BENG KUANG MARINE LIMITED

Registration No. 199400196M

Unaudited Financial Statement For The Year Ended 31 December 2015

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.

	GROUP			GROUP		
	4th Qtr of 2015	4th Qtr of 2014	Increase / (Decrease)	FY 2015	FY 2014	Increase / (Decrease)
	S$'000	S$'000 Restated[1]		S$'000	S$'000 Restated[1]	
Revenue	21,668	19,660	10%	83,562	73,925	13%
Cost of sales	(19,015)	(14,758)	29%	(67,467)	(59,887)	13%
Gross profit	2,653	4,902	(46%)	16,095	14,038	15%
Other gains , net	384	300	28%	3,826	1,780	115%
Expenses						
- Selling and distribution	(395)	(450)	(12%)	(1,878)	(1,997)	(6%)
- Administrative	(3,908)	(3,600)	9%	(16,565)	(15,253)	9%
- Finance	(809)	(513)	58%	(3,016)	(2,076)	45%
(Loss) / profit before income tax	(2,075)	639	NM	(1,538)	(3,508)	(56%)
Income tax credit / (expense)	323	(182)	NM	234	(339)	NM
Net (loss) / profit	(1,752)	457	NM	(1,304)[2]	(3,847)	(66%)
(Loss) / profit attributable to:						
Equity holders of the Company	(245)	219	NM	42	(4,014)	NM
Non-controlling interests	(1,507)	238	NM	(1,346)	167	NM
	(1,752)	457	NM	(1,304)	(3,847)	(66%)

NM - Not meaningful

[1] With effect from 3Q 2015, two subsidiaries changed their functional currency from Singapore Dollars to United States Dollars. The change was applied retrospectively and accordingly, the comparative financial statements were restated. The effects of the change on the Group's financial statements are set out in paragraph 5.

[2] The Group's net loss after tax of S$1.30 million was mainly due to operating losses in a recently acquired subsidiary in the IE division. The third party minority shareholders of this subsidiary have acknowledged liability for losses on pre-acquisition projects. Consequently, after adjustments, the profit attributable to shareholders was S$42,000 for FY2015 compared to loss of S$4.01 million for FY2014.

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)

	GROUP			GROUP		
	4th Qtr of 2015 S$'000	4th Qtr of 2014 S$'000 Restated[1]	Increase / (Decrease)	FY 2015 S$'000	FY 2014 S$'000 Restated[1]	Increase / (Decrease)
Net (loss) / profit after tax	(1,752)	457	NM	(1,304)	(3,847)	(66%)
Currency translation differences arising from consolidation	1,284	(2,264)	NM	(5)	181	(103%)
Other comprehensive income / (loss), net of tax	1,284	(2,264)	NM	(5)	181	(103%)
Total comprehensive loss	(468)	(1,807)	(74%)	(1,309)	(3,666)	(64%)
Total comprehensive (loss) / income attributable to:						
Equity holders of the Company	941	(1,951)	NM	(22)	(3,890)	(99%)
Non-controlling interests	(1,409)	144	NM	(1,287)	224	NM
	(468)	(1,807)	(75%)	(1,309)	(3,666)	(64%)

Notes	GROUP 4th Qtr of 2015 S$'000	GROUP 4th Qtr of 2014 S$'000 Restated[1]	GROUP FY 2015 S$'000	GROUP FY 2014 S$'000 Restated[1]
The Group's profit from operations is arrived at after (charging) / crediting				
Interest Income	3	2	8	11
Interest expense on borrowings	(809)	(513)	(3,016)	(2,076)
Foreign exchange (loss) / gain	(140)	(22)	1,706	189
Gain on disposal of property, plant and equipment	64	174	994	859
Property, plant and equipment written off	(13)	-	(13)	(2)
Depreciation of property, plant and equipment	(2,350)	(2,363)	(9,760)	(8,984)
Write-back of allowance for impairment of trade receivables	16	21	127	85
Allowance for impairment of trade receivables	(455)	(176)	(478)	(221)

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-15	31-Dec-14	1-Jan-14	31-Dec-15	31-Dec-14
	S$'000	S$'000	S$'000	S$'000	S$'000
		Restated[1]	Restated[1]		
ASSETS					
Current assets					
Cash and bank balances	5,502	6,495	8,403	103	175
Trade and other receivables	46,059	47,320	53,806	32,054	68,087
Inventories	15,088	12,750	14,581	-	-
	66,649	66,565	76,790	32,157	68,262
Non-current assets					
Trade and other receivables	-	-	-	37,710	-
Investment in subsidiaries	-	-	-	10,707	10,827
Intangible assets	64	64	64	-	-
Property, plant and equipment	105,168	108,403	109,703	597	772
Deferred income tax assets	314	341	191	17	8
	105,546	108,808	109,958	49,031	11,607
Total assets	172,195	175,373	186,748	81,188	79,869
LIABILITIES					
Current liabilities					
Trade and other payables	26,174	28,350	34,618	6,855	10,499
Deferred income	769	408	492	-	-
Provision for warranty	-	-	49	-	-
Current income tax liabilities	756	733	976	-	-
Borrowings and overdrafts	34,052	45,960	47,791	13,624	17,298
	61,751	75,451	83,926	20,479	27,797
Non-current liabilities					
Trade and other payables	2,679	-	-	-	-
Deferred income	720	934	1,148	-	-
Borrowings	27,368	18,114	17,385	6,091	16
Deferred tax liabilities	355	762	609	-	-
	31,122	19,810	19,142	6,091	16
Total liabilities	92,873	95,261	103,068	26,570	27,813
NET ASSETS	79,322	80,112	83,680	54,618	52,056
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	49,651	49,651	49,651	49,651	49,651
Other reserves	(252)	(351)	(475)	163	-
Retained profits	27,962	27,920	31,934	4,804	2,405
	77,361	77,220	81,110	54,618	52,056
Non-controlling interests	1,961	2,892	2,570	-	-
Total equity	79,322	80,112	83,680	54,618	52,056

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-15		As at 31-Dec-14	
	S$'000		S$'000	
	Secured	Unsecured	Secured	Unsecured
Bank borrowings and overdrafts	2,201	19,696	3,422	34,634
Term loans	6,769	3,528	5,638	903
Convertible bonds	24	-	-	-
Finance lease liabilities	1,834	-	1,363	-

Amount repayable after one year

	As at 31-Dec-15		As at 31-Dec-14	
	S$'000		S$'000	
	Secured	Unsecured	Secured	Unsecured
Term loans	18,391	2,983	16,100	1,000
Convertible bonds	4,837	-	-	-
Finance lease liabilities	1,157	-	1,014	-

Details of any collateral

Included in the Group's secured borrowings are:-
(a) S$15,366,000 as at 31 December 2015 (31 December 2014: S$20,240,000) in respect of loans are secured by vessels, tugs and barges.
(b) S$11,995,000 as at 31 December 2015 (31 December 2014: S$4,920,000) in respect of loans are secured by property
(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 2015	**FY 2014**
	S$'000	**S$'000**
		Restated[(1)]
Cash flows from operating activities		
Net loss	(1,304)	(3,847)
Adjustments for:		
Income tax (credit) / expense	(234)	339
Allowance for impairment for trade receivables	478	221
Write down of inventories	-	1
Inventories written off	38	103
Write-back of allowance for impairment of trade receivables	(127)	(85)
Gain on disposal of property, plant and equipment	(994)	(859)
Property, plant and equipment written off	13	2
Depreciation of property, plant and equipment	9,760	8,984
Impairment loss on goodwill	52	-
Interest income	(8)	(11)
Finance expenses	3,016	2,076
Amortisation of deferred income	(214)	(298)
Unrealised currency translation loss / (gain)	273	(577)
	10,749	6,049
Changes in working capital		
Inventories and construction work-in-progress	(1,640)	1,685
Trade and other receivables	2,145	6,441
Trade and other payables	(315)	(6,369)
Cash flows generated from operations	10,939	7,806
Interest received	8	11
Interest paid	(2,817)	(1,779)
Income taxes paid	(123)	(579)
Net cash flows generated from operating activities	8,007	5,459
Cash flows from investing activities		
Acquisition of non-controlling interests' share in a subsidiary	*	-
Addition to property, plant and equipment	(7,515)	(6,527)
Proceeds from disposal of property, plant and equipment	5,688	2,168
Interest paid	(10)	(91)
Net cash flows used in investing activities	(1,837)	(4,450)
Cash flows from financing activities		
Repayment of borrowings, net	(9,478)	(1,113)
Repayment of finance lease liabilities	(1,775)	(1,919)
Bills payable	(339)	(391)
Proceeds from convertible bonds	5,000	-
Net cashflow from acquisition of subsidiary	39	-
Interest paid	(182)	(207)
Proceeds from subscription of ordinary shares by non-controlling interest	-	98
Net cash flows used in financing activities	(6,735)	(3,532)
Net decrease in cash and cash equivalents	(565)	(2,523)
Cash and cash equivalents		
Beginning of the period	3,120	5,582
Effects of currency translation on cash and cash equivalents	23	61
End of financial period	2,578	3,120

* Amount less than S$1,000

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	Translation reserves	Equity component of convertible bonds	Total	Non-controlling interests	Total equity
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
GROUP							
Balance as at 1 January 2014 as previously reported	49,651	26,916	(396)	-	76,171	2,442	78,613
Effect of the change in functional currency	-	5,018	(79)	-	4,939	128	5,067
As restated	49,651	31,934	(475)	-	81,110	2,570	83,680
Acquisition of subsidiary by non-controlling interest	-	-	-	-	-	98	98
Total comprehensive (loss) / income for the year	-	(4,014)	124	-	(3,890)	224	(3,666)
Balance as at 31 December 2014	**49,651**	**27,920**	**(351)**	-	**77,220**	**2,892**	**80,112**
Balance as at 1 January 2015	49,651	27,920	(351)	-	77,220	2,892	80,112
Acquisition of a subsidiary	-	-	-	-	-	304	304
Changes in non-controlling interest	-	-	-	-	-	52	52
Convertible Bond - equity component	-	-	-	163	163	-	163
Total comprehensive income / (loss) for the year	-	42	(64)	-	(22)	(1,287)	(1,309)
Balance as at 31 December 2015	**49,651**	**27,962**	**(415)**	**163**	**77,361**	**1,961**	**79,322**
COMPANY							
Balance as at 1 January 2014	49,651	2,724	-	-	52,375	-	52,375
Total comprehensive loss for the year	-	(319)	-	-	(319)	-	(319)
Balance as at 31 December 2014	**49,651**	**2,405**	**-**	-	**52,056**	**-**	**52,056**
Balance as at 1 January 2015	49,651	2,405	-	-	52,056	-	52,056
Convertible Bond - equity component	-	-	-	163	163	-	163
Total comprehensive income for the year	-	2,399	-	-	2,399	-	2,399
Balance as at 31 December 2015	**49,651**	**4,804**	**-**	**163**	**54,618**	**-**	**54,618**

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 2015 and 31 December 2015	135,010,406	49,651

Share consolidation exercise was carried out by the Company, consolidating every 4 existing issued ordinary shares into 1 ordinary share in the capital of the Company. Subsequent to the EGM approval on 14 August 2015, the exercise was completed on 27 August 2015 with 135,010,406 as the new issued number of ordinary shares.

Convertibles

On 27 April 2015, the Company issued convertible bonds with a nominal value of $5 million bearing interest at 8% per annum. All or any part of the bonds may be converted to new shares at $0.84 after 12 months from the date of issue or redeemable within 4 years from the date of issue.

	As at 31-Dec-15	As at 31-Dec-14
	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 2015 and 31 December 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 immediate preceding year.

	As at 31-Dec-15	As at 31-Dec-14
	No. of shares	No. of shares
Issued and fully paid	135,010,406	135,010,406

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.

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 2014 except for the changes mentioned in paragraph 5 below.

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 the current financial year, the Group and the Company have adopted all new and revised FRSs and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2015. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group's and the Company's accounting policies and have no material effect on the financial statements.

Two subsidiaries of the Group changed its functional currency from Singapore Dollar ("SGD or S$") to United States Dollar ("USD or US$") with effect from 1 January 2015.

The revenue of the 2 subsidiaries is in USD and the operating costs are mostly in USD. The Company re-evaluated the requirements in the Singapore Financial Reporting Standard 21 - The Effects of Changes in Foreign Exchange Rates ("FRS 21") and determined that the functional currency of the Company to be USD to best reflect the economic substance of the underlying transactions and circumstances.

The change in functional currency was applied retrospectively and accordingly, the comparative financial statements were restated. The effects of the change on the Group's financial statements are as follows:-

Balance Sheet	Property, plant and equipment	Retained profits	Translation reserves	Non-controlling interests
	S$'000	S$'000	S$'000	S$'000
Balance as at 1 January 2014 as previously reported	109,802	31,936	(407)	2,600
Effect of change in functional currency	(99)	(2)	(68)	(30)
Restated balance as at 1 January 2014	109,703	31,934	(475)	2,570
Balance as at 31 December 2014 as previously reported	106,902	26,915	(396)	2,442
Effect of change in functional currency	1,501	1,005	45	450
Restated balance as at 31 December 2014	108,403	27,920	(351)	2,892

Income Statement	4th Qtr of 2014 S$'000	FY 2014 S$'000
Increase / (decrease) in:		
Revenue	(509)	(1,707)
Cost of sales	896	1,623
Other gains , net	1,017	1,155
- Administrative expense	32	77
- Finance expense	98	290
Profit before income tax	1,534	1,438
Earnings Per Share		
Increase by		
Basic earnings per share (in cents)	0.80	0.75
Diluted earnings per share (in cents)	0.80	0.75

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 shareholders (in	Group	
	FY 2015	**FY 2014 (Restated)**
a) Based on weighted average number of ordinary shares on issue; and	0.03	-2.97
Weighted no.of shares in issue	135,010,406	135,010,406
b) On a fully diluted basis	0.03	-2.97

7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year.

	GROUP		COMPANY	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
Net asset value per ordinary share based on issued share capital at end of the period / year (in cents)	57.30	57.20	40.45	38.56

The Group and the Company's net assets value per ordinary share for the periods have been computed based on the revised number of shares of 135,010,406 shares as a result of the Share Consolidation.

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

	4th Quarter results			
Group Turnover	**FY 2015**	**FY 2014**	**+ / (-)**	**+ / (-)**
	S$'million	S$'million	S$'million	%
Infrastructure & Engineering ("IE")	9.80	4.87	4.93	101.2
Corrosion Prevention ("CP")	7.08	9.59	(2.51)	(26.2)
Supply & Distribution ("SD")	2.43	3.13	(0.70)	(22.4)
Shipping & Others ("SH")	2.36	2.07	0.29	14.0
	21.67	**19.66**	**2.01**	**10.2**

The Group's revenue increased by 10.2% or S$2.01 million from S$19.66 million in 4Q2014 to S$21.67 million in 4Q2015.

Revenue for our IE division increased by 101.2% or S$4.93 million from S$4.87 million in 4Q2014 to S$9.80 million in 4Q2015. The improvement was generated from securing more orders for fabrication and offshore maintenance services.

Revenue for our CP division decreased by S$2.51 million from S$9.59 million in 4Q2014 to S$7.08 million in 4Q2015. This was due to lower demand from Singapore shipyards for CP services derived from construction of new vessels. However, demand for CP services for vessels undergoing repair remained stable.

Revenue for our SD division decreased by S$0.70 million from S$3.13 million in 4Q2014 to S$2.43 million in 4Q2015 due to lower demand for marine hardware products.

Our SH division reported revenue of S$2.36 million for 4Q2015 compared to S$2.07 million for 4Q2014. Higher revenue resulted from lower off-hire days in 4Q2015 compared to 4Q2014.

Our gross profit margin declined from 24.9% in 4Q2014 to 12.2% in 4Q2015. This was mainly due to unforeseen main engine breakdown of one of the livestock vessels and operating loss of a subsidiary in the Infrastructure Engineering Division. The gross profit decreased by S$2.25 million from $4.90 million in 4Q2014 to S$2.65 million in 4Q2015.

Financial expenses increased by S$0.30 million from S$0.51 million in 4Q2014 to S$0.81 million in 4Q2015. This was mainly due to interest on new term loans, convertible bond and higher interest rates on short term borrowings.

The Group's net loss after tax of S$1.75 million in 4Q2015 was mainly attributable to operating losses in a recently acquired subsidiary in the IE division. The third party minority shareholders of this subsidiary have acknowledged liability for losses on the pre-acquisition projects. In addition, SH division incurred losses in 4Q2015 due to downtime and ship repair for one of the livestock vessels.Consequently, after adjustments, the Group's loss attributable to shareholders was S$247,000 for 4Q2015 compared to profit of S$219,000 for 4Q2014.

	Full Year results			
Group Turnover	**FY 2015**	**FY 2014**	**+ / (-)**	**+ / (-)**
	S$'million	S$'million	S$'million	%
Infrastructure & Engineering ("IE")	32.53	15.67	16.86	107.6
Corrosion Prevention ("CP")	28.33	36.12	(7.79)	(21.6)
Supply & Distribution ("SD")	12.25	14.54	(2.29)	(15.7)
Shipping & Others ("SH")	10.45	7.60	2.85	37.5
	83.56	**73.93**	**9.63**	**13.0**

The Group's revenue increased by 13.0% or S$9.63 million from S$73.93 million in FY2014 to S$83.56 million in FY2015.

Revenue for our IE division increased by 107.6% or S$16.86 million from S$15.67 million to S$32.53 million. The improvement was generated from securing more orders for fabrication and offshore maintenance services.

Revenue for our CP division decreased by S$7.79 million from S$36.12 million in FY2014 to S$28.33 million in FY2015. This was due to lower demand from Singapore shipyards for CP services derived from construction of new vessels. However, demand for CP services for vessels undergoing repair remained stable.

Our SD division registered a decline in revenue of S$2.29 million from S$14.54 million in FY2014 to S$12.25 million in FY2015 due to weaker demand for marine hardware products.

Our SH division reported an increase in revenue of S$2.85 million for FY2015 from S$7.60 million in FY2014 to S$10.45 million in FY2015. This can be attributed to the commencement of operations of our second livestock carrier in 2Q2014.

Our gross profit margin remained unchanged at 19.3% in FY2015 as compared to 19.0% in FY2014.

The Group registered other gains of S$3.83 million in FY2015 as compared to S$1.78 million in FY2014. This was mainly attributable to foreign exchange gain of $1.52 million as a result of the strengthening of US Dollar against Singapore Dollar during the period and government grant of S$0.21 million.

Financial expenses increased by S$0.94 million from S$2.08 million in FY2014 to S$3.02 million in FY2015. This was mainly due to interest on new term loans, convertible bond and higher interest rates on short term borrowings.

The Group's net loss after tax of S$1.30 million was mainly due to operating losses in a recently acquired subsidiary in the IE division. The third party minority shareholders of this subsidiary have acknowledged liability for losses on pre-acquisition projects. Consequently, after adjustments, the profit attributable to shareholders was S$42,000 for FY2015 compared to loss of S$4.01 million for FY2014.

CASHFLOW STATEMENT

The Group registered a positive net cash flow of S$8.00 million in FY2015 from its operating activities.

Net cash out flow in investing activities for FY2015 was approximately S$1.84 million. The Group incurred capital expenditure of S$7.52 million mainly on purchase of S$4.34 million on equipment, S$1.74 million on construction of new office building in Singapore and S$1.15 million on drydocking of vessels. During FY2015, the Group received S$5.69 million mainly from disposal of equipment.

Net cash outflow in financing activities was approximately S$6.74 million during FY2015. This was mainly due to the repayment of S$9.48 million bank borrowings and S$1.78 million finance lease liabilities. During the year, the Company issued S$5.00 million of convertible bond to repay S$2.45 million on short term bank borrowings, S$1.25 million to suppliers and S$1.20 million to service contractors.

As a result of the above, the Group registered a net decrease in cash and cash equivalent of S$0.57 million for FY2015.

ASSETS AND LIABILITIES

The Group registered total assets of S$172.20 million as at 31 December 2015.

The Group's current assets increased marginally from S$66.57 million as at 31 December 2014 to S$66.65 million as at 31 December 2015.

Total liabilities for the Group were S$92.87 million at 31 December 2015 as compared to S$95.26 million at end of FY2014. During FY2015, the Group converted some of its short term borrowings to term loans and paid down its borrowings to correct FY2014 current liabilities position.

The Group registered net current assets of S$4.90 million as at 31 December 2015 as compared to net current liabilities of S$8.89 million as at 31 December 2014.

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 result for 31 December 2015. The Group's actual results for its fourth quarter ended 31 December 2015 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 2015.

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.

With the current low oil price and weakness in global market conditions, the outlook for the next twelve months to the Group remains challenging. The Group will continue to look for earnings growth and conserve cash during the weak market conditions.

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 declared/recommended for the current period ended 31 December 2015.

13 Summary of Interested Person Transactions for the financial period ended 31 December 2015.

	4th Quarter of FY2015		Full Year 2015	
	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)	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$100,000)
[Revenue / (Expenses)]	S$	S$	S$	S$
DP Shipbuilding & Engineering Pte Ltd				
Ship Repair Services		(57,066)		(407,066)
PT Nanindah Mutiara Shipyard				
Procurement of Materials and Consumables		(108)		(22,455)
Provision of Corrosion Prevention Services		326		1,122,283
Hwah Hong Transportation Pte Ltd				
Sales of Hardware Equiment, Tools and Other Consumables		-		75
Transportation of Cranes, Equipment & Other Machineries		(22,603)		(105,555)
PT Graha Trisaka Industri				
Provision of Corrosion Prevention Services		274,582		727,342
Procurement of Materials and Consumables		-		(72,860)
DDW - Paxocean Shipyard Pte Ltd				
Provision of Corrosion Prevention Services		1,131,577		3,564,304
Procurement of Materials and Consumables		(30,252)		(120,034)
Transportation Charges		(1,509)		(4,518)
PT. Drydocks World Pertama				
Provision of Corrosion Prevention Services		750,447		1,453,878
Procurement of Materials and Consumables		(1,932)		(35,758)

14 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720 (1).

The Group has obtained undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720 (1).

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

	Infrastruc-ture Engineering	Corrosion Prevention	Supply & Distribution	Shipping	Others	Total
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
2015						
Total segment sales	36,815	38,508	15,413	10,562	-	101,298
Inter-segment sales	(4,285)	(10,173)	(3,171)	(107)	-	(17,736)
Sales to external customers	32,530	28,335	12,242	10,455	-	83,562
Results:						
Segment result	(2,156)	6,165	365	325	(106)	4,593
Interest expense	(987)	(930)	(124)	(975)	-	(3,016)
Interest Income	1	4	1	1	-	7
(Loss) / profit from operating segments	(3,142)	5,239	242	(649)	(106)	1,584
Unallocated administrative expenses						(3,122)
Loss before income tax						(1,538)
Income tax credit						234
Net Loss						(1,304)
Loss attributable to non-controlling interest						1,346
						42
Net Profit includes:						
- Depreciation	3,226	2,179	65	4,290	-	9,760
Other information						
Segments assets	44,984	69,417	11,188	45,818	788	172,195
Segments assets includes:-						
Additions to: Property, plant and equipment	6,542	2,203	-	1,162	-	9,907
Segment liabilities	(32,294)	(21,902)	(6,755)	(21,392)	(8)	(82,350)
2014 (Restated)						
Total segment sales	20,693	37,886	18,720	7,601	-	84,900
Inter-segment sales	(5,027)	(1,762)	(4,186)	-	-	(10,975)
Sales to external customers	15,666	36,124	14,534	7,601	-	73,925
Results:						
Segment result	(4,263)	6,661	494	(829)	(57)	2,006
Interest expense	(952)	(530)	(158)	(437)	-	(2,077)
Interest Income	5	4	2	1	-	12
(Loss) / profit from operating segments	(5,210)	6,135	338	(1,265)	(57)	(59)
Unallocated administrative expenses						(3,449)
Loss before income tax						(3,508)
Income tax expense						(339)
Net Loss						(3,847)
Profit attributable to non-controlling interest						(167)
						(4,014)
Net Profit includes:						
- Depreciation	3,745	1,893	76	3,270	-	8,984
Other information						
Segments assets	55,307	39,013	11,145	69,063	845	175,373
Segments assets includes:-						
Additions to: Property, plant and equipment	594	1,806	25	4,944	-	7,369
Segment liabilities	(30,010)	(16,307)	(8,140)	(25,722)	(14)	(80,193)

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 2015	**FY 2014**	**+ / (-)**	**+ / (-)**
	S$'000	**S$'000 Restated[1]**	**S$'000**	**%**
First Half				
(a) Revenue	**39,948**	**36,451**	**3,497**	**9.6%**
(b) Operating profit / (loss) after tax before deducting non-controlling interests	**1,031**	**(2,432)**	**3,463**	**(142.4%)**
Second Half				
(a) Revenue	**43,614**	**37,474**	**6,140**	**16.4%**
(b) Operating loss after tax before deducting non-controlling interests	**(2,335)**	**(1,415)**	**(920)**	**65.0%**

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 2015	Previous Full Year 2014
	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	54	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	51	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	56	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
22 Feb 2016

Chua Meng Hua
Managing Director