

Fourth-quarter and full-year financial statements and dividend announcement for the year ended 30 June 2014

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

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

	Group 4 th Qtr ended			Group 12 months ended		
	30 June 2014 S\$'000	30 June 2013 S\$'000	Change %	30 June 2014 S\$'000	30 June 2013 S\$'000	Change %
Revenue	17,452	19,782	-11.8	72,469	68,044	6.5
Cost of sales	(10,810)	(12,580)	-14.1	(46,766)	(44,572)	4.9
Gross profit	6,642	7,202	-7.7	25,703	23,472	9.5
Other operating income	372	321	15.9	2,515	1,720	46.2
Administration expenses	(5,269)	(4,560)	15.5	(18,886)	(18,087)	4.4
Sales and marketing expenses	(1,355)	(1,336)	1.4	(5,148)	(5,307)	-3.0
Other operating expenses	(32)	(197)	-83.8	(218)	(304)	-28.3
Share of results of joint venture companies	(12)	(12)	n.m.	(48)	(47)	2.1
Profit from operations	346	1,418	-75.6	3,918	1,447	170.8
Finance costs	(126)	(167)	-24.6	(582)	(740)	-21.3
Profit from operations before taxation	220	1,251	-82.4	3,336	707	371.9
Income tax expenses	(2)	(178)	-98.9	(462)	(188)	145.7
Profit from operations, net of tax	218	1,073	-79.7	2,874	519	453.8
Attributable to:						
Owners of the Company	215	927	-76.8	2,874	394	629.4
Non-controlling interests	3	146	-97.9	-	125	n.m.
	218	1,073	-79.7	2,874	519	453.8

n.m. – not meaningful

A statement of comprehensive income (for the group), together with a comparative statement for the corresponding period of the immediate preceding financial year.

	Group 4th Qtr ended			Group 12 months ended		
	30 June 2014 S\$'000	30 June 2013 S\$'000	Change %	30 June 2014 S\$'000	30 June 2013 S\$'000	Change %
Profit for the period / year	218	1,073	-79.7	2,874	519	453.8
Other comprehensive income:						
Foreign currency translation	18	(4)	n.m.	(115)	(1)	n.m.
Foreign currency reserve reclassified to profit and loss upon liquidation of a subsidiary	-	(3)	n.m.	-	(3)	n.m.
Total comprehensive income for the period	236	1,066	-77.9	2,759	515	435.7
Total comprehensive income attributable to:						
Owners of the Company	233	861	-72.9	2,759	331	733.5
Non-controlling interests	3	205	-98.5	-	184	n.m.
Total comprehensive income for the period	236	1,066	-77.9	2,759	515	435.7

The net profit attributable to shareholders is stated after (charging)/crediting:-

	Group 4 th Qtr ended			Group 12 months ended		
	30 June 2014 S\$'000	30 June 2013 S\$'000	Change %	30 June 2014 S\$'000	30 June 2013 S\$'000	Change %
Write back of stock obsolescence	18	18	n.m.	18	14	28.6
Bad debt written off	(36)	-	n.m.	(36)	-	n.m.
(Allowance for) Write-back of doubtful debts	(79)	6	n.m.	(114)	6	n.m.
Depreciation	(640)	(987)	-35.2	(3,441)	(3,791)	-9.2
Interest expense	(126)	(167)	-24.6	(582)	(740)	-21.3
Gain on disposal of property, plant and equipment	29	31	-64.5	816	274	197.8
Foreign exchange gain /(loss)	82	(195)	n.m.	(68)	(208)	-67.3

n.m. – not meaningful

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

	Group		Company	
	30 June 2014	30 June 2013	30 June 2014	30 June 2013
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Property, plant and equipment	19,227	18,396	-	-
Investment properties	1,377	-	-	-
Investment in subsidiaries	-	-	13,161	13,161
Investment in joint venture companies	363	411	7	7
Other receivables	1,062	1,163	-	-
Prepayments	3,784	3,311	-	-
	25,813	23,281	13,168	13,168
Current assets				
Inventories	29,302	21,958	-	-
Trade receivables	27,261	27,933	-	-
Other receivables and prepayments	1,175	807	-	101
Amount due from subsidiaries	-	-	20,496	15,371
Amount due from joint venture companies	180	20	180	20
Cash and bank balances	2,033	6,406	94	3,656
	59,951	57,124	20,770	19,148
Current liabilities				
Trade payables	12,567	16,376	-	-
Bills payables	12,310	9,412	-	-
Other payables	5,968	1,654	1,463	216
Derivative liabilities	-	4	-	-
Interest-bearing loans and borrowings	4,422	4,773	-	-
Income tax payable	765	248	19	7
	36,032	32,467	1,482	223
Net current assets	23,919	24,657	19,288	18,925
Non-current liabilities				
Interest-bearing loans and borrowings	2,856	3,692	-	-
Deferred tax liabilities	1,145	1,406	-	-
Other payables	114	198	-	-
Net assets	45,617	42,642	32,456	32,093
Equity attributable to owners of the Company:				
Share capital	33,269	33,269	33,269	33,269
Treasury shares	(646)	(602)	(646)	(602)
Reserves	12,945	9,961	(167)	(574)
	45,568	42,628	32,456	32,093
Non-Controlling interests	49	14	-	-
Total equity	45,617	42,642	32,456	32,093

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

Amount repayable in one year or less, or on demand

	Group 30 June 2014		Group 30 June 2013	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Bills payables	-	12,310	-	9,412
Interest-bearing loans and borrowings:				
Bank overdrafts	-	1,141	-	1,108
Fixed advance facility	-	1,300	-	1,800
Hire purchase creditors	562	-	554	-
Internationalisation finance scheme	-	262	-	262
Draft loan	-	-	-	-
Invoice financing	-	431	-	871
Term loan	126	600	-	178
	<u>688</u>	<u>16,044</u>	<u>554</u>	<u>13,631</u>

Amount repayable after one year

	Group 30 June 2014		Group 30 June 2013	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Interest-bearing loans and borrowings:				
Internationalisation finance scheme	-	787	-	1,050
Hire purchase creditors	345	-	792	-
Term loans	1,724	-	1,850	-
	<u>2,069</u>	<u>787</u>	<u>2,642</u>	<u>1,050</u>

Details of the collaterals:

All bank borrowings are unsecured with the exception of the hire purchases which are secured by charges over the leased assets and term loan which is secured by charge over certain property, plant and equipment.

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

	Group 4 th Qtr ended 30.06.2014 S\$'000	Group 4 th Qtr ended 30.06.2013 S\$'000	Group 12 months ended 30.06.2014 S\$'000	Group 12 months ended 30.06.2013 S\$'000
Cash flows from operating activities				
Profit before tax from operations	220	1,251	3,336	707
Adjustments for:-				
Depreciation of property, plant and equipment	640	987	3,441	3,791
Write-back for stock obsolescence	(18)	(14)	(18)	(14)
Bad debt written-off	36	-	36	-
Allowance for / (Write-back of) doubtful debts	79	(6)	114	(6)
Gain on disposal of property, plant and equipment and investments	(29)	(31)	(816)	(274)
Fair value loss on derivatives	-	16	(4)	16
Interest expenses	126	167	582	740
Share of results of joint venture companies	12	12	48	47
Gain on disposal of Investment in a subsidiary	-	(3)	-	(3)
Employee equity benefit expenses	260	-	260	-
	<u>1,106</u>	<u>1,128</u>	<u>3,643</u>	<u>4,297</u>
Operating profit before working capital changes	1,326	2,379	6,979	5,004
(Increase) / Decrease in inventories	(2,864)	(923)	(4,940)	1,200
Decrease in net amount due to a customer for contract work-in-progress	-	(309)	-	-
Decrease / (Increase) in trade receivables	639	(4,685)	522	(7,071)
Decrease / (Increase) in other receivables and prepayments	190	(1,601)	(427)	(2,340)
Increase / (Decrease) in trade payables	1,413	7,019	(3,809)	7,942
Increase / (Decrease) in other payables	3,305	590	4,230	(463)
Cash generated from operating activities	4,409	2,470	2,555	4,272
Income tax paid	1	-	(206)	(30)
Income tax refunded	-	-	-	298
Currency translation	107	(57)	(15)	7
Net cash flows generated from operating activities	4,117	2,413	2,334	4,547
Cash flows from investing activities				
Purchase of property, plant and equipment	(2,643)	(639)	(7,706)	(2,795)
Purchase of investment properties	(1,377)	-	(1,377)	-
Proceeds from disposal of plant and equipment	75	(251)	1,467	631
Net cash flows used in investing activities	(3,945)	(890)	(7,616)	(2,164)
Cash flows from financing activities				
Purchase of treasury shares	(44)	-	(44)	-
Proceeds from interest-bearing loans and borrowings	1,269	1,850	3,998	1850
Repayments of interest-bearing loans and borrowings	(1,419)	(2,096)	(2,456)	(3,144)
Proceeds from issuance of new shares pursuant to rights issue	-	-	-	5,101
Interest paid	(166)	(167)	(622)	(740)
Net cash flows (used in) / generated from financing activities	(360)	(413)	876	3,067
Net (decrease) / increase in cash and cash equivalents	(188)	1,110	(4,406)	5,450
Cash and cash equivalents at beginning of the period	1,080	4,188	5,298	(152)
Cash and cash equivalents at end of the period	892	5,298	892	5,298
Analysis of cash and cash equivalents				
Cash and bank balances	2,033	6,406	2,033	6,406
Bank overdrafts	(1,141)	(1,108)	(1,141)	(1,108)
Cash and cash equivalents at end of the period	892	5,298	892	5,298

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

4th Quarter ended 30 June 2014

< -----Equity attributable to owners of the Company ----- >

Group	Share Capital	Treasury shares	Treasury shares reserve	Merger reserve	Employee Equity Benefit Reserve	Translation reserve	Statutory reserve fund	Accumulated Profits/(Losses)	Total Reserves	Non-controlling interest	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 April 2014	33,269	(602)	(120)	(7,660)	-	(235)	15	20,487	12,487	11	45,165
Net profit for the period	-	-	-	-	-	-	-	215	215	3	218
Other comprehensive income for the period	-	-	-	-	-	18	-	-	18	-	18
Total comprehensive income for the period	-	-	-	-	-	18	-	215	233	3	236
Purchase of treasury shares	-	(44)	-	-	-	-	-	-	-	-	(44)
Disposal of subsidiary without loss of control	-	-	-	-	-	-	-	(35)	(35)	35	-
Employee equity benefit expenses	-	-	-	-	260	-	-	-	260	-	260
At 30 June 2014	33,269	(646)	(120)	(7,660)	260	(217)	15	20,667	12,945	49	45,617
At 1 April 2013	33,269	(602)	(120)	(7,660)	-	(36)	15	16,901	9,100	(191)	41,576
Net profit for the period	-	-	-	-	-	-	-	927	927	146	1,073
Other comprehensive income for the period	-	-	-	-	-	(66)	-	-	(66)	59	(7)
Total comprehensive income for the period	-	-	-	-	-	(66)	-	927	861	205	1,066
Issuance of new shares pursuant to rights issue	-	-	-	-	-	-	-	-	-	-	-
At 30 June 2013	33,269	(602)	(120)	(7,660)	-	(102)	15	17,828	9,961	14	42,642
Company											
At 1 April 2014	33,269	(602)	(120)	-	-	-	-	(376)	(496)	-	32,171
Net profit for the period	-	-	-	-	-	-	-	69	69	-	69
Total comprehensive income for the period	-	-	-	-	-	-	-	69	69	-	69
Purchase of treasury shares	-	(44)	-	-	-	-	-	-	-	-	(44)
Employee equity benefit expenses	-	-	-	-	260	-	-	-	260	-	260
At 30 June 2014	33,269	(646)	(120)	-	260	-	-	(307)	(167)	-	32,456
At 1 April 2013	33,269	(602)	(120)	-	-	-	-	82	(38)	-	32,629
Net profit for the period	-	-	-	-	-	-	-	(536)	(536)	-	(536)
Total comprehensive income for the period	-	-	-	-	-	-	-	(536)	(536)	-	(536)
Issuance of new shares pursuant to rights issue	-	-	-	-	-	-	-	-	-	-	-
At 30 June 2013	33,269	(602)	(120)	-	-	-	-	(454)	(574)	-	32,093

12 months ended 30 June 2014

< -----Equity attributable to owners of the Company ----- >

Group	Share Capital S\$'000	Treasury shares S\$'000	Treasury shares reserve S\$'000	Merger reserve S\$'000	Employee Equity Benefit Reserve S\$'000	Translation reserve S\$'000	Statutory reserve fund S\$'000	Accumulated Profits/(Losses) S\$'000	Total Reserves S\$'000	Non-controlling interest S\$'000	Total S\$'000
At 1 July 2013	33,269	(602)	(120)	(7,660)	-	(102)	15	17,828	9,961	14	42,642
Net profit for the year	-	-	-	-	-	-	-	2,874	2,874	-	2,874
Other comprehensive income for the period	-	-	-	-	-	(115)	-	-	(115)	-	(115)
Total comprehensive income for the year	-	-	-	-	-	(115)	-	2,874	2,759	-	2,759
Purchase of treasury shares	-	(44)	-	-	-	-	-	-	-	-	(44)
Disposal of subsidiary without loss of control	-	-	-	-	-	-	-	(35)	(35)	35	-
Employee equity benefit expenses	-	-	-	-	260	-	-	-	260	-	260
At 30 June 2014	33,269	(646)	(120)	(7,660)	260	(217)	15	20,667	12,945	49	45,617
At 1 July 2012	28,168	(602)	(120)	(7,660)	-	(39)	15	17,434	9,630	(170)	37,026
Net profit for the year	-	-	-	-	-	-	-	394	394	125	519
Other comprehensive income for the year	-	-	-	-	-	(63)	-	-	(63)	59	(4)
Total comprehensive income for the period	-	-	-	-	-	(63)	-	394	331	184	515
Issuance of new shares pursuant to rights issue	5,101	-	-	-	-	-	-	-	-	-	5,101
At 30 June 2013	33,269	(602)	(120)	(7,660)	-	(102)	15	17,828	9,961	14	42,642
Company											
At 1 July 2013	33,269	(602)	(120)	-	-	-	-	(454)	(574)	-	32,093
Net profit for the year	-	-	-	-	-	-	-	147	147	-	147
Total comprehensive income for the year	-	-	-	-	-	-	-	147	147	-	147
Purchase of treasury shares	-	(44)	-	-	-	-	-	-	-	-	(44)
Employee equity benefit expenses	-	-	-	-	260	-	-	-	260	-	260
At 30 June 2014	33,269	(646)	(120)	-	260	-	-	(307)	(167)	-	32,456
At 1 July 2012	28,168	(602)	(120)	-	-	-	-	31	(89)	-	27,477
Net profit for the year	-	-	-	-	-	-	-	(485)	(485)	-	(485)
Total comprehensive income for the year	-	-	-	-	-	-	-	(485)	(485)	-	(485)
Issuance of new shares pursuant to rights issue	5,101	-	-	-	-	-	-	-	-	-	5,101
At 30 June 2013	33,269	(602)	(120)	-	-	-	-	(454)	(574)	-	32,093

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.

There have been no changes in the Company's share capital since 31 December 2013.

As at 30 June 2014, the Company held 2,201,930 treasury shares (30 June 2013: 1,811,930) against a total number of 223,873,298 issued shares excluding treasury shares (30 June 2013: 224,263,298). The Company had no outstanding convertibles as at 30 June 2014 and 30 June 2013.

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

	As at 30.06.2014	As at 30.06.2013
Total number of issued shares (excluding treasury shares)	223,873,298	224,263,298

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.

None.

2. Whether the figures have been audited, or reviewed and in accordance with which 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 statements for the current financial period as those applied to the audited financial statements for the financial year ended 30 June 2013.

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.

Not applicable.

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

	Group		Group	
	4th Qtr ended 30.06.2014	4th Qtr ended 30.06.2013	12 months ended 30.0.2014	12 months ended 30.06.2013
Earnings per ordinary share for the period based on net profit after tax attributed to the shareholders of the Company				
(i) Based on weighted average number of ordinary shares in issue (cents)	0.10	0.4	1.28	0.2
(ii) On a fully diluted basis (cents)	0.10	0.4	1.27	0.2

Note:

Weighted average number of ordinary shares excluding treasury shares for calculation of:

- Basic earnings per share	224,182,284	224,263,298	224,182,284	224,263,298
- Diluted earnings per share	226,311,702	224,263,298	226,311,702	224,263,298

7. Net Asset Value (for the issuer and the 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.

	Group		Company	
	30.06.2014	30.06.2013	30.06.2014	30.06.2013
Net asset value per ordinary share based on the total number of issued shares excluding treasury shares at end of the period (cents)	20.4	19.0	14.5	14.3
No. of issued shares excluding treasury shares	223,873,298	224,263,298	223,873,298	224,263,298

- 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.**

Financial Performance

Revenue

The Group's revenue for the twelve months ended 30 June 2014 ("FY14") was S\$72.5 million, 6.5% higher than the S\$68.0 million generated for the last financial year ("FY13"). The increase was due to the increase in revenue generated from all segments, especially the oil and gas ("O&G") segment as we managed to secure certain major products and rental orders during the financial year.

The Group's revenue for the fourth quarter ended 30 June 2014 ("4Q FY14") was S\$17.5 million, 11.8% lower than the corresponding period last year ("4Q FY13") mainly due to lower demand of our products from the O&G segment.

Gross Profit

The Group's gross profits for FY14 were higher than that for FY13 mainly due to higher revenue and higher gross profit margin, while the Group's gross profits for 4Q FY14 was lower than that for 4Q FY13 mainly due to lower sales, offset by higher gross profit margin.

Gross Profit Margin

The Group's gross profit margins for FY14 and 4Q FY14 were higher mainly due to the increase in demand for our technical services to the offshore O&G customers. Such services command a higher gross profit margin.

Other Operating Income

Other operating income was higher for FY14 as compared to the corresponding period of the last financial year, mainly due to:

- i. increase in rental income generated from the leasing of our premises at 61 Tuas Bay Drive, Singapore 637428 and 71 Tuas Bay Drive, Singapore 637430; and
- ii. gain on disposal of property, plant and equipment.

Other operating income was higher for 4Q FY14 as compared to the corresponding period of the last financial year, mainly due to higher rental income as explained above.

Operating Expenses

The Group's operating expenses – comprising administration and sales and marketing expenses – were S\$24.0 million and S\$6.6 million for FY14 and 4Q FY14 respectively, S\$0.6 million and 0.7 million higher than those of FY13 and 4Q FY13, respectively, mainly due to the accrual of incentive bonuses for management staff.

Other Operating Expenses

Other operating expenses FY14 was S\$86,000 lower as compared to FY13, mainly due to lower foreign exchange loss suffered during the financial period.

Other operating expenses for 4Q FY14 was S\$165,000 lower as compared to 4Q FY13, mainly due to foreign exchange loss suffered in 4Q FY13.

Share of Results of a Joint Venture Company

This arose from the share of our profit and loss of Advanced Mooring Systems Pte. Ltd., a joint venture between KTL Global Limited and LMC Asia Pacific Pte Ltd, as per our announcement dated 27 October 2009.

Finance Costs

Finance costs decreased for FY14 and 4Q FY14 mainly due to the decrease in bank borrowings.

Gain Attributable to the Shareholders of the Group

The net gain attributable to the shareholders of the Group for FY2014 was due to higher revenue, higher gross profit, higher other operating income, lower finance costs, lower other operating expenses, partially offset by higher operating expenses and higher tax expenses.

Balance Sheet Review

Current Assets

The current assets of S\$59.9 million as at 30 June 2014 was higher as compared to that as at 30 June 2013 mainly due to higher inventories as we increased our purchases to cater for next quarter sales, partially offset by (i) lower cash as we settled certain trade payables with substantial amounts when they fell due; and (ii) the use of rights issue proceeds for the construction of the new facilities in Malaysia during the financial year.

Non-Current Assets

The increase in non-current assets from S\$23.3 million as at 30 June 2013 to S\$25.8 million as at 30 June 2014 was mainly due to:

- i) increase in property, plant and equipment as well as prepayments for the construction of the new facilities in Malaysia as announced on 20 November 2012; and
- ii) increase in investment properties due to the partial payments for the four commercial units in KL Trillion as announced on 1 April 2014.

Current Liabilities

The increase in current liabilities from S\$32.5 million as at 30 June 2013 to S\$36.0 million as at 30 June 2014 was mainly due to:

- i. the increase in bills payables as we increased our purchase of inventories to cater for next quarter sales;
- ii. the increase in other payables for the equipment purchased but not fully paid;

which were offset by:

- iii. the decrease in trade payables as we settled certain trade payables with substantial amounts when they fell due.

Non-Current Liabilities

The non-current liabilities as at 30 June 2014 was lower than that as at 30 June 2013 mainly due to the lower deferred tax liabilities and bank borrowings.

Share Capital and Reserves

The increase in share capital and reserves from S\$42.6 million as at 30 June 2013 to S\$45.6 million as at 30 June 2014 was mainly due to the profit earned during the financial period.

Cash flow Review

4th Quarter ended 30 June 2014

Net cash flows generated from operating activities of S\$4.1 million arose mainly from the increase in the other payables for the equipment purchased but not paid and trade payables, partially offset by the increase of inventories to support sales for the next quarter.

Net cash used in investing activities of S\$3.9 million in 4Q FY14 was attributable mainly to the payment for the construction of the new facilities in Malaysia as announced on 20 November 2012.

Net cash used in financing activities amounting to S\$0.4 million was attributable mainly to the repayment of bank borrowings.

12 months ended 30 June 2014

Net cash flows generated from operating activities of S\$2.3 million arose mainly from:

i) the increase in the other payables for the equipment purchased but not paid and trade payables;

offset by:

ii) the increase of inventories to support sales for the next quarter; and

iii) the decrease in trade payables we settled certain trade payables with substantial amounts when they fell due during the financial year.

Net cash used in investing activities of S\$7.6 million in FY14 was attributable mainly to payment for the construction of the new facilities in Malaysia as announced on 20 November 2012 and the four commercial units in KL Trillion as announced on 1 April 2014.

Net cash generated from financing activities amounting to S\$0.9 million was attributable mainly to the proceeds from bank borrowings to finance our operation, partially offset by the repayment of bank loans during the financial year.

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 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 expects that the market for the supply of rigging and lifting systems to the offshore O&G and marine sectors will remain challenging and competitive for the next twelve months.

11. Dividend

(a) Current Financial Period Reported on

Any dividend declared for the current financial period reported on?

Yes

Name of Dividend	Final
Dividend Type	Cash
Dividend amount per share	0.44668 cents per ordinary share
Tax rate	N.A. (one-tier tax exempt)

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

(c) Date Payable

12 November 2014

(d) Books closure date

31 October 2014

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

Not applicable

13. Interested person transactions

The Company does not have a general mandate for interested person transactions.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

14. 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.

	Offshore Oil and gas S\$'000	Marine S\$'000	Others * S\$'000	Elimination S\$'000	Total S\$'000
Year ended 30 June 2014					
Revenue	48,946	13,570	9,953	-	72,469
Other income					2,515
Segment Revenue					<u>74,984</u>
Segment Results	3,695	299	(28)		3,966
Share of results of a joint venture company					(48)
Finance expenses					<u>(582)</u>
Profit from operation before tax					3,336
Income tax expenses					<u>(462)</u>
Profit from operation after tax					<u>2,874</u>
As at 30 June 2014					
Segment assets	57,680	15,992	11,729		85,401
Investment in a joint venture company					363
Total assets					<u>85,764</u>
Segment liabilities	12,596	3,492	2,561		18,649
Tax payables and deferred tax liabilities					1,910
Total interest-bearing loans and borrowings					19,588
Total liabilities					<u>40,147</u>
Other segment information:-					
Depreciation	2,324	644	473		3,441
Additions to non-current assets	5,898	1,635	1,199		8,732

	Offshore Oil and gas S\$'000	Marine S\$'000	Others * S\$'000	Elimination S\$'000	Total S\$'000
Year ended 30 June 2013					
Revenue	48,908	12,053	7,083	-	68,044
Other income					1,720
Segment Revenue					<u>69,764</u>
Segment Results	1,530	(213)	177		1,494
Share of results of a joint venture company					(47)
Finance expenses					<u>(740)</u>
Profit from operation before tax					707
Income tax expenses					<u>(188)</u>
Profit from operation after tax					<u><u>519</u></u>
As at 30 June 2013					
Segment assets	57,497	14,170	8,327		79,994
Investment in a joint venture company					411
Total assets					<u><u>80,405</u></u>
Segment liabilities	19,876	4,893	2,875		27,644
Tax payables and deferred tax liabilities					1,654
Total interest-bearing loans and borrowings					8,465
Total liabilities					<u><u>37,763</u></u>
Other segment information:-					
Depreciation	2,724	671	396		3,791
Additions to non-current assets	2,062	508	298		2,868

* Others include customers in the engineering and construction industries.

Geographical segments

	Revenue		Assets		Capital expenditure	
	FY2014 S\$'000	FY2013 S\$'000	FY2014 S\$'000	FY2013 S\$'000	FY2014 S\$'000	FY2013 S\$'000
Singapore	33,826	28,823	60,917	63,579	3,309	2,733
Asia	15,552	19,074	11,290	3,221	5,327	-
United Arab Emirates	8,997	7,620	13,557	13,605	96	135
Rest of the world	14,094	12,527	-	-	-	-
	<u>72,469</u>	<u>68,044</u>	<u>85,764</u>	<u>80,405</u>	<u>8,732</u>	<u>2,868</u>

“Asia” includes Brunei, Hong Kong, India, Indonesia, Japan, Malaysia, the Philippines, the People’s Republic of China, South Korea, Taiwan, Thailand and Vietnam, each contributing less than 10% of total revenue.

“Rest of the world” includes Africa, Australia, North and South America, Europe, New Zealand and other Middle Eastern countries, each contributing less than 10% of total revenue.

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

Revenue contributed by all segments, namely the Offshore O&G, Marine and others segments were higher in FY14 as compared to FY13 mainly due to higher demand of our products and services as we managed to secure some major orders during the financial years.

Earnings contributed by the Offshore O&G and marine segment increased in FY14 as compared to FY13 mainly due to higher revenue and higher gross profit margin. Earnings contributed by others segment declined mainly due to lower gross profit margin as the results of keen competition.

Geographically, revenue contribution from Singapore, UAE and the rest of the world increased due to the general increase in demand for our products and services. The revenue contribution from Asia decreased mainly due to the decreased in sales to Malaysia as we managed to secure a major order in FY13.

16. A breakdown of sales

	FY2014 S\$'000	Group FY2013	Increase/ Decrease %
		FY2013 S\$'000	
(a) Sales reported for the first half-year	36,803	29,309	25.6
(b) Operating profit / (loss) after tax before deducting non-controlling interests reported for first half-year	2,055	(1,634)	n.m.
(c) Sales reported for second half-year	35,666	38,735	-7.9
(d) Operating profit after tax before deducting non-controlling interests reported for second half-year	819	2,153	-62.0

n.m. – not meaningful

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

	Latest Full Year	Previous Full Year
	S\$'000	S\$'000
Ordinary	1,000	0
Preference	0	0
Total	1,000	0

18. 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).

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Jonathan Tan Kheng Kuan	33	Son of Tan Tock Han (Executive Chairman and deemed Substantial Shareholder) and brother of Tan Kheng Yeow (Chief Executive Officer and deemed Substantial Shareholder)	Director of Administration. In-charge of the Administration Department and oversees the operations of the administration, human resource and information technology divisions. Position held since 2009.	NA
Karen Tan Suan Suan	40	Daughter of Tan Tock Han (Executive Chairman and deemed Substantial Shareholder) and sister of Tan Kheng Yeow (Chief Executive Officer and deemed Substantial Shareholder)	Executive Assistant to Chairman. Position held since 2009.	NA
Lim Kor Him	37	Daughter-in-law of Tan Tock Han (Executive Chairman and deemed Substantial Shareholder) and sister-in-law of Tan Kheng Yeow (Chief Executive Officer and deemed Substantial Shareholder)	Assistant Director of Administration. In-charge of the Physical Distribution Department - Purchasing, Warehouse and Logistics. Position held since 2010.	NA