



PACIFIC RADIANCE LTD
Company Registration No. 200609894C

Unaudited First Quarter ("1Q 2015") Financial Statement and Dividend Announcement
For the Three Months Ended 31 March 2015 ("3M 2015")

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) 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		+ / (-) %
	1Q 2015 US\$'000	1Q 2014* US\$'000	
Revenue	31,543	41,955	(25)
Cost of sales	(21,222)	(23,957)	(11)
Gross profit	10,321	17,998	(43)
Other operating income	3,069	8,189	(63)
General and administrative expenses	(6,007)	(7,884)	(24)
Other operating expenses	(3,054)	(1,325)	130
Finance costs	(2,781)	(2,289)	21
Share of results of joint ventures	585	2,015	(71)
Share of result of associate	(704)	1,390	NM
Profit before taxation	1,429	18,094	(92)
Taxation	(344)	(773)	(55)
Profit for the period	1,085	17,321	(94)
Other comprehensive loss: <u>Items that may be reclassified subsequently to profit or loss:</u>			
Foreign currency translation	(32)	(1,181)	(97)
Net fair value changes on cash flow hedges	(1,465)	-	NM
Other comprehensive loss for the period, net of tax	(1,497)	(1,181)	27
Total comprehensive income for the period	(412)	16,140	NM
Profit for the period attributable to:			
Equity holders of the Company	902	17,830	(95)
Non-controlling interests	183	(509)	NM
	1,085	17,321	(94)
Total comprehensive income for the period attributable to:			
Equity holders of the Company	(565)	16,653	NM
Non-controlling interests	153	(513)	NM
	(412)	16,140	NM

* Some of the prior period's comparative figures have been reclassified to conform to the current period's presentation.

1(a)(ii) Items, if significant must be included in the income statement

Profit for the period was stated after charging/(crediting) the following:

	Group	
	1Q 2015	1Q 2014
	US\$'000	US\$'000
Depreciation of property, plant and equipment	7,469	7,300
Impairment of doubtful receivables, net	–	1,312
Gain on sale of property, plant and equipment, net	–	(5,559)
Net fair value loss/(gain) on derivatives	610	(38)
Exchange loss/(gain)	2,429	(1,275)
Provision for net liabilities of a joint venture (included in share of results of joint ventures)	–	234
Interest income	(2,039)	(1,112)
Realisation of deferred gain on sale of vessels to joint ventures (included in share of results of joint ventures)	(97)	(95)
Realisation of deferred gain on sale of vessels to associates (included in share of results of associates)	(40)	(40)

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	
	As at 31 Mar 2015 US\$'000	As at 31 Dec 2014 US\$'000	As at 31 Mar 2015 US\$'000	As at 31 Dec 2014 US\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	631,531	572,053	–	–
Investment in subsidiaries	–	–	44,752	44,752
Investment in associate	5,411	6,156	–	–
Investment in joint ventures	62,954	59,360	–	–
Club memberships	302	302	–	–
Derivatives	28	178	–	–
	<hr/> 700,226	<hr/> 638,049	<hr/> 44,752	<hr/> 44,752
Current assets				
Inventories	3,767	3,329	–	–
Trade receivables	32,882	35,102	–	–
Other receivables	7,472	6,526	163	205
Amounts due from related companies	42,758	55,105	287,992	204,947
Cash and cash equivalents	100,314	101,436	1,324	52,655
	<hr/> 187,193	<hr/> 201,498	<hr/> 289,479	<hr/> 257,807
Total assets	<hr/> <hr/> 887,419	<hr/> <hr/> 839,547	<hr/> <hr/> 334,231	<hr/> <hr/> 302,559
EQUITY AND LIABILITIES				
Current liabilities				
Trade payables	14,256	15,846	–	–
Other liabilities	56,618	41,316	1,090	5,323
Amounts due to related companies	233	1,148	58,093	39,929
Bank loans	59,545	50,664	–	–
Provision for taxation	5,337	5,496	–	–
Finance lease obligations	27	29	–	–
Derivatives	1,293	1,170	–	–
	<hr/> 137,309	<hr/> 115,669	<hr/> 59,183	<hr/> 45,252
Non-current liabilities				
Other liabilities	8,643	8,777	–	–
Bank loans	225,617	201,404	–	–
Notes payable	72,058	74,781	72,058	74,781
Deferred tax liabilities	166	166	–	–
Finance lease obligations	94	102	–	–
Derivatives	11,285	6,729	10,499	6,279
	<hr/> 317,863	<hr/> 291,959	<hr/> 82,557	<hr/> 81,060
Total liabilities	<hr/> <hr/> 455,172	<hr/> <hr/> 407,628	<hr/> <hr/> 141,740	<hr/> <hr/> 126,312
Net assets	<hr/> <hr/> 432,247	<hr/> <hr/> 431,919	<hr/> <hr/> 192,491	<hr/> <hr/> 176,247

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 (cont'd).

	Group		Company	
	As at 31 Mar 2015	As at 31 Dec 2014	As at 31 Mar 2015	As at 31 Dec 2014
	US\$'000	US\$'000	US\$'000	US\$'000
Equity attributable to equity holders of the Company				
Share capital	162,854	162,854	162,854	162,854
Retained earnings	279,505	278,603	32,429	14,720
Other reserves	(14,962)	(13,495)	(2,792)	(1,327)
	<hr/> 427,397	<hr/> 427,962	<hr/> 192,491	<hr/> 176,247
Non-controlling interests	4,850	3,957	–	–
	<hr/> 432,247	<hr/> 431,919	<hr/> 192,491	<hr/> 176,247
Total equity	<hr/> <hr/> 432,247	<hr/> <hr/> 431,919	<hr/> <hr/> 192,491	<hr/> <hr/> 176,247

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

Amount repayable in one year or less, or on demand

Group		Group	
As at 31 Mar 2015		As at 31 Dec 2014	
Secured	Unsecured	Secured	Unsecured
US\$'000	US\$'000	US\$'000	US\$'000
59,572	–	50,693	–

Amount repayable after one year

Group		Group	
As at 31 Mar 2015		As at 31 Dec 2014	
Secured	Unsecured	Secured	Unsecured
US\$'000	US\$'000	US\$'000	US\$'000
225,711	72,058	201,506	74,781

Details of any collateral:

The Group's secured portion of bank loans are secured by:

- First legal mortgages over the vessels of the Group, with net book values of US\$431.0 million and US\$378.8 million as at 31 March 2015 and 31 December 2014 respectively;
- First legal mortgages over the properties of the Group, with net book values of US\$27.4 million and US\$26.6 million as at 31 March 2015 and 31 December 2014 respectively;
- A right to take assignment of charter earnings and insurance policies of the mortgaged vessels;
- Legal assignment of all rights and benefits of the related shipbuilding contracts between the Group and the related shipbuilders and any subsequent variations; and
- Cash pledged of US\$1.9 million and US\$0.7 million as at 31 March 2015 and 31 December 2014 respectively.

In addition, certain of the Group's bank loans are secured by corporate guarantees from the Company.

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	
	1Q 2015	1Q 2014 *
	US\$'000	US\$'000
Cash flows from operating activities:		
Profit before taxation	1,429	18,094
Adjustments for:		
Depreciation of property, plant and equipment	7,469	7,300
Interest expense	2,781	2,289
Interest income	(2,039)	(1,112)
Share of results of joint ventures	(585)	(2,015)
Share of result of associate	704	(1,390)
Gain on sale of property, plant and equipment, net	–	(5,559)
Impairment of doubtful receivables, net	–	1,312
Net fair value loss/(gain) on derivatives	610	(38)
Exchange differences	1,399	(1,723)
	<hr/>	<hr/>
Operating cash flows before changes in working capital	11,768	17,158
Decrease/(increase) in trade and other receivables	3,267	(3,681)
Decrease/(increase) in amounts due from/to related companies	1,772	(387)
Increase in inventories	(438)	(1,300)
Increase/(decrease) in trade payables and other liabilities	14,184	(7,530)
	<hr/>	<hr/>
Cash generated from operations	30,553	4,260
Income taxes paid	(694)	(57)
Interest paid	(3,027)	(1,774)
Interest received	47	27
	<hr/>	<hr/>
Net cash flows generated from operating activities	26,879	2,456
	<hr/>	<hr/>

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	
	1Q 2015 US\$'000	1Q 2014* US\$'000
Cash flows from investing activities:		
Additions to property, plant and equipment	(70,618)	(49,434)
Investment in joint ventures	(843)	–
Net cash inflow on acquisition of subsidiaries	–	1,209
Repayment /(loans) from/to related companies, net	9,660	(1,192)
Proceeds from sale of property, plant and equipment	–	31,000
Net cash flows used in investing activities	(61,801)	(18,417)
Cash flows from financing activities:		
Equity contribution by non-controlling interest	740	–
Proceeds from finance lease obligations	–	90
Repayment of finance lease obligations	(10)	(4)
Proceeds from bank loans	68,076	34,649
Repayment of bank loans	(34,982)	(30,153)
Cash and cash equivalents (pledged)/released as securities	(1,209)	16
Net cash flows generated from financing activities	32,615	4,598
Net decrease in cash and cash equivalents	(2,307)	(11,363)
Effect of exchange rate changes on cash and cash equivalents	(23)	(20)
Cash and cash equivalents at beginning of period	100,736	63,685
Cash and cash equivalents at end of the period	98,406	52,302
Breakdown of cash and cash equivalents at end of the period:		
Cash and cash equivalents as per balance sheet	100,314	53,475
Cash pledged	(1,908)	(1,173)
	98,406	52,302

* Some of the prior period's comparative figures have been reclassified to conform to the current period's presentation.

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.

	Share capital	Retained earnings	Total other reserves	Foreign currency translation reserve	Employee share-based payments reserve	Hedging reserve	Capital reserve	Total	Non-controlling interests	Total equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
The Group										
Balance at 1 January 2015	162,854	278,603	(13,495)	(8,989)	172	(1,499)	(3,179)	427,962	3,957	431,919
Profit for the period	–	902	–	–	–	–	–	902	183	1,085
<u>Other comprehensive income</u>										
- Foreign currency translation	–	–	(2)	(2)	–	–	–	(2)	(30)	(32)
- Net fair value changes on cash flow hedges	–	–	(1,465)	–	–	(1,465)	–	(1,465)	–	(1,465)
Total comprehensive income for the period	–	902	(1,467)	(2)	–	(1,465)	–	(565)	153	(412)
<u>Changes in ownership interest in subsidiaries</u>										
Equity contribution by non-controlling interest	–	–	–	–	–	–	–	–	740	740
Balance at 31 March 2015	162,854	279,505	(14,962)	(8,991)	172	(2,964)	(3,179)	427,397	4,850	432,247
Balance at 1 January 2014	155,254	222,760	(2,383)	(2,685)	172	–	130	375,631	1,820	377,451
Profit for the period	–	17,830	–	–	–	–	–	17,830	(509)	17,321
<u>Other comprehensive income:</u>										
- Foreign currency translation	–	–	(1,177)	(1,177)	–	–	–	(1,177)	(4)	(1,181)
Total comprehensive income for the period	–	17,830	(1,177)	(1,177)	–	–	–	16,653	(513)	16,140
<u>Changes in ownership interest in subsidiaries</u>										
Acquisition of subsidiary	–	–	–	–	–	–	–	–	(443)	(443)
Balance at 31 March 2014	155,254	240,590	(3,560)	(3,862)	172	–	130	392,284	864	393,148

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 (cont'd).

	Share capital	Retained earnings	Total other reserves	Foreign currency translation reserve	Employee share-based payments reserve	Hedging reserve	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<u>The Company</u>							
Balance at 1 January 2015	162,854	14,720	(1,327)	–	172	(1,499)	176,247
Profit for the period	–	17,709	–	–	–	–	17,709
<u>Other comprehensive income:</u>							
- Net fair value changes on cash flow hedges	–	–	(1,465)	–	–	(1,465)	(1,465)
Total comprehensive income for the period	–	17,709	(1,465)	–	–	(1,465)	16,244
Balance at 31 March 2015	162,854	32,429	(2,792)	–	172	(2,964)	192,491
Balance at 1 January 2014	155,254	17,958	6,103	5,931	172	–	179,315
Profit for the period	–	16,327	–	–	–	–	16,327
<u>Other comprehensive income:</u>							
- Foreign currency translation	–	–	(1,535)	(1,535)	–	–	(1,535)
Total comprehensive income for the period	–	16,327	(1,535)	(1,535)	–	–	14,792
Balance at 31 March 2014	155,254	34,285	4,568	4,396	172	–	194,107

- 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.**

As at 31 March 2015 – 725,755,013 ordinary shares

As at 31 December 2014 – 725,755,013 ordinary shares

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

Not applicable.

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

The financial statements for the periods under review have not been audited or reviewed by the Company's auditors.

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

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial reporting period as those applied in the audited financial statements for the year ended 31 December 2014 except for those as disclosed in note 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.**

On 1 January 2015, the Group and the Company adopted all new and revised FRSs and interpretation 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 has no material effect on the financial statements.

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.

	Group	
	1Q 2015	1Q 2014
Profit attributable to equity holders of the Company (US\$'000)	902	17,830
Weighted average ordinary shares for calculation ('000):		
- applicable to basic earnings per share	725,755	725,755
- based on a fully diluted basis	725,755	725,755
Earnings per ordinary share ("EPS") (US cents)		
(a) Based on weighted average number of ordinary shares on issue	0.1	2.5
(b) On a fully diluted basis	0.1	2.5

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	
	As at 31 Mar 15	As at 31 Dec 14	As at 31 Mar 15	As at 31 Dec 14
Net asset value (US\$'000)	432,247	431,919	192,491	176,247
Total number of ordinary shares issued ('000)	725,755	725,755	725,755	725,755
Net asset value per ordinary share (US cents)	59.6	59.5	26.5	24.3

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.

REVIEW OF GROUP PERFORMANCE

3 months ended 31 March 2015 ("1Q 2015") vs 3 months ended 31 March 2014 ("1Q 2014")

Revenue

Revenue decreased by approximately US\$10.5 million or 25% from US\$42.0 million in 1Q 2014 to US\$31.5 million in 1Q 2015.

The decrease was mainly attributable to the decline in revenue of our Subsea Business of US\$6.1 million or 71% from US\$8.6 million in 1Q 2014 to US\$2.5 million in 1Q 2015, and from our Offshore Support Services Business of US\$4.1 million or 13% from US\$32.7 million in 1Q 2014 to US\$28.6 million in 1Q 2015.

The decrease in revenue was mainly attributable to lower utilisation of vessels from our Subsea Business and Offshore Support Services Business as a result of the soft market conditions in 1Q 2015.

Gross profit

3 months ended 31 March 2015 ("1Q 2015") vs 3 months ended 31 March 2014 ("1Q 2014")

Gross profit decreased by approximately US\$7.7 million or 43% from US\$18.0 million in 1Q 2014 to US\$10.3 million in 1Q 2015. Gross profit margin decreased from 43% in 1Q 2014 to 33% in 1Q 2015.

The overall decrease in gross profit and gross profit margin was mainly attributable to the decrease in gross profit from our Subsea Business and Offshore Support Services Business in line with the reasons stated above.

Other operating income

3 months ended 31 March 2015 ("1Q 2015") vs 3 months ended 31 March 2014 ("1Q 2014")

Other operating income decreased by approximately US\$5.1 million or 63% from US\$8.2 million in 1Q 2014 to US\$3.1 million in 1Q 2015. The decrease was mainly due to gain on sale of vessels of US\$5.6 million which was recorded in 1Q 2014. 2 vessels were sold in 1Q 2014 as opposed to none in 1Q 2015.

General and administrative expenses

3 months ended 31 March 2015 ("1Q 2015") vs 3 months ended 31 March 2014 ("1Q 2014")

General and administrative expenses decreased by approximately US\$1.9 million or 24% from US\$7.9 million in 1Q 2014 to US\$6.0 million in 1Q 2015 mainly due to reduction in overheads.

REVIEW OF GROUP PERFORMANCE (CONT'D)

Other operating expenses

3 months ended 31 March 2015 ("1Q 2015") vs 3 months ended 31 March 2014 ("1Q 2014")

Other operating expenses increased by approximately US\$1.8 million or 130% from US\$1.3 million in 1Q 2014 to US\$3.1 million in 1Q 2015. The increase was mainly due to foreign exchange loss of US\$2.4 million (1Q 2015: US\$2.4 million loss recorded in other operating expenses; 1Q 2014: US\$1.3 million gain recorded in other operating income).

Finance costs

3 months ended 31 March 2015 ("1Q 2015") vs 3 months ended 31 March 2014 ("1Q 2014")

Finance cost increased by approximately US\$0.5 million or 21% from US\$2.3 million in 1Q 2014 to US\$2.8 million in 1Q 2015.

The increase in finance costs was in line with an increase in bank loans and notes payable outstanding from US\$298.1 million as at 31 March 2014 to US\$357.2 million as at 31 March 2015.

Share of results of joint ventures

3 months ended 31 March 2015 ("1Q 2015") vs 3 months ended 31 March 2014 ("1Q 2014")

Share of results of joint ventures decreased by approximately US\$1.4 million or 71% from US\$2.0 million in 1Q 2014 to US\$0.6 million in 1Q 2015. The decrease was mainly attributable to decrease in share of results of the Group's listed joint venture in Indonesia, PT Logindo Samudramakmur Tbk ("PT Logindo") of US\$1.6 million from US\$2.0 million in 1Q 2014 to US\$0.4 million in 1Q 2015.

Share of result of associate

3 months ended 31 March 2015 ("1Q 2015") vs 3 months ended 31 March 2014 ("1Q 2014")

Share of result of associate decreased by approximately US\$2.1 million from share of profit of US\$1.4 million in 1Q 2014 to a share of loss of US\$0.7 million in 1Q 2015 due to the soft market conditions.

REVIEW OF STATEMENT OF FINANCIAL POSITION

Non-current assets

The Group's non-current assets amounted to US\$700.2 million as at 31 March 2015. The increase in non-current assets from US\$638.0 million as at 31 December 2014 was mainly due to:

- (i) Increase in property, plant and equipment of US\$59.5 million; and
- (ii) Increase in investment in joint ventures and associate of US\$2.8 million primarily due to additional investment in a joint venture and share of results equity accounted for the financial period ended 31 March 2015.

Current assets

The Group's current assets amounted to US\$187.2 million as at 31 March 2015. The decrease in current assets from US\$201.5 million as at 31 December 2014 was mainly due to:

- (i) Decrease in amounts due from related companies of US\$12.3 million; and
- (ii) Decrease in trade receivables of US\$2.2 million.

Current liabilities

The Group's current liabilities amounted to US\$137.3 million as at 31 March 2015. The increase in current liabilities from US\$115.7 million as at 31 December 2014 was mainly attributable to:

- (i) Increase in other liabilities of US\$15.3 million;
- (ii) Increase in bank loans of US\$8.9 million; and
- (iii) Partially offset by decrease in trade payables of US\$1.6 million.

Non-current liabilities

The Group's non-current liabilities amounted to US\$317.9 million as at 31 March 2015. Non-current liabilities increased from US\$292.0 million as at 31 December 2014 primarily due to increase in bank loans of US\$24.2 million.

REVIEW OF CASH FLOWS

In 1Q 2015, the Group generated net cash inflow from operating activities of approximately US\$26.9 million, which comprises cash inflow from operating activities before working capital changes of US\$11.8 million, net working capital inflow of US\$18.8 million, net interest paid of US\$3.0 million and taxes paid of US\$0.7 million.

The net cash inflow from changes in working capital of US\$18.8 million was mainly due to:-

- (i) Decrease in trade and other receivables of US\$3.3 million;
- (ii) Decrease in amounts due from related companies of US\$1.8 million; and
- (iii) Increase in trade payables and other liabilities of US\$14.2 million.

Net cash outflow from investing activities was approximately US\$61.8 million, which was mainly due to:-

- (i) Additions to property, plant and equipment of US\$70.6 million;
- (ii) Investment in joint ventures of US\$0.8 million; and
- (iii) Partially offset by repayment from related companies of US\$9.7 million.

Net cash inflow from financing activities was approximately US\$32.6 million, which was mainly due to:-

- (i) Proceeds from bank loans of US\$68.1 million to finance our capital expenditure; and
- (ii) Partially offset by repayment of bank loans of US\$35.0 million.

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.

Current market conditions continue to present a challenging business environment for the offshore support services sector. The Group has prior experience in effectively managing such challenges in the oil and gas business cycle.

The Group expects that its results over the next few quarters will continue to be impacted by the soft market conditions. However, with its stronger balance sheet, keen cost control and sound business model, the Group expects to be able to weather this situation and emerge stronger and leaner in order to tap on opportunities once the market recovers.

Oil prices are beginning to show signs of improvement and the Group remains hopeful that its businesses will improve over the medium term once the market stabilises.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No

(b) Corresponding Period of the Immediately Preceding Financial Year

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

No.

11. Dividend (cont'd)

(c) Date payable

NA

(d) Books closure date

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

Not applicable.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Not applicable as the Group has not obtained a general mandate from shareholders for Interested Party Transactions ("IPTs").

14. Confirmation by the Board pursuant to SGX Listing Rule 705(5)

The Board 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 statements for the three months ended 31 March 2015 to be false or misleading in any material respect.

On behalf of the Board of Directors

Pang Yoke Min
Executive Chairman

Mok Weng Vai
Executive Director

14 May 2015