



Financial Statement Announcement for 2nd Quarter ended 30 June 2014

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

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

The Board of Directors announces the unaudited results of the Group for the 2nd quarter and half year ended 30 June 2014.

	Group					
	2nd Qtr 2014	2nd Qtr 2013	Increase / (Decrease)	1st half 2014	1st half 2013	Increase / (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
CONTINUING OPERATIONS						
Revenue	3,348	4,033	(17%)	7,104	8,363	(15%)
Cost of services	(1,574)	(1,613)	(2%)	(3,218)	(3,198)	1%
Gross profit	1,774	2,420	(27%)	3,886	5,165	(25%)
Other operating income	210	212	(1%)	584	398	47%
Administrative expenses	(792)	(763)	4%	(1,491)	(1,451)	3%
Depreciation for idle asset	-	(327)	n.m.	-	(654)	n.m.
Impairment in value of tangible asset	-	-	n.m.	-	(6,981)	n.m.
Profit/(loss) before tax from continuing operations	1,192	1,542	(23%)	2,979	(3,523)	n.m.
Income tax expense	(522)	(651)	(20%)	(1,238)	(1,388)	(11%)
Profit/(loss) from continuing operations, net of tax	670	891	(25%)	1,741	(4,911)	n.m.
DISCONTINUED OPERATIONS						
Profit from discontinued operations, net of tax						
Transportation Segment	-	13	n.m.	-	1,418	n.m.
Profit / (loss) for the period	670	904	n.m.	1,741	(3,493)	n.m.
Other comprehensive income after tax:						
Items that are or may be reclassified subsequently to profit or loss						
Currency translation differences on consolidation	(1,677)	4,206		(5,909)	7,803	
Currency translation differences reclassified to profit or loss on disposal of a subsidiary	-	(56)		-	(56)	
Other comprehensive income for the period, net of tax of nil	(1,677)	4,150	n.m.	(5,909)	7,747	
Total comprehensive income for the period	(1,007)	5,054		(4,168)	4,254	
Net Profit/(Loss) attributable to:						
Owners of the parent	671	695		1,742	(4,335)	
-profit/(loss) from continuing operations, net of tax	671	891		1,742	(4,910)	
-profit/(loss) from discontinued operations, net of tax	-	(196)		-	575	
Non-controlling interests	(1)	209		(1)	842	
-loss from continuing operations, net of tax	(1)	-		(1)	(1)	
-profit from discontinued operations, net of tax	-	209		-	843	
	670	904		1,741	(3,493)	
Total comprehensive income attributable to:						
Owners of the parent	(964)	4,652		(3,986)	2,528	
- from continuing operations, net of tax	(964)	4,786		(3,986)	1,297	
- from discontinued operations, net of tax	-	(134)		-	1,231	
Non-controlling interests	(43)	402		(182)	1,726	
- from continuing operations, net of tax	(43)	1,455		(182)	1,526	
- from discontinued operations, net of tax	-	(1,053)		-	200	
	(1,007)	5,054		(4,168)	4,254	

n.m. Not meaningful

1 (a)(ii) Included in the determination of profit before tax from continuing operations are the following items:

	Group					
	2nd Qtr	2nd Qtr	Increase /	1st half	1st half	Increase /
	2014	2013	(Decrease)	2014	2013	(Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Depreciation of plant and equipment	1,390	1,744	(20%)	2,825	3,448	(18%)
Interest income	(210)	(212)	(1%)	(584)	(398)	47%
Net foreign exchange (gain) / loss	13	(13)	n.m.	30	(50)	n.m.

n.m. Not meaningful

1 (a)(iii) Discontinued operations:

The disposal of the Transportation Segment was approved by shareholders in an Extraordinary General Meeting ("EGM") on 25 April 2013 and the disposal was completed on 28 June 2013. With the completion of the disposal of the Transportation Segment, Wenlin Xinghai Ocean Shipping Co., Ltd ("Xinghai") ceased to be one of the subsidiaries of the Group.

Profit and loss disclosures

The results of the disposal segment are as follows:

	Discontinued operations			
	2nd Qtr	2nd Qtr	1st half	1st half
	2014	2013	2014	2013
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	-	1,094	-	5,645
Expenses	-	(1,042)	-	(5,101)
Profit from discontinued operations	-	52	-	544
Gain on disposal of plant and equipment	-	489	-	489
Loss on disposal of a subsidiary	-	(834)	-	(834)
Profit / (Loss) before tax from discontinued operations	-	(293)	-	199
Income tax credit	-	306	-	1,219
Profit from discontinued operations, net of tax	-	13	-	1,418

Cash flow statement disclosures

The cash flows attributable to the disposal segment are as follows:

	Discontinued operations			
	2nd Qtr	2nd Qtr	1st half	1st half
	2014	2013	2014	2013
	S\$'000	S\$'000	S\$'000	S\$'000
Operating	-	429	-	603
Investing	-	13	-	13
Financing	-	29	-	(2,194)
Net cash inflows / (outflows)	-	471	-	(1,578)

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

	Notes	Group		Company	
		30-Jun-14 S\$'000	31-Dec-13 S\$'000	30-Jun-14 S\$'000	31-Dec-13 S\$'000
ASSETS					
Non-current assets:					
Investments in subsidiaries		-	-	82,606	82,606
Plant and equipment	III	86,610	44,425	2	11
Total non-current assets		86,610	44,425	82,608	82,617
Current assets:					
Cash and bank balances	I	63,674	97,892	473	535
Other receivables	II	233	12,315	10,002	10,999
Total current assets		63,907	110,207	10,475	11,534
Total assets		150,517	154,632	93,083	94,151
LIABILITIES AND EQUITY					
Current liabilities:					
Other payables		6,158	6,143	587	475
Receipt in advance	IV	1,183	1,514	-	-
Current tax payable		471	43	1	1
Total current liabilities		7,812	7,700	588	476
Non-current liability:					
Deferred tax liabilities		2,834	2,492	-	-
Total non-current liabilities		2,834	2,492	-	-
Total liabilities		10,646	10,192	588	476
Equity attributable to owners of the parent					
Issued capital		68,080	68,080	68,080	68,080
Share option reserve		166	166	166	166
Foreign currency translation reserve		(451)	5,277	-	-
Statutory common reserve		20,560	20,560	-	-
Retained earnings		48,550	47,209	24,249	25,429
		136,905	141,292	92,495	93,675
Non-controlling interests		2,966	3,148	-	-
Total equity		139,871	144,440	92,495	93,675
Total liabilities and equity		150,517	154,632	93,083	94,151

1(b) Notes to Balance Sheets

I Cash and bank balances

Cash and cash balances decreased by S\$34.2 million from S\$97.9 million to S\$63.7 million. The decrease was mainly due to the following transactions:

- i). Payments of S\$46.7 million for the new drilling equipment (see note III below for details);
- ii). Final consideration of S\$11.8 million received for disposal of the Transportation Segment;
- iii). Final dividend payments of S\$0.4 million to our shareholders;
- iv). Payments of S\$0.5 million for the Corporate Income Taxes due in the PRC; and
- v). Cash generated from operations.

For details, please refer to the cashflow statements in 1(c).

1(b) Notes to Balance Sheets (continued)**II Other receivables**

	Group		Company	
	30-Jun-14	31-Dec-13	30-Jun-14	31-Dec-13
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Current</u>				
Consideration receivable	-	11,967	-	-
Refundable deposits	51	49	38	35
Prepayments	182	299	39	45
Due from subsidiaries	-	-	9,925	10,919
	233	12,315	10,002	10,999

Consideration receivable represented the outstanding fourth tranche payments in respect of the disposal of the Transportation Segment as at 31 December 2013 and all outstanding consideration receivable was duly received.

III Plant and equipment

Plant and equipment increased by S\$42.2 million from previous financial year to S\$86.6 million.

As stated in the Company's recent announcement on 20 June 2014, a wholly-owned subsidiary of the Company purchased 75 sets of Measuring While Drilling Equipment ("MWDs") with a view to upgrading the Group's operations.

The increase in plant and equipment was mainly due to the deliveries of these new MWDs on 27 June 2014.

IV Receipt in advance

This represents the rental payments received in advance in respect of the drilling facilities owned by the Group.

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

The group did not have any borrowings or outstanding debt securities as at 30 June 2014 and 31 December 2013.

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

	Group			
	2nd Qtr	2nd Qtr	1st half	1st half
	2014	2013	2014	2013
	S\$'000	S\$'000	S\$'000	S\$'000
Operating activities				
Profit / (loss) before income tax				
From continuing operations	1,192	1,542	2,979	(3,523)
From discontinued operations	-	(293)	-	199
Adjustments for:				
Depreciation of plant and equipment	1,390	1,744	2,825	3,448
Gain on disposal of plant and equipment	-	(489)	-	(489)
Loss on disposal of a subsidiary	-	834	-	834
Impairment in value of tangible asset	-	-	-	6,981
Interest income	(210)	(212)	(584)	(398)
Unrealised currency translation differences	(1,797)	(2,348)	(1,517)	(2,772)
Operating cash flow before movements in working capital	575	778	3,703	4,280
Trade receivables	-	422	-	240
Other receivables	289	55	258	(508)
Due to a director	-	22	-	36
Receipt in advance	(64)	(18)	(331)	(251)
Other payables	213	366	16	355
Cash generated from operations	1,013	1,625	3,646	4,152
Income tax paid	(528)	(652)	(528)	(1,508)
Net cash generated from operating activities	485	973	3,118	2,644
Investing activities				
Interest received	210	56	584	78
Proceeds from disposal of the Transportation Segment	-	4,285	11,824	7,431
Deposit refunded	-	-	-	23,892
Purchase of plant and equipment	(46,733)	-	(46,733)	-
Disposal of a subsidiary, net of cash disposed of (I)	-	(4,555)	-	(4,555)
Net cash generated from / (used in) investing activities	(46,523)	(214)	(34,325)	26,846
Financing activities				
Final dividends paid	(401)	(964)	(401)	(964)
Net cash used in financing activities	(401)	(964)	(401)	(964)
Effect of exchange rate changes on the balance of cash held in foreign currencies	609	2,098	(2,610)	3,514
Net (decrease) / increase in cash and cash equivalents	(45,830)	1,893	(34,218)	32,040
Cash and cash equivalents at beginning of quarter / year	109,504	73,101	97,892	42,954
Cash and cash equivalents at end of half year period (II)	63,674	74,994	63,674	74,994

1(c) Notes to cash flow statement

I Disposal of a subsidiary, net of cash disposed of

	Group	
	1st half 2014 S\$'000	1st half 2013 S\$'000
Cash and bank balances	-	13,867
Trade receivables	-	574
Other receivables	-	2,884
Intangible assets	-	11,188
Plant and equipment	-	51,102
Other payables	-	(1,074)
Tax payable	-	(4,734)
Deferred tax liabilities	-	(2,494)
	-	71,313
Statutory common reserve	-	(1,344)
Currency translation differences reclassified	-	(56)
Non-controlling interests	-	(32,085)
Re-measurement to fair value less cost to sell	-	(15,775)
Loss on disposal of subsidiary	-	(834)
Total consideration	-	21,219
Satisfied by:		
Cash	-	9,312
Consideration receivable	-	11,907
	-	21,219
Analysis of net outflow of cash and cash equivalents arising on disposal:		
Cash consideration received	-	9,312
Cash and bank balances disposed of	-	(13,867)
	-	(4,555)

II Cash and cash equivalents

	Group	
	30-Jun-14 S\$'000	30-Jun-13 S\$'000
Cash at banks and on hand	1,364	55,404
Fixed deposits	62,310	19,590
	63,674	74,994

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.

Consolidated Statement of Changes in Equity for the period ended 30 June 2014 and 2013

Group	Share capital	Share option reserve	Other reserve *	Foreign currency translation reserve	Statutory common reserve	Retained earnings	Equity attributable to the owners of the parent	Non-controlling Interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2014	68,080	166	-	5,277	20,560	47,209	141,292	3,148	144,440
Translation adjustment recognised directly in equity	-	-	-	(4,093)	-	-	(4,093)	(139)	(4,232)
Profit for the period	-	-	-	-	-	1,071	1,071	-	1,071
Total comprehensive income for the period	-	-	-	(4,093)	-	1,071	(3,022)	(139)	(3,161)
Balance at 31 March 2014	68,080	166	-	1,184	20,560	48,280	138,270	3,009	141,279
Translation adjustment recognised directly in equity	-	-	-	(1,635)	-	-	(1,635)	(42)	(1,677)
Profit / (loss) for the period	-	-	-	-	-	671	671	(1)	670
Total comprehensive income for the period	-	-	-	(1,635)	-	671	(964)	(43)	(1,007)
Dividends paid	-	-	-	-	-	(401)	(401)	-	(401)
Balance at 30 June 2014	68,080	166	-	(451)	20,560	48,550	136,905	2,966	139,871
Balance at 1 January 2013	68,080	166	(1,454)	(2,310)	21,904	49,206	135,592	33,431	169,023
Translation adjustment recognised directly in equity	-	-	1,213	1,693	-	-	2,906	691	3,597
Profit / (loss) for the period	-	-	-	-	-	(5,030)	(5,030)	633	(4,397)
Total comprehensive income for the period	-	-	1,213	1,693	-	(5,030)	(2,124)	1,324	(800)
Transfer to statutory common reserve	-	-	-	-	-	-	-	-	-
Balance at 31 March 2013	68,080	166	(241)	(617)	21,904	44,176	133,468	34,755	168,223
Translation adjustment recognised directly in equity	-	-	297	3,660	-	-	3,957	193	4,150
Profit for the period	-	-	-	-	-	695	695	209	904
Total comprehensive income for the period	-	-	297	3,660	-	695	4,652	402	5,054
Transfer to statutory common reserve	-	-	-	-	-	-	-	-	-
Disposal of a subsidiary	-	-	(56)	-	(1,344)	-	(1,400)	(32,085)	(33,485)
Dividends paid	-	-	-	-	-	(964)	(964)	-	(964)
Balance at 30 June 2013	68,080	166	-	3,043	20,560	43,907	135,756	3,072	138,828

* Other reserve relates to the cumulative income or expense recognised directly in other comprehensive income relating to asset and disposal group classified as held for sale.

Statement of Changes in Equity of the Company for the period ended 30 June 2014 and 2013

Company	Share capital	Share option reserve	Retained earnings	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2014	68,080	166	25,429	93,675
Total comprehensive income for the period	-	-	(223)	(223)
Balance at 31 March 2014	68,080	166	25,206	93,452
Total comprehensive income for the period	-	-	(556)	(556)
Dividends paid	-	-	(401)	(401)
Balance at 30 June 2014	68,080	166	24,249	92,495
Balance at 1 January 2013	68,080	166	27,395	95,641
Total comprehensive income for the period	-	-	(241)	(241)
Balance at 31 March 2013	68,080	166	27,154	95,400
Total comprehensive income for the period	-	-	(233)	(233)
Dividends paid	-	-	(964)	(964)
Balance at 30 June 2013	68,080	166	25,957	94,203

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or 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 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

Share Capital	No. of shares
Ordinary shares issued and fully paid	('000)
Balance as at 1 January 2014	
and as at 30 June 2014	<u>401,430</u>

During the period ended 30 June 2014, the Company did not issue new shares under the Universal Resource and Services Employee Share Option Scheme.

As at 30 June 2014, options to subscribe for ordinary shares in our Company remained outstanding as follows:

	As at 30 June 2014	As at 31 Dec 2013
	No. of shares	No. of shares
Pursuant to Universal Resource and Services Employee Share Option Scheme	<u>1,785,000</u>	<u>1,785,000</u>

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.

The Company's total number of issued shares (excluding treasury shares) as at 30 June 2014 was 401,429,540 (31 December 2013: 401,429,540) .

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).

N/A

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

The Group has applied the same accounting policies and methods of computation in the financial information for the current financial period compared with those of the audited financial statements for the financial year ended 31 December 2013.

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

The Group has adopted the new and revised accounting standards which became effective for annual periods beginning on or after 1 January 2014.

The adoption of these new and revised accounting standards did not give rise to any significant impact on the financial statements for the financial period ended 30 June 2014.

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:-

(a) Based on the weighted average number of ordinary shares on issue; and

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

	Group			
	2nd Qtr 2014	2nd Qtr 2013	1st half 2014	1st half 2013
Earnings / (losses) per ordinary share from continuing operations attributable to owners of the parent:				
Based on weighted average no. of ordinary shares in issue (basic) and on a fully diluted basis (cents)	0.17	0.22	0.43	(1.22)
Earnings / (losses) per ordinary share:				
Based on weighted average no. of ordinary shares in issue (basic) and on a fully diluted basis (cents)	0.17	0.17	0.43	(1.08)
Number of shares in issue:				
Based on weighted average no. of ordinary shares in issue and on a fully diluted basis (in million)	401.43	401.43	401.43	401.43

Earnings per ordinary share is calculated based on the Group's profit for the financial period attributable to the owners of the Company divided by the weighted average number of ordinary shares in issue during the period under review.

Diluted earnings per ordinary share is calculated based on the same basis as earnings per share by applying the weighted average number of ordinary shares and adjusted to include the outstanding share options and conversion of the convertible bonds deemed converted up to the respective reporting periods.

The 1,785,000 (2013: 1,785,000) share options granted to directors and employees under the existing employee share option scheme do not have a dilutive effect because the average market price of the Company's ordinary shares for the financial periods ended 30 June 2014 and 2013 during which the options were outstanding does not exceed the exercise price of the options.

- 7 **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-**
(b) immediately preceding financial year.

	Group		Company	
	30-Jun-14	31-Dec-13	30-Jun-14	31-Dec-13
Net Assets Value (S\$ '000)	136,905	141,292	92,495	93,675
Based on existing issued share capital (cents per share)	34.10	35.20	23.04	23.34
Net Assets Value has been computed based on the share capital of (in million of shares)	401.43	401.43	401.43	401.43

- 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.

Revenue

The Group's continuing operations recorded a revenue of S\$3.3 million in Q2 2014, a decrease of S\$0.7 million (or 17%) as compared to the previous corresponding quarter. For the 1H 2014, our Group reports a revenue of S\$7.1 million for continuing operations or 15% decrease as compared to 1H 2013. The decrease was mainly due to the revised renewal rentals of our drilling equipment in line with their decreased efficiencies.

As a result of the disposal of the Transportation Segment in 2013, the revenue from this segment was re-classified as discontinued operations. Details for revenue generated from each segment are as follows:

	Group					
	2nd Qtr 2014	2nd Qtr 2013	Increase / (Decrease)	1st half 2014	1st half 2013	Increase / (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
CONTINUING OPERATIONS						
Rental of Drilling Rig	3,213	3,956	-19%	6,858	8,190	-16%
Oil well maintenance	135	77	75%	246	173	42%
	3,348	4,033	-17%	7,104	8,363	-15%
DISCONTINUED OPERATIONS						
Transportation Services	-	1,094	-100%	-	5,645	-100%
	-	1,094		-	5,645	
Total	3,348	5,127	-35%	7,104	14,008	-49%

Profitability

The Group's major profit contributions are now from the Rental Segment. Gross profit margin from continuing operations for Q2 2014 was seven percentage points lower as compared to Q2 2013, detailed figures are as follows:

	Group							
	2nd Qtr 2014		2nd Qtr 2013		1st half 2014		1st half 2013	
	S\$'000	GP%	S\$'000	GP%	S\$'000	GP%	S\$'000	GP%
CONTINUING OPERATIONS								
Rental of Drilling Rig	1,739	54.1%	2,450	61.9%	3,858	56.3%	5,202	63.5%
Oil well maintenance	35	25.9%	(30)	-39.0%	28	11.4%	(37)	-21.4%
	1,774	53.0%	2,420	60.0%	3,886	54.7%	5,165	61.8%
DISCONTINUED OPERATIONS								
Transportation Services	-	n.m.	104	9.5%	-	n.m.	744	13.2%
	-		104		-		744	
Total	1,774	53.0%	2,524	49.2%	3,886	54.7%	5,909	42.2%

Rental of Drilling Rig

The profit margin for Q2 2014 was comparatively lower and recorded a dip from 62% to 54% as compared to Q2 2013. Overall profit margin for 1H 2014 also recorded a dip of seven percentage points as compared to 1H 2013. This is mainly due to the revised renewal rentals and the increases in the salaries of our technical personnel. This segment is currently the major contributor to the Group's profits.

Oil well maintenance

The oil well service operation is not significant and recorded a slight gross profit for Q2 2014.

Transportation Services

The disposal of the Transportation Segment was completed in 2013. Hence there is no gross profit figures reported for 1H 2014.

Net profit/(loss) attributable to the owners of the parent

The Group recorded a net profit of S\$0.7 million for Q2 2014, which is the same level as compared to Q2 2013.

Administrative expenses was maintained at a similar level at S\$0.8 million as compared to Q2 2013.

No finance cost was incurred in 1H 2014 and 1H 2013.

Overall net profit attributable to the shareholders for the Q2 2014 was S\$0.7 million and there is an overall profit attributable to the shareholders of S\$1.7 million for 1H 2014.

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.

Rental income from our Rental of Drilling Rig Segment is providing the Group a relatively stable source of revenue, income and cashflow. The Group is now solely dependent on the Rental of Drilling Rig Segment. 75 sets of new MWDs were delivered and new leases have been entered into with a new customer and an existing customer. The Company is also undergoing a review on the new lease terms concluded recently with the new customer and on whether the existing straight line method of depreciation on our drilling equipment is still the most appropriate method of depreciation in accordance with FRS 16.

For the purchase of the new equipment, management is evaluating the economic lives of these equipment as technology advances and market demands could made the useful lives shorter. Nevertheless, these equipment purchase and leases are expected to have accretive and positive impact on the financial performance of the group for FY2014, barring unforeseen circumstances.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No dividend has been declared or recommended.

(b) Corresponding Period of the Immediately Preceding Financial year

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

No dividend was declared or recommended.

(c) Date payable

Not Applicable

(d) Books closure date

Not Applicable

- 12 To disclose in the quarterly and full year announcements whether the group has obtained a general mandate from shareholders for Interested Person Transactions (IPT), and the aggregate value of such transactions. If no IPT mandate has been obtained, a statement is required.**

No IPT mandate has been obtained from our shareholders.

- 13 Negative assurance confirmation on interim financial results under SGX Listing Rule 705(5) of the Listing Manual**

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the second quarter ended 30 June 2014 financial results to be false or misleading.

ON BEHALF OF THE DIRECTORS

LIU QING ZENG
Chief Executive Officer

GAO YU LIN
Chief Operating Officer

BY ORDER OF THE BOARD
11 August 2014