

EZRA HOLDINGS LIMITED

**Financial Statement And Dividend Announcement
For the financial year and fourth quarter ended 31 August 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			Group		
	3 months ended		Incr/ (decr) %	12 months ended		Incr/ (decr) %
31 August 2016 US\$'000	31 August 2015 US\$'000	31 August 2016 US\$'000		31 August 2015 US\$'000		
<u>Continuing operations</u>						
Revenue	135,954	147,393	(8)	525,108	543,839	(3)
Cost of sales	(165,826)	(131,372)	26	(539,996)	(453,557)	19
Gross (loss)/profit	(29,872)	16,021	n/m	(14,888)	90,282	n/m
Other (expenses)/income, net	(289,387)	50,131	n/m	(602,903)	124,945	n/m
Administrative expenses	(71,528)	(37,410)	91	(232,554)	(82,159)	183
(Loss)/profit from continuing operations	(390,787)	28,742	n/m	(850,345)	133,068	n/m
Financial income	1,091	1,452	(25)	4,525	5,214	(13)
Financial expenses	(14,886)	(11,357)	31	(48,067)	(43,607)	10
Share of profit/(loss) of associated companies	2,132	3,539	(40)	(26,443)	12,243	n/m
Share of (loss)/profit of joint venture companies	(14,013)	3,713	n/m	387	13,594	(97)
(Loss)/profit before tax from continuing operations	(416,463)	26,089	n/m	(919,943)	120,512	n/m
Tax	(2,326)	(8,030)	(71)	(7,879)	(13,196)	(40)
(Loss)/profit after tax from continuing operations	(418,789)	18,059	n/m	(927,822)	107,316	n/m
<u>Discontinued operations</u>						
Loss from discontinued operations, net of tax	-	(16,699)	(100)	(74,327)	(40,299)	84
(Loss)/profit after tax	(418,789)	1,360	n/m	(1,002,149)	67,017	n/m

CONSOLIDATED INCOME STATEMENT (CONT'D)

Net current (liabilities)/assets	Group 3 months ended			Group 12 months ended		
	31 August 2016 US\$'000	31 August 2015 US\$'000	Incr/ (decr) %	31 August 2016 US\$'000	31 August 2015 US\$'000	Incr/ (decr) %
<u>Attributable to:</u>						
Owners of the parent						
(Loss)/profit from continuing operations, net of tax	(339,604)	8,888	n/m	(813,422)	84,030	n/m
Loss from discontinued operations, net of tax	-	(16,699)	(100)	(74,327)	(40,299)	84
(Loss)/profit attributable to the owners of the Company	(339,604)	(7,811)	n/m	(887,749)	43,731	n/m
Non-controlling interests						
(Loss)/profit from continuing operations, net of tax	(79,185)	9,171	n/m	(114,400)	23,286	n/m
Loss from discontinued operations, net of tax	-	-	n/m	-	-	n/m
(Loss)/profit attributable to non-controlling interests	(79,185)	9,171	n/m	(114,400)	23,286	n/m
nm – not meaningful						

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group 3 months ended			Group 12 months ended		
	31 August 2016	31 August 2015	Incr/ (decr)	31 August 2016	31 August 2015	Incr/ (decr)
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
(Loss)/profit after tax	(418,789)	1,360	n/m	(1,002,149)	67,017	n/m
<u>Other comprehensive income:</u>						
Exchange differences on translating foreign operations	1,558	(2,256)	n/m	(2,429)	(8,123)	(70)
Remeasurement loss on defined benefits obligations	-	(156)	(100)	(164)	(156)	5
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	(1,186)	(8,623)	(86)	(406)	(17,901)	(98)
Reclassification of hedging reserves on settlement of hedge instrument included in profit or loss	(12)	-	n/m	13,760	-	n/m
Reclassification of translation reserves on disposal of subsidiaries included in profit or loss	-	-	n/m	1,125	-	n/m
Share of other comprehensive income of associated companies and joint ventures companies	(428)	(8,017)	(95)	4,788	(9,911)	n/m
Other comprehensive income for the financial year, net of tax	(68)	(19,052)	(100)	16,674	(37,607)	n/m
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR	(418,857)	(17,692)	n/m	(985,475)	29,410	n/m
Total comprehensive income attributable to:						
Owners of the parent	(339,422)	(26,109)	n/m	(871,032)	7,811	n/m
Non-controlling interests	(79,435)	8,417	n/m	(114,443)	21,599	n/m
	(418,857)	(17,692)	n/m	(985,475)	29,410	n/m
<u>Attributable to owners of the Company:</u>						
Total comprehensive income from continuing operations, net of tax	(339,422)	(9,012)	n/m	(796,731)	48,361	n/m
Total comprehensive income from discontinued operations, net of tax	-	(17,097)	(100)	(74,301)	(40,550)	83
Total comprehensive income for the financial year attributable to owners of Company	(339,422)	(26,109)	n/m	(871,032)	7,811	n/m

nm – not meaningful

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

	Group 3 months ended			Group 12 months ended		
	31 August 2016	31 August 2015	Incr/ (decr)	31 August 2016	31 August 2015	Incr/ (decr)
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Amortisation of other intangible assets	(156)	(1,131)	(86)	(405)	(1,190)	(66)
Depreciation of fixed assets	(23,718)	(17,856)	33	(76,775)	(68,126)	13
(Loss)/gain on disposal of fixed assets	(304)	29,299	n/m	(20,157)	30,522	n/m
Impairment loss on fixed assets	(59,110)	-	n/m	(119,604)	(10,000)	n/m
Impairment loss on assets held for sale	(76,259)	-	n/m	(76,259)	-	n/m
Fixed assets written-off	(15,563)	(46)	n/m	(15,568)	(72)	n/m
Inventories written-off	(105)	(279)	(62)	(105)	(279)	(62)
Provision for inventory obsolescence	(7,719)	-	n/m	(7,719)	-	n/m
Impairment loss on investment in associated company	(90,890)	-	n/m	(90,890)	-	n/m
Impairment loss on investment in joint venture companies	(43,685)	-	n/m	(81,978)	-	n/m
Gross dividend income from AFS investments	-	3,600	(100)	-	4,800	(100)
Reclassification of hedging reserves on settlement of hedge instrument included in profit or loss	12	64	(81)	(13,760)	(9,623)	43
Fair value changes in respect of derivative instruments, net	(20,843)	-	n/m	(21,295)	-	n/m
Loss on dilution of interest in an associated company	(630)	-	n/m	(1,083)	-	n/m
Loss on disposal of disposal group classified as held for sale	-	-	n/m	(181,259)	-	n/m
Foreign exchange (loss)/gain, net	(1,003)	4,509	n/m	(2,085)	26,481	n/m
Bad debts (written off)/recovered, net	-	(122)	(100)	(19,680)	102	n/m
Allowance for doubtful debts, net	(30,114)	(8,631)	n/m	(106,373)	(9,052)	n/m
Provision for onerous contracts	(26,141)	-	n/m	(26,141)	-	n/m
Gain on bargain purchase on acquisition of subsidiaries	-	11,714	(100)	-	118,047	(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	-	(25)	(100)	-	(42,329)	(100)
Impairment loss on goodwill	-	-	n/m	-	(311)	(100)

nm – not meaningful

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	
	31 August 2016 US\$'000	31 August 2015 US\$'000	31 August 2016 US\$'000	31 August 2015 US\$'000
Non-current assets				
Fixed assets	969,962	1,012,908	161	870
Goodwill	17,125	17,848	-	-
Other intangible assets	10,497	9,634	-	-
Investments in subsidiaries	-	-	372,464	224,040
Investments in associated companies	18,692	212,818	-	-
Investments in joint venture companies	232,133	191,265	4,451	6,987
Available for sale ("AFS") investments	3,112	3,112	3,075	3,075
Long term receivable from subsidiaries	-	-	134,722	139,021
Trade receivable	-	30,258	-	-
Other receivables	59,801	37,591	-	-
Finance lease receivable	1,222	-	-	-
Deferred tax assets	1,231	700	-	-
Current assets				
Assets held for sale	126,434	102,548	57,965	351,805
Assets included in disposal group classified as held for sale	-	1,590,852	-	-
Inventories and work-in-progress	70,116	78,017	-	-
Trade receivables	220,704	253,813	-	-
Other receivables	21,193	96,277	1,731	4,050
Finance lease receivable	592	-	-	-
Other current assets	47,080	44,484	260	503
Balances due from				
- subsidiaries	-	-	147,211	653,741
- associated companies	24,359	76,957	6,338	7,183
- joint venture companies	49,636	221	-	-
Derivative financial instruments	-	177	-	-
Cash and cash equivalents	34,029	377,601	842	292,267
Cash pledged	28,550	40,234	5,372	-
	622,693	2,661,181	219,719	1,309,549
Current liabilities				
Liabilities included in disposal group classified as held for sale	-	979,896	-	-
Trade payables	97,435	53,777	-	-
Other payables	148,739	174,393	18,223	20,482
Bills payable to banks	321,597	255,797	101,541	41,957
Deferred income	4,541	868	-	-
Progress billings in excess of work-in-progress	18,728	56,642	-	-
Balances due to				
- subsidiaries	-	-	53,026	55,996
- associated companies	15,866	7,410	-	-
- joint venture companies	103	2,500	-	2,500
Derivative financial instruments	25,219	38,291	-	34,752
Lease obligations	98,064	2,522	-	-
Bank term loans	655,332	153,609	80,893	12,000
Perpetual securities	-	106,232	-	106,232
Notes payable	109,828	226,489	109,828	226,489
Provision for tax	14,461	15,224	816	2,192
	1,509,913	2,073,650	364,327	502,600
Net current (liabilities)/assets	(887,220)	587,531	(144,608)	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	
	31 August 2016 US\$'000	31 August 2015 US\$'000	31 August 2016 US\$'000	31 August 2015 US\$'000
Non-current liabilities				
Deferred income	(30,333)	(10,193)	-	-
Lease obligations	(891)	(11,886)	-	-
Bank term loans	(11,927)	(607,810)	-	(154,000)
Notes payable	-	(105,806)	-	(105,806)
Deferred tax liabilities	(4,464)	(2,659)	-	-
NET ASSETS	378,940	1,365,311	370,265	921,136
EQUITY				
Share capital	634,736	634,736	634,736	634,736
Accumulated (losses)/profits	(330,179)	557,734	(264,543)	300,298
Capital reserve	(47,706)	(48,019)	7,448	7,448
Hedging reserve	(3,586)	(17,238)	-	(13,970)
Translation reserve	(12,910)	(15,826)	-	-
Treasury shares	(7,376)	(7,376)	(7,376)	(7,376)
	232,979	1,104,011	370,265	921,136
Non-controlling interests	145,961	261,300	-	-
TOTAL EQUITY	378,940	1,365,311	370,265	921,136
	-	-	-	-

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

	31 August 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	819,337	365,484	238,406	506,243
Amount repayable after one year	10,932	1,886	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, investments in an associated company and certain subsidiaries and cash deposits of the Group.

Certain motor vehicles and vessels 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		Group	
	3 months ended		12 months ended	
	31 August	31 August	31 August	31 August
	2016	2015	2016	2015
	US\$'000	US\$'000	US\$'000	US\$'000
Cash flows from operating activities				
(Loss)/profit before tax from continuing operations	(416,463)	26,089	(919,943)	120,512
Loss before tax from discontinued operations	-	(8,768)	(69,488)	(26,229)
(Loss)/profit before tax	(416,463)	17,321	(989,431)	94,283
<i>Adjustments:</i>				
Depreciation of fixed assets	23,718	34,054	110,329	103,092
Impairment loss on fixed assets	59,110	-	119,604	10,000
Fixed assets written off/(written back)	15,563	(113)	16,380	72
Impairment of assets held for sale	76,259	-	76,259	-
Inventories written off	105	328	105	328
Provision for inventory obsolescence	7,719	-	7,719	-
Amortisation of other intangible assets	156	1,323	852	1,957
Loss/(gain) on disposal of fixed assets	304	(29,299)	20,165	(30,522)
Share of (profit)/loss of associated companies	(2,132)	(3,536)	35,214	(12,391)
Share of loss/(profit) of joint venture companies	14,013	(3,713)	(387)	(13,594)
Loss on dilution of interest in an associated company	630	-	1,083	-
Loss on disposal of disposal group classified as held for sale	-	-	181,259	-
Impairment loss on investments in associated companies	90,890	-	90,890	-
Impairment loss on investments in joint venture companies	43,685	-	81,978	-
Realised (gain)/loss reclassified from hedging reserves on settlement of hedge instrument included in profit or loss	(12)	(64)	13,760	9,623
Fair value changes in respect of derivative financial instruments, net	20,843	-	21,295	-
Unrealised exchange loss/(gain)	995	(13,764)	14,191	(33,310)
Interest expense	14,886	19,937	60,104	55,645
Interest income	(1,091)	(1,464)	(4,534)	(5,254)
Gross dividend income from AFS investments	-	(3,600)	-	(4,800)
Bad debts written off, net	-	391	19,384	259
Allowance for doubtful debts, net	30,114	10,101	108,039	12,899
Provision for onerous contracts, net	26,141	-	26,141	-
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	-	(11,714)	-	(118,047)
Loss on step up of associate and joint venture companies to subsidiaries	-	25	-	42,329
Impairment loss on goodwill	-	-	-	311
Operating profit before working capital changes	5,433	16,213	10,399	111,364
<i>Decrease/(increase) in:</i>				
Inventories and work-in-progress	(4,596)	12,786	763	(5,179)
Trade receivables	27,489	(102,680)	58,356	92,684
Other receivables and other current assets	3,527	80,529	(3,183)	(16,668)
Due from associated companies, net	(807)	4,583	14,273	17,539
Due from joint venture companies, net	5,997	2,655	(2,405)	8,439
<i>Increase/(decrease) in:</i>				
Trade payables	27,100	46,096	14,448	7,303
Other payables	(3,787)	23,875	(38,017)	(17,777)
Progress billings in excess of work-in-progress	(14,247)	(24,545)	(31,918)	18,237
Cash generated from operations	46,109	59,512	22,716	215,942

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		Group	
	3 months ended		12 months ended	
	31 August	31 August	31 August	31 August
	2016	2015	2016	2015
	US\$'000	US\$'000	US\$'000	US\$'000
Cash generated from operations	46,109	59,512	22,716	215,942
Interest paid	(11,648)	(14,270)	(64,908)	(50,177)
Interest received	898	966	2,960	3,981
Tax refund/(paid)	556	(8,189)	(11,743)	(27,222)
Net cash generated from/(used in) operating activities	35,915	38,019	(50,975)	142,524
Cash flows from investing activities				
Purchase of fixed assets	(23,293)	(84,088)	(167,115)	(319,960)
Purchase of intangible asset	(1,183)	-	(1,265)	(549)
Return of capital from a joint venture company	-	-	789	-
Decrease/(increase) in cash pledged	37,330	(1,970)	11,684	(6,806)
Proceeds from disposal of fixed assets	544	25,846	63,714	30,268
Reversal/(capitalisation) of interest paid and capitalised as fixed assets	177	(207)	-	(8,707)
Proceeds from disposal of assets held for sale	-	-	-	15,300
Proceeds from disposal of disposal group classified as held for sale, net of cash disposed	-	-	144,492	-
Dividend received (net) from AFS investment	-	-	-	1,200
Dividend received (net) from a joint venture company	-	-	728	-
Dividend received (net) from an associated company	-	-	-	8,859
Repayment of shareholders' loan from an associated company	-	-	40,170	-
Repayment of shareholders' loan from a joint venture company	-	-	450	-
Acquisition of subsidiaries, net of cash paid	-	-	-	25,206
Net cash generated from/(used in) investing activities	13,575	(60,419)	93,647	(255,189)
Cash flows from financing activities				
(Repayment)/proceeds from bills payable, net	(7,034)	15,728	60,260	43,171
Repayment of lease obligations, net	(318)	(438)	(7,837)	(2,551)
Proceeds from bank term loans	52,972	179,806	282,161	549,838
Repayment of bank term loans	(105,522)	(67,598)	(403,867)	(403,947)
Repayment of perpetual securities	-	-	(106,232)	-
Repayment of notes payable	-	-	(226,900)	-
(Payment for)/receipts from derivative financial instruments, net	(157)	63	(33,289)	(9,623)
Acquisition of non-controlling interests	-	-	-	(718)
Proceeds from issuance of new ordinary shares by subsidiaries, net of transaction costs	-	-	-	59,899
Proceeds from issuance of new ordinary shares by the Company, net of transaction costs	-	144,651	-	144,651
Payment for perpetual securities distribution	-	-	-	(10,072)
Payment of dividend by subsidiary company to non-controlling interest	-	-	(896)	(969)
Net cash (used in)/generated from financing activities	(60,059)	272,212	(436,600)	369,679
Net (decrease)/increase in cash and cash equivalents	(10,569)	249,812	(393,928)	257,014
Effects of exchange on cash and cash equivalents	1,022	(3,700)	2,137	(5,559)
Cash and cash equivalents at beginning of financial year	43,576	179,708	425,820	174,365
Cash and cash equivalents at end of financial year	34,029	425,820	34,029	425,820

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/(losses) 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 year	-	-	43,575	872	(4,951)	(17,481)	(14,204)	-	7,811	21,599	29,410
Accrued perpetual securities distribution	-	9,557	(9,557)	-	-	-	-	-	-	-	-
Payment of perpetual securities distribution	-	(10,072)	-	-	-	-	-	-	(10,072)	-	(10,072)
Payment of dividend by subsidiary company to non-controlling interest	-	-	-	-	-	-	-	-	-	(969)	(969)
Share issuance, net of issuance expenses	144,651	-	-	-	-	-	-	-	144,651	-	144,651
Total contributions by and distribution to owners	144,651	(515)	(9,557)	-	-	-	-	-	134,579	(969)	133,610
Dilution of equity interest in subsidiaries to non-controlling interest without change in control	-	-	-	(55,800)	-	-	-	-	(55,800)	185,771	129,971
Acquisition of non-controlling interest in subsidiaries	-	-	-	350	-	-	-	-	350	(1,068)	(718)
Total changes in ownership interests in subsidiaries	-	-	-	(55,450)	-	-	-	-	(55,450)	184,703	129,253
Total transactions with owners in their capacity as owners	144,651	(515)	(9,557)	(55,450)	-	-	-	-	79,129	183,734	262,863
Others											
Reclassification of perpetual securities as liabilities	-	(122,532)	-	9,801	-	-	-	-	(112,731)	-	(112,731)
Balance at 31 August 2015	634,736	-	557,734	(48,019)	-	(17,238)	(15,826)	(7,376)	1,104,011	261,300	1,365,311
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 year	-	-	(887,913)	313	-	13,652	2,916	-	(871,032)	(114,443)	(985,475)
Payment of dividend by subsidiary company to non-controlling interest	-	-	-	-	-	-	-	-	-	(896)	(896)
Total contributions by and distribution to owners	-	-	-	-	-	-	-	-	-	(896)	(896)
Balance at 31 August 2016	634,736	-	(330,179)	(47,706)	-	(3,586)	(12,910)	(7,376)	232,979	145,961	378,940

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/(losses) 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 year	-	-	118,879	-	(14,585)	104,294	-	104,294
Accrued perpetual securities distribution	-	9,557	(9,557)	-	-	(9,557)	-	-
Payment of perpetual securities distribution	-	(10,072)	-	-	-	-	-	(10,072)
Payment of dividend on ordinary shares	144,651	-	-	-	-	-	-	144,651
Total transactions with owners in their capacity as owners	144,651	(515)	(9,557)	-	-	(9,557)	-	134,579
Others								
Reclassification of perpetual securities as liabilities	-	(122,532)	-	9,801	-	9,801	-	(112,731)
Balance at 31 August 2015	634,736	-	300,298	7,448	(13,970)	293,776	(7,376)	921,136
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 year	-	-	(564,841)	-	13,970	(550,871)	-	(550,871)
Balance at 31 August 2016	634,736	-	(264,543)	7,448	-	(257,095)	(7,376)	370,265

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 31 August 2016, the Company's total issued shares is 2,942,400,977 (31 August 2015: 2,942,400,977) with 3,439,880 (31 August 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 31 August 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 31 August 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 financial year and fourth quarter ended 31 August 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.

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: -**

	12 months ended	
	31 August 2016	31 August 2015
Net (loss)/profit attributable to owners of the parent (US\$'000)	(887,749)	43,731
Adjusted: Loss from discontinued operation, net of tax, attributable to the owners of the Company	74,327	40,299
(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	(813,422)	84,030
Weighted average ordinary shares for calculation of ('000):		
- Basic earnings per share	2,938,961	1,908,398
- Diluted earnings per share	2,938,961	1,908,398

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	(27.68)	4.40
(b) On a fully diluted basis (detailing any adjustments made to the earnings)	(27.68)	4.40

Discontinued operation attributable to owners of the Company

(a) Based on the weighted average number of ordinary shares on issue	(2.53)	(2.11)
(b) On a fully diluted basis (detailing any adjustments made to the earnings)	(2.53)	(2.11)

Total profit attributable to owners of the Company

(a) Based on the weighted average number of ordinary shares on issue	(30.21)	2.29
(b) On a fully diluted basis (detailing any adjustments made to the earnings)	(30.21)	2.29

On 6 July 2015, a subsidiary of the Group, Triyards Holdings Limited ("Tiryards"), issued warrants for the purchase of 29,500,000 ordinary shares in Triyards. For the period from 1 September 2015 to 31 August 2016, there is no dilutive impact on the earnings from the warrants issued by Triyards.

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 31 August 2016	As at 31 August 2015	As at 31 August 2016	As at 31 August 2015
Net asset value per ordinary share (US cents) *	7.93	37.56	12.60	31.34

* Net asset value is computed using net asset excluding non-controlling interest.

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 categorised into the following:

- **Subsea Services Division:** Predominantly made up of EMAS AMC Group, which was part of the discontinued operations, and Energy Services Division
 - **EMAS AMC Group** which is a now joint venture group of companies of the Group, EMAS CHIYODA Subsea, is a global EPCIC service provider of comprehensive subsea-to-surface solutions throughout the lifecycle of oil and gas projects.
 - **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

Financial year ended 31 August 2016 ("FY16")

The Group's revenue decreased by US\$18.7 million (3%) for the financial year ended 31 August 2016 ("FY16") when compared to the corresponding period for the financial year ended 31 August 2015 ("FY15"). The decrease was due to a decrease in revenue of US\$78.2 million from Offshore Support and Production Services Division and a decrease of US\$19.3 million from Energy Services Division. The decrease was partially offset by an increase in revenue of US\$78.8 million from Marine Services Division.

The decrease in revenue for FY16 when compared to FY15 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.

The decrease in revenue for FY16 when compared to FY15 from Energy Services Division was mainly due to lower level of service requests from customers and lower project activity.

The increase in revenue in FY16 when compared to FY15 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 FY16 as compared to FY15 and higher contribution from engineering design work.

REVIEW OF PERFORMANCE (CONT'D):

Revenue (cont'd)

3 months ended 31 August 2016 ("4Q16")

The Group's revenue decreased by US\$11.4 million (8%) for the three months ended 31 August 2016 ("4Q16") when compared to the corresponding period for the three months ended 31 August 2015 ("4Q15"). The decrease was due to a decrease of US\$7.9 million from Energy Services Division and a decrease of US\$6.7 million from Marine Services Division. The decrease was partially offset by an increase in revenue of US\$3.2 million from Offshore Support and Production Services Division.

The increase in revenue for 4Q16 when compared to 4Q15 from Offshore Support and Production Services Division was mainly due to revenue contributed from vessels chartered to the Group's joint venture, EMAS CHIYODA Subsea, which were previously eliminated in 4Q15 as the revenue were part of intra-group transactions. However, this increase was partially offset by the general weakness in the offshore industry and the shallow water PSV and AHTS segment continues to remain weak.

The decrease in revenue for 4Q16 when compared to 4Q15 from Energy Services Division was mainly due to lower level of service requests from customers and lower project activity.

The decrease in revenue in 4Q16 when compared to 4Q15 from Marine Services Division was mainly due to lower engineering design work.

Gross (loss)/profit

Financial year ended 31 August 2016 ("FY16")

Gross profit deteriorated from US\$90.3 million in FY15 to gross loss of US\$14.9 million in FY16. The deterioration is mainly due to weakness in the Offshore Support and Production Services Division in FY16 when compared to FY15 which resulted in a gross loss from this Division in FY16 and provision for onerous contracts of US\$26.1 million for certain leased-in vessels which did not occur in FY15.

3 months ended 31 August 2016 ("4Q16")

Gross profit deteriorated from US\$16.0 million in 4Q15 to gross loss of US\$29.9 million in 4Q16. The deterioration is mainly due to weakness in the Offshore Support and Production Services Division in 4Q16 when compared to 4Q15 which resulted in a gross loss from this Division in 4Q16 and provision for onerous contracts of US\$26.1 million for certain leased-in vessels which did not occur in 4Q15.

Other (expenses)/income, net

Financial year ended 31 August 2016 ("FY16")

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

- (i) Loss on disposal of fixed assets of US\$20.2 million in FY16 as compared to gain of US\$30.5 million in FY15;
- (ii) Impairment loss on fixed assets of US\$119.6 million in FY16 as compared to US\$10.0 million in FY15;
- (iii) Impairment loss on assets held for sale of US\$76.3 million in FY16 which did not occur in FY15;
- (iv) Impairment loss on investments in associated companies and joint venture companies of US\$90.9 million and US\$82.0 million respectively in FY16 which did not occur in FY15;
- (v) Net realised loss on derivative instruments of US\$13.8 million in FY16 as compared to US\$9.6 million in FY15;
- (vi) Fair value changes in respect of derivative instruments, net of US\$21.3 million in FY16 which did not occur in FY15;
- (vii) Loss on disposal of disposal group classified as held for sale of US\$181.3 million which did not occur in FY15;
- (viii) Deterioration of foreign exchange gain from US\$26.5 million in FY15 to loss of US\$2.1 million in FY16; and
- (ix) Absence of non-recurring gain on bargain purchase from the acquisition of subsidiaries of US\$118.0 million in FY15.

REVIEW OF PERFORMANCE (CONT'D):

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

Financial year ended 31 August 2016 ("FY16") (cont'd)

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

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 FY15.

3 months ended 31 August 2016 ("4Q16")

The deterioration in other expenses, net was mainly due to:-

- (i) Loss on disposal of fixed assets of US\$0.3 million compared to gain of US\$29.3 million in 4Q15;
- (ii) Impairment loss on fixed assets of US\$59.1 million in 4Q16 which did not occur in 4Q15;
- (iii) Impairment loss on assets held for sale of US\$76.3 million in 4Q16 which did not occur in 4Q15;
- (iv) Impairment loss on investments in associated companies and joint venture companies of US\$90.9 million and US\$43.7 million respectively in 4Q16 which did not occur in 4Q15;
- (v) Fair value changes in respect of derivative instruments, net of US\$20.8 million in 4Q16 which did not occur in 4Q15;
- (vi) Deterioration of foreign exchange gain from US\$4.5 million in 4Q15 to loss of US\$1.0 million; and
- (vii) Absence of non-recurring gain on bargain purchase from the acquisition of subsidiaries of US\$11.7 million in FY15.

Administrative expenses

Financial year ended 31 August 2016 ("FY16")

The increase in administrative expenses for FY16 when compared to FY15 was mainly due to:-

- (i) Allowance for doubtful debts and bad debts written off of US\$126.1 million made in FY16 compared to an allowance for doubtful debts and bad debts of US\$9.0 million in FY15;
- (ii) Fixed assets written-off and provision for inventory obsolescence of US\$15.6 million and US\$7.7 million respectively; and
- (iii) Expenses incurred in restructuring and consent solicitation exercises carried out in FY16 which did not occur in FY15.

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 31 August 2016 ("4Q16")

The increase in administrative expenses for 4Q16 when compared to 4Q15 was mainly due to:-

- (i) Allowance for doubtful debts and bad debts written off of US\$30.1 million made in 4Q16 compared to an allowance for doubtful debts and bad debts of US\$8.8 million in 4Q15; and
- (ii) Fixed assets written-off and provision for inventory obsolescence of US\$15.6 million and US\$7.7 million respectively.

Depreciation of fixed assets

Financial year ended 31 August 2016 ("FY16")

The increase in depreciation of fixed assets for FY16 when compared to FY15 was mainly due to consolidation of 12 months of depreciation in FY16 as compared to 11 months in FY15 from EOL Group and the additional depreciation charge from newly acquired fixed assets which were put into operation.

REVIEW OF PERFORMANCE (CONT'D):

Depreciation of fixed assets (cont'd)

3 months ended 31 August 2016 ("4Q16")

The increase in depreciation of fixed assets for 4Q16 when compared to 4Q15 respectively was mainly due to the additional depreciation charge from newly acquired fixed assets which were put into operation.

Share of profit/(loss) of associated companies

Financial year ended 31 August 2016 ("FY16")

The deterioration in share of profit/(loss) of associated companies for FY16 when compared to FY15 respectively was mainly due to the Group's share of losses (including impairment on fixed assets) from an associated company, Perisai Petroleum Teknologi Bhd and absence of share of profits from an associated company which equity accounting have ceased in 3Q16 as the investment has been fully reclassified to assets held for sale.

3 months ended 31 August 2016 ("4Q16")

The deterioration in share of profit/(loss) of associated companies was mainly due to absence of share of profits from an associated company which equity accounting have ceased since 3Q16 as the investment have been fully reclassified to assets held for sale.

Share of (loss)/profit of joint venture companies

Financial year ended 31 August 2016 ("FY16")

3 months ended 31 August 2016 ("4Q16")

The decrease in share of (loss)/profit of joint venture companies in FY16 and 4Q16 was mainly due to the equity accounting for losses of two joint venture companies and lower contribution from the other joint ventures. The Group's main joint venture companies have also been negatively impacted by the depressed conditions and reduced activity in the oil and gas sector.

(Loss)/profit before tax from continuing operations

Financial year ended 31 August 2016 ("FY16")

(Loss)/profit before tax from continuing operations deteriorated from a profit of US\$120.5 million in FY15 to loss of US\$919.9 million in FY16. 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 and lower share of profit of joint venture companies.

3 months ended 31 August 2016 ("4Q16")

(Loss)/profit before tax from continuing operations deteriorated from a profit of US\$26.1 million in 4Q15 to loss of US\$416.5 million in 4Q16. The deterioration was mainly due to deterioration of gross profit to gross loss, 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 joint venture companies to loss.

Tax

The lower tax expense for FY16 and 4Q16 when compared to FY15 and 4Q15 respectively is due to the overall lower activities and profitability from taxable entities.

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.

REVIEW OF PERFORMANCE (CONT'D):

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 was reclassified to "Loss from discontinued operations, net of tax". Summarised items of the income statement relating to the discontinued operations are presented as below:

	12 months ended		Increase /
	31 August 2016*	31 August 2015	(Decrease)
	US\$'000	US\$'000	%
Revenue	362,274	976,417	(63)
Loss from operations	(48,688)	(14,379)	n/m
Loss from discontinued operations, net of tax	<u>(74,327)</u>	<u>(40,299)</u>	84

	Quarter ended		Increase /
	31 August 2016*	31 August 2015	(Decrease)
	US\$'000	US\$'000	%
Revenue	-	359,159	(100)
Loss from operations	-	(197)	(100)
Loss from discontinued operations, net of tax	<u>-</u>	<u>(16,699)</u>	(100)

* Summarised items of the income statement relating to the discontinued operations for the 12 months ended 31 August 2016 comprises of the financial performance for the period from September 2015 to March 2016.

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

Financial year ended 31 August 2016 ("FY16")

The increase in loss from discontinued operations, net of tax in FY16 when compared to FY15 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;
- (ii) Deterioration of foreign exchange from gain in FY15 to loss in FY16;
- (iii) Higher share of losses from an associated company due to loss suffered on a project; and
- (iv) 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 for the period from September 2015 to March 2016 when compared to the corresponding period as the Division continues to exercise continuous cost savings measures.

3 months ended 31 August 2016 ("4Q16")

After the disposal of 50% of the Group's interest in New JV entities on 31 March 2016, the results of the New JV entities are being equity-accounted for instead of being presented as "Loss from discontinued operations, net of tax".

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, write-offs and depreciation and the decrease is partially offset by additions of vessels via finance lease arrangements;
- (ii) Decrease in investment in associated companies resulting from sharing of losses for the financial year ended 31 August 2016, reclassification of the investment in an associated company to asset held for sale and impairment loss on investment in associated companies; and
- (iii) Decrease in long-term trade receivable due to impairment.

The decrease is partially offset by:-

- (i) Increase in investment in joint venture companies as a result of the completion of the proposed joint venture, EMAS CHIYODA Subsea, and the increase is partially offset by impairment loss on investment in joint venture companies; and
- (ii) Increase in non-current other receivables following the sellers' credit resulting from the sale and leaseback of another four vessels.

Subsequent to the completion of the proposed joint venture, EMAS CHIYODA Subsea, the Group's retained interest of 50% in the disposal group is reclassified from assets and liabilities included in disposal group classified as held for sale from both current assets and current liabilities, to investment in joint venture companies re-measured at its fair value upon reclassification.

Current assets

The decrease in current assets was mainly due to:-

- (i) Decrease in assets included in disposal group classified as held for sale as a result of the completion of the proposed joint venture, EMAS CHIYODA Subsea, and as further explained in the increase in the investment in joint venture companies above;
- (ii) Decrease in trade receivables mainly due to impairment and receipts from customers;
- (iii) Decrease in other receivables due to impairment and settlement of the amounts due from the sale of vessels; and
- (iv) Decrease in cash and cash equivalents and cash pledged 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 and part of an interest in a joint venture company to assets held for sale. The increase is partially offset by impairment loss on the investment in an associated company which is classified as assets held for sale.

The decrease noted in trade receivables is partially offset by an increase in trade receivables from build up of unbilled receivables from the Marine Services Division due to timing difference between contracted milestone billing and the recognition of unbilled receivables for construction projects under the percentage of completion method.

Current liabilities

The decrease in current liabilities was mainly due to:-

- (i) Decrease in liabilities included in disposal group classified as a result of the completion of the proposed joint venture, EMAS CHIYODA Subsea, and as further explained in the increase in the investment in joint venture companies above;
- (ii) Decrease in other payables due to de-recognition in connection with the restructuring of sale and leaseback transaction;
- (iii) Decrease in progress billings in excess in work-in-progress due to lower advanced billings;
- (iv) Decrease in derivative financial instruments due to settlement of derivative instruments on maturity; and
- (v) Decrease in perpetual securities and notes payable as a result of repayment in September 2015 and March 2016.

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

Current liabilities (cont'd)

The decrease in current liabilities was partially offset by

- (i) Increase in bills payable mainly for working capital use;
- (ii) Increase in lease obligations as a result of addition of five leased-in vessels which were accounted for as finance lease and the non-current portion of these lease liabilities have also been reclassified to current (see below);
- (iii) Increase in bank term loans and notes payable due to reclassification of the non-current portion of bank term loan and notes payable to current (see below);
- (iv) Increase in provision for onerous contracts which is classified as part of "Other payables"; and
- (v) Increase in deferred income.

Please see non-current liabilities below for further explanation on the increase in deferred income.

As at 31 August 2016, the Group has breached certain of its financial covenants and as a result, non-current portion of these bank term loans and lease obligations and the notes payable which are subject to these financial covenants have become reclassified as current liabilities. As at announcement date, the Group has rectified the breaches by way of obtaining covenant waivers.

Non-current liabilities

The decrease in non-current liabilities was mainly due to decrease in bank term loans and lease obligations as a result of the reclassification of these balances to current as explained above.

The decrease is partially offset by an increase in deferred income as a result of the five leased vessels as mentioned in the lease liability above as the excess of sales proceeds over the carrying amounts of the vessels was deferred and would be amortised over the lease term.

Equity

The decrease in total equity was mainly due to deterioration of the accumulated profits to losses and decrease in the non-controlling interests which was largely caused by the losses for the financial year ended 31 August 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.

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

Cash flows

Financial ended 31 August 2016 ("FY16")

Net cash from operating activities changed from an inflow of US\$142.5 million in FY15 to an outflow of US\$51.0 million. The deterioration was mainly due to:-

- (i) Decrease in operating profit before working capital changes from US\$111.4 million in FY15 to US\$10.4 million as a result of the deterioration in the Group's profit and loss; and
- (ii) Lower working capital changes in FY16 which was mainly due to lower collection from trade receivables due to the cessation of contribution from the discontinued operations with effect from April 2016 as well as more repayment to creditors and lower advanced billings.

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

Net cash outflow from investing activities turnaround from an outflow of US\$255.2 million in FY15 to an inflow of US\$93.6 million in FY16 and was mainly due to:-

- (i) Decrease in amount spent on capital expenditure as the construction of *Lewek Constellation* has been completed;
- (ii) Net decrease in cash pledged which are used for partial repayment of bank loans;
- (iii) Increase in proceeds from disposal of fixed assets from sale of higher value assets;
- (iv) Decrease in interest paid and capitalised as fixed assets as the construction of *Lewek Constellation* has been completed;
- (v) Proceeds from the disposal of the disposal group classified as held for sale; and
- (vi) Repayment of shareholders' loan by an associated company to the Group.

The inflow 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 FY15.

Net cash from financing activities changed from an inflow of US\$369.7 million in FY15 to an outflow of US\$436.6 million in FY16 and was mainly due to:-

- (i) Repayment of the perpetual securities and S\$225 million notes in September 2015 and S\$95 million notes in March 2016;
- (ii) Settlement of matured derivative instruments used for hedging of the note payables;
- (iii) Net repayment of bank borrowings in FY16 compared to net inflow from bank borrowings in FY15 due to repayment with the proceeds from the disposal of the disposal group classified as held for sale and pledged cash; and
- (iv) Absence of non-recurring proceeds from issuance of new ordinary shares by the Company and its subsidiaries in FY15.

The net outflow from financing activities was partially offset by non-recurring payment for perpetual securities distribution.

3 months ended 31 August 2016 ("4Q16")

Net cash inflow from operating activities decreased from US\$38.0 million in 4Q15 when compared to US\$35.9 million in 4Q16.

Operating profit before working capital decreased from US\$16.2 million in 4Q15 to US\$5.4 million as a result of the deterioration in the Group's profit and loss.

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

Cash flows (cont'd)

3 months ended 31 August 2016 ("4Q16") (cont'd)

Net cash flow from investing activities turnaround from an outflow of US\$60.4 million in 4Q15 to an inflow of US\$13.6 million in 4Q16 and was mainly due to decrease in amount spent on capital expenditure and net decrease in cash pledged which are used for partial repayment of bank loans.

Net cash from financing activities changed from an inflow of US\$272.2 million in 4Q15 to an outflow of US\$60.1 million in 4Q16 and was mainly due to:-

- (i) Net repayment of bank borrowings in 4Q16 compared to net inflow from bank borrowings in 4Q15 due to lower drawdown of new loans and partial repayment of existing loans with the pledged cash; and
- (ii) Absence of non-recurring proceeds from issuance of new ordinary shares by the Company in 4Q15.

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 3.05 times as at the end FY16 as compared to 0.77 times at end of FY15.

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

Outlook

Global economic environment continues to remain uncertain, particularly the Oil & Gas (O&G) industry. Hence, the Group expects to face an extremely challenging outlook for the financial year ending 31 August 2017.

Due to the continued challenging environment in the O&G industry, major oil players have scaled down or delayed investing in new capital expenditure, resulting in fewer project awards. This trend is expected to continue and will have a negative impact on the Group's financial performance and executable order book in the near term.

Significant Developments

a) EMAS Offshore Limited

On 18 November 2016, the Group made an announcement that its associated company, Perisai Petroleum Teknologi Berhad ("Perisai") made an application to Malaysia's Corporate Debt Restructuring Committee ("CDRC"). Based on its website, CDRC is intended to provide a platform for corporate borrowers and their creditors to work out feasible debt resolutions without having to resort to legal proceedings.

As a result of Perisai's application to CDRC, it is understood that all affected lenders of Perisai are required with immediate effect to observe an informal standstill, and withhold proceedings against Perisai and its subsidiaries. This includes SJR Marine (L) Ltd, EMAS Victoria (L) Bhd and Intan Offshore (L) Ltd, which are either associated or joint venture companies of the Group.

EMAS Offshore Limited has previously reached in-principle agreements with its bankers and was in the process of finalising its refinancing exercise and obtaining additional working capital facilities from the banks. As a result of the uncertainties surrounding Perisai's developments, the completion of the refinancing exercise and obtaining additional working capital facilities have been delayed.

Significant Developments (cont'd)

b) The Group

The Group is in discussion with various stakeholders and consolidating its funding requirements. In the event that this effort does not achieve a favourable and timely outcome, the Group will be faced with a going concern issue.

In addition, due to the challenging market conditions, the Group is currently negotiating with certain vendors with a view of cancelling certain procurement contracts to conserve cash and the Group will assess if further impairment is required for the assets. The above issues will affect the extent of recognition of liabilities and impairments losses which may further impact the financial statements.

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”).

14. Confirmation of Directors and Executive Officers' undertakings pursuant to Listing Rule 720(1)

The Company has procured undertakings from all its directors and executive officers in compliance with Listing Rule 720(1).

15. Negative confirmation pursuant to Rule 705(5).

Not required for announcement on full year results.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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**

Business segments

Financial year ended 31 August 2016	Offshore Support and Production Services US\$'000	Marine Services US\$'000	Subsea Services US\$'000	Disposal Group Held for Sale US\$'000	Group US\$'000
Revenue					
Sales	196,749	361,665	397,966	(362,276)	594,104
Inter-segment sales	(61,915)	—	(7,081)	—	(68,996)
Sales to external customers	134,834	361,665	390,885	(362,276)	525,108
(Loss)/profit from operations	(519,753)	19,992	(46,911)	48,688	(497,984)
Share of profit/(loss) of associated companies	7,645	—	(8,675)	8,675	7,645
Share of profit of joint venture companies	9,394	—	—	—	9,394
Financial income					4,525
Financial expenses					(48,067)
Tax					(7,879)
Unallocated other expenses, net					(242,207)
Unallocated administrative expenses					(110,154)
Unallocated share of loss of associated companies					(34,088)
Unallocated share of loss of joint venture companies					(9,007)
Net loss for the financial year					<u>(927,822)</u>
Assets					
Segment assets	1,032,715	511,513	66,117	—	1,610,345
Unallocated segment assets					326,123
Total assets					<u>1,936,468</u>
Liabilities					
Segment liabilities	856,515	264,514	10,350	—	1,131,379
Unallocated segment liabilities					426,149
Total liabilities					<u>1,557,528</u>
Other information					
Capital expenditure	195,549	23,218	21,312	—	240,079
Unallocated capital expenditure					1,236
Total capital expenditure					<u>241,315</u>
Depreciation and amortisation	56,118	11,747	39,616	(33,996)	73,485
Unallocated depreciation and amortisation					3,695
Total depreciation and amortisation					<u>77,180</u>
Impairment of fixed assets	117,864	1,740	—	—	119,604
Fixed assets written off	15,532	36	812	(812)	<u>15,568</u>

Business segments (cont'd)

Financial year ended 31 August 2015	Offshore Support and Production Services US\$'000	Marine Services US\$'000	Subsea Services US\$'000	Disposal Group Held for Sale US\$'000	Group US\$'000
Revenue					
Sales	249,742	282,902	1,033,546	(976,417)	589,773
Inter-segment sales	(45,934)	—	—	—	(45,934)
Sales to external customers	203,808	282,902	1,033,546	(976,417)	543,839
Profit/(loss) from operations					
Share of profit of associated companies	37,720	14,740	(15,478)	14,379	51,361
Share of profit of joint venture companies	11,616	—	—	—	11,616
Financial income	14,751	—	—	—	14,751
Financial expenses					5,214
Tax					(43,607)
Unallocated other income, net					(13,196)
Unallocated administrative expenses					90,659
Unallocated share of profit of associated companies					(8,952)
Unallocated share of loss of joint venture companies					627
Net profit for the financial year					<u>107,316</u>
Assets					
Segment assets	1,407,029	450,688	1,651,188	—	3,508,905
Unallocated segment assets					668,410
Total assets					<u>4,177,315</u>
Liabilities					
Segment liabilities	784,189	239,266	986,930	—	2,010,385
Unallocated segment liabilities					801,619
Total liabilities					<u>2,812,004</u>
Other information					
Capital expenditure	92,049	27,886	289,742	—	409,677
Unallocated capital expenditure					2,621
Total capital expenditure					<u>412,298</u>
Depreciation and amortisation	46,899	13,551	42,075	(35,733)	66,792
Unallocated depreciation and amortisation					2,524
Total depreciation and amortisation					<u>69,316</u>
Impairment loss on fixed assets	—	10,000	—	—	<u>10,000</u>

Geographical segments

Revenue ⁽¹⁾

	Group	
	31 August 2016	31 August 2015
	US\$'000	US\$'000
Singapore	127,229	94,200
South East Asia ⁽²⁾	136,249	211,426
Americas	10,593	22,336
Europe	137,602	139,211
Other countries ⁽³⁾	113,435	76,666
	<u>525,108</u>	<u>543,839</u>

(1) Revenue is based on the location of customers.

(2) South East Asia includes Indonesia, Thailand, Brunei, Cambodia, Myanmar, Malaysia, The Philippines and Vietnam and excludes Singapore.

(3) Significant contributions from other countries include Australia, New Zealand, China, Hong Kong, South Korea, India, United Arab Emirates, Egypt, Angola, Congo, Ghana, Ivory Coast, Nigeria and Marshall Islands.

Non-current assets (comprising fixed assets, goodwill, other intangible assets, investments in associated and joint venture companies and lease receivables) are based on the location of the companies that own those assets.

Non-Current Assets

	Group	
	31 August 2016	31 August 2015
	US\$'000	US\$'000
Singapore	847,547	980,940
South East Asia ⁽⁴⁾	290,439	286,084
Other countries ⁽⁵⁾	111,645	177,449
	<u>1,249,631</u>	<u>1,444,473</u>

(4) South East Asia includes Malaysia, Thailand and Vietnam and excludes Singapore.

(5) Other countries include India, Angola, Ghana, United Kingdom, British Virgin Islands, United States of America and Australia.

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

For the financial year ended 31 August 2016 ("FY16"), revenue from the Offshore Support and Production Services Division were weaker than the last financial year ended 31 August 2015 ("FY15") due to the general weakness in the offshore industry. The shallow water PSV and AHTS segment continues to remain weak. As a result, this segment experienced a gross loss in FY16 when compared to FY15.

For FY16, the Marine Services Division reported higher revenue as compared to FY15 and this was mainly due to higher contribution from Triyards Group as there were more units of SEU and vessels under construction and higher contribution from engineering design work in FY16. While gross profit for FY16 remained relatively stable when compared to FY15, gross profit margin from this segment was lower due to different mix of projects.

The decrease in revenue for FY16 when compared to FY15 from Energy Services Division was mainly due to lower level of service requests from customers and lower project activity which lower gross profit and gross profitability.

Revenue contribution outside of South East Asia (including Singapore) accounts for 49.8% (FY2015: 43.8%) of revenue. The Group expects to have continual strong contribution outside of South East Asia.

18. A breakdown of sales

	Group		Increase / (Decrease) %
	31 August 2016 US\$'000	31 August 2015 US\$'000	
Sales reported for first half year	263,420	257,137	2.4
Operating (loss)/profit after tax before deducting non-controlling interests reported for first half year	(336,364)	65,265	n/m
Sales reported for second half year	261,688	286,702	(8.7)
Operating (loss)/profit after tax before deducting non-controlling interests reported for second half year	(665,785)	1,752	n/m

19. 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 US\$'000	Previous Full Year US\$'000
Ordinary	—	—
Preference	—	—
Total	—	—

20. 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) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(13) of the Listing Manual, there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.