair value of available-for-sale financial assets during the year.

Other financial assets include financial assets held for trading which are intended to be disposed in the near term.

	Jun-14	Jun-13
	S\$'000	S\$'000
<u>Available-for-sale financial assets</u>		
Quoted equity shares, at fair value	4,791	50,373
Quoted warrants, at fair value	8	208
	<u>4,799</u>	<u>50,581</u>
<u>Financial asset held for trading</u>		
Quoted equity shares, at fair value	-	540
	<u>-</u>	<u>540</u>
Total other financial assets	<u>4,799</u>	<u>51,121</u>
<u>Classified as:</u>		
- Non current	4,799	50,581
- Current	-	540
	<u>4,799</u>	<u>51,121</u>

**5) Inventories**

	Jun-14	Jun-13
	S\$'000	S\$'000
<u>At cost (Environmental Projects)</u>		
Finished goods	100	2,430
Work-in-progress	92	215
Goods-in-transit	1,568	1,226
	<u>1,760</u>	<u>3,871</u>
<u>At net realisable value (Equipment &amp; Spares)</u>		
Finished goods	5,816	3,252
	<u>5,816</u>	<u>3,252</u>
	<u>7,576</u>	<u>7,123</u>

Refer to Item 8 on Page 13 for more details on sales performance.

**6) Trade and other receivables**

The amount of trade and other receivables have decreased from S\$9.2 million as at 30 June 2013 to S\$8.4 million as at 30 June 2014, mainly resulting from a decrease in revenue and settlement of debts in the process of winding down certain business units in our oilfield equipment supplies and services segment.

	Jun-14	Jun-13
	S\$'000	S\$'000
Trade receivables	6,666	6,988
Other debtors, deposits and prepayments	1,728	2,239
	<u>8,394</u>	<u>9,227</u>

**7) Trade and other payables**

Trade and other payables have decreased from S\$9.0 million as at 30 June 2013 to S\$8.7 million as at 30 June 2014. The decrease was mainly due to settlement of debts in the process of winding down certain business units in our oilfield equipment supplies and services segment.

	Jun-14	Jun-13
	S\$'000	S\$'000
Trade payables	6,035	6,291
Other creditors, payables and accruals	2,617	2,682
	<u>8,652</u>	<u>8,973</u>

**QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2014**

**8) Related parties balances (net)**

The related party balances relate to trade balances between our equipment supply subsidiary and its joint venture partner and, associated and affiliated companies.

	Jun-14	Jun-13
	S\$'000	S\$'000
Amount due from	220	2,026
Amount due to	(427)	(2,879)
Net amount due to	(207)	(853)

**9) Bank overdrafts & borrowings**

The outstanding bank overdrafts and borrowings relate mainly to working capital facilities provided by banks to our subsidiaries. The increase in bank overdrafts was mainly due to short-term financing for purchases.

	Jun-14	Jun-13
	S\$'000	S\$'000
Bank overdrafts	809	700
Current borrowings	48	32
Non-current borrowings	68	103
Total bank overdrafts and borrowings	925	835

**10) Finance lease obligations**

The increase in finance lease was due to new finance lease taken up during the year.

	Jun-14	Jun-13
	S\$'000	S\$'000
Current	10	12
Non-current	32	-
	42	12

**11) Income tax liabilities**

Income tax liabilities which mainly arise from in our oilfield equipment supplies and services segment has changed marginally from S\$0.64 million as at 30 June 2013 to S\$0.58 million as at 30 June 2014 as a result of payment of tax and/or provision of current year's income tax expense.

**12) Deferred tax liabilities**

Deferred tax liabilities have been recognised on the coal concession valuation for PT Batubara Selaras Sapta in Indonesia and investments in quoted equities in Australia. The deferred tax for unutilised benefits mainly comprises the deductible temporary differences arising from the provision for unutilised leave, long service leave and other employee benefits.

	Jun-14	Jun-13
	S\$'000	S\$'000
Property, plant and equipment	67	21
Intangible assets	8,607	8,509
Available-for-sale financial assets	(173)	(175)
Unutilised benefits	(1,236)	(972)
	7,265	7,383

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**QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2014**

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

**Amount repayable in one year or less, or on demand**

<b>As at 30-Jun-2014</b>	
<b>Secured</b>	<b>Unsecured</b>
<b>S\$'000</b>	<b>S\$'000</b>
58	809

<b>As at 30-Jun-2013</b>	
<b>Secured</b>	<b>Unsecured</b>
<b>S\$'000</b>	<b>S\$'000</b>
44	700

**Amount repayable after one year**

<b>As at 30-Jun-2014</b>	
<b>Secured</b>	<b>Unsecured</b>
<b>S\$'000</b>	<b>S\$'000</b>
100	-

<b>As at 30-Jun-2013</b>	
<b>Secured</b>	<b>Unsecured</b>
<b>S\$'000</b>	<b>S\$'000</b>
103	-

**Details of group's borrowings, debt securities and any collateral**

The unsecured borrowing relates to bank overdraft which arises mainly due to short term working capital requirement.

The Group's bank borrowings and credit facilities are secured by:

- a Standby Letter of Credit from a bank in Singapore;
- a personal guarantee from the directors, guarantee from a corporate shareholder and a hypothecation of machinery of a joint venture company in India;
- a first floating charge on all its undertaking, other property, assets and rights of a joint venture entity in Singapore; and
- the pledging of subsidiaries' fixed deposits of S\$5,252,800 to certain banks.

**QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2014**

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

	<b>Group</b>	
	<b>Twelve Months Ended</b>	
	<b>Jun-14 S\$'000</b>	<b>Jun-13 S\$'000</b>
<b>Cash flows from operating activities</b>		
(Loss)/profit before income tax	(7,502)	4,594
Adjustments of non-cash items	7,950	(3,716)
<b>Operating cash flows before working capital changes</b>	<b>448</b>	<b>878</b>
- Working capital changes	29	2,352
<b>Cash flows from operations</b>	<b>477</b>	<b>3,230</b>
Interest income received	1,986	290
Interest paid	(198)	(72)
Income taxes paid	(731)	(698)
<b>Net cash generated from operating activities</b>	<b>1,534</b>	<b>2,750</b>
<b>Cash flows from investing activities</b>		
Disposal of subsidiary	-	128
Proceeds from sale of property, plant and equipment	364	1,051
Purchase of property, plant and equipment	(342)	(656)
Net proceeds from sale of other financial assets	595	6,199
Acquisition of other financial assets	(3,969)	(504)
Payment of petroleum exploration expenditure	(2)	(152)
Payment of dividends by a subsidiary company to minority	(751)	(1,279)
<b>Net cash flows (used in)/generated from investing activities</b>	<b>(4,105)</b>	<b>4,787</b>
<b>Cash flows from financing activities</b>		
Repayment of finance lease obligations	(16)	(23)
Repayment of borrowings	(60)	(1,442)
Fixed deposits pledged to banks	(43)	(126)
<b>Net cash flows used in financing activities</b>	<b>(119)</b>	<b>(1,591)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(2,690)</b>	<b>5,946</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>16,506</b>	<b>11,252</b>
<b>Effects of exchange rate changes on cash and cash equivalents</b>	<b>257</b>	<b>(692)</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>14,073</b>	<b>16,506</b>
<b>Represented by:</b>		
Cash and bank balances	4,682	6,391
Fixed deposits	10,200	10,815
Bank overdrafts, unsecured	(809)	(700)
	14,073	16,506
<b>Cash and cash equivalents</b>		
Cash and bank balances	4,682	6,391
Fixed deposits	15,453	16,098
<b>Cash and cash equivalents</b>	<b>20,135</b>	<b>22,489</b>
Less: Pledged fixed deposits	(5,253)	(5,283)
Less: Bank overdrafts	(809)	(700)
<b>Cash and cash equivalents at the end of the year</b>	<b>14,073</b>	<b>16,506</b>

**QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2014**

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

Group	Attributable to shareholders					Non-Controlling Interests      Total Equity	
	Share Capital	Fair Value Reserve	Translation Reserve	Accumulated Losses	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 July 2013	120,127	40,839	(7,806)	(71,963)	81,197	27,274	108,471
Total comprehensive (loss)/profit for the year	-	(39,878)	137	(8,147)	(47,888)	189	(47,699)
Dividends paid by subsidiaries to non-controlling shareholders	-	-	-	-	-	(751)	(751)
Balance at 30 June 2014	120,127	961	(7,669)	(80,110)	33,309	26,712	60,021

**QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2014**

**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 (cont'd)**

Group	Attributable to shareholders						Non-Controlling Interests	Total Equity
	Share Capital	Fair Value Reserve	Translation Reserve	Accumulated Losses	Total			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance at 1 July 2012</b>	120,127	37,298	(6,265)	(73,563)	77,597	27,233	104,830	
Total comprehensive income/(loss) for the period	-	3,541	(1,541)	1,623	3,623	1,169	4,792	
Disposal of interest in subsidiary	-	-	-	(23)	(23)	151	128	
Dividends paid by a subsidiary to non-controlling shareholders	-	-	-	-	-	(1,279)	(1,279)	
<b>Balance at 30 June 2013</b>	120,127	40,839	(7,806)	(71,963)	81,197	27,274	108,471	

**QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2014**

- 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 (cont'd)**

<b>Company</b>	<b>Share Capital S\$'000</b>	<b>Fair Value Reserve S\$'000</b>	<b>Accumulated Losses S\$'000</b>	<b>Total S\$'000</b>
Balance at 1 July 2013	120,127	27,415	(105,339)	42,203
Total comprehensive loss for 4Q2014	-	(27,415)	(6)	(27,421)
Balance at 30 June 2014	120,127	-	(105,345)	14,782
Balance at 1 July 2012	120,127	25,329	(105,082)	40,374
Total comprehensive income/(loss) for 4Q2013	-	2,086	(257)	1,829
Balance at 30 June 2013	120,127	27,415	(105,339)	42,203

- 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.**

<b>Date</b>	<b>Description</b>	<b>No of shares</b>	<b>Paid-up Capital S\$'000</b>
30-Jun-14	Issued and paid-up capital	2,048,678,060	120,127
30-Jun-13	Issued and paid-up capital	2,048,678,060	120,127

There is no outstanding convertible and no share option or award granted under the Magnus Energy Employee Share Option Plan or Performance Share Plan. There is no change in the Company's share capital during the current financial year.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	<b>30-Jun-14</b>	<b>30-Jun-13</b>
No. of ordinary shares issued and fully paid	2,048,678,060	2,048,678,060

There is no treasury share as at the end of the current financial year and as at the end of the immediately preceding year.

- 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.**

Not applicable

- 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 auditors.

**QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2014**

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

Not applicable.

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

Except as disclosed in Part 5 below, the same accounting policies and methods of computation as in the most recently audited annual financial statements have been applied.

- 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.**

On 1 July 2013, the Group adopted the following FRS which are effective and relevant to the Group, and mandatory for application:

FRS 113 Fair Value Measurement

The adoption of the above amended standard has not had any impact on the financial performance or position of the Group.

- 6 Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

Earnings per share of the Group after deducting any provision for preference dividends for the year ended 30 June 2014:

	<b>Group</b>		<b>Group</b>	
	<b>Fourth Quarter</b>		<b>Twelve Months</b>	
	<b>Apr 2014 - Jun 2014</b>	<b>Apr 2013 - Jun 2013</b>	<b>Jul 2013 - Jun 2014</b>	<b>Jul 2012 - Jun 2013</b>
Earnings for the year (S\$'000)	(6,535)	(618)	(8,147)	1,623
- Based on weighted average number of ordinary shares in issue (cents)	(0.319)	(0.030)	(0.398)	0.079
- Weighted average number of ordinary shares ('000)	2,048,678	2,048,678	2,048,678	2,048,678
- On a fully diluted basis (detailing any adjustments made to the earnings (cents)	(0.319)	(0.030)	(0.398)	0.079
- Weighted average number of ordinary shares on fully diluted basis ('000)	2,048,678	2,048,678	2,048,678	2,048,678

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

	<b>Group</b>		<b>Company</b>	
	<b>As at 30-Jun-14</b>	<b>As at 30-Jun-13</b>	<b>As at 30-Jun-14</b>	<b>As at 30-Jun-13</b>
Net asset value per ordinary share (cents)	1.63	3.96	0.72	2.06
On a fully diluted basis (cents)	1.63	3.96	0.72	2.06

**QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2014**

**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

Turnover, costs, and earnings of the Group for full year ended 30 June 2014 ("FY2014") and 30 June 2013 ("FY2013")

The Group's revenue decreased by 1.9% from S\$50.8 million for FY2013 to S\$49.8 million for FY2014. The decrease in revenue resulted from lower activities in tubular sales and decrease in project sales as compared to FY2013. Cost of sales increased by 0.9% from S\$39.9 million for FY2013 to S\$40.2 million for FY2014, mainly attributable to tubular products which affects the gross margin as elaborated below. Gross profit has decreased by 12.2% from S\$11.0 million for FY2013 to S\$9.6 million for FY2014. Gross margin decreased from 21.6% for FY2013 to 19.3% for FY2014, mainly due to the sale of tubular inventories at prices below costs.

The Group continues to focus its efforts on sales of equipment and spares, leasing revenues and project sales which yield better margins as compared to high value low margin tubular products.

Quarter-to-quarter

The Group posted marginally higher revenue of S\$14.9 million for 4Q2014 as compared to S\$13.8 million for 4Q2013. Consequently, costs of sales of S\$12.5 million for 4Q2014 was higher than S\$10.9 million for 4Q2013. As mentioned above, higher profit margin of 21.0% was recorded for 4Q2013 as compared to 15.8% for 4Q2014.

Other operating income

	Jul 2013 - Jun 2014	Jul 2012 - Jun 2013
	S\$'000	S\$'000
Gain on disposal of available-for-sale financial assets	-	3,167
Gain on disposal of a subsidiary	967	-
Transfer of fair value gain from equity to profit and loss	-	652
Services income from environmental projects	222	475
Exchange gain	-	304
Gain on disposal of property, plant and equipment	273	982
Bad debts recovered	12	-
Other income	114	9
	<u>1,588</u>	<u>5,589</u>

Expenses

	Jul 2013 - Jun 2014	Jul 2012 - Jun 2013
	S\$'000	S\$'000
Distribution & selling expenses	152	198
Administrative expenses	9,803	10,731
Other operating expenses	10,447	1,708
	<u>20,402</u>	<u>12,637</u>

Expenses have increased by S\$7.8 million from S\$12.6 million for FY2013 to S\$20.4 million for FY2014 which was mainly contributed by unrealised exchange loss of S\$0.5 million and losses in trading of other financial assets of S\$8.8 million. Otherwise, administrative expenses have decreased by S\$0.9 million from S\$10.7 million for FY 2013 to S\$9.8 million for FY2014. Please refer to Note 1 on Page 2 for further details.

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**QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2014**

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Finance income/costs

Finance income is mainly due to interest income. Finance expenses are mainly due to hire purchase interests and bank charges.

	Jul 2013 - Jun 2014	Jul 2012 - Jun 2013
	S\$'000	S\$'000
Finance income	2,027	903
Finance costs	(335)	(223)
	<u>1,692</u>	<u>680</u>

Net profit after tax

Net profit after tax was S\$3.6 million for FY2013 and net loss after tax was S\$8.0 million for FY2014. The net loss for the year was mainly contributed by other operating expenses as mentioned above, otherwise our oilfield equipment supply and services segment was profitable for FY2014.

- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

The Group recorded a net cash generated for operating activities of S\$1.5 million for FY2014 and S\$2.8 million for FY2013, mainly due to working capital changes and interest income (please refer to details on Page 5). Cash inflow from working capital was S\$0.02 million for FY2014 as compared to S\$2.4 million for FY2013.

Net cash flow used in investing activities was S\$4.1 million for FY2014 which was significantly higher as compared to an inflow of S\$4.8 million for FY2013, mainly due to the acquisition of 15% stake in GCM Resources plc. for S\$3.7 million in 1Q2014. Net proceeds from sale of other financial assets for FY2014 was S\$0.6 million as compared to S\$6.2 million for FY2013.

Movements in net cash flows in financing activities were insignificant for FY2014 as compared to a repayment of borrowings of S\$1.4 million for FY2013. Comparatively, the Group's cash and cash equivalents decreased by approximately S\$2.4 million, after adjusting for effects of foreign currencies exchanges, from S\$16.5 million as at 30 June 2013 to S\$14.1 million as at 30 June 2014. The details of the cash flow statement are on Page 8.

- 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's main core business, the oilfield equipment supplies and services segment, Mid-Continent Equipment Group Pte Ltd and its subsidiaries ("Mid-Con Group"), remains cautiously optimistic about its growth prospects. The Mid-Con Group will continue to focus on its multi-pronged strategy to expand geographically, diversify its business model, widen its product range and enhance its processing capabilities to remain profitable in the next twelve months.

The Group is exposed to movements in US Dollar and Australian Dollar and price fluctuation of quoted equities in our investment portfolio. Such movements in the currencies and equities market may have a significant impact on the Group's future results.

Going forward, the Group will continue to pursue acquisition and investment opportunities across the Asia Pacific region.

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**QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2014**

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**11 Dividend**

- (a) Current Financial Period Reported On - Not applicable
- (b) Corresponding Period of the Immediately Preceding Financial Year - Not applicable
- (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 dividend has been declared/recommended for the year ended 30 June 2014.

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

No IPT general mandate has been obtained by the Group from the shareholders. There was no interested person transaction for the year under review, save for interest-free loans provided by directors to the Company.

**14 Confirmation by the Board pursuant to Rule 705(5)**

We, Lim Kuan Yew and Goh Boon Kok, being two directors of the Company, do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the year ended 30 June 2014 to be false or misleading in any material aspect. A signed confirmation copy is kept in record.

On behalf of the Board of Directors

Lim Kuan Yew  
Managing Director

Goh Boon Kok  
Non-executive Independent Director

**15 Disclosure of person occupying a managerial position in the issuer of any of its principal subsidiaries who is a relative or a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10). If there is no such person, the issuer must make an appropriate negative statement.**

There is no person occupying managerial positions in the Company or its principal subsidiaries who is related to a director or chief executive officer or substantial shareholder of the Company or its principal subsidiaries.

**QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2014**

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

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

**16 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.**

**FY 2014**

	Oilfield Equipment Supply and services	Investment holding	Total
	S\$'000	S\$'000	S\$'000
External revenue	49,830	-	49,830
Profit/(Loss) from operations	1,624	(10,818)	(9,194)
Unallocated finance income			2,027
Unallocated finance costs			(335)
Loss before income tax			(7,502)
Unallocated income tax			(477)
Loss after income tax			(7,979)
<u>Segment assets and liabilities</u>			
Current assets	35,640	685	36,325
Unallocated non-current assets			12,566
Unallocated intangible assets			29,023
Consolidated assets			77,914
Current liabilities	7,270	2,618	9,888
Unallocated current and non-current liabilities:			
Borrowings			116
Finance lease obligations			42
Income tax liabilities			582
Deferred income tax liabilities			7,265
Consolidated liabilities			17,893

**QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2014**

- 16 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. (cont'd)**

**FY 2013**

	Oilfield Equipment Supply and services	Investment holding	Total
	S\$'000	S\$'000	S\$'000
<u>Segment revenue and results</u>			
External revenue	50,818	-	50,818
Profit/(Loss) from operations	4,927	(1,013)	3,914
Unallocated finance income			903
Unallocated finance costs			(223)
Profit before income tax			4,594
Unallocated income tax			(998)
Profit after income tax			3,596
<u>Segment assets and liabilities</u>			
Current assets	39,040	2,365	41,405
Unallocated non-current assets			58,843
Unallocated intangible assets			28,949
Consolidated assets			129,197
Current liabilities	9,870	2,682	12,552
Unallocated current and non-current liabilities:			
Borrowings			135
Finance lease obligations			12
Income tax liabilities			644
Deferred income tax liabilities			7,383
Consolidated liabilities			20,726

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**QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2014**

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

There is no material change in contributions to turnover and earnings by the business or geographical segments.

**18 A breakdown of sales.**

	Group		
	1-Jul-2013 to 30-Jun-2014	1-Jul-2012 to 30-Jun-2013	Inc/ (Dec)
	S\$'000	S\$'000	%
Sales reported for the first half year	22,101	25,531	(13.4)
Operating (loss)/profit after tax before deducting minority interests reported for the first half year	(2,229)	4,663	N.M.
Sales reported for the second half year	27,729	25,287	9.7
Operating loss after tax before deducting minority interests reported for the second half year	(5,750)	(1,067)	>100

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

**Total Annual Dividend**

	<b>Latest Full Year</b>	<b>Previous Full Year</b>
	<b>(30-Jun-2014)</b>	<b>(30-Jun-2013)</b>
<b>Ordinary</b>	-	-
<b>Preference</b>	-	-
<b>Total</b>	-	-

**BY ORDER OF THE BOARD**

**Luke Ho Khee Yong**  
**Company Secretary**  
**29 August 2014**

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Stamford Corporate Services Pte. Ltd ("Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst. The **Sponsor** has not independently verified the contents of this announcement.*

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

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