



BH GLOBAL MARINE LIMITED
明輝環球海事有限公司

BH GLOBAL MARINE LIMITED

(Company Registration No: 200404900H)

QUARTERLY FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2012

PART 1 – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3) RESULTS

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

1(a)(i) Income Statement

	\$'000		Group		\$'000		% Change
	3rd quarter ended 30.09.12	3rd quarter ended 30.09.11			9 months ended 30.09.12	9 months ended 30.09.11	
Revenue	31,222	33,423	(7%)		92,033	109,432	(16%)
Cost of sales	(28,725)	(23,402)	23%		(74,724)	(77,069)	(3%)
Gross profit	2,497	10,021	(75%)		17,309	32,363	(47%)
Other operating expenses	(407)	(89)	357%		(336)	(229)	47%
Selling & Distribution expenses	(4,116)	(4,185)	(2%)		(9,109)	(12,702)	(28%)
Administrative expenses	(2,741)	(1,604)	71%		(7,432)	(5,325)	N.M.
Finance costs	(229)	(86)	166%		(569)	(173)	229%
(Loss)/Profit from operations	(4,996)	4,057	N.M.		(137)	13,934	N.M.

Share of results of associated companies	93	(3)	N.M.	(15)	(12)	25%
Share of results of a joint venture	86	139	(38%)	355	319	11%
(Loss)/Profit before taxation	(4,817)	4,193	N.M.	203	14,241	(99%)
Tax expense	(361)	(590)	(39%)	(1,488)	(2,328)	(36%)
Net (loss)/profit after tax for the period	(5,178)	3,603	N.M.	(1,285)	11,913	N.M.
Attributable to:						
Equity holders of the Company	(3,461)	3,429	N.M.	1,540	11,166	(86%)
Non-controlling interests	(1,717)	174	N.M.	(2,825)	747	N.M.
	(5,178)	3,603	N.M.	(1,285)	11,913	N.M.

A statement of comprehensive income (for the group), together with a comparative statement for the corresponding period of the immediate preceding financial year.

	3rd quarter ended 30.09.12	3rd quarter ended 30.09.11	% Change	9 months ended 30.09.12	9 months ended 30.09.11	% Change
Net (loss)/profit for the period	(5,178)	3,603	N.M.	(1,285)	11,913	N.M.
Other Comprehensive income:						
Exchange differences on translation of the financial statements of foreign entities (net)	(1,941)	(22)	N.M.	(4,076)	(21)	N.M.
Total comprehensive (loss)/income for the period	(7,119)	3,581	N.M.	(5,361)	11,892	N.M.
Total comprehensive income attributable to:						
Equity holders of the Company	(4,835)	3,411	N.M.	(1,866)	11,145	N.M.
Non-controlling interests	(2,284)	170	N.M.	(3,495)	747	N.M.
Total comprehensive (loss)/income for the period	(7,119)	3,581	N.M.	(5,361)	11,892	N.M.

1(a)(ii) Notes to income statement

	Group					
	(S\$'000)			(S\$'000)		
	3rd quarter ended 30.09.12	3rd quarter ended 30.09.11	% Change	9 months ended 30.09.12	9 months ended 30.09.11	% Change
Other income including interest income	190	89	113%	242	149	62%
Interest on borrowings	(229)	(86)	166%	(569)	(173)	229%
Depreciation of property, plant and equipment	(788)	(842)	(6%)	(2,325)	(2,244)	4%
Gain on disposal of property, plant and equipment	-	-	-	11	31	(65%)
Foreign exchange loss	(586)	(177)	231%	(578)	(377)	53%
Provision for stock obsolescence	(207)	(633)	(67%)	(211)	(2,224)	(91%)
(Allowance for) / Write-back of doubtful debts	(304)	(31)	881%	429	511	(16%)

N.M. – Not meaningful

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

	Group (\$'000)		Company (\$'000)	
	30.09.12	31.12.11	30.09.12	31.12.11
Non-current assets				
Property, plant and equipment	39,592	34,256	-	-
Investment in subsidiaries	-	-	15,985	15,535
Investment in associated companies	6,419	6,277	6,296	6,296
Investment in a joint venture	2,092	2,015	785	826
Deferred tax assets	334	264	-	-
Intangible assets	1,578	1,578	49	49
	50,015	44,390	23,115	22,706
Current assets				
Inventories	61,862	56,552	-	-
Due from customers on construction contracts	16,439	20,462	-	-
Amount due from joint venture (trade)	334	334	-	-
Trade receivables	34,992	37,645	-	-
Other receivables	5,461	5,166	37,244	43,059
Cash and cash equivalents	12,485	16,952	20	139
Total current assets	131,573	137,111	37,264	43,198
Total assets	181,588	181,501	60,379	65,904

Non current liabilities

Deferred tax liability	945	937	-	-
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Current liabilities

Due to customers on construction contracts	81	84	-	-
Trade payables	19,671	22,004	-	-
Other payables	7,968	7,678	947	2,953
Bank borrowings	37,174	28,353	-	-
Finance lease liabilities	8	49	-	-
Tax payable	2,092	3,358	-	19
Total current liabilities	66,994	61,526	947	2,972

Total liabilities

	67,939	62,463	947	2,972
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Net assets

	113,649	119,038	59,432	62,932
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Shareholders' equity

Share capital	43,461	43,461	43,461	43,461
Translation reserves	(3,497)	(91)	-	-
Accumulated profits	67,437	69,544	15,971	19,471
Attributable to equity holders of the Company	107,401	112,914	59,432	62,932

Non-controlling interests

	6,248	6,124	-	-
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Total shareholders' equity

	113,649	119,038	59,432	62,932
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1(b)(ii) In relation to the aggregate amount of the Group's borrowings and debt securities, specify the following as at the financial period reported on with comparative figures as at the end of the immediate preceding financial year:

Amount repayable in one year or less, or on demand

As at 30.09.12 (\$'000)		As at 31.12.11 (\$'000)	
Secured	Unsecured	Secured	Unsecured
8,033	29,141	8,039	20,314

Amount repayable after one year

As at 30.09.12 (\$'000)		As at 31.12.11 (\$'000)	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of any collateral

The Group's banking facilities were secured by the following:

- (a) Legal charge on the Group's leasehold property with net book value of \$8.60million (31.12.2011: \$8.84million)
- (b) Corporate guarantee by the Company.
- (c) Fixed deposits of certain subsidiaries.
- (d) Joint and several guarantees by certain directors of certain subsidiaries.
- (e) Fixed charge for all monies over a subsidiary's present and future contracts financed or to be financed directly or indirectly, wholly or partly.
- (f) Existing first fixed charge over a subsidiary's fixed property and assets.

1(c) A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediate preceding financial year.

	Group			
	\$'000	\$'000	\$'000	\$'000
	3rd quarter ended 30.09.12	3rd quarter ended 30.09.11	9 months ended 30.09.12	9 months ended 30.09.11
Cash flows from operating activities				
(Loss)/Profit before tax	(4,817)	4,193	203	14,241
Adjustments for :				
Depreciation	788	842	2,325	2,244
Interest income	(6)	(4)	(15)	(24)
Interest expense	229	86	569	173
Share of results of an associated companies	(93)	3	15	12
Share of results of a joint venture	(86)	(139)	(355)	(319)
Gain on disposal of property, plant and equipment	-	-	(11)	(31)
Operating cash before movements in working capital	(3,985)	4,981	2,731	16,296
Inventories	5,488	(4,202)	(5,310)	(8,970)
Due from customers on construction contract, net	8,010	(6,495)	4,020	(20,644)
Receivables	(3,788)	1,684	2,358	225
Payables	(2,490)	(1,787)	(2,043)	8,577
Currency translation adjustments	(1,372)	(26)	(2,909)	(25)
Cash provided by/(used in) operations	1,863	(5,845)	(1,153)	(4,541)

Interest paid	(229)	(86)	(569)	(173)
Income tax paid	(951)	(865)	(2,798)	(2,586)
Net cash provided by/(used in) operating activities	683	(6,796)	(4,520)	(7,300)
Cash flows from investing activities				
Purchase of property, plant and equipment	(2,518)	(1,724)	(8,806)	(10,665)
Proceeds from disposal of property, plant and equipment	-	-	13	33
Investment in associated company	(62)	(6,235)	(157)	(6,235)
Interest received	6	4	15	24
Contribution from non-controlling interest	-	-	3,782	-
Fixed deposit	248	471	59	(271)
Dividend received from joint venture	236	-	236	-
Net cash used in investing activities	(2,090)	(7,484)	(4,858)	(17,114)
Cash flows from financing activities				
(Repayment)/Proceeds from bankers	(2,738)	6,276	8,821	13,846
Repayment of hire purchase creditors	(13)	(11)	(41)	(20)
Dividend paid	-	-	(3,360)	(3,360)
Acquisition of non-controlling interest	-	-	(450)	-
Net cash (used in)/from financing activities	(2,751)	6,265	4,970	10,466
Net decrease in cash and cash equivalents	(4,158)	(8,015)	(4,408)	(13,948)
Cash and cash equivalents at beginning of period	14,459	16,583	14,709	22,516
Cash and cash equivalents at end of period	10,301	8,568	10,301	8,568
Cash and cash equivalents comprises the following				
Cash and cash equivalents	12,485	10,807	12,485	10,807
Less: Fixed deposits under pledge	(2,184)	(2,239)	(2,184)	(2,239)
Cash and cash equivalents as per statement of cash flows	10,301	8,568	10,301	8,568

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	(\$'000)					
	Share capital	Translation reserves	Accumulated profits	Total	Non-Controlling interests	Total shareholders' equity
At 1 January 2012	43,461	(91)	69,544	112,914	6,124	119,038
Loss not recognised in income statement	-	(1,559)	-	(1,559)	(101)	(1,660)
Incorporation of new subsidiary	-	-	-	-	47	47
Profit for the period	-	-	2,983	2,983	(569)	2,414
Balance At 31 March 2012	43,461	(1,650)	72,527	114,338	5,501	119,839
Loss not recognised in income statement	-	(473)	-	(473)	(2)	(475)
Additional investment in subsidiaries	-	-	(287)	(287)	3,572	3,285
Dividend	-	-	(3,360)	(3,360)	-	(3,360)
Profit for the period	-	-	2,018	2,018	(539)	1,479
Balance At 30 June 2012	43,461	(2,123)	70,898	112,236	8,532	120,768
Loss not recognised in income statement	-	(1,374)	-	(1,374)	(567)	(1,941)
Loss for the period	-	-	(3,461)	(3,461)	(1,717)	(5,178)
Balance At 30 September 2012	43,461	(3,497)	67,437	107,401	6,248	113,649

At 1 January 2011	43,461	(88)	59,965	103,338	2,405	105,743
Loss not recognised in income statement	-	(44)	-	(44)	(10)	(54)
Dividend	-	-	(3,360)	(3,360)	-	(3,360)
Profit for the period	-	-	3,757	3,757	241	3,998
Balance at 31 March 2011	43,461	(132)	60,362	103,691	2,636	106,327
Profit not recognised in income statement	-	41	-	41	14	55
Profit for the period	-	-	3,980	3,980	332	4,312
Balance At 30 June 2011	43,461	(91)	64,342	107,712	2,982	110,694
Loss not recognised in income statement	-	(18)	-	(18)	(4)	(22)
Profit for the period	-	-	3,429	3,429	174	3,603
Balance At 30 September 2011	43,461	(109)	67,771	111,123	3,152	114,275

Company

(\$'000)

	Share capital	Accumulated profits	Total shareholders' equity
At 1 January 2012	43,461	19,471	62,932
Loss for the period	-	(131)	(131)
Balance at 31 March 2012	43,461	19,340	62,801
Loss for the period	-	(87)	(87)
Dividends	-	(3,360)	(3,360)
Balance at 30 June 2012	43,461	15,893	59,354
Profit for the period	-	78	78
Balance at 30 September 2012	43,461	15,971	59,432

At 1 January 2011	43,461	16,056	59,517
Loss for the period	-	(137)	(137)
Dividends	-	(3,360)	(3,360)
Balance at 31 March 2011	46,461	12,559	56,020
Loss for the period	-	(298)	(298)
Balance At 30 June 2011	43,461	12,261	55,722
Loss for the period	-	(4)	(4)
Balance At 30 September 2011	43,461	12,257	55,718

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.

Not applicable.

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.

	30.09.12	31.12.11
Total number of issued shares (excluding treasury shares)	480,000,000	480,000,000

1(d)(iv) A statement showing all sales, transfer, 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. (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of 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 the same accounting policies and methods of computation in the financial statements for the current reporting period as in the latest audited annual financial statements for the financial year ended 31 December 2011.

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 adoption of the new and revised FRSs is assessed to have no material impact to the results of the Group and of the Company for the period ending 30 September 2012.

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.

(Loss)/Earnings per ordinary share for the period based on net profit attributable to shareholders:-

	Group			
	3rd quarter ended 30.09.12	3rd quarter ended 30.09.11	9 months ended 30.09.12	9 months ended 30.09.11
(i) Based on number of ordinary shares in issue	(0.72) cents	0.71 cents	0.32 cents	2.33 cents
Number of ordinary shares in issue	480,000,000	480,000,000	480,000,000	480,000,000
(ii) On a fully diluted basis	(0.72) cents	0.71 cents	0.32 cents	2.33 cents
Diluted number of ordinary shares in issue	480,000,000	480,000,000	480,000,000	480,000,000

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

(a) current financial period reported on; and

(b) immediately preceding financial year

	Group		Company	
	30.09.12	31.12.11	30.09.12	31.12.11
Net asset value per ordinary share based on existing share capital	22 cents	24 cents	12 cents	13 cents

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 followings:-
 (a) any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

**Revenue
 (3Q2012 Vs 3Q2011)**

	Group		% Change
	3Q2012 \$'000	3Q2011 \$'000	
Supply Chain Management			
Marine cables and accessories	12,021	11,426	5%
Marine lighting equipment and accessories	2,349	2,453	(4%)
Others	1,369	1,509	(9%)
	15,739	15,388	2%
Manufacturing			
Marine switchboards	6,328	2,750	130%
Galvanized steel wire	1,061	957	11%
	7,389	3,707	99%
Engineering Services			
Engineering and installation	8,094	14,328	(44%)
Total sales revenue	31,222	33,423	(7%)

Supply Chain Management

Supply Chain Management Division accounts for 50% of the Group's turnover in 3Q2012, of which marine cables and accessories contributed 76%, marine lighting equipment and accessories 15% and others 9%. Revenue from Supply Chain Management Division remains comparably unchanged.

Manufacturing

Manufacturing Division accounts for 24% of the Group's turnover in 3Q2012, of which marine switchboards contributed 86% and galvanized steel wire 14%. The increase in revenue from marine switchboards is due to the delivery of a major order from a new offshore customer in 3Q 2012. The revenue from galvanized steel wire remains comparably unchanged.

Engineering Services

Engineering Services Division accounts for 26% of the Group's turnover in 3Q2012. The decrease in revenue from our fabrication division is due to the depreciation of Indonesian Rupiah against the Singapore Dollar from 7,418 in 2Q2012 to 7,812 in 3Q2012 as well as lower volume of business and timing of vessel deliveries. For the EPC management services division, there were no new orders received and lower revenues were recognized from ongoing projects.

(9M2012 VS 9M2011)

	Group		
	9M2012 \$'000	9M2011 \$'000	% Change
Supply Chain Management			
Marine cables and accessories	38,004	34,929	9%
Marine lighting equipment and accessories	7,719	8,679	(11%)
Others	4,883	4,721	3%
	50,606	48,329	5%
Manufacturing			
Marine switchboards	11,982	7,829	53%
Galvanized steel wire	2,334	4,594	(49%)
	14,316	12,423	15%
Engineering Services			
Engineering and installation	27,111	48,680	(44%)
Total sales revenue	92,033	109,432	(16%)

Supply Chain Management

Supply Chain Management Division accounts for 55% of the Group's turnover in 9M2012, of which marine cables and accessories contributed 75%, marine lighting equipment and accessories 15% and others 10%. Revenue from Supply Chain Management Division remains comparably unchanged in 9M2012.

Manufacturing

Manufacturing Division accounts for 16% of the Group's turnover in 9M2012, of which marine switchboards contributed 84% and galvanized steel wire 16%. Revenue from marine switchboards increased by 53% mainly due to delivery of a major order from a new offshore customers in 3Q 2012. The decrease in revenue from galvanized steel wire is due to the division's existing resources being diverted to the construction of a steel wire plant which is scheduled to complete by 1Q 2013.

Engineering Services

Engineering Services Division accounts for 31% of the Group's turnover in 9M2012. The decrease in revenue from the fabrication division is due to the depreciation of Indonesian Rupiah against the Singapore Dollar from 6,993 in 4Q2011 to 7,812 in 3Q2012 as well as lower volume of business and timing of vessel deliveries. For the EPC management services division, there were no new significant orders received and lower revenues were recognized from ongoing projects.

Geographical segment

Revenue derived from Singapore increased by \$3.0million or 22% from \$13.4million in 3Q2011 to \$16.4million in 3Q2012. This is mainly due to the higher contribution from the Group's Supply Chain Management and Manufacturing Divisions which derived their revenue substantially from Singapore customers.

Revenue derived from overseas decreased by \$5.2million or 26% from \$20.0million in 3Q2011 to \$14.8million in 3Q2012. This is mainly due to the lower contribution from the Group's Engineering Services which derived its revenue substantially from overseas customers.

Gross profit

The Group's overall gross profit decreased by \$7.5million or 75% from \$10million in 3Q2011 to \$2.5million in 3Q2012 due to lower revenue and lower gross profit margin. The Group's gross margin decreased from 30% in 3Q2011 to 8% in 3Q2012 due mainly to the lower gross margin from Engineering Services Division as a result of (i) the depreciation of Indonesian Rupiah against Singapore Dollar, (ii) under recovery of fixed cost due to lower volume of business and (iii) provision for costs of variation orders resulting from delay of a major project.

Other operating expenses

The increase in other expenses is mainly due to a higher foreign exchange loss in 3Q2012 as compared to 3Q2011.

Operating expenses

The Group's operating expenses comprise mainly selling & distribution and administrative expenses. The selling & distribution expense remains comparably unchanged in 3Q2011. The higher administration expense is due to the consolidation of Gulf Steel Specialty Steel LLC which commenced its construction of our steel wire factory in 4Q2011 and associated higher manpower cost.

Share of results of associated companies

The increase in share of results in associated companies is due to more orders secured from General Luminaire (Shanghai) Co. Ltd, a subsidiary of an associated company, GL Lighting Holding Pte Ltd in 3Q2012 as compared to 3Q2011, offset by a loss from a newly incorporated associated company, Z-Power Automation (Vietnam) Co., Ltd.

Share of results in joint venture

The decrease in share of results in joint venture is due to lesser orders secured as compared to 3Q2011.

Tax expense

The Group has tax expense of \$361,000 in 3Q2012 despite a loss before tax mainly due to losses in certain subsidiaries not qualified for tax relief.

Interest on borrowings

The increase in interest on borrowings is mainly due to higher usage of bank facilities.

Foreign exchange loss

The increase in loss of foreign exchange in 3Q2012 as compared 3Q2011 is mainly due to the depreciation in value of Indonesian Rupiah against Singapore Dollar of a subsidiary's payables denominated in Singapore Dollars.

Balance Sheet and Cash Flow Analysis**Property, plant and equipment**

The increase in property, plant and equipment of \$5.3 million is mainly due to the acquisition of plant and equipment by the Group's galvanized steel wire of Manufacturing Division for the purpose of constructing its new factory and transfer of finished products of Engineering Services Division from inventories to property, plant and equipment for our yard usage.

Investment in associated companies

The increase in investment in associated companies is mainly due to share of result from associated companies and the incorporation of Z-Power Automation (Vietnam) Co., Ltd in 1Q2012.

Investment in a joint venture

The increase in investment in joint venture is mainly due to the share of results from joint venture in 9M2012.

Inventories

Inventories increased by \$5.2million from \$56.6million in FY2011 to \$61.8million in 9M2012. This is mainly due to the build up of vessels for sales by the Group's Engineering Services Division.

Due from customers on construction contracts

The decrease in amount due from customers on construction contracts is due to certain unbilled work-in-progress of projects from the Engineering Services Division being delivered and billed during 9M2012.

Trade receivables

Trade receivables decreased by \$2.6million from \$37.6million in FY2011 to \$35.0million in 9M2012. This is mainly due to lower revenue.

Trade payables

Trade payables decreased by \$2.3million from \$22.0million in FY2011 to \$19.7million in 9M2012. This was mainly due to repayment of trade payables from the proceeds of certain completed projects during 9M2012.

Banks borrowings

The increase in bank borrowings of \$8.8million in 9M2012 was mainly due to utilization of bank facilities to finance the acquisition of raw materials by the Group's Engineering Services Division.

Cash flow

Net cash and cash equivalent decreased by \$4.2million in 3Q2012 as compared to a decrease of \$8.0million in 3Q2011. This was mainly due to the decrease of inventories and due from customer's construction contracts to finance the acquisition of property, plant and equipment, repayment of amount due to bankers and the Group's working capital requirements.

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

Not applicable.

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

The Group was affected by variation order issues and foreign exchange fluctuations in its Engineering Services businesses which led to a loss-making position for this current quarter. The Group has identified the key areas of concern and will be taking a series of measures to resolve the issues at hand. We are enforcing tighter controls over project execution at the subsidiary level under Engineering Services. To better manage foreign exchange risks, the Group is exploring various hedging structures and will work with customers on a contractual value range beyond which it will be subjected to renegotiation.

The Group is currently engaged in dialogue with the customer to resolve the issue of variation orders relevant to the Engineering Service project. A provision on these costs was made in this quarter, in line with the Group's prudent accounting practice.

On a broader aspect, outlook for the marine industry remained bleak as the Baltic Dry Index continued to hover below 1000 points and order flow for newbuilds are thinning. Demand in the offshore industry, on the other hand, remains active. The Group may explore avenues to increase its exposure to the offshore industry so as to capitalize on growth opportunities and expand revenue stream.

11. Dividend

(a) Current Financial Period Reported On?

Any dividend declared for the current financial period reported on?

Nil

(b) Corresponding Period of the Immediately Preceding Financial Year

Nil

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

(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 financial period ended 30 September 2012.

13. Interested Person Transactions

[Note Rule 920(1)(a)(ii) – An issuer must announce the aggregate value of transactions conducted pursuant to the general mandate for interested person transactions for the financial periods which it is required to report on pursuant to Rule 705.]

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

14. Negative assurance confirmation

The Board of Directors confirms that, to the best of its knowledge, nothing has come to its attention which may render the unaudited interim financial results for the financial period ended 30 September 2012 to be false or misleading, in any material respect.

On behalf of the Board of Directors

Alvin Lim Hwee Hong
Executive Chairman
30 October 2012

Vincent Lim Hui Eng
Chief Executive Officer
30 October 2012