

Listed companies must provide the information required by Appendix 7.2 of the Listing Manual. Adequate disclosure should be given to explain any material extraordinary item either as a footnote of the material extraordinary item or in the "Review of the performance of the group".

PENGUIN INTERNATIONAL LIMITED (Co. Registration Number : 197600165Z)

Unaudited Fourth Quarter And Full Year Financial Statement and Dividend Announcement for the Year Ended 31 December 2014

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

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

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2014

		3 Months Ended		Group + / (-) %	12 Months Ended		+ / (-) %
		31/12/2014	31/12/2013		31/12/2014	31/12/2013	
		\$'000	\$'000		\$'000	\$'000	
Continuing Operations							
Revenue	1	35,565	27,414	29.7	164,846	110,302	49.4
Cost of sales	2	(21,624)	(15,593)	38.7	(108,753)	(71,573)	51.9
Gross profit		13,941	11,821	17.9	56,093	38,729	44.8
Other operating income	3	244	592	(58.8)	4,304	3,055	40.9
Distribution costs		(99)	(88)	12.5	(306)	(215)	42.3
Administrative expenses		(5,404)	(3,896)	38.7	(18,724)	(14,530)	28.9
Other operating expenses	4	(3,575)	(2,983)	19.8	(9,878)	(8,294)	19.1
Finance cost		(11)	(13)	(15.4)	(79)	(49)	61.2
Interest income		32	32	0.0	175	96	82.3
Profit before tax from continuing operations		5,128	5,465	(6.2)	31,585	18,792	68.1
Income tax credit / (expense)		28	572	(95.1)	(1,610)	(2,324)	(30.7)
Profit for the year from continuing operations		5,156	6,037	(14.6)	29,975	16,468	82.0
Discontinued Operation							
Profit / (loss) from discontinued operation, net of tax	5	14	(416)	NM	175	(300)	NM
Profit for the year		5,170	5,621	(8.0)	30,150	16,168	86.5

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014**

	3 Months Ended		Group	12 Months Ended		
	31/12/2014	31/12/2013	+ / (-)	31/12/2014	31/12/2013	+ / (-)
	\$'000	\$'000	%	\$'000	\$'000	%
Attributable to:						
Owners of the company						
Profit from continuing operations, net of tax	5,156	6,037	(14.6)	29,975	16,468	82.0
Profit / (loss) from discontinued operation, net of tax	14	(416)	NM	175	(300)	NM
Profit for the year attributable to owners of the company	<u>5,170</u>	<u>5,621</u>	(8.0)	<u>30,150</u>	<u>16,168</u>	86.5
Non-controlling interests						
Profit from continuing operations	-	-	NM	-	-	NM
Profit for the year attributable to non-controlling interests	<u>-</u>	<u>-</u>	NM	<u>-</u>	<u>-</u>	NM
Profit for the year	<u>5,170</u>	<u>5,621</u>	(8.0)	<u>30,150</u>	<u>16,168</u>	86.5

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2014**

	3 Months Ended		Group	12 Months Ended		
	31/12/2014	31/12/2013	+ / (-)	31/12/2014	31/12/2013	+ / (-)
	\$'000	\$'000	%	\$'000	\$'000	%
Profit for the year	5,170	5,621	(8.0)	30,150	16,168	86.5
Other comprehensive income						
Items that may be reclassified subsequently to profit and loss						
Foreign currency translation	<u>311</u>	<u>67</u>	364.2	<u>322</u>	<u>2</u>	16000.0
Other comprehensive income for the year, net of tax	<u>311</u>	<u>67</u>	364.2	<u>322</u>	<u>2</u>	16000.0
Total comprehensive income for the year, net of tax	<u>5,481</u>	<u>5,688</u>	(3.6)	<u>30,472</u>	<u>16,170</u>	88.4
Attributable to:						
Owners of the company	5,481	5,688	(3.6)	30,472	16,170	88.4
Non-controlling interests	<u>-</u>	<u>-</u>	NM	<u>-</u>	<u>-</u>	NM
Total comprehensive income for the year	<u>5,481</u>	<u>5,688</u>	(3.6)	<u>30,472</u>	<u>16,170</u>	88.4
Attributable to:						
Owners of the company						
Total comprehensive income from continuing operations, net of tax	5,467	6,104	(10.4)	30,297	16,470	84.0
Total comprehensive income / (loss) from discontinued operation, net of tax	<u>14</u>	<u>(416)</u>	NM	<u>175</u>	<u>(300)</u>	NM
Total comprehensive income for the year attributable to owners of the company	<u>5,481</u>	<u>5,688</u>	(3.6)	<u>30,472</u>	<u>16,170</u>	88.4

NOTES TO INCOME STATEMENT

	Group		Group	
	3 Months Ended		12 Months Ended	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
	\$'000	\$'000	\$'000	\$'000
Continuing Operations				
Other income including interest income	276	624	4,479	3,151
Depreciation of property, plant and equipment and amortisation of deferred drydocking expenditure	(2,028)	(2,581)	(7,968)	(7,534)
Foreign exchange loss	(1,695)	(590)	(2,576)	(1,078)
(Loss) / gain on disposal of property, plant and equipment and deferred drydocking expenditure*	(2)	446	3,391	2,371
Gain on disposal of investment	-	-	3	-
Property, plant and equipment written off	-	-	(1)	(3)
Impairment of property, plant and equipment	(184)	-	(184)	(1,250)
Reversal for doubtful trade receivables	210	29	67	142
Allowance for doubtful other receivables	-	(24)	-	(24)
Net fair value loss on derivatives **	(1,654)	(436)	(2,422)	(360)
(Provision) / reversal of warranty claims on shipbuilding contracts	(922)	(186)	(213)	114
Discontinued Operation				
Other income including interest income	-	-	19	19
Depreciation and amortisation	-	(22)	-	(88)
Foreign exchange loss	-	(3)	-	(13)
Gain on disposal of property, plant and equipment and deferred drydocking expenditure*	-	-	14	-
Impairment of property, plant and equipment	-	(57)	-	(57)
Reversal / (allowance) for doubtful trade receivables	55	(224)	208	(224)

* This amount is included in other income including interest income above

** This amount is included in foreign exchange loss

Notes to the Income Statement:

- 1 Revenue is contributed primarily by shipbuilding and vessel chartering income.
- 2 Cost of Sales comprises primarily shipbuilding costs and vessel operating expenses.
- 3 Other Operating Income is contributed primarily by proceeds from the sale of vessels from the Group's fleet.
- 4 Other Operating Expenses comprises primarily depreciation of vessels.
- 5 "Discontinued Operation" refers to the Group's bunkering subsidiary, which ceased its business activities in late FY2013. As a result of this cessation, the subsidiary's full-year financials have been classified as "Discontinued Operation".

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

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014**

		Group		+ / (-)	Company		+ / (-)
		31/12/2014	31/12/2013	%	31/12/2014	31/12/2013	%
		\$'000	\$'000		\$'000	\$'000	
Equity attributable to owners of the Company							
Share capital		94,943	94,943	0.0	94,943	94,943	0.0
Reserves		43,222	16,053	169.2	(11,649)	(8,824)	32.0
Total equity		138,165	110,996	24.5	83,294	86,119	(3.3)
Intangible asset							
		78	78	0.0	-	-	NM
Property, plant and equipment	1	81,306	70,631	15.1	16,595	15,949	4.1
Investments in subsidiaries		-	-	NM	25,722	23,722	8.4
Other investments		-	6	(100.0)	-	6	(100.0)
Deferred drydocking expenditure		1,411	790	78.6	892	170	424.7
Current assets							
Inventories	2	56,777	26,847	111.5	-	-	NM
Trade receivables	3	14,503	12,131	19.6	2,493	1,836	35.8
Other receivables and deposits	4	9,036	6,984	29.4	115	30	283.3
Prepayments		639	396	61.4	122	116	5.2
Deferred drydocking expenditure		1,104	663	66.5	424	154	175.3
Loan to subsidiaries		-	-	NM	56,535	41,514	36.2
Derivatives		2	203	(99.0)	-	2	(100.0)
Short-term deposits		1,769	9,255	(80.9)	1,769	9,255	(80.9)
Cash and bank balances		35,604	33,373	6.7	4,912	10,817	(54.6)
		119,434	89,852	32.9	66,370	63,724	4.2
Assets classified as held for sale	5	-	3,487	(100.0)	-	-	NM
		119,434	93,339	28.0	66,370	63,724	4.2
Current liabilities							
Trade payables		13,864	7,061	96.3	110	54	103.7
Other payables and accruals	6	36,785	34,218	7.5	4,014	2,741	46.4
Billings on work-in-progress in excess of related costs	7	1,137	2,614	(56.5)	-	-	NM
Deferred revenue		207	155	33.5	207	155	33.5
Derivatives		2,425	204	1,088.7	2	-	NM
Provision for income tax		5,109	3,539	44.4	-	-	NM
Deposit from subsidiaries		-	-	NM	19,890	12,484	59.3
		59,527	47,791	24.6	24,223	15,434	56.9
Net current assets		59,907	45,548	31.5	42,147	48,290	(12.7)
Non-current liabilities							
Deferred tax liabilities		4,537	6,057	(25.1)	2,062	2,018	2.2
Net Assets		138,165	110,996	24.5	83,294	86,119	(3.3)

Notes to the Balance Sheet:

- 1 Property, Plant and Equipment refers mainly to the Group's vessels, leasehold buildings and machinery and equipment.
- 2 Inventories refers mainly to construction-in-progress in relation to uncompleted vessels.
- 3 Trade Receivables refers mainly to receivables from shipbuilding and vessel chartering activities.
- 4 Other Receivables and Deposits refers mainly to deposits paid by the Group for equipment purchases with long lead time.
- 5 Assets Classified as Held for Sale refers mainly to vessels identified for sale in which the sale is highly probable and the vessels are available for immediate sale in their present condition.
- 6 Other Payables and Accruals refers mainly to advance payments and deposits received, advance billing and accrued operating expenses.
- 7 Billings on Work-in-Progress in excess of related costs refers to progress billings in relation to shipbuilding contracts in excess of their corresponding costs.

1(b)(ii)**Amount repayable in one year or less, or on demand**

As at 31/12/2014		As at 31/12/2013	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
-	-	-	-

Amount repayable after one year

As at 31/12/2014		As at 31/12/2013	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
-	-	-	-

Details of any collateral

Not applicable

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

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Group		Group	
	3 Months Ended		12 Months Ended	
	31/12/2014	12/12/2013	31/12/2014	31/12/2013
	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities				
Profit before tax from continuing operations	5,128	5,465	31,585	18,792
Profit / (loss) before tax from discontinued operation	26	(439)	167	(298)
Profit before tax, total	5,154	5,026	31,752	18,494
Adjustments:				
Depreciation of property, plant and equipment and amortisation of deferred drydocking expenditure	2,028	2,603	7,968	7,622
(Loss) / gain on disposal of property, plant and equipment and deferred drydocking expenditure	2	(446)	(3,405)	(2,371)
Gain on disposal of investment	-	-	(3)	-
Interest income	(32)	(32)	(175)	(96)
Dividend income from investment in quoted equity shares	-	(1)	-	(1)
Property, plant and equipment written off	-	-	1	3
Impairment of property, plant and equipment	184	57	184	1,307
(Reversal) / allowance for doubtful debts (Trade)	(265)	195	(275)	82
Reversal of impairment for inventories	-	(4)	-	(4)
Allowance for doubtful debts (Non-Trade)	-	24	-	24
Provision / (reversal) of warranty claims on shipbuilding contracts	922	186	213	(114)
Net fair value loss on derivative liabilities	1,654	436	2,422	360
Currency alignment	(1,225)	(191)	(1,350)	(216)
Operating cash flows before changes in working capital	8,422	7,853	37,332	25,090
Inventories	(22,521)	(9,802)	(29,930)	(5,971)
Trade receivables	9,313	(3,548)	(2,097)	5,806
Other receivables, deposits and prepayments	(472)	(406)	(2,119)	(4,743)
Finance lease receivable	-	-	-	-
Trade payables	2,420	1,879	6,803	1,325
Other payables and accruals	5,986	(5,871)	2,344	1,411
Billings on work-in-progress in excess of related costs	(84)	5,056	(1,477)	2,614
Deferred revenue	(90)	(135)	52	(70)
Cash generated from / (used in) operations	2,974	(4,974)	10,908	25,462
Interest received	32	32	175	96
Income taxes paid	(32)	-	(1,720)	(1,760)
Net cash generated from / (used in) operating activities	2,974	(4,942)	9,363	23,798
Cash flows from investing activities				
Dividend income from investment in quoted equity shares	-	1	-	1
Proceeds from disposal of property, plant and equipment and deferred drydocking expenditure	27	10,767	9,931	15,182
Proceeds from disposal of investment	-	-	9	-
Purchase of property, plant and equipment and deferred drydocking expenditure	(5,689)	(5,530)	(21,504)	(34,689)
Net cash (used in) / generated from investing activities	(5,662)	5,238	(11,564)	(19,506)
Cash flows from financing activities				
Decrease / (increase) in pledged deposits with licensed banks	535	160	1,381	(1,381)
Dividends paid	-	-	(3,303)	-
Net cash generated from / (used in) financing activities	535	160	(1,922)	(1,381)
Net (decrease) / increase in cash and cash equivalents	(2,153)	456	(4,123)	2,911
Effect of exchange rate change on cash and cash equivalents	465	439	249	1,221
Cash and cash equivalents at beginning of year	39,061	40,352	41,247	37,115
Cash and cash equivalents at end of year	37,373	41,247	37,373	41,247

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.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014**

Group	Attributable to owners of the Company				Non-controlling interest	Total Equity
	Share capital	Other reserves	Revenue reserve	Total		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 January 2014	94,943	(5,744)	21,797	110,996	-	110,996
Profit for the period	-	-	24,980	24,980	-	24,980
Dividend paid	-	-	(3,303)	(3,303)	-	(3,303)
<u>Other comprehensive income</u>						
Foreign currency translation	-	11	-	11	-	11
Balance as at 30 September 2014	94,943	(5,733)	43,474	132,684	-	132,684
Profit for the period	-	-	5,170	5,170	-	5,170
<u>Other comprehensive income</u>						
Foreign currency translation	-	311	-	311	-	311
Balance as at 31 December 2014	94,943	(5,422)	48,644	138,165	-	138,165

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.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013**

Attributable to owners of the Company

Group	Share capital \$'000	Other reserves \$'000	Revenue reserve \$'000	Total \$'000	Non- controlling interest \$'000	Total Equity \$'000
Balance at 1 January 2013	94,943	(4,913)	4,502	94,532	-	94,532
Profit for the period	-	-	10,547	10,547	-	10,547
Disposal of plant and equipment	-	(833)	1,127	294	-	294
<u>Other comprehensive income</u>						
Foreign currency translation	-	(65)	-	(65)	-	(65)
Balance as at 30 September 2013	94,943	(5,811)	16,176	105,308	-	105,308
Profit for the period	-	-	5,621	5,621	-	5,621
<u>Other comprehensive income</u>						
Foreign currency translation	-	67	-	67	-	67
Balance as at 31 December 2013	94,943	(5,744)	21,797	110,996	-	110,996

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014**

Company	Share capital \$'000	Other reserves \$'000	Revenue reserve \$'000	Total Equity \$'000
Balance as at 1 January 2014	94,943	-	(8,824)	86,119
Total comprehensive loss for the period	-	-	(332)	(332)
Dividend paid	-	-	(3,303)	(3,303)
Balance as at 30 September 2014	94,943	-	(12,459)	82,484
Total comprehensive profit for the period	-	-	810	810
Balance as at 31 December 2014	94,943	-	(11,649)	83,294

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013**

Company	Share capital \$'000	Other reserves \$'000	Revenue reserve \$'000	Total \$'000
Balance as at 1 January 2013	94,943	-	(4,671)	90,272
Total comprehensive loss for the period	-	-	(576)	(576)
Balance as at 30 September 2013	94,943	-	(5,247)	89,696
Total comprehensive loss for the period	-	-	(3,577)	(3,577)
Balance as at 31 December 2013	94,943	-	(8,824)	86,119

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Not applicable.

- 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 end of the immediately preceding year.**

	Number of issued shares	
	31/12/2014	31/12/2013
Balance as at 1 January	660,518,052	660,518,052
Issue of shares	-	-
Balance as at 31 December	<u>660,518,052</u>	<u>660,518,052</u>

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

There are no treasury shares as at end of the financial year ended 31 December 2014.

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

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 financial information contained in this announcement has been based on the unaudited results for the year ended 31 December 2014, which have been prepared in accordance with the accounting policies and methods of computation set out in the 2013 audited accounts. There are no changes in those accounting policies and methods of computation.

- 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 or revised Singapore Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") which is effective for the current financial year, where applicable. The adoption of these FRS and INT FRS did not result in any substantial changes to the Group's accounting policies and there is no material impact on the financial statements 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.**

Earning per ordinary share from continuing operations for the period based on profit attributable to shareholders after deducting any provision for preference dividends:-	Group			
	3 Months Ended		12 Months Ended	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
	Cent	Cent	Cents	Cents
(i) Based on the weighted average number of ordinary shares on issue (cts)	0.78	0.91	4.54	2.49
(ii) On a fully diluted basis (cts)	0.78	0.91	4.54	2.49

Earning per ordinary share for the period based on profit attributable to shareholders after deducting any provision for preference dividends:-	Group			
	3 Months Ended		12 Months Ended	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
	Cent	Cent	Cents	Cents
(i) Based on the weighted average number of ordinary shares on issue (cts)	0.78	0.85	4.56	2.45
(ii) On a fully diluted basis (cts)	0.78	0.85	4.56	2.45

Earnings per ordinary share for 4Q2014 was calculated based on the weighted average number of shares of 660,518,052 (4Q2013 was 660,518,052).

Earnings per ordinary share for the year ended 31 December 2014 was calculated based on the weighted average number of shares of 660,518,052 (year ended 31 December 2013 was 660,518,052).

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the :**

a) Current financial period reported on; and

b) Immediately preceding financial year

	Group		Company	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
	Cents	Cents	Cents	Cents
Net asset value per ordinary share based on the issued share capital at the end of period (cts)	20.92	16.80	12.61	13.04

Net asset value per ordinary share was calculated based on the number of shares at 31 December 2014 (660,518,052 shares) and 31 December 2013 (660,518,052 shares).

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review 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.**

Review of Group's performance

For the 3 months ended 31 December 2014 (4Q2014)

Continuing Operations

The Group's revenue in 4Q2014 was \$35.6 million, an increase of 29.7% from 4Q2013. The increase was due mainly to an increase in shipbuilding and vessel chartering activities.

The increase in cost of sales was due mainly to an increase in shipbuilding and vessel chartering activities.

The increase in administrative expenses was due mainly to higher personnel cost arising from an increase in headcount and wages, in line with an increase in business activities.

The increase in other operating expenses was due mainly to a net foreign exchange loss of \$1.7 million in 4Q2014, compared to a smaller net foreign exchange loss of \$590,000 in 4Q2013. The foreign exchange loss pertains to forward currency contracts and loans to a foreign subsidiary.

Discontinued Operation

The Group ceased the business activities of its bunkering subsidiary in late FY2013. As a result of the cessation, this subsidiary's financials have been classified as "Discontinued Operation".

For the 12 months ended 31 December 2014 (FY2014)

Continuing Operations

The Group's revenue for year ended 31 December 2014 was \$164.8 million, an increase of 49.4% over that of the previous corresponding period. The increase was due mainly to an increase in shipbuilding and vessel chartering activities.

The increase in cost of sales was due mainly to an increase in shipbuilding and vessel chartering activities.

The increase in other operating income was due mainly to higher gains arising from the sale of vessels from our existing fleet.

The increase in administrative expenses was due mainly to higher personnel cost arising from an increase in headcount and wages, in line with an increase in business activities.

The increase in other operating expenses was due mainly to higher vessel depreciation charges resulting from a change in the useful life of the Group's crewboats, as well as a net foreign exchange loss of \$2.6 million in FY2014, compared to a smaller net foreign exchange loss of \$1.1 million in FY2013. The foreign exchange loss pertains to forward currency contracts and loans to a foreign subsidiary.

The decrease in income tax expense was due mainly to a tax refund for prior years' tax assessments.

Discontinued Operation

The Group ceased the business activities of its bunkering subsidiary in late FY2013. As a result of the cessation, this subsidiary's financials have been classified as "Discontinued Operation".

Changes in Balance Sheet

The increase in Plant, Property and Equipment was due to the addition of crewboats to the Group's fleet, as well as new workshops in Singapore and Batam.

The increase in Inventories was due mainly to more vessels under construction.

The increase in Trade Receivables was due mainly to the sale of more vessels.

The increase in Other Receivables and Deposits was due mainly to an increase in deposits for long-lead equipment.

The increase in Trade Payables was due mainly to more vessels under construction.

Review of Group Cashflow

The net cash of \$9.4 million from operating activities was mostly generated by shipbuilding activities.

The net cash of \$11.5 million used in investing activities arose mostly from investments in new workshops and facilities upgrades at the Group's shipyards in Singapore and Batam, as well as new crewboats for the Group's fleet, which was partially offset by the disposal of existing fleet vessels.

The net cash of \$1.9 million used in financing activities arose mostly from a dividend payment, which was approved by the Company's shareholders during its Annual General Meeting held on 24 April 2014.

As a result of the above cash movements, the Group's cash and cash equivalents decreased to \$37.4 million as at 31 December 2014, from \$41.2 million in 31 December 2013.

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.

Sobering sentiments in the offshore oil and gas industry are expected to temper demand for the Group's crewboats and Fast Supply Intervention Vessels in sales and charters. However, demand for security vessels (Flex Fighter) and passenger ferries (Flex Ferry), as well as ship repair services, is expected to be less affected.

Notwithstanding market sentiments, the Group will continue its ongoing programme of developing niche vessel designs targeted at profitable market segments.

11. If a decision regarding dividend has been made:-

(a) Whether an interim (final) dividend has been declared (recommended); and

Current Financial Period Reported On:

Name of Dividend:	Final
Dividend Type:	Cash
Dividend rate:	0.5 cent per ordinary share
Tax Rate:	One-tier tax exempt

Name of Dividend:	Special
Dividend Type:	Cash
Dividend rate:	0.5 cent per ordinary share
Tax Rate:	One-tier tax exempt

The proposed dividend is subject to shareholders' approval at the Company's Annual General Meeting ("AGM").

(b) (i) Amount per share (in cents)

Final dividend: 0.5 cent per ordinary share.
Special dividend: 0.5 cent per ordinary share.

(ii) Previous corresponding period

Name of Dividend:	Final
Dividend Type:	Cash

Amount per share (in cents)	0.5 cent per ordinary share (one-tier tax exempt)
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(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived (if the dividend is not taxable in the hands of shareholders, this must be stated)

To be announced, subject to shareholders' approval at the Company's AGM.

(d) The date the dividend is payable

To be announced.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividends are determined.

To be announced.

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

Not applicable

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 Company had in its Annual General Meeting held on 24 April 2014 obtained approval from its shareholders for the renewal of a general mandate for interested person transactions.

There were no significant interested person transactions during the financial year ended 31 December 2014.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

A) SEGMENTED RESULTS 31 DECEMBER 2014

	Ferry & Charter Services	Shipbuilding & Repair	Discontinued Operation	Adjustments & Eliminations	Group
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Sales to external customers	27,404	137,442	-	-	164,846
Inter-segment sales	-	21,846	-	(21,846)	-
Total revenue	27,404	159,288	-	(21,846)	164,846
Results					
Interest Income	139	101	-	(65)	175
Depreciation and amortisation	7,008	281	-	679	7,968
Financial expenses	108	36	-	(65)	79
Other non-cash expenses	117	1	(208)	208	118
Segment profit / (loss)	7,997	29,887	167	(6,466)	31,585
Assets and liabilities					
Additions to non-current assets	13,767	5,598	-	2,139	21,504
Goodwill	-	78	-	-	78
Segment assets	103,098	123,905	469	(25,243)	202,229
Segment liabilities	13,783	63,117	112	(12,948)	64,064

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

A) SEGMENTED RESULTS 31 DECEMBER 2013

	Ferry & Charter Services	Shipbuilding & Repair	Discontinued Operation	Adjustments & Eliminations	Group
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Sales to external customers	25,530	84,772	11,038	(11,038)	110,302
Inter-segment sales	2	29,694	-	(29,696)	-
Total revenue	25,532	114,466	11,038	(40,734)	110,302
Results					
Interest Income	212	29	-	(145)	96
Dividend Income	1	-	-	-	1
Depreciation and amortisation	6,917	146	89	382	7,534
Financial expenses	43	124	21	(139)	49
Other non-cash expenses	1,319	(140)	259	(303)	1,135
Segment profit / (loss)	3,531	21,446	(297)	(5,888)	18,792
Assets and liabilities					
Additions to non-current assets	40,762	2,136	-	(8,209)	34,689
Other Investments	6	-	-	-	6
Goodwill	-	78	-	-	78
Segment assets	111,004	89,345	733	(36,238)	164,844
Segment liabilities	20,680	54,733	546	(22,111)	53,848

B) GEOGRAPHICAL SEGMENTS

	Revenue	
	2014 \$'000	2013 \$'000
Singapore	71,463	36,623
Rest of South East Asia	23,652	34,310
Africa	66,378	39,232
Russia	2,098	8,386
Others	1,255	2,789
Discontinued Operation	-	(11,038)
	164,846	110,302

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

Refer to item 8 above.

16. A breakdown of sales as follows:

	Group		
	2014	2013	+ / (-)
	\$'000	\$'000	%
Sales from continuing operations reported for first half-year	77,196	59,891	28.9
Profit for the year from continuing operations but before minority interests reported for the first half-year	16,867	7,225	133.5
Sales from continuing operations reported for second half-year	87,650	50,411	73.9
Profit for the year from continuing operations but before minority interests reported for the second-half year	13,108	9,243	41.8

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

	Latest Full Year	Previous Full Year
	S\$	S\$
Ordinary shares		
-Final	<u>3,302,590</u>	<u>0</u>
-Special	<u>3,302,590</u>	<u>3,302,590</u>

18. Disclosure of persons occupying managerial positions in the issuer or any of its principal subsidiaries who are relatives 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.

There is no person who occupies a managerial position in the Company and the Group who is a relative of director, chief executive officer or substantial shareholders pursuant to Rule 704 (13) of the Listing Rules.

BY ORDER OF THE BOARD

Tung May Fong
Finance & Administration Director
25-Feb-15