

TEHO INTERNATIONAL INC LTD.

(Company Registration No: 200811433K)
(Incorporated in the Republic of Singapore)

**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT
FOR THE YEAR ENDED 30 JUNE 2013**

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

1(a)(i) **A consolidated statement of comprehensive income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Consolidated Income Statement	Group \$'000		%
	Year ended 30 June 2013 ("FY2013") (unaudited)	Year ended 30 June 2012 ("FY2012") (audited)	
Revenue	42,971	37,366	15.0%
Cost of sales	(29,025)	(26,237)	10.6%
Gross profit	13,946	11,129	25.4%
<u>Other items of income</u>			
Interest	2	33	(93.9%)
Other credits	122	346	(64.7%)
<u>Other items of expense</u>			
Distribution costs	(1,105)	(763)	44.8%
Administrative expenses	(6,048)	(4,777)	26.6%
Other operating expenses	(2,930)	(2,381)	23.1%
Finance costs	(375)	(360)	4.2%
Other charges	(903)	(323)	179.6%
Share of profit from equity-accounted associate	34	5	580.0%
Profit before tax	2,743	2,909	(5.7%)
Income tax expenses	(362)	(671)	(46.1%)
Profit for the year	2,381	2,238	6.4%
Profit attributable to owners of the parent, net of tax	2,381	2,238	6.4%
	<u>2,381</u>	<u>2,238</u>	<u>6.4%</u>
Earnings Per Share			
	<u>Cents</u>	<u>Cents</u>	
Profit after tax attributable to owners of the Group	2.05	1.99	3.0%

Statement of Consolidated Comprehensive Income

	Group \$'000		%
	FY2013 (unaudited)	FY2012 (audited)	Change
Profit for the year	2,381	2,238	6.4%
<u>Other comprehensive income:</u>			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations, net of tax	(6)	(6)	-
Total comprehensive income	<u>2,375</u>	<u>2,232</u>	<u>6.4%</u>
 <u>Total comprehensive income attributable to:</u>			
Owners of the parent	<u>2,375</u>	<u>2,232</u>	<u>6.4%</u>
Total comprehensive income	<u>2,375</u>	<u>2,232</u>	<u>6.4%</u>

(ii) **Notes to the statement of comprehensive income**

	Group \$'000		%
	FY2013 (unaudited)	FY2012 (audited)	Change
Amortisation of intangible assets	(852)	(216)	294.4%
Bad debts recovered - Trade	4	6	(33.3%)
Bad debts written off - Trade	(29)	(5)	480.0%
Depreciation	(912)	(749)	21.8%
Foreign exchange translation loss	(15)	(66)	(77.3%)
Gain on disposal of plant and equipment	5	211	(97.6%)
Interest income	2	33	(93.9%)
Interest expense	(375)	(360)	4.2%
Net	<u>(2,172)</u>	<u>(1,146)</u>	<u>89.5%</u>

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.

Statement of Financial Position

	Group		Company	
	As at	As at	As at	As at
	30 June	30 June	30 June	30 June
	2013	2012	2013	2012
	(unaudited)	(audited)	(unaudited)	(audited)
	\$'000		\$'000	
Assets				
Non-current assets				
Property, plant and equipment	6,464	6,160	-	-
Investments in subsidiaries	-	-	22,919	19,886
Investment in associates	172	98	43	43
Intangible assets	5,602	4,653	-	-
Total non-current assets	12,238	10,911	22,962	19,929
Current assets				
Inventories	20,258	20,127	-	-
Trade and other receivables	11,286	8,491	2,273	1,827
Other assets	44	260	7	87
Cash and cash equivalents	5,082	7,054	4	33
Total current assets	36,670	35,932	2,284	1,947
Total assets	48,908	46,843	25,246	21,876
EQUITY AND LIABILITIES				
Equity				
Share capital	16,477	16,081	16,477	16,081
Retained earnings	12,276	11,283	1,583	2,230
Foreign currency translation reserve	(24)	(18)	-	-
Equity, attributable to owners of the parent	28,729	27,346	18,060	18,311
Total equity	28,729	27,346	18,060	18,311
Non-current liabilities				
Deferred tax liabilities	523	513	-	-
Other payables, non-current	723	-	723	-
Other financial liabilities, non-current	2,804	3,032	-	-
Finance leases, non-current	286	443	-	-
Total non-current liabilities	4,336	3,988	723	-
Current liabilities				
Income tax payable	586	810	-	-
Trade and other payables, current	2,927	4,217	6,463	3,565
Other financial liabilities, current	12,173	10,330	-	-
Finance leases, current	157	152	-	-
Total current liabilities	15,843	15,509	6,463	3,565
Total liabilities	20,179	19,497	7,186	3,565
Total equity and liabilities	48,908	46,843	25,246	21,876

1(b)(ii) In relation to the aggregate amount of the Group's borrowings and debt securities, specify the following at the end of the financial period reported on with comparative figures at the end of the immediately preceding financial year:

Amount repayable in one year or less, or on demand

As at 30 June 2013 (\$'000)		As at 30 June 2012 (\$'000)	
Secured	Unsecured	Secured	Unsecured
12,330	-	10,482	-

Amount repayable after one year

As at 30 June 2013 (\$'000)		As at 30 June 2012 (\$'000)	
Secured	Unsecured	Secured	Unsecured
3,090	-	3,475	-

Details of collateral

The bank borrowings are secured by corporate guarantee by the Company and first charge on the Group's leasehold land and buildings. Finance leases are secured by charge over the leased assets.

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

Consolidated Statement of Cash Flows	Group	
	FY2013	FY2012
	(unaudited)	(audited)
	\$'000	
<u>Cash flows from operating activities</u>		
Profit before tax	2,743	2,909
Adjustments for:		
Share of profit of associate	(34)	(5)
Depreciation of property, plant and equipment	912	749
Gain on disposal of plant and equipment	(5)	(211)
Interest expense	375	360
Interest income	(2)	(33)
Amortisation on intangible assets	852	216
Net effect of exchange rate changes in consolidating foreign entities	(6)	(6)
Operating cash flows before changes in working capital	4,835	3,979
Decrease/(Increase) in inventories	337	(1,023)
Increase in trade and other receivables	(2,281)	(765)
Decrease/(Increase) in other assets	216	(89)
(Decrease)/Increase in trade and other payables	(1,351)	1,092
Net cash flows from operations before interest and tax	1,756	3,194
Income taxes paid	(789)	(598)
Net cash flows from operating activities	967	2,596
<u>Cash flows from investing activities</u>		
Purchase of plant and equipment	(459)	(339)
Proceeds from disposal of plant and equipment	5	211
Acquisition of subsidiaries (Net cash acquired) – Note 1	(1,605)	(3,449)
Interest received	2	33
Net cash flows used in investing activities	(2,057)	(3,544)
<u>Cash flows from financing activities</u>		
Dividends paid to equity shareholders	(1,388)	(894)
Decrease in finance lease	(152)	(39)
Cash restriction in use	-	(25)
Increase in new borrowings	3,500	7,000
Decrease in other financial liabilities	(2,467)	(5,816)
Interest paid	(375)	(360)
Net cash flows used in financing activities	(882)	(134)
Net decrease in cash and cash equivalents	(1,972)	(1,082)
Cash and cash equivalents, beginning balance	7,029	8,111
Cash and cash equivalents, ending balance – Note 2	5,057	7,029
<u>Note 1</u>		
Cash considerations	1,750	5,282
Cash and cash equivalents acquired	(145)	(1,833)
Net outflow of cash and cash equivalent included in cash flows from investing activities	1,605	3,449
<u>Note 2</u>		
Cash and cash equivalents	5,082	7,054
Cash pledged for bank facilities	(25)	(25)
Cash and cash equivalents for statement of cash flows	5,057	7,029

- 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.

Statements of Changes in Equity

	Group (\$'000)			Total Equity
	Share Capital	Retained Earnings	Foreign Currency Translation Reserve	
Opening balance at 1 July 2012	16,081	11,283	(18)	27,346
<u>Movement in equity:</u>				
Issue of share capital	396	-	-	396
Total comprehensive income for the period	-	2,381	(6)	2,375
Dividend	-	(1,388)	-	(1,388)
Closing balance at 30 June 2013	16,477	12,276	(24)	28,729
Opening balance at 1 July 2011	15,481	9,939	(12)	25,408
<u>Movement in equity:</u>				
Issue of share capital	600	-	-	600
Total comprehensive income for the period	-	2,238	(6)	2,232
Dividend	-	(894)	-	(894)
Closing balance at 30 June 2012	16,081	11,283	(18)	27,346

	Company (\$'000)		
	Share Capital	Retained Earnings	Total Equity
Opening balance at 1 July 2012	16,081	2,230	18,311
<u>Movement in equity:</u>			
Issue of share capital	396	-	396
Total comprehensive income for the period	-	741	741
Dividend	-	(1,388)	(1,388)
Closing balance at 30 June 2013	16,477	1,583	18,060
Opening balance at 1 July 2011	15,481	1,835	17,316
<u>Movement in equity:</u>			
Issue of share capital	600	-	600
Total comprehensive income for the period	-	1,289	1,289
Dividend	-	(894)	(894)
Closing balance at 30 June 2012	16,081	2,230	18,311

- 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.

Issued and fully paid	Number of Ordinary shares	Share Capital (\$'000)
Balance as at 30 June 2012	115,691,051	16,081
Issue of shares in April 2013 (being partial payment for the acquisition of subsidiary)	2,500,000	396
Balance as at 30 June 2013	118,191,051	16,477

As at 30 June 2013, the share capital of the company comprised 118,191,051 ordinary shares. As at 30 June 2013 and 30 June 2012, the Company had no outstanding convertibles or treasury shares.

- 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 30 June 2013	As at 30 June 2012
Total number of issued shares (excluding treasury shares)	118,191,051	115,691,051

- 1(d)(iv) A statement showing all sales, transfers, disposals, 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 figures have not been audited nor reviewed by 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 accounting policies adopted and methods of computation in the preparation of the financial statements are consistent with those of the audited financial statements as at 30 June 2012 except in the current financial year, the Group has adopted all the new and revised standards and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 July 2012. The adoption of these standards and interpretations did not have any effect on the financial performance or position of the Group.

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.**

Not Applicable.

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 based on profit attributable to owners of the parent, net of tax:

	Group	
	Year ended 30 June 2013 (unaudited)	Year ended 30 June 2012 (audited)
(i) Based on weighted average number of ordinary shares in issue (Cents)	2.05	1.99
Number of ordinary shares in issue	116,107,718	112,448,509
(ii) On a fully diluted basis (Cents)	2.05	1.99
Diluted number of ordinary shares in issue	116,107,718	112,448,509

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 As at		Company As at	
	30 June 2013	30 June 2012	30 June 2013	30 June 2012
Net asset value per ordinary share (cents)	24.31	23.63	15.28	15.83
Number of shares in issue	118,191,051	115,691,051	118,191,051	115,691,051

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.

Financial Performance Review

Revenue

The Group's revenue for FY2013 of \$43.0 million was an increase of \$5.6 million or 15.0%, from \$37.4 million in FY2012. Revenue contribution from the offshore oil and gas segment increased by \$6.6 million which was partly offset by a decrease from the marine and other industries segments of \$0.5 million each. The increase in revenue from the offshore oil and gas segment was largely due to the contribution by TEHO Engineering Pte Ltd ("TEHO Engineering") since the completion of its acquisition by the Group in May 2012. The subsidiary has already delivered several major contracts for the Group. Revenue from Singapore increased by \$4.0 million or 13.6%, due to the contribution of TEHO Engineering. Revenue derived from the rest of the world increase by \$1.6 million or 20.2% due to an increase in revenue by overseas subsidiaries, particularly in Europe and USA, as well as an increase in overseas business derived from Singapore.

Gross profit

The Group performed well in FY2013 despite the volatility in the global markets. The overall gross profit in FY2013 increased by \$2.8 million or 25.4% to \$14.0 million. The offshore oil and gas segment's gross profit showed the biggest increase mainly as a result of contribution by the subsidiary company, TEHO Engineering which the Group acquired in the previous financial year. The gross profit from others segment decreased by \$0.5 million or 17.6% was due to a decrease in revenue from customers in the construction industry as they did not have major projects in the current year. The Group's gross profit margin increased by 2.8 percentage points from 29.7% to 32.5% due to a higher gross profit margin contributed by TEHO Engineering.

Other credits

Income from other credits decreased by \$0.2 million or 64.5% from \$0.3 million in FY2012 to \$0.1 million in FY2013 due mainly to there having been no major disposals of plant and equipment in FY2013.

Other items of expense

Other items of expense increased by \$2.7 million or 31.9%, from \$8.6 million in FY2012 to \$11.3 million in FY2013 due mainly to increases in administrative expenses, other operating expenses and other charges.

Distribution costs increased by \$0.3 million due mainly to the increase in outward freight and handling charges of \$0.1 million and the increase of travelling expenses of \$0.2 million. The increase in travelling expenses was due to travelling to the newly incorporated subsidiary in Europe, commissioning of overseas projects and an increase in trade exhibitions.

Administrative expenses increased by \$1.3 million due mainly to the increased headcounts, salaries and related expenses of \$1.1 million as a result of consolidation of TEHO Engineering after its acquisition by the Group. The increase was also due to an increase in insurance coverage expenses of \$0.1 million and professional fees incurred in the acquisition and incorporation of new subsidiaries of \$0.1 million.

Other operating expenses increased by \$0.5 million as a result of an increase of \$0.2 million in staff welfare, benefits and training expense, and the balance of the \$0.3 million increase from depreciation, upkeep of properties and equipment, land rent and property tax, and rental of office. The depreciation charge increased by 21.8% due to the purchase of \$0.4 million of new plant and equipment during the financial year.

There was no significant fluctuation in finance costs.
Other charges increased by \$0.6 million due mainly to amortisation of intangibles resulting from the acquisition of the acquired subsidiaries in the current and previous years.

Profit before tax

Profit before tax decreased by \$0.2 million despite the increase in gross profit of \$2.8 million. This was due to the increase in other items of expense of \$2.7 million and decrease in other items of income of \$0.3 million, as discussed above.

Income tax expenses

The effective tax rate of 13.2% for FY2013 was lower compared to the effective tax rate of 23.1% for FY2012 due to a higher capital allowance and a higher enhanced deduction claimed for FY2013.

Balance Sheet Review

Non-current assets

The increase in non-current assets of \$1.3 million was mainly due to the increase in property, plant and equipment of \$0.4 million and increase in intangible assets of \$0.9 million due to the acquisition of a subsidiary.

In FY2013, the Group acquired \$0.4 million of new plant and equipment and the depreciation charged was \$0.9 million. The acquisition of TEHO Water & Envirotec Pte. Ltd. ("TEHO Water") (formerly known as Seanly Technical Singapore Pte. Ltd.) has also increased the property, plant and equipment by \$0.8 million.

Current assets

The increase in current assets of \$0.8 million was mainly attributable to an increase in inventories by \$0.2 million as a result of higher sales orders and an increase in trade and other receivables of \$2.8 million. The increase in trade and other receivables' turnover days from 83 days to 96 days was due to several major deliveries made in May and June 2013 which were still outstanding as at the financial year end. The increase was partially offset by the decrease in cash and cash equivalent of \$2.0 million and other assets of \$0.2 million.

Non-current liabilities

The increase of non-current liabilities of \$0.3 million was due to the increase of \$0.7 million in other payables arising from the balance payable for the acquisition of TEHO Water. The increase was partly offset by the decrease in other financial liabilities of \$0.2 million and finance leases of \$0.2 million.

Current liabilities

Current liabilities increased by \$0.3 million due mainly to an increase of \$1.8 million in other financial liabilities as a result of an additional short-term loan obtained for the acquisition of the new subsidiary and set up of another new subsidiary, TEHO EuROPE B.V., in the Netherlands and the financial liabilities within the acquired subsidiary which were assumed by the Group. The increase was partially offset by a decrease in income tax payables and trade and other payables of \$0.2 million and \$1.3 million respectively.

Shareholders' equity

The increase of \$1.4 million in equity attributable to owners of the parent was due to profit after tax of \$2.4 million for FY2013 and increase in share capital of \$0.4 million. These increases were partly offset by total dividends payments of \$1.4 million.

Cash Flows Review

Cash flows from operating activities

Operating cash flows before changes in working capital was \$4.8 million in FY2013. Net cash flow used in working capital was \$3.0 million as the increase in trade and other receivables of \$2.3 million and decrease in trade and other payables of \$1.3 million was partially offset by the decrease in inventories and other assets of \$0.3 million and \$0.2 million respectively. As a result of the above, net cash generated from operating activities was \$1.0 million after deducting income tax paid of \$0.8 million.

Cash flows from investing activities

Net cash used in investing activities was \$2.1 million, mainly attributable to the purchase of plant and equipment of \$0.4 million and the acquisition of TEHO Water and TEHO Engineering which resulted in an aggregate cash outflow of \$1.6 million and partially offset by the proceeds from the disposal of plant and equipment.

Cash flows from financing activities

Net cash used in financing activities was \$0.9 million, mainly attributable to an increase in new borrowings of \$3.5 million partly offset by the repayment of finance lease of \$0.1 million and other financial liabilities of \$2.5 million. The Group has also paid dividends of \$1.4 million and interest of \$0.4 million during the year.

As a result of the above, there was a net decrease in cash and cash equivalents of \$2.0 million for FY2013. Cash and cash equivalents as at 30 June 2013 was \$5.1 million.

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

No forecast or prospect statement had been previously disclosed.

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 expects the outlook to be challenging due to the prevailing uncertainties over the European Union financial crisis, weak economic recovery in the USA and slowdown in the major emerging markets. Amidst this environment, we expect the marine, oil and gas industries to grow albeit at a much slower pace.

As the business environment will likely remain competitive, the Group needs to stay vigilant and to continue to consolidate its operational and financial strengths in order to stay competitive.

11. If a decision regarding dividend has been made:

(a)	Name of Dividend	Proposed Final
(b)(i)	Dividend Rate	0.6 cent per share Tax Exempt (one-tier)
(b)(ii)	Previous corresponding period	0.8 cent per share Tax Exempt (one-tier)
(c)	Tax Rate	Tax exempt (one-tier)
(d)	Date of Payment	Subject to shareholders approval and to be announced at a later date.
(e)	Books closure date	To be announced at a later date.

An Interim Tax Exempt (1-tier) dividend of 0.4 cent was declared on 7 February 2013 in respect of the half year ended 31 December 2012 ("HY2013") (HY2012: nil).

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.

The Group did not obtain a general mandate from shareholders for Interested Person Transactions.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

14. **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 Reporting	<u>Marine</u>	<u>Offshore</u> <u>Oil & Gas</u>	<u>Others</u>	<u>Unallocated</u>	<u>Group</u>
	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Continuing Operations FY2013</u>					
Revenue by Segment					
Total revenue by segment	27,428	9,339	6,204	-	42,971
Total revenue	27,428	9,339	6,204	-	42,971
Recurring EBITDA					
Finance costs	-	-	-	(375)	(375)
Depreciation	-	-	-	(912)	(912)
Amortisation	(30)	(822)	-	-	(852)
ORBIT*					11,807
Unallocated items (a)					(9,098)
Share of profit from equity-accounted associate					34
Profit before tax					2,743
Income tax expense					(362)
Profit for the year					2,381
<u>Continuing Operations FY2012</u>					
Revenue by Segment					
Total revenue by segment	27,920	2,683	6,763	-	37,366
Total revenue	27,920	2,683	6,763	-	37,366
Recurring EBITDA					
Finance costs	-	-	-	(360)	(360)
Depreciation	-	-	-	(749)	(749)
Amortisation	-	(216)	-	-	(216)
ORBIT*					9,804
Unallocated items (a)					(6,900)
Share of profit from equity-accounted associate					5
Profit before tax					2,909
Income tax expense					(671)
Profit for the year					2,238

* Operating result before interests and income taxes and other unallocated items.

- (a) The other unallocated items comprise distribution costs, administrative expenses, other operating expenses and other charges which are centralised and not segmented as the main business of the group is the supplying of mooring and rigging equipment across all the segments which are based on the customers' nature of businesses.

Business Segments Reporting	<u>Marine</u>	<u>Offshore</u>	<u>Others</u>	<u>Unallocated</u>	<u>Group</u>
	\$'000	Oil & Gas \$'000	\$'000	\$'000	\$'000
<u>Assets as at 30 June 2013</u>					
Total assets for reportable segments	6,702	2,457	1,630	497	11,286
Unallocated (a):					
Non-current assets	1,771	3,831	-	6,636	12,238
Inventories				20,258	20,258
Cash and cash equivalents				5,082	5,082
Other unallocated assets				44	44
Total group assets					<u>48,908</u>
<u>Assets as at 30 June 2012</u>					
Total assets for reportable segments	5,801	789	1,821	80	8,491
Unallocated (a):					
Non-current assets	-	4,652	-	6,259	10,911
Inventories				20,127	20,127
Cash and cash equivalents				7,054	7,054
Other unallocated assets				260	260
Total group assets					<u>46,843</u>
<u>Liabilities as at 30 June 2013</u>					
Unallocated (a):					
Deferred and current tax liabilities	158	223	-	728	1,109
Borrowings				15,420	15,420
Trade and other payables				3,650	3,650
Total group liabilities					<u>20,179</u>
<u>Liabilities as at 30 June 2012</u>					
Unallocated (a):					
Deferred and current tax liabilities	-	415	-	908	1,323
Borrowings				13,957	13,957
Trade and other payables				4,217	4,217
Total group liabilities					<u>19,497</u>

(a) The unallocated assets and liabilities cannot be selectively segmented when they are being deployed and/or incurred, as the Group's business is the supplying of mooring and rigging equipment across all segments which are based on the customers' nature of businesses.

Geographic Segment Reporting	<u>Revenue</u>		<u>Non-current assets</u>	
	<u>FY2013</u>	<u>FY2012</u>	<u>2013</u>	<u>2012</u>
	\$'000	\$'000	\$'000	\$'000
Singapore	33,435	29,433	35,739	10,910
Rest of Asia	5,164	5,451	1	1
Rest of the World	4,372	2,482	75	-
Total	<u>42,971</u>	<u>37,366</u>	<u>35,815</u>	<u>10,911</u>

(a) The non-current assets comprise mainly investment in associate and the group's property, plant and equipment which are located in Singapore.

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

Please refer to paragraph 8 above for further details.

16. A breakdown of sales as follows:

		Group		
		FY2013 \$'000	FY2012 \$'000	% Increase/ (Decrease)
First Half				
(a)	Revenue	21,838	17,485	24.9
(b)	Operating profit after tax before deducting minority interest	1,812	1,721	5.3
Second half				
(a)	Revenue	21,133	19,881	6.3
(b)	Operating profit after tax before deducting minority interest	569	517	10.1

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

	Latest Full Year	Previous Full Year
Ordinary	\$1,388,293	\$894,400
Preference	Nil	Nil
Total	\$1,388,293	\$894,400

Please refer to paragraph 11 above for further details.

18. 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(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Lim Siew Choo	59	Sister of Lim See Hoe (Executive Chairman, Chief Executive Officer and substantial shareholder) and Lim Siew Cheng (Executive Director, Chief Operating Officer and substantial shareholder)	General Administrative Director since 2004 and is responsible for the day-to-day operations, statutory matters, recruitment and staff welfare of the Group	Not applicable
Lim See Heng	57	Brother of Lim See Hoe (Executive Chairman, Chief Executive Officer and substantial shareholder) and Lim Siew Cheng	Projects Director since 2000 and is responsible for project works, which normally involves open tendering of projects and complex tenders	Not applicable

		(Executive Director, Chief Operating Officer and substantial shareholder)	such as restricted, competitive or negotiated tendering	
Soare Siew Lian	54	Sister of Lim See Hoe (Executive Chairman, Chief Executive Officer and substantial shareholder) and Lim Siew Cheng (Executive Director, Chief Operating Officer and substantial shareholder)	CEO of USA Operations since 2008 and is responsible for marketing and securing new customers in USA for the Group	Not applicable
Tan Wee Lee	34	Brother-in-law of Lim See Hoe (Executive Chairman, Chief Executive Officer and substantial shareholder)	Manager, Quality Assurance since 1 July 2011 and is responsible for products quality assurance at Teho Ropes & Supplies Pte. Ltd.	Not applicable

Lim Siew Choo and Lim See Heng are substantial shareholders of the Company.

BY ORDER OF THE BOARD

Lim See Hoe
Executive Chairman and Chief Executive Officer
28 August 2013