



BENG KUANG MARINE LIMITED

Registration No. 199400196M

Unaudited Financial Statement For The Year Ended 31 December 2013

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, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Notes	GROUP			GROUP		
		4th Qtr of 2013 S\$'000	4th Qtr of 2012 S\$'000	Increase / (Decrease)	FY 2013 S\$'000	FY 2012 S\$'000	Increase / (Decrease)
Revenue		20,317	20,187	0.6%	83,831	94,571	(11.4%)
Cost of sales		(15,298)	(16,211)	(5.6%)	(63,689)	(74,882)	(14.9%)
Gross profit		5,019	3,976	26.2%	20,142	19,689	2.3%
Other gains / (losses), net	(A)	796	287	177.4%	6,771	(3,689)	NM
Expenses							
- Selling and distribution		(387)	(246)	57.3%	(1,980)	(1,843)	7.4%
- Administrative		(4,410)	(4,735)	(6.9%)	(15,975)	(16,853)	(5.2%)
- Finance		(508)	(592)	(14.2%)	(2,113)	(2,559)	(17.4%)
Share of loss of associated companies		-	-	NM	-	(107)	NM
Profit / (loss) before income tax	(B)	510	(1,310)	NM	6,845	(5,362)	NM
Income tax expense		(128)	158	NM	(821)	(250)	228.4%
Net profit / (loss)		382	(1,152)	NM	6,024	(5,612)	NM
Profit / (loss) attributable to:							
Equity holders of the Company		281	(1,323)	NM	5,582	(4,438)	NM
Non-controlling interests		101	171	(40.9%)	442	(1,174)	NM
		382	(1,152)	NM	6,024	(5,612)	NM

NM - Not meaningful

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

Notes	GROUP			GROUP		
	4th Qtr of 2013 S\$'000	4th Qtr of 2012 S\$'000	Increase / (Decrease)	FY 2013 S\$'000	FY 2012 S\$'000	Increase / (Decrease)
Net profit / (loss) after tax	382	(1,152)	NM	6,024	(5,612)	NM
Other comprehensive income / (loss)						
Items that may be reclassified subsequently to profit or loss:						
Currency translation differences arising from consolidation	(60)	226	NM	(318)	(96)	231.3%
Other comprehensive (loss) / income, net of tax	(60)	226	NM	(318)	(96)	231.3%
Total comprehensive income / (loss)	322	(926)	NM	5,706	(5,708)	NM
Total comprehensive income / (loss) attributable to:						
Equity holders of the Company	233	(1,093)	NM	5,330	(4,522)	NM
Non-controlling interests	89	167	(46.7%)	376	(1,186)	NM
	322	(926)	NM	5,706	(5,708)	NM

Notes	GROUP		GROUP	
	4th Qtr of 2013 S\$'000	4th Qtr of 2012 S\$'000	FY 2013 S\$'000	FY 2012 S\$'000
(A) The Group's other gains / (losses), net includes:				
Gain on disposal of property, plant and equipment	368	23	332	212
Gain on disposal of assets held-for-sale	164	-	5,796	-
Property, plant and equipment written off	(13)	(2)	(33)	(2)
Impairment loss on goodwill	-	-	-	(2,269)
Impairment loss on investment in associated companies	-	(7)	-	(1,966)
Impairment loss on intangible assets	-	-	-	(234)
Foreign exchange (losses) / gains, net	(157)	26	(233)	40
Interest income	3	4	12	20
Other income	431	243	897	510

(B) The Group's profit from operations is arrived at after (charging) / crediting

Interest expense on borrowings	(508)	(592)	(2,113)	(2,559)
Depreciation of property, plant and equipment	(2,168)	(1,709)	(8,854)	(8,382)
Amortisation of intangible assets	-	-	-	(44)
Write-back of allowance for impairment of trade receivables	3	280	252	318
Allowance for impairment of trade receivables	74	(565)	(115)	(1,055)
Write down of inventories	(51)	(95)	(51)	(95)
Inventories written off	(20)	(21)	(20)	(21)

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.

	GROUP		COMPANY	
	31-Dec-13 S\$'000	31-Dec-12 S\$'000	31-Dec-13 S\$'000	31-Dec-12 S\$'000
ASSETS				
Current assets				
Cash and bank balances	8,403	15,077	226	2,799
Trade and other receivables	49,345	50,257	70,654	66,974
Inventories	14,579	14,824	-	-
	<u>72,327</u>	<u>80,158</u>	<u>70,880</u>	<u>69,773</u>
Assets held-for-sale	-	7,854	-	-
	<u>72,327</u>	<u>88,012</u>	<u>70,880</u>	<u>69,773</u>
Non-current assets				
Investment in subsidiaries	-	-	4,257	4,515
Deferred income tax assets	191	-	-	-
Intangible assets	64	64	-	-
Property, plant and equipment	109,802	100,417	959	1,375
	<u>110,057</u>	<u>100,481</u>	<u>5,216</u>	<u>5,890</u>
Total assets	<u>182,384</u>	<u>188,493</u>	<u>76,096</u>	<u>75,663</u>
LIABILITIES				
Current liabilities				
Trade and other payables	30,695	34,267	6,114	4,165
Current income tax liabilities	976	834	-	-
Borrowings and overdrafts	47,791	55,963	17,552	18,086
	<u>79,462</u>	<u>91,064</u>	<u>23,666</u>	<u>22,251</u>
Non-current liabilities				
Other payables	1,148	-	-	-
Borrowings	17,385	18,677	49	270
Deferred income tax liabilities	609	678	6	16
	<u>19,142</u>	<u>19,355</u>	<u>55</u>	<u>286</u>
Total Liabilities	<u>98,604</u>	<u>110,419</u>	<u>23,721</u>	<u>22,537</u>
NET ASSETS	<u>83,780</u>	<u>78,074</u>	<u>52,375</u>	<u>53,126</u>
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	49,651	49,651	49,651	49,651
Currency translation reserve	(407)	(155)	-	-
Retained profits	31,936	26,354	2,724	3,475
	<u>81,180</u>	<u>75,850</u>	<u>52,375</u>	<u>53,126</u>
Non-controlling interests	<u>2,600</u>	<u>2,224</u>	<u>-</u>	<u>-</u>
Total equity	<u>83,780</u>	<u>78,074</u>	<u>52,375</u>	<u>53,126</u>

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

Amount repayable in one year or less, or on demand

	As at 31-Dec-13		As at 31-Dec-12	
	S\$'000		S\$'000	
	Secured	Unsecured	Secured	Unsecured
Bank borrowings and overdrafts	4,633	36,515	7,841	37,733
Term loans	4,210	556	6,398	1,767
Finance lease liabilities	1,877	-	2,224	-

Amount repayable after one year

	As at 31-Dec-13		As at 31-Dec-12	
	S\$'000		S\$'000	
	Secured	Unsecured	Secured	Unsecured
Term loans	15,460	347	15,037	459
Finance lease liabilities	1,578	-	3,181	-

Details of any collateral

Included in the Group's secured borrowings are:-

- (a) S\$Nil as at 31 December 2013 (31 December 2012: S\$5,927,000) in respect of a loan secured by a landed property.
- (b) S\$24,303,000 as at 31 December 2013 (31 December 2012: S\$23,349,000) in respect of loans secured by vessels, tugs and barges.
- (c) Finance lease obligations are secured by the underlying equipment.

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.

	GROUP	
	FY 2013	FY 2012
	S\$'000	S\$'000
Cash flows from operating activities		
Net profit / (loss)	6,024	(5,612)
<i>Adjustments for:</i>		
Income tax expense	821	250
Allowance for impairment of trade receivables	115	1,055
Write down of inventories	51	95
Inventories written off	20	21
Amortisation of intangible assets	-	44
Impairment loss on goodwill	-	2,269
Impairment loss on intangible assets	-	234
Impairment loss on investment in associated companies	-	1,966
Write-back of allowance for impairment of trade receivables	(252)	(318)
Gain on disposal of assets held-for sale	(5,796)	-
Gain on disposal of property, plant and equipment	(332)	(212)
Property, plant and equipment written off	33	2
Depreciation of property, plant and equipment	8,854	8,382
Gain on disposal of a business unit	-	(10)
Share of losses of associated companies	-	107
Interest income	(12)	(20)
Interest expense	2,113	2,559
	11,639	10,812
<i>Changes in working capital</i>		
Inventories and construction work-in-progress	7,470	48,334
Trade and other receivables	(6,340)	1,727
Trade and other payables	(3,834)	(34,163)
Bills payable	(900)	(3,664)
Cash flows generated from operations	8,035	23,046
Interest received	12	20
Interest paid	(2,200)	(2,560)
Income tax paid	(938)	(1,409)
Net cash flows generated from operating activities	4,909	19,097

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. (cont'd)

	GROUP	
	FY 2013	FY 2012
	S\$'000	S\$'000
Cash flows from investing activities		
Proceeds from disposal of a business unit	-	10
Proceeds from assets held-for-sale	15,150	-
Proceeds from disposal of property, plant and equipment	1,769	1,446
Additions to property, plant and equipment	(19,619)	(18,605)
Net cash flows used in investing activities	<u>(2,700)</u>	<u>(17,149)</u>
Cash flows from financing activities		
Repayment of finance lease liabilities	(2,319)	(2,365)
(Repayment of) / Proceeds from borrowings, net	(9,348)	3,465
Dividends paid to equity holders of the Company	-	(1,080)
Net cash flows (used in) / generated from financing activities	<u>(11,667)</u>	<u>20</u>
Net (decrease) / increase in cash and cash equivalents	(9,458)	1,968
Cash and cash equivalents		
Beginning of the year	15,077	13,160
Effects of currency translation on cash and cash equivalents	(38)	(51)
End of financial year	<u>5,581</u>	<u>15,077</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.

Attributable to equity holders of the Company						
	Share capital	Retained profits	Currency translation reserves	Total	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
GROUP						
Balance as at 1 January 2012	49,651	31,872	(71)	31,801	3,410	84,862
Dividend relating to 2011 paid	-	(1,080)	-	(1,080)	-	(1,080)
Total comprehensive loss for the year	-	(4,438)	(84)	(4,522)	(1,186)	(5,708)
Balance as at 31 December 2012	49,651	26,354	(155)	26,199	2,224	78,074
Balance as at 1 January 2013	49,651	26,354	(155)	26,199	2,224	78,074
Total comprehensive income / (loss) for the year	-	5,582	(252)	5,330	376	5,706
Balance as at 31 December 2013	49,651	31,936	(407)	31,529	2,600	83,780
COMPANY						
Balance as at 1 January 2012	49,651	1,264	-	1,264	-	50,915
Dividend relating to 2011 paid	-	(1,080)	-	(1,080)	-	(1,080)
Total comprehensive income for the year	-	3,291	-	3,291	-	3,291
Balance as at 31 December 2012	49,651	3,475	-	3,475	-	53,126
Balance as at 1 January 2013	49,651	3,475	-	3,475	-	53,126
Total comprehensive loss for the year	-	(751)	-	(751)	-	(751)
Balance as at 31 December 2013	49,651	2,724	-	2,724	-	52,375

- 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, 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.

Ordinary shares

	No. of ordinary shares	S\$'000
Balance as at 30 September 2013 and 31 December 2013	540,041,625	49,651

Convertibles

	As at 31-Dec-13	As at 31-Dec-12
	No. of shares	No. of shares
Outstanding option to subscribe new shares	Nil	Nil

Treasury Shares

The Company did not have any treasury shares as at 31 December 2013 and 31 December 2012.

- 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 immediate preceding year.

	As at 31-Dec-13	As at 31-Dec-12
	No. of shares	No. of shares
Issued and fully paid	540,041,625	540,041,625

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

None.

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

The figures have not been audited nor reviewed by the auditors.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of 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 in paragraph 5 below, the Group has applied consistent accounting policies and methods of computation in the financial statements for the current reporting period compared with those of the audited financial statements for the financial year ended 31 December 2012.

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.

In current financial year, the Group adopted the new / revised Financial Reporting Standards ("FRS") and interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 January 2013:

- (i) Amendments to FRS 1 - Presentation of items of Other Comprehensive Income
- (ii) FRS 19 (Revised) - Employee Benefits
- (iii) FRS 113 (New) - Fair Value Measurement
- (iv) Amendments to FRS 107 Disclosure - Offsetting Financial Assets and Financial Liabilities

The adoption of the above FRSs did not result in any substantial change to the Group's accounting policy nor any 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.

Earnings per ordinary share for the period
base on net profit attributable to

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

Weighted number of shares in issue

b) On a fully diluted basis

Group	
FY 2013	FY 2012
1.03	(0.82)
540,041,625	540,041,625
1.03	(0.82)

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.

Net asset value per ordinary share based on issued
share capital at end of the year (in cents)

GROUP		COMPANY	
31-Dec-13	31-Dec-12	31-Dec-13	31-Dec-12
15.51	14.46	9.70	9.84

31-Dec-13

The net asset value per ordinary share is calculated using the Group's net asset value as at the end of the year of S\$83.78 million and the Company's net asset value as at the end of the year of S\$52.37 million divided by the share capital of 540,041,625 ordinary shares.

31-Dec-12

The net asset value per ordinary share is calculated using the Group's net asset value as at the end of the year of S\$78.07 million and the Company's net asset value as at the end of the year of S\$53.13 million divided by the share capital of 540,041,625 ordinary shares.

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

Income statement review

Group Turnover	4th Quarter results			
	FY 2013	FY 2012	+ / (-)	+ / (-)
	S\$ million	S\$ million	S\$ million	%
Infrastructure & Engineering ("IE")	4.53	6.82	(2.29)	(33.6)
Corrosion Prevention ("CP")	10.22	7.73	2.49	32.2
Supply & Distribution ("SD")	3.62	3.57	0.05	1.4
Shipping & Others ("SH")	1.95	2.07	(0.12)	(5.8)
	20.32	20.19	0.13	0.6

The Group's revenue remained stable at S\$20.32 million in 4Q2013 compared to S\$20.19 million in 4Q2012.

Revenue for our IE division decreased by 33.6% or S\$2.29 million from S\$6.82 million to S\$4.53 million as no sizeable shipbuilding and fabrication contract was secured in FY2013. The division continued to secure smaller and recurring offshore oil and gas fabrication contracts.

Revenue for our CP division increased by 32.2% or S\$2.49 million from S\$7.73 million in 4Q2012 to S\$10.22 million in 4Q2013. The increase in revenue was mainly due to increase in demand for corrosion prevention services in 4Q2013.

Our revenue for SH and SD divisions remained steady for 4Q2013 compared to 4Q2012.

The Group's gross profit improved from S\$3.98 million in 4Q2012 to S\$5.02 million in 4Q2013, and the Group's gross profit margin also improved from 19.7% in 4Q2012 to 24.7% in 4Q2013, mainly attributable to our SH division.

Income statement review

Group Turnover	Full Year results			
	FY 2013	FY 2012	+ / (-)	+ / (-)
	S\$ million	S\$ million	S\$ million	%
Infrastructure & Engineering ("IE")	25.40	41.31	(15.91)	(38.5)
Corrosion Prevention ("CP")	35.13	30.47	4.66	15.3
Supply & Distribution ("SD")	15.48	15.05	0.43	2.9
Shipping & Others ("SH")	7.82	7.74	0.08	1.0
	83.83	94.57	(10.74)	(11.4)

The Group's revenue decreased by 11.4% or S\$10.74 million from S\$94.57 million in FY2012 to S\$83.83 million in FY2013.

This decrease in Group's sales was primarily due to the lower revenue achieved by our IE division during FY2013, which dropped significantly by S\$15.91 million from S\$41.31 million in FY2012 to S\$25.40 million in FY2013 as no significant shipbuilding contracts were secured.

Revenue for our CP division increased by S\$4.66 million from S\$30.47 million in FY2012 to S\$35.13 million in FY2013. The increase in revenue was mainly due to increase in demand for corrosion prevention services in FY2013. However, the CP division experienced challenges from the increasing manpower and workers' related costs.

Our SD division registered a marginal increase in revenue by S\$0.43 million from S\$15.05 million in FY2012 to S\$15.48 million in FY2013 as demand for our hardware products and consumables remained stable.

Our SH division also remained stable in FY2013 as compared to FY2012.

Although the Group's revenue dropped by 11.4% from S\$94.57 million in FY2012 to S\$83.83 million in FY2013, the Group had achieved a higher gross profit margin of 24.0% in FY2013 compared to 20.8% in FY2012, largely contributed by higher margin in SH division.

The Group's profit attributable to shareholders was S\$5.58 million in FY2013 as compared to net loss of S\$4.44 million in FY2012 mainly due to the gain on disposal of the property at 38 Tuas View Square in 1H2013. The FY2012 loss was due largely to impairment charges on its investment in associated companies and related goodwill.

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:

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

CASHFLOW STATEMENT

The Group registered a net operating cash inflow of S\$4.91 million in FY2013 mainly due to operating profit for the year ended FY2013.

Net cash outflow in investing activities was approximately S\$2.70 million for FY2013. This was largely due to the cost of S\$17.48 million incurred for the conversion of our second livestock carrier in our yard. The cash inflow from the sale and leaseback of the property at 38 Tuas View Square was approximately S\$14.5 million.

Net cash outflow in financing activities was approximately S\$11.67 million during FY2013. This was mainly due to repayment of short term bank borrowings, lease liabilities and term loans.

As a result of the above, the Group registered a net decrease in cash and cash equivalent of approximately S\$9.46 million for FY2013.

ASSETS AND LIABILITIES

The Group registered total assets of S\$182.38 million as at 31 December 2013 as compared to S\$188.49 million as at 31 December 2012.

The Group's current assets declined from S\$88.01 million as at 31 December 2012 to S\$72.33 million as at 31 December 2013 mainly due to repayment of short term bank borrowings, lease liabilities and term loans.

The Group's non-current assets as at 31 December 2013 increased by S\$9.58 million to S\$110.06 million as compared to S\$100.48 million as at 31 December 2012 mainly due to the costs incurred for the conversion of our second livestock carrier.

Total liabilities for the Group were S\$98.60 million at end of FY2013 as compared to S\$110.42 million at end of FY2012. The reduction was mainly attributable to net repayment of bank borrowings of S\$11.67 million, trade and other payables of S\$3.83 million during FY2013.

The Group registered net current liabilities of S\$7.14 million as at 31 December 2013 as compared to S\$3.05 million as at 31 December 2012. The net current liabilities position registered in fourth quarter 2013 was mainly due to the Group's utilisation of a portion of its short-term bank borrowings to finance the conversion of the second livestock carrier.

The Board is of the opinion that, after taking into consideration the Group's existing cash and cash equivalents, and the available bank facilities, the Group is able to meet its short-term obligations as and when they fall due. Notwithstanding, the Group is also seeking to convert some short term loans to term loans, to solve the temporary net current liabilities position.

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

The Company did not make any forecast and prospect statement in respect of its results for 31 December 2013. The Group's actual results for fourth quarter ended 31 December 2013 are in line with the commentary under paragraph 10 of the Group's previous results announcement in respect of the third quarter ended 30 September 2013.

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.

The stiff competition in the regional shipbuilding market is expected to continue in FY2014. The outlook for the offshore oil and gas industry is encouraging and our IE division will continue to intensify marketing efforts in this sector. Other divisions will actively explore new opportunities to expand their businesses.

11 **Dividend**

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

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

No dividend has been recommended.

13 **Summary of Interested Person Transactions for the financial period ended 31 December 2013**

4th Quarter of FY2013

Full Year 2013

Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under the shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
S\$	S\$

Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under the shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
S\$	S\$

[Revenue / (Expenses)]

PT Nanindah Mutiara Shipyard

Sale of Hardware Equipments, Tools and other consumables	2,255	2,497
Procurement of Materials and Consumables	(130,594)	(240,580)
Provision of Corrosion Prevention Services	476,246	843,586

DDW - Paxocean Shipyard Pte Ltd (Formerly known as Drydocks World - Singapore Pte Ltd)

Sale of Hardware Equipments, Tools and other consumables	-	72
Provision of Corrosion Prevention Services	674,649	4,811,760
Transportation Charges	(3,406)	(12,834)

PT Drydocks World Pertama

Sale of Hardware Equipments, Tools and other consumables	98	714
Procurement of Materials and Consumables	(42,613)	(106,076)
Provision of Corrosion Prevention Services	475,558	1,245,288

Pacific Workboats Pte Ltd

Repair and Rental Services	-	(653,000)
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PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

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

BUSINESS SEGMENTS

	INFRASTRUCTURE & ENGINEERING	CORROSION PREVENTION	SUPPLY & DISTRIBUTION	SHIPPING & OTHERS	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Year ended 31 December 2013					
Total segment sales	43,156	39,121	19,723	7,822	109,822
Inter-segment sales	(17,758)	(3,994)	(4,240)	-	(25,992)
Sales to external customers	<u>25,398</u>	<u>35,127</u>	<u>15,483</u>	<u>7,822</u>	<u>83,830</u>
Results					
Segment result	(131)	3,439	7,423	1,706	12,437
Interest expense	(1,020)	(336)	(231)	(527)	(2,114)
Interest Income	4	2	1	5	12
(Loss) / profit from operating segments	(1,147)	3,105	7,193 ⁽¹⁾	1,184	10,335
Unallocated administrative expenses					(3,490)
Profit before income tax					6,845
Taxation					(821)
Profit after taxation					6,024
Profit attributable to non-controlling interest					(442)
					<u>5,582</u>
Profit after taxation includes:-					
- Depreciation	4,964	1,678	122	2,090	8,854
Other information					
Segments assets					
Segments assets includes:-	72,210	36,379	13,160	60,447	182,196
Additions to: Property, plant and equipment	1,254	750	89	17,894	19,987
Segment liabilities					
	(34,729)	(12,652)	(7,763)	(27,854)	(82,998)
Year ended 31 December 2012					
Sales to external customers	46,127	35,675	18,744	7,744	108,290
Inter-segment sales	(4,822)	(5,207)	(3,690)	-	(13,719)
Total sales	<u>41,305</u>	<u>30,468</u>	<u>15,054</u>	<u>7,744</u>	<u>94,571</u>
Results					
Segment result	(2,892)	6,830	628	(3,046)	1,520
Interest expense	(1,305)	(325)	(368)	(561)	(2,559)
Interest Income	11	3	1	5	20
Share of results of associated companies	-	-	-	(107)	(107)
(Loss) / profit from operating segments	(4,186)	6,508	261	(3,709) ⁽²⁾	(1,126)
Unallocated administrative expenses					(4,236)
Loss before income tax					(5,362)
Income tax expense					(250)
Loss after taxation					(5,612)
Loss attributable to non-controlling interest					1,174
					<u>(4,438)</u>
Loss after taxation includes:-					
- Depreciation	4,131	2,096	289	1,866	8,382
- Amortisation	-	-	-	44	44
- Impairment	-	-	-	4,468	4,468
Other information					
Segments assets					
Segments assets includes:-	79,759	34,590	20,177	53,738	188,264
Assets held-for-sale	-	-	6,866	-	6,866
Additions to: Property, plant and equipment	7,233	753	71	10,733	18,790
Segment liabilities					
	(44,544)	(8,374)	(12,177)	(27,107)	(92,202)

⁽¹⁾ Include the gain on disposal of assets held-for-sale of \$5.80 million.

⁽²⁾ Include the impairment charge on Group's investment in its associated companies and the related goodwill amounting to \$4.24 million (Solid waste recycling treatment business).

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

Not applicable.

17 A breakdown of sales as follows:-

	GROUP			
	FY 2013 S\$'000	FY 2012 S\$'000	+ / (-) S\$'000	+ / (-) %
First Half				
(a) Revenue	41,228	52,122	(10,894)	(20.9%)
(b) Operating profit after tax before deducting minority interests	5,360	936	4,424	472.6%
Second Half				
(a) Revenue	42,603	42,449	154	0.4%
(b) Operating profit / (loss) after tax before deducting minority interests	664	(6,548)	7,212	NM

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

Total Annual Dividend (Refer to Para 16 of Appendix 7.2 for the required details).

	Latest Full Year 2013	Previous Full Year 2012
	S\$'000	S\$'000
Ordinary	-	-
Preference	-	-
Total:	-	-

19 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (13) in the format below.

Name	Age	Family Relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Chua Beng Yong	52	Brother of Chua Beng Kuang (Executive Chairman and substantial shareholder) and Chua Meng Hua (Managing Director and substantial shareholder)	Current Position: Chief Operating Officer Duties: Responsible for overseeing the Group's businesses, particularly in infrastructure engineering division, including its marketing and business development. Position first held in: 2011 Year of employment: Since 1999.	Changes in duties: No change. Changes in position: No change.
Chua Beng Hock	49	Brother of Chua Beng Kuang (Executive Chairman and substantial shareholder) and Chua Meng Hua (Managing Director and substantial shareholder)	Current Position: Deputy Chief Operating Officer Duties: Responsible for overseeing the Group's businesses, particularly in corrosion prevention division, including its marketing and business development. Position first held in: 2011 Year of employment: Since 2001.	Changes in duties: No change. Changes in position: No change.
Chua Min Kong	54	Brother of Chua Beng Kuang (Executive Chairman and substantial shareholder) and Chua Meng Hua (Managing Director and substantial shareholder)	Current Position: Manager Duties: Responsible for overseeing the process plant operations in Batam yard. Position first held in: 2011 Year of employment: Since 1998.	Changes in duties: No change. Changes in position: No change.

BY ORDER OF THE BOARD

Chua Beng Kuang
Executive Chairman
24 Feb 2014

Chua Meng Hua
Managing Director