


Unaudited 1st Half Financial Statement And Related Announcement
PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1 (a) A statement of profit or loss and other comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

1(a)(i) Statement of profit or loss and other comprehensive income for the first half ("1H1415") ended 31 December 2014

	Group			Group		
	2nd Qtr	2nd Qtr	Change	1st Half	1st Half	Change
	31/12/2014	31/12/2013		31/12/2014	31/12/2013	
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Revenue	8,793	9,179	(4.2)	17,860	17,067	4.6
Cost of sales	(1,253)	(1,696)	(26.1)	(2,724)	(1,475)	84.7
Gross profit before direct depreciation	7,540	7,483	0.8	15,136	15,592	(2.9)
Direct depreciation	(1,879)	(1,830)	2.7	(3,713)	(3,722)	(0.2)
Gross profit after direct depreciation	5,661	5,653	0.1	11,423	11,870	(3.8)
Other income	-	11	nm	15	44	nm
Other expenses - indirect depreciation	(6)	(15)	(60.0)	(13)	(25)	(48.0)
Administrative expenses	(1,248)	(977)	27.7	(2,175)	(1,768)	23.0
Profit before income tax and results of associated companies	4,407	4,672	(5.7)	9,250	10,121	(8.6)
Share of results of associated companies	1,037	1,992	(47.9)	1,758	3,970	(55.7)
Profit before income tax	5,444	6,664	(18.3)	11,008	14,091	(21.9)
Income tax	-	59	(100.0)	-	8	(100.0)
Profit after income tax	5,444	6,723	(19.0)	11,008	14,099	(21.9)
Other comprehensive (expense) income:	-	-		-	-	
Total comprehensive income for the period	5,444	6,723	(19.0)	11,008	14,099	(21.9)

1(a)(ii) Notes to the statement of profit or loss and other comprehensive income

	Group			Group		
	US\$'000		%	US\$'000		%
	2nd Qtr	2nd Qtr		1st Half	1st Half	
	31/12/2014	31/12/2013	Change	31/12/2014	31/12/2013	Change
	US\$'000	US\$'000		US\$'000	US\$'000	
Foreign exchange (loss) gain	(54)	(3)	1700.0	(105)	29	(462.1)
Interest income	174	86	102.3	352	202	74.3
Miscellaneous income	-	14	(100.0)	15	15	0.0

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

Statements of financial position as at 31 December 2014

	Group		Company	
	31/12/2014	30/6/2014	31/12/2014	30/6/2014
	US\$'000	US\$'000	US\$'000	US\$'000
<u>ASSETS</u>				
Current assets				
Cash and cash equivalents	69,470	79,949	68,873	79,394
Trade receivables	7,206	7,422	4,481	4,493
Other receivables and prepayments	577	302	29,433	34,233
Total current assets	77,253	87,673	102,787	118,120
Non-current assets				
Subsidiary companies	-	-	8,751	8,751
Associated companies	35,064	33,608	4,986	5,083
Club membership	3	3	3	3
Fixed assets	135,607	137,333	78,250	78,413
Total non-current assets	170,674	170,944	91,990	92,250
Total assets	247,927	258,617	194,777	210,370
<u>LIABILITIES AND EQUITY</u>				
Current liabilities				
Trade payables	9,937	8,981	13,472	14,175
Other payables	3,000	3,000	60,315	57,936
Other payables - deferred gain	403	403	-	-
Total current liabilities	13,340	12,384	73,787	72,111
Non-current Liabilities				
Other payables - deferred gain	6,049	6,252	-	-
Total non-current liabilities	6,049	6,252	-	-
Capital and reserves				
Issued capital	55,379	55,379	55,379	55,379
Accumulated profits	173,159	184,602	65,611	82,880
Total equity	228,538	239,981	120,990	138,259
Total liabilities and equity	247,927	258,617	194,777	210,370

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

- (a) **Amount repayable in one year or less, or on demand** NIL
- (b) **Amount repayable after one year** NIL
- (c) **Details of any collaterals.** 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

	2nd Qtr 31/12/2014 US\$'000	2nd Qtr 31/12/2013 US\$'000	1st Half 31/12/2014 US\$'000	1st Half 31/12/2013 US\$'000
Operating activities :				
Profit before income tax and results of associated companies	4,407	4,672	9,250	10,121
Adjustments for :				
Depreciation	1,885	1,845	3,726	3,747
Interest income	(174)	(86)	(352)	(202)
Net foreign exchange loss (gain)	37	7	88	(25)
Operating cashflows before working capital changes	<u>6,155</u>	<u>6,438</u>	<u>12,712</u>	<u>13,641</u>
Trade receivables	(1,448)	(513)	203	343
Other receivables and prepayments	68	(1)	(227)	350
Trade payables	<u>3,418</u>	<u>1,128</u>	<u>988</u>	<u>(1,365)</u>
Cash generated from operations	8,193	7,052	13,676	12,969
Interest received	154	58	304	168
Income tax paid	-	(56)	-	(49)
Net cash from operating activities	<u>8,347</u>	<u>7,054</u>	<u>13,980</u>	<u>13,088</u>
Investing activities :				
Purchase of fixed assets	(1,376)	(154)	(2,000)	(1,073)
Repayment by an associated company	98	353	98	353
Net cash (used in) from investing activities	<u>(1,278)</u>	<u>199</u>	<u>(1,902)</u>	<u>(720)</u>
Financing activities :				
Dividends paid	(22,451)	(8,333)	(22,451)	(8,333)
Net cash used in financing activities	<u>(22,451)</u>	<u>(8,333)</u>	<u>(22,451)</u>	<u>(8,333)</u>
Net (decrease) increase in cash and cash equivalents	(15,382)	(1,080)	(10,373)	4,035
Cash and cash equivalents at the beginning of the period	84,911	70,804	79,949	65,655
Effects of exchange rate changes on the balance of cash held in foreign currencies	(59)	(10)	(106)	24
Cash and cash equivalents at half year ended				
31 December	<u>69,470</u>	<u>69,714</u>	<u>69,470</u>	<u>69,714</u>

- 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

GROUP

2nd QUARTER ENDED 31 DECEMBER 2013

	Issued capital US\$'000	Accumulated profits US\$'000	Total US\$'000
Balance at 1 October 2013	55,379	177,987	233,366
Profit for the period representing total comprehensive income for the period	-	6,723	6,723
Payment of dividends	-	(8,333)	(8,333)
Balance at 31 December 2013	55,379	176,377	231,756

2nd QUARTER ENDED 31 DECEMBER 2014

Balance at 1 October 2014	55,379	190,166	245,545
Profit for the period representing total comprehensive income for the period	-	5,444	5,444
Payment of dividends	-	(22,451)	(22,451)
Balance at 31 December 2014	55,379	173,159	228,538

COMPANY

2nd QUARTER ENDED 31 DECEMBER 2013

	Issued capital US\$'000	Accumulated profits US\$'000	Total US\$'000
Balance at 1 October 2013	55,379	85,898	141,277
Profit for the period representing total comprehensive income for the period	-	2,961	2,961
Payment of dividends	-	(8,333)	(8,333)
Balance at 31 December 2013	55,379	80,526	135,905

2nd QUARTER ENDED 31 DECEMBER 2014

Balance at 1 October 2014	55,379	85,925	141,304
Profit for the period representing total comprehensive income for the period	-	2,137	2,137
Payment of dividends	-	(22,451)	(22,451)
Balance at 31 December 2014	55,379	65,611	120,990

GROUP

1st HALF ENDED 31 DECEMBER 2013

	Issued capital US\$'000	Accumulated profits US\$'000	Total US\$'000
Balance at 1 July 2013	55,379	170,611	225,990
Profit for the period representing total comprehensive income for the period	-	14,099	14,099
Payment of dividends	-	(8,333)	(8,333)
Balance at 31 December 2013	55,379	176,377	231,756

1st HALF ENDED 31 DECEMBER 2014

Balance at 1 July 2014	55,379	184,602	239,981
Profit for the period representing total comprehensive income for the period	-	11,008	11,008
Payment of dividends	-	(22,451)	(22,451)
Balance at 31 December 2014	55,379	173,159	228,538

COMPANY

1st HALF ENDED 31 DECEMBER 2013

	Issued capital US\$'000	Accumulated profits US\$'000	Total US\$'000
Balance at 1 July 2013	55,379	82,324	137,703
Profit for the period representing total comprehensive income for the period	-	6,535	6,535
Payment of dividends	-	(8,333)	(8,333)
Balance at 31 December 2013	55,379	80,526	135,905

1st HALF ENDED 31 DECEMBER 2014

Balance at 1 July 2014	55,379	82,880	138,259
Profit for the period representing total comprehensive income for the period	-	5,182	5,182
Payment of dividends	-	(22,451)	(22,451)
Balance at 31 December 2014	55,379	65,611	120,990

- 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.**

There has been no change in the company's share capital since the end of the previous period reported on.

There were no treasury shares as at the end of the current financial period and as at the end of the corresponding period of the immediately preceding year.

- 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 December 2014 and 30 June 2014, the total number of issued shares excluding treasury shares was 705,090,514.

- 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.

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

The statements of financial position of the Group and the Company as at 31 December 2014, and the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Group and the statement of changes in equity of the Company for the six month period then ended have not been audited, but have been reviewed by Deloitte & Touche LLP in accordance with the Singapore Standard on Review Engagements (SSRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

The interim condensed consolidated financial statements for the three month period ended 31 December 2014, and comparative interim condensed consolidated financial statements for the three month period ended 31 December 2013 and six month period ended 31 December 2013 have not been audited or reviewed. Accordingly, the auditors do not express any assurance on the comparative financial information.

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

Please refer to the Independent Auditor's review report dated 16 January 2015, as set out in Annexure I.

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 interim condensed consolidated financial statements for the current reporting period as compared with the most recently audited financial statements for the year ended 30 June 2014 except as disclosed in paragraph 5 below.

This interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the audited annual financial statements for the financial year ended 30 June 2014.

This announcement has been presented in accordance with Singapore Financial Reporting Standard 34, Interim Financial Reporting (FRS 34).

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 Company have adopted all the new and revised Singapore Financial Reporting Standards ("FRSs") and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 July 2014. The adoption of the above new/revised FRSs and amendments to FRSs resulted in changes to the Group's accounting policies but does not have material effect on the amounts reported for current or prior periods.

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

Earnings per ordinary share for the year based on profit attributable to shareholders:

- (i) Based on weighted average number of ordinary shares on issue

US cents

- (ii) On a fully diluted basis

US cents

Group	
1st Half ended 31 December	
2014	2013
1.56	2.00
1.56	2.00

Note to item 6 (i)

Group basic earnings per ordinary share is calculated by dividing Group net profit attributable to members by the weighted average number of ordinary shares issued as follows:

Net profit attributable to members (US\$'000)

Weighted average number of ordinary shares on issue

Group	
1st Half ended 31 December	
2014	2013
11,008	14,099
705,090,514	705,090,514

Note to item 6 (ii)

Group basic earnings per share was the same as the fully diluted earnings per share as the Group did not have any potential dilutive ordinary shares outstanding as at 31 December 2014 and 31 December 2013.

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

Net asset value per ordinary share based on existing issued share capital as at the end of the period reported on

US cents

Group		Company	
31/12/2014	30/6/2014	31/12/2014	30/6/2014
32.41	34.04	17.16	19.61

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.**

(a) 1st Half ended 31 December 2014 ("1H1415") vs 1st Half ended 31 December 2013 ("1H1314")

For the first half ended 31 December 2014 ("1H1415"), the Group achieved profit after income tax of US\$11.008 million. This was 21.9% lower than the profit after income tax of US\$14.099 million for the previous corresponding first half ended 31 December 2013 ("1H1314").

Revenue

For the current 1H1415, revenue increased 4.6% to US\$17.860 million from US\$17.067 million in 1H1314 primarily due to higher fleet utilisation for the current first half.

Cost of Sales

Cost of sales rose 84.7% to US\$2.724 million from US\$1.475 million and gross profit after direct depreciation decreased 3.8% to US\$11.423 million from US\$11.87 million. During 1H1314, provisions of US\$2.68 million for demobilisation of two vessels which were made in the prior year were reversed as they were no longer required as both vessels secured charters at location and no longer needed to be redeployed. Due to the reversal of provisions in 1H1314, cost of sales in 1H1314 was lower than 1H1415. This resulted in higher gross profit after direct depreciation recorded in 1H1314. Direct depreciation remained consistent for both periods under review.

Administrative Expenses

Administrative expenses increased 23% to US\$2.175 million for 1H1415 from US\$ 1.768 million mainly as a result of higher advisory and legal fees of US\$0.377 million incurred. The Group had also provided for unrealised loss in exchange of approximately US\$0.088 million due to the strong United States Dollars.

Share of Results of Associated Companies

Share of results of associated companies dipped 55.7% to US\$1.758 million from US\$3.97 million in 1H1314. These were derived from its three associated companies. The decrease in contributions was primarily due to both the Malaysian and Indonesian fleets recorded lower utilisation.

Profit after Income Tax

Profit after income tax in 1H1415 decreased by US\$3.091million or 21.9% million to US\$11.008 million from US\$14.099 million mainly due to lower contributions from its associated companies.

(b) 2nd Quarter ended 31 December 2014 ("2Q1415") vs 2nd Quarter ended 31 December 2013 ("2Q1314")

For 2Q1415, the Group recorded profit after income tax of US\$5.444 million. This was 19% lower than profit after income tax of US\$6.723 million for the previous corresponding 2Q1314.

Revenue

Group revenue declined 4.2% to US\$8.793 million in 2Q1415 as compared to US\$9.179 million generated during 2Q1314. The lower revenue was due to one vessel was off-hired for its mandatory overhaul in early-September 2014 and resumed its operation on 1st December 2014. As a result, the fleet's utilisation for 2Q1415 was lower than 2Q1314.

Cost of Sales

Although revenue for 2Q1415 declined 4.2% and direct depreciation increased 2.7% to US\$1.879 million in 2Q1415, gross profit after direct depreciation rose marginally by 0.1% to US\$5.661 million from US\$5.653 million in 2Q1314. This was due to cost of sales dipped 26.1% to US\$1.253 million in 2Q1415 from US\$1.696 million as operating costs were lower.

Administrative Expenses

Administrative expenses for 2Q1415 increased 27.7% to US\$1.248 million from US\$0.977 million in 2Q1314. This was primarily due to higher advisory and legal fees incurred in 2Q1415, which together amounted to US\$0.294 million.

Share of Results of Associated Companies

Share of results of associated companies for 2Q1415 declined 47.9% to US\$1.037 million from US\$1.992 million in 2Q1314. One of the vessels was off-hired for mandatory docking for major overhaul since November 2014 and another vessel was off-hired for repair.

Profit after Income Tax

Profit after income tax in 2Q1415 decreased by 19% to US\$5.444 million from US\$6.723 million mainly due to lower contributions from its associated companies and higher administrative expenses.

FINANCIAL POSITION

The financial position of the Group as at 31 December 2014 remained strong as the Group continued to see positive cash generated from operations. Cash generated from operating activities rose to US\$13.98 million in 1H1415 from US\$13.088 million in 1H1314. However, net assets value as at 31 December 2014 decreased 4.79% to 32.41 US cents from 34.04 US cents as the Group's shareholders' funds reduced to US\$228.538 million as at 31 December 2014 from US\$239.981 million as at 30 June 2014. This was mainly attributed by the payment of final dividend of S\$0.02 per ordinary share and a special dividend of S\$0.02 per ordinary share in November 2014. Total dividend paid was equivalent to US\$22.451 million.

As a result of the final and special dividend payouts in November 2014, cash and cash equivalent also decreased 13.11% to US\$69.47 million from US\$79.949 million. As at 31 December 2014 and 30 June 2014, the Group has no bank borrowings.

Other receivables and prepayments comprised mainly prepaid insurance, bunker purchased, deposits, interest receivable, and other prepayments rose 91.06% to US\$0.577 million from US\$0.302 million. As at 30 June 2014, there were less prepayments as most have been recognised and expensed off to profit and loss.

Trade payables rose 10.64% to US\$9.937 million from US\$8.981 million due mainly to purchase of spare parts, supplies and works carried out onboard one co-owned vessel which is currently docked for mandatory major overhaul. The vessel is managed by a subsidiary of the Company.

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 this announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The current OSV market continues to be challenging and highly competitive due to the sharp decline in global oil price in recent months. In light of this, we expect the charter rates to remain weak. Taking into consideration those vessels which are due for their mandatory major overhaul and barring unforeseen circumstances, we would expect the Group's remaining fleet utilisation to be stable.

Save as disclosed herein, there are no known factors or events which may affect the Group in the next reporting period and the next 12 months.

11 Dividend

Any dividend declared for the financial period reported on?

(a) Present Period

NO

(b) Previous Corresponding Period

YES

Name of Dividend	Interim
Dividend Type	Cash
Dividend Rate	0.5 SGD cents per ordinary share (one-tier tax-exempt)
Tax Rate	0%

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared or recommended.

As the Company is regarded to be in an "offer period" under the Singapore Code on Take-overs and Mergers (the "Code"), the Board of Directors did not consider whether to recommend a dividend for the period just ended.

13 Interested Person Transactions

The Company has not obtained a general mandate from shareholders for Interested Person Transactions.

14 Segmental Information

The operations of the group are associated specifically with the support of offshore oil and gas industry which is the major operating segment of the group. The Chief Executive Officer ("CEO") is the group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

As the main focus is on the generation of revenue for the group, the CEO makes decision to charter the vessels based on the charter rates, timing and availability of the vessels. Hence, vessels are deployed worldwide and wherever clients required them subject to safety factors, for example, war zones or areas prone to piracy. As a result, it is not meaningful to present the revenue by countries or geographical locations.

Information about major customers

Included in revenue of US\$17.86 million (six month ended 31 December 2013 : US\$17.067 million) are revenues of approximately US\$6.33 million (six month ended 31 December 2013 : US\$5.922 million) which arose from the chartering of vessels to the group's largest customer.

15 Commitments

Group	
As at 31/12/2014 US\$'000	As at 30/6/2014 US\$'000
Guarantees - associated companies ^(a)	6,334
Guarantees - third parties	30
6,364	8,840

The guarantees are unsecured.

^(a) To provide corporate guarantees to an associated company to obtain bank loans. The fair value of the financial guarantees are assessed to be insignificant.

16 Subsequent Events

On 11 December 2014, CIMB Bank Berhad, Singapore Branch announced, for and behalf of Energian Pte. Ltd. (the "**Offeror**") that the Offeror intends to make a voluntary conditional cash offer for all the issued and paid-up ordinary shares of the Company other than those already owned, controlled or agreed to be acquired by the Offeror

In relation to the above offer, the Board of Directors had issued a circular (Offeree Circular) dated 8 January 2015 to provide shareholders with the advice of Provenance Capital Pte. Ltd. ("Provenance"), the independent financial adviser to the independent directors and the recommendations of the independent directors with regard to the Offer.

In accordance with Rule 25 of the Singapore Code on Take-overs and Mergers, the unaudited financial statements of the Group for the second quarter and the half year ended 31 December 2014 have been examined by Provenance. A copy of the letter by Provenance is set out in Annexure II.

17 Negative assurance confirmation by the Board pursuant to Rule 705 (5) of the Listing Manual.

The Board of Directors of the Company hereby confirm to the best of their knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the first half ended 31 December 2014 to be false or misleading in any material respect.

18 Responsibility Statement

The Directors of the Company (including those who have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated in this announcement are fair and accurate and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly. Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Directors of the Company has been to ensure through reasonable enquires that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this announcement.

BY ORDER OF THE BOARD

Valerie Tan
Company Secretary
16 January 2015

January 16, 2015

Annexure I

The Board of Directors
CH Offshore Ltd
388 Jalan Ahmad Ibrahim
Singapore 629157

AUDITORS' REVIEW REPORT ON INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF CH OFFSHORE LTD AND ITS SUBSIDIARIES FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2014

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of CH Offshore Ltd (the "Company") and its subsidiaries (collectively known as the "Group") which comprise the statements of financial position of the Group and the Company as at December 31, 2014, and the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Group and the statement of changes in equity of the Company for the six month period then ended and the related condensed explanatory notes.

Management is responsible for the preparation and fair presentation of these interim condensed consolidated financial statements in accordance with Singapore Financial Reporting Standard 34, *Interim Financial Reporting* ("FRS 34"). Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with Singapore Standard on Review Engagements (SSRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



AUDITORS' REVIEW REPORT ON INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF CH OFFSHORE LTD AND ITS SUBSIDIARIES FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2014

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements for the six month period ended December 31, 2014 are not prepared, in all material respects, in accordance with FRS 34.

Other matters

The interim condensed consolidated financial statements for the three month period ended December 31, 2014, and comparative interim condensed consolidated financial statements for the three month period ended December 31, 2013 and six month period ended December 31, 2013 have not been audited or reviewed. Accordingly, we do not express any assurance on the comparative financial information.

Restriction on use

This report has been prepared solely in connection with the proposed announcement for the six month period ended December 31, 2014 by the Company on the Singapore Exchange which would contain the interim condensed consolidated financial statements. This report is made solely to you, as a body and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Deloitte & Touche LLP

Public Accountants and
Chartered Accountants
Singapore



OFFICIAL PROFESSIONAL
SERVICES PARTNER

16 January 2015

Annexure II

CH Offshore Ltd.
388 Jalan Ahmad Ibrahim
Singapore 629157

Attn: The Board of Directors

Dear Sirs,

VOLUNTARY CONDITIONAL CASH OFFER BY CIMB BANK BERHAD, SINGAPORE BRANCH, FOR AND ON BEHALF OF ENERGIAN PTE. LTD. ("OFFEROR") FOR ALL THE ISSUED AND PAID-UP ORDINARY SHARES IN THE CAPITAL OF CH OFFSHORE LTD. ("COMPANY") OTHER THAN THOSE ALREADY OWNED, CONTROLLED OR AGREED TO BE ACQUIRED BY THE OFFEROR ("OFFER")

This letter has been prepared in relation to the announcement dated 16 January 2015 by the Company on its unaudited financial statements for the six months ended 31 December 2014 ("**HY2015 Results**") of the Company and its subsidiaries ("**Group**").

This Letter has been prepared in connection with the Offer pursuant to Rule 25 of the Singapore Code on Take-over and Mergers.

We have examined and held discussions with the management and the Company's directors ("**Directors**") on the HY2015 Results. The HY2015 Results are solely the responsibility of the Directors. We have also considered the Independent Auditor's Report to the Board of Directors of the Company dated 16 January 2015 issued by Deloitte & Touche LLP ("**Deloitte**") in relation to their review of the HY2015 Results. Deloitte had conducted their review in accordance with Singapore Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'.

For the purpose of rendering our opinion on the HY2015 Results, we have relied upon and assumed the accuracy and completeness of all financial and other information provided to and/or discussed with us. Save as provided in this letter, we do not express any other opinion on the HY2015 Results.

Based on the foregoing, we are of the opinion that the HY2015 Results had been made by the Directors after due and careful enquiry.

This letter is addressed to the Directors for the sole purpose of complying with Rule 25 of the Singapore Code on Take-overs and Mergers and not for any other purpose. We do not accept any responsibility to any person (other than the Directors of the Company) in respect of, arising out of, or in connection with this letter.

Yours faithfully
For and on behalf of
PROVENANCE CAPITAL PTE. LTD.



Wong Bee Eng
Chief Executive Officer



Terence Lim
Director

Provenance Capital Pte. Ltd.
Co. Reg. No: 200309056E

96 Robinson Road, #13-01 SIF Building, Singapore 068899 | Tel : (65) 6227 1580/5810 | Fax : (65) 6224 3116/6316