

CHARISMA ENERGY SERVICES LIMITED
(Company Registration No. 199706776D)

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SECOND QUARTER AND SIX MONTHS ENDED 30 JUNE 2015

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

	Note ¹	Group			Group		
		2Q 2015 US\$'000	2Q 2014 US\$'000	Change %	1H 2015 US\$'000	1H 2014 US\$'000	Change %
<u>Continuing operations</u>							
Revenue	(1)	6,105	166,185	(96%)	11,763	166,812	(93%)
Cost of sales	(1)	(2,205)	(158,820)	(99%)	(4,250)	(159,253)	(97%)
Gross profit	(1)	3,900	7,365	(47%)	7,513	7,559	(1%)
Other operating income, net		6	4	50%	6	4	50%
Administrative and marketing expenses	(2)	(526)	(863)	(39%)	(971)	(890)	9%
Profit from operating activities		3,380	6,506	(48%)	6,548	6,673	(2%)
Finance income		1	29	(97%)	6	69	(91%)
Finance costs	(3)	(701)	(29)	n.m.	(1,433)	(31)	n.m.
Net finance (cost)/income		(700)	-	n.m.	(1,427)	38	n.m.
Share of results of jointly controlled entities (net of tax)		(12)	-	n.m.	(14)	-	n.m.
Profit before taxation		2,668	6,506	(59%)	5,107	6,711	(24%)
Taxation		-	-	n.m.	-	-	n.m.
Profit for the period from continuing operations		2,668	6,506	(59%)	5,107	6,711	(24%)
<u>Discontinued operations</u>							
Loss for the period from discontinued operations ² , net of tax		-	-	n.m.	-	(52)	n.m.
Profit for the period		2,668	6,506	(59%)	5,107	6,659	(23%)
Profit for the period attributable to:							
Equity holders of the Company		2,668	6,506	(59%)	5,107	6,673	(23%)
- Continuing operations		2,668	6,506	(59%)	5,107	6,711	(24%)
- Discontinued operations		-	-	-	-	(38)	(100%)
Non-controlling interest from discontinued operations		-	-	n.m.	-	(14)	n.m.
Profit for the period		2,668	6,506	(59%)	5,107	6,659	(23%)

¹ Please refer to Paragraph 8 for review of Income Statement.

² This relates to the Company's announcement made on 7 May 2014 in relation to the disposal of 127,500 ordinary shares in Yew Hock Marine Engineering Pte Ltd ("YHME"), representing 51% of the issued and paid-up ordinary shares in YHME.

Profit for the period is arrived at after crediting/(charging) the following:-

	Group			Group		
	2Q 2015 US\$'000	2Q 2014 US\$'000	Change %	1H 2015 US\$'000	1H 2014 US\$'000	Change %
Continuing Operations						
- Net finance (cost)/income	(700)	-	n.m.	(1,427)	38	n.m.
- Depreciation and amortisation	(2,208)	(70)	n.m.	(4,256)	(144)	n.m.
- Foreign exchange (loss)/gain	(132)	35	n.m.	(92)	35	n.m.
Discontinued Operations						
- Interest on borrowings	-	-	n.m.	-	(10)	n.m.
- Depreciation and amortisation	-	-	n.m.	-	(42)	n.m.

n.m. = not meaningful

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

Note ³	Group		Company		
	30/06/2015	31/12/2014	30/06/2015	31/12/2014	
	US\$'000	US\$'000	US\$'000	US\$'000	
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	(1)	136,804	85,730	21	27
Investment in quoted shares	(2)	5,066	5,645	5,066	5,645
Subsidiaries		-	-	42,750	43,220
Joint ventures		1,249	1,249	273	273
		143,119	92,624	48,110	49,165
CURRENT ASSETS					
Trade and other receivables	(3)	4,347	14,258	252	108
Amounts due from subsidiaries		-	-	982	8,691
Amounts due from joint ventures	(4)	6,303	-	6,303	-
Cash and cash equivalents		4,940	13,920	724	5,605
		15,590	28,178	8,261	14,404
TOTAL ASSETS		158,709	120,802	56,371	63,569
Share capital		266,489	266,103	266,489	266,103
Convertible perpetual capital securities		6,811	6,811	6,811	6,811
Warrants		19,394	19,394	19,394	19,394
Foreign currency translation reserves		(23)	(10)	-	-
Fair value reserve	(2)	514	1,093	514	1,093
Accumulated losses		(228,620)	(233,572)	(238,497)	(237,539)
TOTAL EQUITY		64,565	59,819	54,711	55,862
LIABILITIES					
NON-CURRENT LIABILITIES					
Deferred revenue	(5)	9,214	3,239	-	-
Financial liabilities	(6)	68,516	38,172	-	-
Amount due to subsidiaries		-	-	758	209
		77,730	41,411	758	209
CURRENT LIABILITIES					
Trade and other payables	(7)	1,729	4,431	902	846
Deferred revenue	(5)	2,286	571	-	-
Provision for tax		15	20	-	-
Financial liabilities	(6)	12,384	14,550	-	6,652
		16,414	19,572	902	7,498
TOTAL LIABILITIES		94,144	60,983	1,660	7,707
TOTAL EQUITY AND LIABILITIES		158,709	120,802	56,371	63,569

³ Please refer to Paragraph 8 for review of Statement of Financial Position.

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

	Group	
	As at 30/06/2015 US\$'000	As at 31/12/2014 US\$'000
<u>Amount repayable in one year or less, or on demand:-</u>		
Secured	12,384	14,550
<u>Amount repayable after one year:-</u>		
Secured	68,516	38,172

As at 30 June 2015 and 31 December 2014, the Group has no unsecured borrowings and debt securities.

Details of any collateral

Secured borrowings as at 30 June 2015 and 31 December 2014 were secured by mortgages on the respective hydro-electric power generation equipment, offshore support vessels and onshore accommodation module.

1(b)(iii) Statement of comprehensive income for the period ended 30 June 2015

	Group					
	2Q 2015 US\$'000	2Q 2014 US\$'000	Change %	1H 2015 US\$'000	1H 2014 US\$'000	Change %
Profit for the period	2,668	6,506	(59%)	5,107	6,659	(23%)
- Continuing operations	2,668	6,506	(59%)	5,107	6,711	(24%)
- Discontinued operations	-	-	-	-	(52)	(100%)
Other comprehensive income:						
<u>Items that may be reclassified subsequently to profit and loss</u>						
Net loss on fair value changes of available-for-sale financial assets from continuing operations	(135)	(354)	(62%)	(579)	(617)	(6%)
Foreign currency translation differences due to foreign operations	(6)	4	n.m.	(13)	4	n.m.
Other comprehensive income for the period from continuing operations	(141)	(350)	(60%)	(592)	(613)	(3%)
Total comprehensive income for the period	2,527	6,156	(59%)	4,515	6,046	(25%)
- Continuing operations	2,527	6,156	(59%)	4,515	6,098	(26%)
- Discontinued operations	-	-	-	-	(52)	(100%)
Total comprehensive income for the period attributable to:						
Equity holders of the Company	2,527	6,156	(59%)	4,515	6,060	(25%)
- Continuing operations	2,527	6,156	(59%)	4,515	6,098	(26%)
- Discontinued operations	-	-	-	-	(38)	(100%)
Non-controlling interest from discontinued operations	-	-	-	-	(14)	(100%)
Total comprehensive income for the period	2,527	6,156	(59%)	4,515	6,046	(25%)

n.m. = not meaningful

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

Note ⁴	Group			
	2Q 2015 US\$'000	2Q 2014 US\$'000	1H 2015 US\$'000	1H 2014 US\$'000
Cash flows from operating activities				
	2,668	6,506	5,107	6,711
Profit before taxation from continuing operations				
Adjustments for:-				
	(569)	-	(1,110)	-
	2,208	70	4,256	144
	(1)	(29)	(6)	(69)
	701	29	1,433	31
	10	-	10	-
	12	-	14	-
	5,029	6,576	9,704	6,817
Operating profit before working capital changes				
Changes in working capital:				
	1,276	24,234	6,711	51
	(485)	(5,430)	(2,907)	(1,212)
	-	-	12,000	-
	-	-	(5)	-
	5,820	25,380	25,503	5,656
(1)	5,820	25,380	25,503	5,656
Net cash generated from operating activities from continuing operations				
	-	(505)	-	(33)
Net cash used in operating activities from discontinued operations				
	5,820	24,875	25,503	5,623
Net cash generated from operating activities				
Cash flows from investing activities				
	(1,596)	(3)	(43,617)	(5,633)
	(11,714)	-	(11,714)	-
	(3,103)	-	(6,303)	-
	(12)	-	(14)	-
	1	29	6	69
	(16,424)	26	(61,642)	(5,564)
(2)	(16,424)	26	(61,642)	(5,564)
Net cash (used in)/generated from investing activities from continuing operations				
	-	216	-	234
Net cash generated from investing activities from discontinued operations				
	(16,424)	242	(61,642)	(5,330)
Net cash (used in)/generated from investing activities				
Cash flows from financing activities				
	7,790	-	40,690	-
	(3,876)	-	(12,512)	-
	386	1,288	386	1,657
	(743)	(29)	(1,405)	(31)
	3,557	1,259	27,159	1,626
(3)	3,557	1,259	27,159	1,626
Net cash generated from financing activities from continuing operations				
	-	492	-	-
Net cash generated from financing activities from discontinued operations				
	3,557	1,751	27,159	1,626
Net cash generated from financing activities				
	(7,047)	26,868	(8,980)	1,919
Net (decrease)/increase in cash and cash equivalents				
	11,987	19,169	13,920	44,118
Cash and cash equivalents at beginning of period				
	4,940	46,037	4,940	46,037
Cash and cash equivalents at end of period				

⁴ Please refer to Paragraph 8 for review of Statement of Cash Flows.

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.

Statements of Changes in Equity

The Group	Share Capital US\$'000	Perpetual Securities US\$'000	Warrants US\$'000	Foreign Currency Translation Reserves US\$'000	Fair Value Reserve US\$'000	Accumulated Losses US\$'000	Total Equity US\$'000
Balance as at 1 January 2015	266,103	6,811	19,394	(10)	1,093	(233,572)	59,819
Profit for the period	-	-	-	-	-	5,107	5,107
Other comprehensive income							
Net loss on fair value changes of available-for sale financial assets	-	-	-	-	(579)	-	(579)
Foreign currency translation differences due to foreign operations	-	-	-	(13)	-	-	(13)
Total comprehensive income for the period	-	-	-	(13)	(579)	5,107	4,515
Transactions with owners, recognised directly in equity							
Contributions by and distribution to owners							
Issuance of ordinary shares	386	-	-	-	-	-	386
Accrued perpetual securities distributions	-	-	-	-	-	(165)	(165)
Equity-settled share-based payment transaction	-	-	-	-	-	10	10
Total transactions with owners	386	-	-	-	-	(155)	231
Balance as at 30 June 2015	266,489	6,811	19,394	(23)	514	(228,620)	64,565

1(d)(i) Continued

The Group	Share Capital US\$'000	Perpetual Securities US\$'000	Warrants US\$'000	Foreign Currency Translation Reserves US\$'000	Fair value Reserve US\$'000	Accumulated Losses US\$'000	Total US\$'000	Non-controlling Interest US\$'000	Total Equity US\$'000
Balance as at 1 January 2014	247,714	23,486	19,394	-	5,186	(242,626)	53,154	263	53,417
Profit for the period	-	-	-	-	-	6,673	6,673	(14)	6,659
Other comprehensive income									
Net loss on fair value changes of available-for-sale financial assets	-	-	-	-	(617)	-	(617)	-	(617)
Foreign currency translation differences due to foreign operations	-	-	-	4	-	-	4	-	4
Total comprehensive income for the period	-	-	-	4	(617)	6,673	6,060	(14)	6,046
Transactions with owners, recognised directly in equity									
Contributions by and distribution to owners									
Issuance of ordinary shares	1,658	-	-	-	-	-	1,658	-	1,658
Accrued convertible perpetual capital securities distributions	-	-	-	-	-	(572)	(572)	-	(572)
Conversion of perpetual capital securities	16,675	(16,675)	-	-	-	-	-	-	-
Disposal of subsidiary	-	-	-	-	-	-	-	(249)	(249)
Total transactions with owners	18,333	(16,675)	-	4	-	(572)	1,086	(249)	837
Balance as at 30 June 2014	266,047	6,811	19,394	4	4,569	(236,525)	60,300	-	60,300

1(d)(i) Continued

The Company	Share Capital US\$'000	Perpetual Securities US\$'000	Fair value Reserve US\$'000	Warrants US\$'000	Accumulated Losses US\$'000	Total US\$'000
Balance as at 1 January 2015	266,103	6,811	1,093	19,394	(237,539)	55,862
Loss for the period	-	-	-	-	(803)	(803)
Other comprehensive income						
Net loss on fair value changes of available-for-sale financial assets	-	-	(579)	-	-	(579)
Total comprehensive income for the period	-	-	(579)	-	(803)	(1,382)
Transactions with owners, recognised directly in equity						
Contributions by and distribution to owners						
Issuance of ordinary shares	386	-	-	-	-	386
Accrued convertible perpetual capital securities distributions	-	-	-	-	(165)	(165)
Equity-settled share-based payment transaction	-	-	-	-	10	10
Total transaction with owners	386	-	-	-	(155)	231
Balance as at 30 June 2015	266,489	6,811	514	19,394	(238,497)	54,711

The Company	Share Capital US\$'000	Perpetual Securities US\$'000	Fair value Reserve US\$'000	Warrants US\$'000	Accumulated Losses US\$'000	Total US\$'000
Balance as at 1 January 2014	247,714	23,486	5,186	19,394	(242,896)	52,884
Loss for the period	-	-	-	-	(449)	(449)
Other comprehensive income						
Net loss on fair value changes of available-for-sale financial assets	-	-	(617)	-	-	(617)
Total comprehensive income for the period	-	-	(617)	-	(449)	(1,066)
Transactions with owners, recognised directly in equity						
Contributions by and distribution to owners						
Issue of ordinary shares	1,658	-	-	-	-	1,658
Accrued convertible perpetual capital securities distributions	-	-	-	-	(572)	(572)
Conversion of perpetual capital securities	16,675	(16,675)	-	-	-	-
Total transaction with owners	18,333	(16,675)	-	-	(572)	1,086
Balance as at 30 June 2014	266,047	6,811	4,569	19,394	(243,917)	52,904

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.

For the period of 1 April 2015 to 30 June 2015, the Company allotted and issued 285,200,000 new ordinary shares pursuant to the exercise of 285,200,000 options by various option holders.

As at 30 June 2015, the Company had 10,591,365,710 ordinary shares issued and 3,407,068,000 outstanding convertibles. As at 30 June 2014, the Company had 10,266,165,710 ordinary shares issued and 3,732,268,000 outstanding convertibles.

The Company did not hold any treasury shares as at 30 June 2015 and 30 June 2014.

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

As at 30 June 2015, the issued and paid up share capital (excluding ordinary shares) of the Company comprised 10,591,365,710 (31 December 2014: 10,306,165,710) ordinary shares.

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.

Not applicable. The Company did not hold any treasury shares as at the end of the current financial period reported on.

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 Company's 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.

Except as disclosed under item 5 below, the Group has consistently applied the same accounting policies and methods of computation as in the most recently audited annual financial statements for the financial year ended 31 December 2014.

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 and the Company have applied accounting policies and methods of computation in the financial statements for the current reporting period consistent with those disclosed in the audited financial statements for the financial year ended 31 December 2014, except for the adoption of new/revised financial reporting standards (FRS) applicable for the financial period beginning 1 January 2015 as follows:

Amendments to FRS 19 *Defined Benefit Plans: Employee Contributions*
 Improvements to FRSs (January 2014)
 Improvements to FRSs (February 2014)

The Group does not expect any significant financial impact on its financial position or performance from the adoption of these amendments to FRSs.

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

Earnings per share after deducting any provisions for preference dividends:

	Group			
	2Q 2015	2Q 2014	1H 2015	1H 2014
(a) EPS based on weighted average number of ordinary shares in issue (in US cents)				
- Continuing operations	0.03	0.07	0.05	0.07
- Discontinued operations	-	0.00	-	0.00
Weighted average number of ordinary shares (in million)	10,451	9,811	10,379	9,811
(b) EPS based on fully diluted basis (in US cents)				
- Continuing operations	0.02	0.05	0.04	0.05
- Discontinued operations	-	0.00	-	0.00
Weighted average number of ordinary shares (in million)	13,858	13,543	13,786	13,543

* Convertibles were not included in the computation of the diluted EPS for discontinued operations as the potential ordinary shares were anti-dilutive.

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	
	30/06/2015	31/12/2014	30/06/2015	31/12/2014
Net asset value per ordinary share based on existing issued share capital excluding treasury shares as at the end of the period reported on (in US cents)	0.61	0.58	0.52	0.54

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.**

Income Statement Review

2Q 2015

1. The Group's revenue recognised in 2Q 2015 decreased by US\$160.1 million to US\$6.1 million compared to 2Q 2014 mainly due to the absence of an one-off sale of rig in 2Q 2014. The decrease was partially offset by the following in 2Q 2015:
 - (i) lease income from the leasing of 42.4MW hydro-electric power generation equipment in 2Q 2015 (2Q 2014: 2.4MW); and
 - (ii) charter income from the deployment of four offshore support vessels in 2Q 2015 (2Q 2014: nil); and
 - (iii) charter income from the leasing of an onshore accommodation module in 2Q 2015 (2Q 2014: nil).

Cost of sales in 2Q 2015 comprised mainly depreciation and amortisation expenses. The cost of sales in 2Q 2015 decreased by US\$156.6 million to US\$2.2 million as compared to 2Q 2014 due to the sale of rig in 2Q 2014 as mentioned above, partially offset by depreciation from newly acquired plant and equipment.

As a result of the above, the Group's gross profit for 2Q 2015 decreased by US\$3.5 million to US\$3.9 million as compared to 2Q 2014.

2. The decrease in administrative and marketing expenses in 2Q 2015 was mainly due to the absence of one off expenses incurred in 2Q 2014 in relation to the disposal of 51% equity interest in YHME and the sale of the rig.
3. The increase in finance costs in 2Q 2015 was due to interest expense on loans drawn down for the acquisition of the Group's property, plant and equipment.

1H 2015

1. The Group's revenue recognised in 1H 2015 decreased by US\$155.0 million to US\$11.8 million compared to 1H 2014. The decrease was due to the absence of an one-off sale of rig in 2Q 2014. The decrease was partially offset by the following additional operations in 1H 2015:
 - (iv) lease income from the leasing of 42.4MW hydro-electric power generation equipment in 1H 2015 (1H 2014: 2.4MW); and
 - (v) charter income from the deployment of four offshore support vessels in 1H 2015 (1H 2014: nil); and
 - (vi) charter income from the leasing of an onshore accommodation module in 1H 2015 (1H 2014: nil).

Cost of sales in 1H 2015 comprised mainly depreciation and amortisation expenses. The cost of sales in 1H 2015 decreased by US\$155.0 million to US\$4.3 million as compared to 1H 2014 due to the sale of rig in 2Q 2014 as mentioned above, partially offset by depreciation from newly acquired plant and equipment.

As a result of the above, the Group's gross profit for 1H 2015 remained fairly constant at US\$7.5 million as compared to US\$7.6 million in 1H 2014.

2. The increase in administrative and marketing expenses in 1H 2015 was mainly due to increased activities from the new business partially offset by the absence of one-off expenses incurred in 2Q 2014 in relation to the disposal of 51% equity interest in YHME and the sale of the rig.
3. The increase in finance costs in 1H 2015 was due to interest expense on loans drawn down for the acquisition of the Group's plant and equipment.

Statement of Financial Position Review

1. The increase in property, plant and equipment as at 30 June 2015 as compared to 31 December 2014 was mainly due to the acquisition of additional offshore support vessels as well as an onshore accommodation module in 1H 2015.
2. The investment in quoted shares comprises 6,660,029 ordinary shares in the capital of Ezion Holdings Limited ("Ezion"). The decrease in the investment in quoted shares and the fair value reserve was due to the revaluation based on the lower closing price of Ezion shares as at 30 June 2015 as compared to 31 December 2014.
3. The decrease in trade and other receivables as at 30 June 2015 as compared to 31 December 2014 was mainly due to the collection in 1H 2015 for receivables relating to trading activities of oil and gas related products in December 2014. The decrease was partially offset by the increase in receivables due to the charter for offshore support vessels as well as the onshore accommodation module in 1H 2015.
4. The increase in amount due from joint ventures relates to advances and payment made on behalf of a jointly controlled entity which is interest-free and repayable on demand.
5. The increase in deferred revenue was due to charter payments received in advance from a customer pertaining to the chartering of additional offshore support vessels in 1H 2015.
6. The increase in borrowings was due to the bank loan drawn down for the acquisition of plant and equipment in 1H 2015.
7. The decrease for trade and other payables as at 30 June 2015 as compared to 31 December 2014 was mainly due to repayment to suppliers in 1H 2015 for trading activities for oil and gas products.

Statement of Cash Flows Review

2Q 2015

1. The Group's net cash generated from operating activities in 2Q 2015 was approximately US\$5,820,000. This was mainly due to cash generated from the operations of the Group.
2. Net cash used in investing activities in 2Q 2015 was approximately US\$16,424,000. This was mainly due to acquisition of a subsidiary in 2Q 2015.
3. Net cash generated from financing activities in 2Q 2015 was approximately US\$3,557,000. This was mainly due to the proceeds from new bank loan secured, partially offset by the repayment of bank loans in 2Q 2015.

1H 2015

1. The Group's net cash generated from operating activities in 1H 2015 was approximately US\$25,503,000. This was mainly due to cash generated from the operations of the Group.
2. Net cash used in investing activities in 1H 2015 was approximately US\$61,642,000. This was mainly due to acquisition of plant and equipment and a subsidiary in 1H 2015.

3. Net cash generated from financing activities in 1H 2015 was approximately US\$27,159,000. This was mainly due to the proceeds from new bank loan secured, partially offset by the repayment of bank loans in 1H 2015.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable. No forecast or prospect statement had been previously disclosed to shareholders.

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.

Operating environment in the oil and gas segment has been made challenging following the drastic drop in oil prices this year. In such environment, management will be very selective and would only consider projects with strong fundamentals. The Group will continue to focus on growing its power and energy business.

11. Use of Proceeds

The utilisation of proceeds below was in line with their intended use as previously disclosed.

Proceeds from share options issued in 2012

Description	US\$'000
Balance of proceeds as at 1 April 2015	-
Add: Proceeds from exercise of options in 2Q 2015	386
Less: Use of proceeds in 2Q 2015 for administrative expenses of the Group	(386)
Balance of proceeds as at 30 June 2015	<u>-</u>

No new proceeds were raised in 2Q 2015 from the exercise of warrants issued in 2013.

12. If a decision regarding dividend has been made:

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

None.

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

Not applicable.

(ii) Previous corresponding period (cents)

None.

(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).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

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

Not applicable.

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

No dividend has been declared or recommended for 2Q 2015.

14. **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 had on 21 April 2015, obtained a general mandate from shareholders for IPTs.

For details, please refer to the circular dated 6 April 2015.

Particulars of interested person transactions (“IPTs”) for the period 1 January 2015 to 30 June 2015.

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) US\$	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) US\$
Management fee paid/payable to Ezion Holdings Limited	NIL	100,000

BY ORDER OF THE BOARD

Lim Ka Bee
Company Secretary
12 August 2015

Confirmation by Directors pursuant to Rule 705(5) of the Listing Manual Section B: Rules of Catalyst

We confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited interim financial results of the Group for the period ended 30 June 2015 to be false or misleading in any material aspect.

On behalf of the Board of directors

.....
Tan Ser Ko
Executive Director / CEO

.....
Wong Bheet Huan
Executive Director

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**") for compliance with the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.*

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Lance Tan, Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.