EZRA HOLDINGS LIMITED

Financial Statement And Dividend Announcement
For the second quarter ended 29 February 2016

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

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

(Amounts expressed in United States dollars)

CONSOLIDATED INCOME STATEMENT

	Group 3 months ended			Group 6 months ended		
	29 February 2016 US$'000	28 February 2015 US$'000 (Re-presented)	Incr/ (decr) %	29 February 2016 US$'000	28 February 2015 US$'000 (Re-presented)	Incr/ (decr) %
Continuing operations						
Revenue	111,153	129,024	(14)	263,420	257,137	2
Cost of sales	(111,350)	(106,218)	5	(247,883)	(206,100)	20
Gross (loss)/profit	(197)	22,806	n/m	15,537	51,037	(70)
Other (expenses)/income, net	(115,506)	11,349	n/m	(125,008)	77,558	n/m
Administrative expenses	(97,639)	(17,097)	n/m	(114,296)	(26,620)	n/m
(Loss)/profit from continuing operations	(213,342)	17,058	n/m	(223,767)	101,975	n/m
Financial income	1,084	1,256	(14)	2,451	2,480	(1)
Financial expenses	(10,297)	(11,157)	(8)	(21,335)	(21,335)	-
Share of (loss)/profit of associated companies	(32,062)	2,921	n/m	(29,300)	4,248	n/m
Share of profit of joint venture companies	2,787	3,069	(9)	6,164	5,834	6
(Loss)/profit before tax from continuing operations	(251,830)	13,147	n/m	(265,787)	93,202	n/m
Tax	(980)	(1,569)	(38)	(4,062)	(3,989)	2
(Loss)/profit after tax from continuing operations	(252,810)	11,578	n/m	(269,849)	89,213	n/m
Discontinued operations						
Loss from discontinued operations, net of tax	(29,815)	(6,872)	n/m	(66,515)	(23,948)	178
(Loss)/profit after tax	(282,625)	4,706	n/m	(336,364)	65,265	n/m

CONSOLIDATED INCOME STATEMENT (CONT'D)

	Group 3 months ended			Group 6 months ended		
	29 February 2016 US$'000	**28 February 2015 US$'000 (Re-presented)**	**Incr/ (decr) %**	**29 February 2016 US$'000**	**28 February 2015 US$'000 (Re-presented)**	**Incr/ (decr) %**
Attributable to:						
Owners of the parent						
(Loss)/profit from continuing operations, net of tax	(220,113)	7,010	n/m	(238,761)	78,500	n/m
Loss from discontinued operations, net of tax	(29,815)	(6,872)	n/m	(66,515)	(23,948)	178
(Loss)/profit attributable to the owners of the Company	(249,928)	138	n/m	(305,276)	54,552	n/m
Non-controlling interests						
(Loss)/profit from continuing operations, net of tax	(32,697)	4,568	n/m	(31,088)	10,713	n/m
Loss from discontinued operations, net of tax	-	-	n/m	-	-	n/m
(Loss)/profit attributable to non-controlling interests	(32,697)	4,568	n/m	(31,088)	10,713	n/m

nm – not meaningful

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group 3 months ended			Group 6 months ended		
	29 February 2016 US$'000	**28 February 2015 US$'000 (Re-presented)**	**Incr/ (decr) %**	**29 February 2016 US$'000**	**28 February 2015 US$'000 (Re-presented)**	**Incr/ (decr) %**
(Loss)/profit after tax	(282,625)	4,706	n/m	(336,364)	65,265	n/m
Other comprehensive income:						
Exchange differences on translating foreign operations	(1,547)	(1,862)	(17)	(2,786)	(5,087)	(45)
Remeasurement loss on defined benefits obligations	(69)	-	n/m	(164)	-	n/m
Reclassification of fair value reserves on step-up of associated company included in profit or loss	-	-	n/m	-	(1,715)	(100)
Reclassification of hedging reserves on step-up of associated company included in profit or loss	-	-	n/m	-	199	(100)
Fair value changes on cash flow hedges	(430)	(6,551)	(93)	137	(10,869)	n/m
Reclassification of hedging reserves on settlement of hedge instrument included in profit or loss	(66)	-	n/m	13,796	-	n/m
Share of other comprehensive income of associated companies and joint ventures companies	(4,652)	(815)	n/m	5,089	(5,063)	n/m
Other comprehensive income for the financial period, net of tax	(6,764)	(9,228)	(27)	16,072	(22,535)	n/m
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	(289,389)	(4,522)	n/m	(320,292)	42,730	n/m
Total comprehensive income attributable to:						
Owners of the parent	(256,746)	(8,189)	n/m	(289,203)	32,847	n/m
Non-controlling interests	(32,643)	3,667	n/m	(31,089)	9,883	n/m
	(289,389)	(4,522)	n/m	(320,292)	42,730	n/m
Attributable to owners of the Company:						
Total comprehensive income from continuing operations, net of tax	(227,312)	(2,262)	n/m	(222,855)	56,517	n/m
Total comprehensive income from discontinued operations, net of tax	(29,434)	(5,927)	n/m	(66,348)	(23,670)	180
Total comprehensive income for the financial period attributable to owners of the	(256,746)	(8,189)	n/m	(289,203)	32,847	n/m

nm – not meaningful

Profit before tax from continuing operations was stated after (charging)/crediting:-

	Group 3 months ended			Group 6 months ended		
	29 February 2016	28 February 2015	Incr/ (decr)	29 February 2016	28 February 2015	Incr/ (decr)
	US$'000	US$'000	%	US$'000	US$'000	%
Amortisation of other intangible assets	(18)	(21)	(14)	(192)	(40)	n/m
Depreciation of fixed assets	(18,390)	(17,141)	7	(35,791)	(32,972)	9
(Loss)/gain on disposal of fixed assets	(18,079)	1,067	n/m	(18,088)	1,068	n/m
Impairment loss on fixed assets	(60,494)	-	n/m	(60,494)	(10,000)	n/m
Fixed assets written off	-	(1)	(100)	-	(1)	(100)
Impairment loss on investments in joint venture companies	(38,293)	-	n/m	(38,293)	-	n/m
Gross dividend income from AFS investments	-	1,200	(100)	-	1,200	(100)
Reclassification of hedging reserves on settlement of hedge instrument included in profit or loss	66	-	n/m	(13,796)	-	n/m
Fair value changes in respect of derivative instruments, net	(165)	(4)	n/m	(279)	25	n/m
Loss on dilution of interest in an associated company	(179)	-	n/m	(179)	-	n/m
Foreign exchange gain, net	1,259	8,434	(85)	5,518	16,808	(67)
Bad debts (written off)/recovered, net	(18,863)	(41)	n/m	(18,941)	302	n/m
(Allowance for)/write-back of doubtful debts, net	(48,559)	(5)	n/m	(51,259)	223	n/m
Gain on bargain purchase on acquisition of subsidiaries *	-	-	n/m	-	106,333	(100)
Realised loss on share of hedging reserves on step-up of associated companies to subsidiaries	-	-	n/m	-	(199)	(100)
Realised gain on share of fair value reserves on step-up of associated companies to subsidiaries	-	-	n/m	-	1,715	(100)
Loss on step up of associated and joint venture companies to subsidiaries	-	-	n/m	-	(42,304)	(100)
Impairment loss on goodwill	-	(311)	(100)	-	(311)	(100)

nm – not meaningful

* Included in the comparative period is provisional goodwill amounting to USD106.3 million relating to the acquistion of EMAS Offshore Limited, Strategic Marine (S) Pte. Ltd. and Strategic Marine (V) Company Limited. The provisional goodwill was subsequently finalized in 4Q FY2015 at USD118.0 million.

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

(Amounts expressed in United States dollars)

	Group		Company	
	29 February 2016 US$'000	31 August 2015 US$'000	29 February 2016 US$'000	31 August 2015 US$'000
Non-current assets				
Fixed assets	958,961	1,012,908	601	870
Goodwill	17,382	17,848	-	-
Other intangible assets	9,517	9,634	-	-
Investments in subsidiaries	-	-	224,040	224,040
Investments in associated companies	108,187	212,818	-	-
Investments in joint venture companies	157,912	191,265	6,987	6,987
Available for sale ("AFS") investments	3,112	3,112	3,075	3,075
Long term receivable from subsidiaries	-	-	139,121	139,021
Trade receivable	-	30,258	-	-
Other receivable	37,353	37,591	-	-
Deferred tax assets	312	700	-	-
Current assets				
Assets held for sale	163,554	102,548	333,020	351,805
Assets included in disposal group classified as held for sale	1,415,187	1,590,852	-	-
Inventories and work-in-progress	79,531	78,017	-	-
Trade receivables	268,143	253,813	-	-
Other receivables	28,249	96,277	2,079	4,050
Other current assets	49,566	44,484	481	503
Balances due from				
- subsidiaries	-	-	686,706	653,741
- associated companies	21,364	76,957	6,359	7,183
- joint venture companies	18,434	221	-	-
Derivative financial instruments	187	177	-	-
Cash and cash equivalents	95,138	377,601	6,067	292,267
Cash pledged	54,822	40,234	-	-
	2,194,175	2,661,181	1,034,712	1,309,549
Current liabilities				
Liabilities included in disposal group classified as held for sale	860,420	979,896	-	-
Trade payables	51,941	53,777	-	-
Other payables	144,045	174,393	13,413	20,482
Bills payable to banks	299,579	255,797	92,942	41,957
Deferred income	868	868	-	-
Progress billings in excess of work-in-progress	49,440	56,642	-	-
Balances due to				
- subsidiaries	-	-	55,275	55,996
- associated companies	9,723	7,410	-	-
- joint venture companies	2,591	2,500	2,591	2,500
Derivative financial instruments	4,080	38,291	-	34,752
Lease obligations	11,439	2,522	-	-
Bank term loans	188,146	153,609	11,015	12,000
Perpetual securities	-	106,232	-	106,232
Notes payable	67,554	226,489	67,554	226,489
Provision for tax	13,121	15,224	893	2,192
	1,702,947	2,073,650	243,683	502,600
Net current assets	**491,228**	**587,531**	**791,029**	**806,949**

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

(Amounts expressed in United States dollars)

	Group		Company	
	29 February 2016 US$'000	**31 August 2015 US$'000**	**29 February 2016 US$'000**	**31 August 2015 US$'000**
Non-current liabilities				
Deferred income	(9,759)	(10,193)	-	-
Lease obligations	(501)	(11,886)	-	-
Bank term loans	(620,249)	(607,810)	(150,500)	(154,000)
Notes payable	(106,322)	(105,806)	(106,322)	(105,806)
Deferred tax liabilities	(3,010)	(2,659)	-	-
NET ASSETS	1,044,123	1,365,311	908,031	921,136
EQUITY				
Share capital	634,736	634,736	634,736	634,736
Accumulated profits	252,294	557,734	273,223	300,298
Capital reserve	(47,841)	(48,019)	7,448	7,448
Hedging reserve	(3,439)	(17,238)	-	(13,970)
Translation reserve	(13,566)	(15,826)	-	-
Treasury shares	(7,376)	(7,376)	(7,376)	(7,376)
	814,808	1,104,011	908,031	921,136
Non-controlling interests	229,315	261,300	-	-
TOTAL EQUITY	1,044,123	1,365,311	908,031	921,136
	-	-	-	-

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

	29 February 2016		31 August 2015	
	Secured US$'000	**Unsecured US$'000**	**Secured US$'000**	**Unsecured US$'000**
Amount repayable in one year or less, or on demand	243,081	323,637	238,406	506,243
Amount repayable after one year	467,267	259,805	419,545	305,957

Details of any collaterals

The above term loans and bills payable are secured by way of legal mortgages on the vessels, leasehold properties, equipments, investment in an associated company and cash deposits of the Group.

Certain motor vehicles and vessel are under finance lease arrangements.

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

(Amounts expressed in United States dollars)

	Group 3 months ended		Group 6 months ended	
	29 February 2016 US$'000	28 February 2015 US$'000	29 February 2016 US$'000	28 February 2015 US$'000
Cash flows from operating activities				
(Loss)/profit before tax from continuing operations	(251,830)	13,147	(265,787)	93,202
Loss before tax from discontinued operations	(29,380)	(5,354)	(63,847)	(17,845)
(Loss)/profit before tax	(281,210)	7,793	(329,634)	75,357
Adjustments:				
Depreciation of fixed assets	32,743	22,407	64,581	43,403
Impairment loss on fixed assets	60,494	-	60,494	10,000
Fixed assets written off	812	3	812	160
Amortisation of other intangible assets	212	212	578	423
Loss/(gain) on disposal of fixed assets	18,058	(1,067)	18,095	(1,068)
Share of loss/(profit) of associated companies	32,153	(2,921)	29,337	(4,248)
Share of profit of joint venture companies	(2,787)	(3,069)	(6,164)	(5,834)
Loss on dilution of interest in an associated company	179	-	179	-
Impairment loss on investments in joint venture companies	38,293	-	38,293	-
Realised (gain)/loss reclassified from hedging reserves on settlement of hedge instrument included in profit or loss	(66)	-	13,796	-
Fair value changes in respect of derivative financial instruments, net	165	4	279	(25)
Unrealised exchange loss/(gain)	1,179	(7,444)	2,262	(13,613)
Interest expense	15,946	12,304	31,472	23,620
Interest income	(1,085)	(1,264)	(2,459)	(2,494)
Gross dividend income from AFS investments	-	(1,200)	-	(1,200)
Bad debts written off/(recovered), net	18,567	133	18,645	(210)
Allowance for/(write-back of) doubtful debts, net	48,559	5	51,259	(223)
Realised loss on share of hedging reserves on step up of associated companies to subsidiaries	-	-	-	199
Realised gain on share of fair value reserves on step-up of associated companies to subsidiaries	-	-	-	(1,715)
Gain on bargain purchase on acquisition of subsidiaries	-	-	-	(106,333)
Loss on step up of associate and joint venture companies to subsidiaries	-	-	-	42,304
Impairment loss on goodwill	-	311	-	311
Operating (loss)/profit before working capital changes	(17,788)	26,207	(8,175)	58,814
(Increase)/decrease in:				
Inventories and work-in-progress	(3,531)	30,989	(2,679)	(12,436)
Trade receivables	(4,807)	25,903	57,170	133,902
Other receivables and other current assets	67,551	(70,437)	70,858	(109,198)
Due from associated companies, net	11,891	6,580	16,821	3,252
Due from joint venture companies, net	(1,034)	4,211	(762)	5,784
(Decrease)/increase in:				
Trade payables	(21,463)	59,992	(74,839)	11,361
Other payables	(83,710)	(57,297)	(47,290)	(98,355)
Progress billings in excess of work-in-progress	14,625	44,167	(7,152)	68,363
Cash (used in)/generated from operations	(38,266)	70,315	3,952	61,487
Interest paid	(12,799)	(6,173)	(37,669)	(20,548)
Interest received	931	825	1,159	2,061
Tax paid	(4,353)	(6,929)	(9,420)	(15,851)
Net cash (used in)/generated from operating activities	(54,487)	58,038	(41,978)	27,149

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

(Amounts expressed in United States dollars)

	Group 3 months ended		Group 6 months ended	
	29 February 2016 US$'000	28 February 2015 US$'000	29 February 2016 US$'000	28 February 2015 US$'000
Cash flows from investing activities				
Purchase of fixed assets	(76,072)	(86,071)	(85,733)	(133,332)
Purchase of intangible asset	-	-	(76)	-
Return of capital from a joint venture company	-	-	789	-
Decrease/(increase) in cash pledged	577	(461)	(14,588)	(461)
Proceeds from disposal of fixed assets	18,154	4,413	18,157	4,415
Interest paid and capitalised as fixed assets and assets held for sale	-	(2,542)	(177)	(4,918)
Proceeds from disposal of assets held for sale	-	8,300	-	15,300
Dividend received (net) from AFS investment	-	1,200	-	1,200
Dividend received (net) from an associated company	-	-	-	8,829
Repayment of shareholders' loan from an associated company	40,170	-	40,170	-
Repayment of shareholders' loan from a joint venture company	450	-	450	-
Acquisition of subsidiaries, net of cash paid	-	-	-	25,206
Net cash used in from investing activities	(16,721)	(75,161)	(41,008)	(83,761)
Cash flows from financing activities				
(Repayment)/proceeds from bills payable, net	(9,651)	(8,773)	52,072	24,878
Repayment of lease obligations, net	(2,248)	(471)	(5,978)	(1,415)
Proceeds from bank term loans	130,940	119,711	155,632	202,883
Repayment of bank term loans	(71,281)	(140,534)	(134,423)	(237,611)
Repayment of perpetual securities	-	-	(106,232)	-
Repayment of notes payable	-	-	(159,347)	-
Receipts from/(payment for) derivative financial instruments, net	32	(4)	(34,725)	25
Acquisition of non-controlling interests	-	-	-	(718)
Proceeds from issuance of new ordinary shares by subsidiaries, net of transaction costs	-	-	-	59,899
Payment for perpetual securities distribution	-	-	-	(5,295)
Payment of dividend by subsidiary company to non-controlling interest	(896)	(969)	(896)	(969)
Net cash generated from/(used in) financing activities	46,896	(31,040)	(233,897)	41,677
Net decrease in cash and cash equivalents	(24,312)	(48,163)	(316,883)	(14,935)
Effects of exchange on cash and cash equivalents	(793)	(309)	(1,139)	(1,437)
Cash and cash equivalents at beginning of financial period	132,903	206,465	425,820	174,365
Cash and cash equivalents at end of financial period	107,798	157,993	107,798	157,993

Cash and cash equivalents included in the consolidated cash flows statement comprise the following amounts:

- From continuing operations			95,138	
- From discontinued operations			12,660	
			107,798	

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

(Amounts expressed in United States dollars)

Group	Attributable to owners of the parent										
	Share capital US$'000	Perpetual securities US$'000	Accumulated profits US$'000	Capital reserve US$'000	Fair value adjustment reserve US$'000	Hedging reserve US$'000	Translation reserve US$'000	Treasury shares US$'000	Total equity attributable to owners of the parent US$'000	Non-controlling interests US$'000	Total equity US$'000
Balance at 1 September 2014	490,085	123,047	523,716	(3,242)	4,951	243	(1,622)	(7,376)	1,129,802	55,967	1,185,769
Total comprehensive income for the financial period	-	-	54,552	793	(4,951)	(10,494)	(7,053)	-	32,847	9,883	42,730
Accrued perpetual securities distribution	-	5,013	(5,013)	-	-	-	-	-	-	-	-
Payment of perpetual securities distribution	-	(5,295)	-	-	-	-	-	-	(5,295)	-	(5,295)
Payment of dividend by subsidiary company to non-controlling interest	-	-	-	-	-	-	-	-	-	(969)	(969)
Total contributions by and distribution to owners	-	(282)	(5,013)	-	-	-	-	-	(5,295)	(969)	(6,264)
Dilution of equity interest in subsidiaries to non-controlling interest without change in control	-	-	-	(53,155)	-	-	-	-	(53,155)	184,402	131,247
Acquisition of non-controlling interest in subsidiaries	-	-	-	350	-	-	-	-	350	(1,068)	(718)
Total changes in ownership interests in subsidiaries	-	-	-	(52,805)	-	-	-	-	(52,805)	183,334	130,529
Total transactions with owners in their capacity as owners	-	(282)	(5,013)	(52,805)	-	-	-	-	(58,100)	182,365	124,265
Balance at 28 February 2015	490,085	122,765	573,255	(55,254)	-	(10,251)	(8,675)	(7,376)	1,104,549	248,215	1,352,764
Balance at 1 September 2015	634,736	-	557,734	(48,019)	-	(17,238)	(15,826)	(7,376)	1,104,011	261,300	1,365,311
Total comprehensive income for the financial period	-	-	(305,440)	178	-	13,799	2,260	-	(289,203)	(31,089)	(320,292)
Payment of dividend by subsidiary company to non-controlling interest	-	-	-	-	-	-	-	-	-	(896)	(896)
Total contributions by and distribution to owners	-	-	-	-	-	-	-	-	-	(896)	(896)
Balance at 29 February 2016	634,736	-	252,294	(47,841)	-	(3,439)	(13,566)	(7,376)	814,808	229,315	1,044,123

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

(Amounts expressed in United States dollars)

Company

	Attributable to equity owners of the parent							
	Share capital US$'000	**Perpetual securities US$'000**	**Accumulated profits US$'000**	**Capital reserve US$'000**	**Hedging reserve US$'000**	**Total reserves US$'000**	**Treasury shares US$'000**	**Total equity US$'000**
Balance at 1 September 2014	490,085	123,047	190,976	(2,353)	615	189,238	(7,376)	794,994
Total comprehensive income for the financial period	-	-	161,119	-	(10,856)	150,263	-	150,263
Accrued perpetual securities distribution	-	5,013	(5,013)	-	-	(5,013)	-	-
Payment of perpetual securities distribution	-	(5,295)	-	-	-	-	-	(5,295)
Total transactions with owners in their capacity as owners	-	(282)	(5,013)	-	-	(5,013)	-	(5,295)
Balance at 28 February 2015	490,085	122,765	347,082	(2,353)	(10,241)	334,488	(7,376)	939,962
Balance at 1 September 2015	634,736	-	300,298	7,448	(13,970)	293,776	(7,376)	921,136
Total comprehensive income for the financial period	-	-	(27,075)	-	13,970	(13,105)	-	(13,105)
Balance at 29 February 2016	634,736	-	273,223	7,448	-	280,671	(7,376)	908,031

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 of the issuer, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

As at 29 February 2016, the Company's total issued shares is 2,942,400,977 (28 February 2015: 1,016,874,741) with 3,439,880 (28 February 2015: 3,439,880) shares being held as treasury shares.

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 29 February 2016, the Company's total issued shares excluding treasury shares is 2,938,961,097 (31 August 2015: 2,938,961,097).

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

As at 29 February 2016, the Company has 3,439,880 shares being held as treasury shares. There is no change in the treasury shares during the financial period.

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

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

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the second quarter ended 29 February 2016 as the most recently audited financial statements for the financial year ended 31 August 2015 ("FY15").

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

The Group has adopted the new and revised FRSs and Interpretation of FRS (INT FRS) that are effective for annual periods beginning on or after 1 September 2015. The adoption of these new/revised FRS and INT FRSs do not have material effect on the financial performance or position of the Group.

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**

Discontinued operations and re-presentation of prior periods' financials

On 27 August 2015, the Group entered into a binding memorandum of understanding with Chiyoda Corporation in relation to a proposed joint venture between the Group and Chiyoda Corporation in respect of the subsea services business. Subsequently, the Group entered into a binding sale and subscription agreement with Chiyoda Corporation for the proposed joint venture on 29 September 2015.

As a result, certain subsidiaries and associated companies related to the Subsea Services Division have been classified as discontinued operations in accordance with FRS 105 *Non-current Assets Held for Sale and Discontinued Operations*. As required by FRS 105,

- all line items of the income statement of the discontinued operations in the current period are condensed into a single amount and presented as "Loss from discontinued operations, net of tax" on the consolidated income statement; and

- comparative periods' consolidated income statement and earnings per share in relation to the discontinued operations are re-presented.

The statement of cashflows is prepared on the basis of aggregating the effects of both continuing and discontinued operations.

On 31 March 2016, the proposed joint venture was completed and the Group has disposed 50% of the Group's interest in those subsidiaries and associated companies (the "New JV entities") which have been classified as discontinued operations. Subsequently, the Group will account for the remaining interest in the New JV entities as investment in a joint venture company.

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: -**

	6 months ended	
	29 February 2016	**28 February 2015 (Restated and re-presented)**
Net (loss)/profit attributable to owners of the parent (US$'000)	(305,276)	54,552
Adjusted: Loss from discontinued operation, net of tax, attributable to the owners of the Company	66,515	23,948
(Loss)/profit from continuing operations, net of tax, attributable to the owners of the Company used in the computation of basic earnings per share from continuing operations	(238,761)	78,500
Weighted average ordinary shares for calculation of ('000):		
- Basic earnings per share	2,938,961	1,676,695@
- Diluted earnings per share	2,938,961	1,676,695@
Earnings per ordinary share ("EPS") (US cents) from:		
Continuing operations attributable to owners of the Company		
(a) Based on the weighted average number of ordinary shares on issue	(8.12)	4.68
(b) On a fully diluted basis (detailing any adjustments made to the earnings)	(8.12)	4.68

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: -

EARNINGS PER ORDINARY SHARE ("EPS") (CONT'D)

	3 months ended 29 February 2016	3 months ended 28 February 2015 (Restated and re-presented)
Earnings per ordinary share ("EPS") (US cents) from (cont'd):		
Discontinued operation attributable to owners of the Company		
(a) Based on the weighted average number of ordinary shares on issue	(2.26)	(1.43)
(b) On a fully diluted basis (detailing any adjustments made to the earnings)	(2.26)	(1.43)
Total profit attributable to owners of the Company		
(a) Based on the weighted average number of ordinary shares on issue	(10.38)	3.25
(b) On a fully diluted basis (detailing any adjustments made to the earnings)	(10.38)	3.25

On 6 July 2015, a subsidiary of the Group, Triyards Holdings Limited ("Triyards"), issued warrants for the purchase of 29,500,000 ordinary shares in Triyards. For the period from 1 September 2015 to 29 February 2016, there is no dilutive impact on the earnings from the warrants issued by Triyards.

@ Following the events that took place in the financial year ended 31 August 2015, the weighted average number of ordinary shares for the quarter ended 28 February 2015 has been restated in accordance with FRS 33 *Earnings Per Share*:

- Bonus issue on 23 December 2014 **-** the weighted average ordinary shares have been restated based on the assumption that the bonus issue of one (1) Bonus Share for every 25 existing ordinary shares of the Company have been issued and allocated before the beginning of 1 September 2014.

- Rights issue on 28 July 2015 – adjustments have been made to the prior year's weighted average ordinary shares on a pro-rata basis based on an adjustment factor calculated based on the market price and theoretical ex-rights price of an ordinary share.

7. Net asset value (for the issuer and group) per ordinary share based on 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	
	As at 29 February 2016	As at 31 August 2015	As at 29 February 2016	As at 31 August 2015
Net asset value per ordinary share (US cents)	35.53	46.46	30.90	31.34

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

The review of the performance of the Group is based on the financials prepared in accordance with the requirements of FRS 105 *Non-current Assets Held for Sale and Discontinued Operations*.

The Group's business segments are catagorised into the following:

- **Subsea Services Division**: Predominantly made up of EMAS AMC Group, which is part of the discontinued operations, and Energy Services Division

  - **EMAS AMC Group** is a global EPCIC service provider of comprehensive subsea-to-surface solutions for the offshore oil and gas industry, especially in the SURF and Subsea Tie-Back sector. Core business services include subsea installation of umbilicals/power cables, pipelines as well as platforms, FPSO and floater installations.

  - **Energy Services Division**: Energy Services Division provides well intervention and drilling services both onshore and offshore, offering fully integrated solutions that combine its marine assets with state-of-the-art intervention equipment and services.

- **Offshore Support and Production Services Division**: Predominantly EMAS Offshore Limited which

  - Manages and operates a young, versatile fleet of advanced offshore support vessels, offering an extensive range of maritime services that cater to the client's needs throughout a field's life cycle; and

  - Owns and operates cutting-edge FPSO (floating production, storage and offloading) facilities, offering services that support the post-exploration needs of offshore fields, such as FPSO conversion management.

- **Marine Services Division**: Predominantly Triyards Holdings Limited which provides fabrication of SEUs (self-elevating, mobile offshore units). TRIYARDS provides its integrated engineering, ship construction and fabrication services out of yard facilities located in Singapore, Vietnam and the US.

REVIEW OF PERFORMANCE:

Revenue

6 months ended 29 February 2016 ("1H16")

The Group's revenue increased by US$6.3 million (2%) for the six months ended 29 February 2016 ("1H16") when compared to the corresponding period for the six months ended 28 February 2015 ("1H15"). The increase was due to an increase in revenue of US$75.8 million from Marine Services Division. The increase was partially offset by a decrease in revenue of US$59.8 million from Offshore Support and Production Services Division and a decrease of US$9.7 million from Energy Services Division.

The increase in revenue in 1H16 when compared to 1H15 from Marine Services Division was mainly due to higher contribution from Triyards Group as there were more units of self-elevating units ("SEU") and vessels under construction in 1H16 as compared to 1H15 and higher contribution from engineering design work.

The decrease in revenue for 1H16 when compared to 1H15 from Offshore Support and Production Services Division was mainly due to general weakness in the offshore industry. The shallow water platform support vessels ("PSV") and anchor handling, towing and supply vessels ("AHTS") segment continues to remain weak.

REVIEW OF PERFORMANCE (CONT'D):

Revenue (cont'd)

6 months ended 29 February 2016 ("1H16") (cont'd)

The decrease in revenue for 1H16 when compared to 1H15 from Energy Services Division was mainly due to lower level of service requests from customers and lower project activity.

3 months ended 29 February 2016 ("2Q16")

The Group's revenue decreased by US$17.9 million (14%) for the three months ended 29 February 2016 ("2Q16") when compared to the corresponding period for the three months ended 28 February 2015 ("2Q15"). The decrease was due to a decrease in revenue of US$40.4 million from Offshore Support and Production Services Division and a decrease of US$7.8 million from Energy Services Division. The decrease was partially offset by an increase in revenue of US$30.3 million from Marine Services Division.

The decrease in revenue for 2Q16 when compared to 2Q15 from Offshore Support and Production Services Division was mainly due to general weakness in the offshore industry. The shallow water PSV and AHTS segment continues to remain weak.

The decrease in revenue for 2Q16 when compared to 2Q15 from Energy Services Division was mainly due to lower level of service requests from customers and lower project activity.

The increase in revenue in 2Q16 when compared to 2Q15 from Marine Services Division was mainly due to higher contribution from Triyards Group as there were more units of self-elevating units ("SEU") and vessels under construction in 2Q16 as compared to 2Q15 and higher contribution from engineering design work.

Gross (loss)/profit

6 months ended 29 February 2016 ("1H16")

Gross profit decreased from US$51.0 million in 1H15 to US$15.5 million in 1H16 and gross profit margin decreased from 20% in 1H15 to 6% in 1H16. The decrease in both gross profit and gross profit margin is mainly due to weakness in the Offshore Support and Production Services Division in 1H16 when compared to 1H15 which resulted in a gross loss from this Division in 1H16.

3 months ended 29 February 2016 ("2Q16")

Gross profit deteriorated from US$22.8 million in 2Q15 to gross loss of US$0.2 million in 2Q16. The deterioration is mainly due to weakness in the Offshore Support and Production Services Division in 2Q16 when compared to 2Q15 which resulted in a gross loss from this Division in 2Q16.

Other (expenses)/income, net

6 months ended 29 February 2016 ("1H16")

The deterioration in other (expenses)/income, net from income to expenses was mainly due to:-

(i) Loss on disposal of fixed assets of US$18.1 million in 1H16 as compared to gain of US$1.1 million in 1H15;
(ii) Impairment loss on fixed assets of US$60.5 million in 1H16 as compared to US$10.0 million in 1H15;
(iii) Impairment loss on investments in joint venture companies of US$38.3 million in 1H16;
(iv) Net realised loss on derivative instruments of US$13.8 million in 1H16;
(v) Lower foreign exchange gain from US$16.8 million in 1H15 to US$5.5 million in 1H16; and
(vi) Absence of non-recurring gain on bargain purchase from the acquisition of subsidiaries of US$106.3 million in 1H15.

The carrying value of certain fixed assets and joint venture companies were negatively impacted due to the depressed conditions and reduced activity in the offshore support sector.

REVIEW OF PERFORMANCE (CONT'D):

Other (expenses)/income, net (cont'd)

6 months ended 29 February 2016 ("1H16") (cont'd)

The above was partially offset by absence of non-recurring loss on step up of associated and joint venture companies to subsidiaries of US$42.3 million in 1H15.

3 months ended 29 February 2016 ("2Q16")

The deterioration in other (expenses)/income, net from income to expenses was mainly due to:-

(i) Loss on disposal of fixed assets of US$18.1 million in 2Q16 as compared to gain of US$1.1 million in 2Q15;
(ii) Impairment loss on fixed assets of US$60.5 million in 2Q16;
(iii) Impairment loss on investments in joint venture companies of US$38.3 million in 2Q16; and
(iv) Lower foreign exchange gain from US$8.4 million in 2Q15 to US$1.3 million in 2Q16.

The carrying value of certain fixed assets and joint venture companies were negatively impacted due to the depressed conditions and reduced activity in the offshore support sector.

Administrative expenses

6 months ended 29 February 2016 ("1H16")

The increase in administrative expenses for 1H16 when compared to 1H15 was mainly due to allowance for doubtful debts and bad debts written off of US$70.2 million made in 1H16 compared to a write-back of allowance and bad debts of US$0.5 million in 1H15 and expenses incurred in recent restructuring and consent solicitation exercises which did not occur in 1H15.

The increase in allowance for doubtful debts is mainly due to allowance for long outstanding receivables in view of the depressed conditions in the offshore sector.

3 months ended 29 February 2016 ("2Q16")

The increase in administrative expenses for 2Q16 when compared to 2Q15 was mainly due to allowance for doubtful debts and bad debts written off of US$67.4 million made in 2Q16 and expenses incurred in recent restructuring and consent solicitation exercises which did not occur in 2Q15.

The increase in allowance for doubtful debts is mainly due to allowance for long outstanding receivables in view of the depressed conditions in the offshore sector.

Depreciation of fixed assets

6 months ended 29 February 2016 ("1H16")

The increase in depreciation of fixed assets for 1H16 when compared to 1H15 was mainly due to consolidation of six months of depreciation in 1Q16 as compared to five months in 1H15 from EOL Group and the additional depreciation charge from newly acquired fixed assets which were put into operation.

Share of (loss)/profit of associated companies

6 months ended 29 February 2016 ("1H16")
3 months ended 29 February 2016 ("2Q16")

The deterioration in share of (loss)/profit of associated companies for 1H16 and 2Q16 when compared to 1H15 and 2Q15 respectively was mainly due to the Group's share of losses (including impairment on fixed assets) from an associated company, Perisai Petroleum Teknologi Bhd.

REVIEW OF PERFORMANCE (CONT'D):

(Loss)/profit before tax from continuing operations

6 months ended 29 February 2016 ("1H16")

(Loss)/profit before tax from continuing operations deteriorated from a profit of US$93.2 million in 1H15 to loss of US$265.8 million in 1H16. The deterioration was mainly due to lower gross profit, deterioration of other income, net to other expenses, net (see "Other (expenses)/income, net" above), higher administrative expenses and deterioration of share of profit of associated companies to loss.

3 months ended 29 February 2016 ("2Q16")

(Loss)/profit before tax from continuing operations deteriorated from a profit of US$13.1 million in 2Q15 to loss of US$251.8 million in 2Q16. The deterioration was mainly due to deterioration of gross profit to gross loss, other income, net to other expenses, net (see "Other (expenses)/income, net" above), share of profit of associated companies to loss and higher administrative expenses.

Tax

There is no significant fluctuation in tax expense in 1H16 and 2Q16 when compared to 1H15 and 2Q15 respectively.

Charter income derived from Singapore and certain foreign flagged vessels which operate in international waters continue to remain tax exempt under Section 13 of the Singapore Income Tax Act and Maritime Sector Incentive - Approved International Shipping Enterprise Scheme.

Loss from discontinued operations, net of tax

Subsequent to the re-presentation of the consolidated income statement, the contribution from Subsea Services Division from certain subsea entities has being reclassified to "Loss from discontinued operations, net of tax". Summarised items of the income statement relating to the discontinued operations are presented as below:

	6 months ended		**Increase / (Decrease)**
	29 February 2016 US$'000	**28 February 2015 US$'000**	**%**
Revenue	288,894	365,836	(21)
Loss from operations	(53,682)	(15,575)	n/m
Loss from discontinued operations, net of tax	(66,515)	(23,948)	178

	Quarter ended		**Increase / (Decrease)**
	29 February 2016 US$'000	**28 February 2015 US$'000**	**%**
Revenue	108,386	172,929	(37)
Loss from operations	(23,641)	(4,216)	n/m
Loss from discontinued operations, net of tax	(29,815)	(6,872)	n/m

REVIEW OF PERFORMANCE (CONT'D):

Loss from discontinued operations, net of tax (cont'd)

6 months ended 29 February 2016 ("1H16")

The increase in loss from discontinued operations, net of tax in 1H16 when compared to 1H15 is mainly due to:-

(i) Lower utilisation of subsea construction assets, costs associated with the return of a vessel to her owner and lower than expected margins in existing projects resulting in lower margin; and
(ii) Higher interest expenses as the interest expense relating to *Lewek Constellation,* is being expensed off instead of capitalised, upon her completion in the fourth quarter of financial year ended 31 August 2015.

This is partially offset by lower administrative expenses in 1H16 as compared to 1H15 as the Division continues to exercise continuous cost savings measures.

3 months ended 29 February 2016 ("2Q16")

The increase in loss from discontinued operations, net of tax in 2Q16 when compared to 2Q15 is mainly due to:-

(i) Lower utilisation of subsea construction assets and lower than expected margins in existing projects resulting in lower margin; and
(ii) Higher interest expenses as the interest expense relating to *Lewek Constellation,* is being expensed off instead of capitalised, upon her completion in the fourth quarter of financial year ended 31 August 2015.

This is partially offset by lower administrative expenses in 2Q16 as compared to 2Q15 as the Division continues to exercise continuous cost savings measures.

REVIEW OF STATEMENT OF FINANCIAL POSITION AND CASH FLOWS:

Non-current assets

The decrease in non-current assets was mainly due to

(i) Decrease in fixed assets due to impairment and depreciation which was partially offset by additions;
(ii) Decrease in investment in associated companies from the share of losses for the 6 months ended 29 February 2016 and reclassification of the investment in an associated company to asset held for sale; and
(iii) Decrease in investment in joint venture companies and long-term trade receivables due to impairment.

Current assets

The decrease in current assets was mainly due to:-

(i) Decrease in assets included in disposal group classified as held for sale mainly due to a decrease in the trade and other receivables belonging to the disposal group classified as held for sale due to more receipts from customers compared to billings made;
(ii) Decrease in other receivables due to impairment and settlement of the amounts due from the sale of vessels;
(iii) Net decrease in balances due from associated and joint venture companies due to collections; and
(iv) Decrease in cash and cash equivalents mainly due to repayment of perpetual securities and S$225 million Notes in September 2015.

The decrease is partially offset by an increase in assets held for sale due to the reclassification of the investment in an associated company to assets held for sale.

REVIEW OF STATEMENT OF FINANCIAL POSITION AND CASH FLOWS (CONT'D):

Current liabilities

The decrease in current liabilities was mainly due to:-

(i) Decrease in liabilities included in disposal group classified as held for sale mainly due to repayment of creditors;
(ii) Decrease in other payables due to de-recognition in connection with the restructuring of sale and leaseback transaction;
(iii) Decrease in derivative financial instruments due to settlement of derivative instruments on maturity; and
(iv) Decrease in perpetual securities and notes payable as a result of repayment.

The decrease in current liabilities was partially offset by increase in bills payable and bank term loans mainly for working capital use.

Non-current liabilities

The increase in non-current liabilities was mainly due to increase in bank term loans mainly for working capital use partially offset by decrease in lease obligations which have been reclassified to current liabilities.

Equity

The decrease in total equity was mainly due to decrease in accumulated profits and non-controlling interests which was largely caused by the losses for the 6 months ended 29 February 2016.

The decrease was partially offset by decrease in the deficit of the hedging reserve due to the losses on derivative instruments designated as hedged instruments being adjusted to profit and loss on maturity and decrease in the deficit of translation reserve.

Cash flows

<u>6 months ended 29 February 2016 ("1H16")</u>

Net cash from operating activities changed from an inflow of US$27.1 million in 1H15 to an outflow of US$42.0 million. The deterioration was mainly due to:-

(i) Deterioration from operations (loss)/profit before working capital changes from an inflow of US$58.8 million in 1H15 to an outflow of US$8.2 million as a result of the deterioration in the Group's profit and loss, and
(ii) Higher interest payment in 1H16 when compared to 1H15.

The Group is closely monitoring its operating activities and appropriate measures will be taken to mitigate operational risk.

Net cash outflow from investing activities decreased from US$83.8 million in 1H15 to US$41.0 million in 1H16 and was mainly due to:-

(i) Decrease in amount spent on capital expenditure as the construction of *Lewek Constellation* has been completed;
(ii) Increase in proceeds from disposal of fixed assets from sale of higher value assets;
(iii) Decrease in interest paid and capitalised as fixed assets as the construction of *Lewek Constellation* has been completed; and
(iv) Repayment of shareholders' loan by an associated company to the Group.

The decrease was partially offset by the absence of proceeds from disposal of assets held for sale, dividend received from an associated company and net cash inflow from acquisition of subsidiaries in 1H15 and increase in cash pledged for new bank facilities in 1H16.

REVIEW OF STATEMENT OF FINANCIAL POSITION AND CASH FLOWS (CONT'D):

Cash flows (cont'd)

6 months ended 29 February 2016 ("1H16") (cont'd)

Net cash from financing activities changed from an inflow of US$41.7 million in 1H15 to an outflow of US$233.9 million in 1H16 and was mainly due to:-

(i) Repayment of the perpetual securities and S$225 million notes in September 2015,
(ii) Settlement of matured derivative instruments used for hedging of the note payables; and
(iii) Absence of non-recurring proceeds from issuance of new ordinary shares by subsidiaries.

The net outflow from financing activities was partially offset by non-recurring payment for perpetual securities distribution and increase in debts from bank borrowings for mainly for working capital purposes.

3 months ended 29 February 2016 ("2Q16")

Net cash from operating activities changed from an inflow of US$58.0 million in 2Q15 to an outflow of US$54.5 million. The deterioration was mainly due to:-

(i) Deterioration from operations (loss)/profit before working capital changes from an inflow of US$26.2 million in 2Q15 to an outflow of US$17.8 million as a result of the deterioration in the Group's profit and loss,
(ii) Negative working capital changes in 1H16 as a result of more repayment to creditors; and
(iii) Higher interest payment in 1H16 when compared to 1H15.

The Group is closely monitoring its operating activities and appropriate measures will be taken to mitigate operational risk.

Net cash outflow from investing activities decreased from US$75.2 million in 2Q15 to US$16.7 million in 2Q16 and was mainly due to:-

(i) Decrease in amount spent on capital expenditure as the construction of *Lewek Constellation* has been completed;
(ii) Increase in proceeds from disposal of fixed assets from sale of higher value assets;
(iii) Decrease in interest paid and capitalised as fixed assets as the construction of *Lewek Constellation* has been completed; and
(iv) Receipt of repayment of shareholders' loan by an associated company to the Group.

The decrease was partially offset by the absence of proceeds from disposal of assets held for sale.

Net cash from financing activities changed from an outflow of US$31.0 million in 2Q15 to an inflow of US$46.9 million in 2Q16 and was mainly due to an increase in debts from bank borrowings for mainly for working capital purposes.

Financial ratios

The Group's net debt to equity ratio (defined as ratio of total external indebtedness (net of cash and cash equivalents and cash pledged in relation to term loans) owing to bank and financial institutions to total equity) increased to 1.11 times as at the end of 2Q16 as compared to 0.77 times at end of FY15.

For the six months ended 29 February 2016, certain financial covenants of the Group had been breached. As at announcement date, these breaches of financial covenants have been rectified by way of waivers by the relevant lenders and/or amendments to the financial covenants.

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 global Oil and Gas Industry continues to experience significant challenges in light of the continued volatility in oil and gas prices. Consequently, this is expected to have a negative impact on the financial performance of the Group due to the reduced oil and gas spending and uncertainty in new contract awards across the offshore services segment.

On 31 March 2016, Chiyoda Corporation completed its investment in the Group's Subsea Services business, EMAS AMC, to form EMAS CHIYODA Subsea – a 50:50 Joint Venture. In the midst of prevailing business conditions, the successful completion of the Joint Venture signals commitment from both the Group and Chiyoda Corporation to participate in the long-term prospects of the subsea services business.

The Offshore Support and Production Services Division continues to experience lower charter rates and decreased vessel utilisation. This trend is expected to continue into the foreseeable future. This will have a negative impact on the division's financial performance. The division has undertaken significant impairment to its assets in the current quarter and will closely monitor the market condition to assess requirement for further impairment if required.

As the Marine Services Division diversifies its products and services across the oilfield fabrication value chain, from construction, production, decommissioning, to inspection and maintenance of offshore infrastructure servicing offshore fields, the division believes that there will be continued demand for its offerings, notwithstanding the competitive and challenging environment.

While the financial performance for the next 12 months is expected to remain challenging, the Group will continue to focus on operational excellence, further balance sheet deleveraging and debt structure optimisation.

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?

No

(c) Date payable - Not applicable.

(d) Books closure date - Not applicable.

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

No dividend has been declared or recommended for the current financial period reported on.

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 has not obtained a general mandate from shareholders for Interested Party Transactions ("IPTs").

Confirmation by the Board
Pursuant to SGX Listing Rule 705(5)

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm 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 results for the three months ended 29 February 2016 to be false or misleading.

On behalf of the Board of Directors

Lee Kian Soo
Chairman

Lee Chye Tek Lionel
Group CEO and Managing Director

14 April 2016