



## **CIVMEC LIMITED**

(Company Registration No: 201011837H)

---

# **FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE FOURTH QUARTER AND FULL YEAR ENDED 30 JUNE 2013**

---

## **INTRODUCTION**

Civmec Limited (the "Company") was listed on the Mainboard of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 13 April 2012.

The Company was incorporated in the Republic of Singapore on 3 June 2010 under the Companies Act (Chapter 50) of Singapore as a private company limited by shares. The Company and its subsidiaries (the "Group") were formed pursuant to a restructuring exercise (the "Restructuring Exercise") undertaken to streamline and rationalise the Group structure prior to the Initial Public Offering and the Company's listing on the Mainboard of the SGX-ST. Please refer to the Company's offer document dated 5 April 2012 for further details on the Restructuring Exercise.

For the purpose of this announcement, the results of the Group for the financial year ended 30 June 2013 and the comparative results of the Group for the financial year ended 30 June 2012 have been prepared on the assumption that the Group structure following the completion of the Restructuring Exercise has been in place since 1 July 2010.

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

**1(a)(i) Statement of Comprehensive Income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Group			Group		
	Q4 FY2013 S\$'000	Q4 FY2012 S\$'000	+ /(-) %	12M FY2013 S\$'000	12M FY2012 S\$'000	+ /(-) %
Sales revenue	79,449	113,564	(30.0)	405,924	328,654	23.5
Cost of sales	(64,598)	(96,794)	(33.3)	(335,977)	(267,860)	25.4
<b>Gross profit</b>	<b>14,851</b>	<b>16,770</b>	<b>(11.4)</b>	<b>69,947</b>	<b>60,794</b>	<b>15.1</b>
Other income	490	577	(15.1)	1,310	1,748	(25.1)
Administrative expenses	(4,716)	(4,651)	1.4	(21,512)	(17,866)	20.4
Finance costs	(464)	(347)	33.7	(1,605)	(1,483)	8.2
<b>Profit before tax</b>	<b>10,161</b>	<b>12,349</b>	<b>(17.7)</b>	<b>48,140</b>	<b>43,193</b>	<b>11.5</b>
Income tax expense	(924)	(3,928)	(76.5)	(12,091)	(12,883)	(6.1)
<b>Profit for the period</b>	<b>9,237</b>	<b>8,421</b>	<b>9.7%</b>	<b>36,049</b>	<b>30,310</b>	<b>18.9</b>
<u>Other comprehensive income:</u>						
Exchange differences on translation from functional currency to presentation currency	(13,120)	(389)	3272.8	(12,277)	185	(6736.2)
<b>Total comprehensive income for the period</b>	<b>(3,883)</b>	<b>8,032</b>	<b>(148.3)</b>	<b>23,772</b>	<b>30,495</b>	<b>(22.0)</b>
<u>Profit attributable to:</u>						
Owners of the Company	9,237	8,421		36,049	30,310	
Non-controlling interest	-	-		-	-	
	<b>9,237</b>	<b>8,421</b>		<b>36,049</b>	<b>30,310</b>	
<u>Total comprehensive income attributable to:</u>						
Owners of the Company	(3,883)	8,032		23,772	30,495	
Non-controlling interest	-	-		-	-	
	<b>(3,883)</b>	<b>8,032</b>		<b>23,772</b>	<b>30,495</b>	
<u>Earnings per share attributable to equity holders of the Company (cents per share):</u>						
• Basic	1.84	1.68		7.20	6.05	
• Diluted	1.84	1.68		7.20	6.05	

\* - Less than S\$1,000

1(a)(ii) Notes to Consolidated Statement of Comprehensive Income

**A. Profit before income tax**

The following items have been included in determining the profit before income tax:

	Group			Group		
	Q4 FY2013 S\$'000	Q4 FY2012 S\$'000	+ /(-) %	12M FY2013 S\$'000	12M FY2012 S\$'000	+ /(-) %
(Loss)/Gain on disposal of property, plant and equipment	2	(13)	(115.4)	34	78	(56.4)
Write Back of Interest on Convertible Loan	-	-	N.M*	-	809	N.M*
Interest income on bank balances	89	241	(63.1)	629	618	1.8
Share of profit in joint venture	546	341	60.1	568	234	142.7
Reclassification of foreign exchange	(155)	-	N.M*	-	-	N.M*
Amortisation of deferred management fee	-	-	N.M*	-	(422)	N.M*
IPO expenses	-	600	N.M*	-	(634)	N.M*

**B. Finance costs**

	Group			Group		
	Q4 FY2013 S\$'000	Q4 FY2012 S\$'000	+ /(-) %	12M FY2013 S\$'000	12M FY2012 S\$'000	+ /(-) %
Bank bill	117	21	457.1	372	354	5.1
Finance leases	283	276	2.5	1,121	1,084	3.4
Others	64	50	28.0	112	45	148.9
<b>Total Finance Costs</b>	<b>464</b>	<b>347</b>	<b>33.7</b>	<b>1,605</b>	<b>1,483</b>	<b>8.2</b>

**C. Depreciation expenses**

	Group			Group		
	Q4 FY2013 S\$'000	Q4 FY2012 S\$'000	+ /(-) %	12M FY2013 S\$'000	12M FY2012 S\$'000	+ /(-) %
Included in Cost of sales	1,292	1,121	15.3	4,710	3,867	21.8
Included in Administrative expenses	121	98	23.5	459	293	56.7
<b>Total Depreciation</b>	<b>1,413</b>	<b>1,219</b>	<b>15.9</b>	<b>5,169</b>	<b>4,160</b>	<b>24.3</b>

\* N/M – Not meaningful

**1(b)(i) 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 30 June 2013 S\$'000	As at 30 June 2012 S\$'000	As at 30 June 2013 S\$'000	As at 30 June 2012 S\$'000
<b>ASSETS</b>				
<b>Current Assets</b>				
Trade and other receivables	89,873	86,620	4,188	5,082
Other current assets	118	337	31	-
Cash and cash equivalents	23,108	33,801	403	1,295
	<u>113,099</u>	<u>120,758</u>	<u>4,622</u>	<u>6,377</u>
<b>Non-Current Assets</b>				
Investment in joint venture	725	232	-	-
Investment in subsidiary	-	-	8,769	9,792
Loans receivable	-	-	35,355	37,380
Property, plant and equipment	75,037	55,885	-	-
Intangible assets	12	13	-	-
Deferred tax assets	4,383	2,470	-	-
	<u>80,157</u>	<u>58,600</u>	<u>44,124</u>	<u>47,172</u>
<b>TOTAL ASSETS</b>	<b><u>193,256</u></b>	<b><u>179,358</u></b>	<b><u>48,746</u></b>	<b><u>53,549</u></b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current Liabilities</b>				
Trade and other payables	48,016	58,215	180	359
Borrowings	9,521	3,318	-	-
Payable to related parties	-	123	1,001	901
Current income tax liabilities	681	13,852	-	-
Employee benefit provisions	3,233	3,400	-	-
	<u>61,451</u>	<u>78,908</u>	<u>1,181</u>	<u>1,260</u>
<b>Non-Current Liabilities</b>				
Borrowings	19,955	10,055	-	-
Deferred tax liabilities	342	341	-	-
Employee benefit provisions	1,330	642	-	-
	<u>21,627</u>	<u>11,038</u>	<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	<b><u>83,078</u></b>	<b><u>89,946</u></b>	<b><u>1,181</u></b>	<b><u>1,260</u></b>
<b>Capital and Reserves</b>				
Share capital	37,864	37,864	37,864	37,864
Other reserves	(1,798)	10,479	4,940	10,432
Retained earnings	74,113	41,070	4,761	3,993
<b>Total Equity Attributable to Owners</b>	<b><u>110,179</u></b>	<b><u>89,413</u></b>	<b><u>47,565</u></b>	<b><u>52,289</u></b>
Non-controlling interest	(1)	(1)	-	-
<b>TOTAL EQUITY</b>	<b><u>110,178</u></b>	<b><u>89,412</u></b>	<b><u>47,565</u></b>	<b><u>52,289</u></b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b><u>193,256</u></b>	<b><u>179,358</u></b>	<b><u>48,746</u></b>	<b><u>53,549</u></b>

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

	Group As at 30 June 2013		Group As at 30 June 2012	
	S\$'000 Secured	S\$'000 Unsecured	S\$'000 Secured	S\$'000 Unsecured
Amount repayable in one year or less, or on demand	9,521	-	3,318	-
Amount repayable after one year	19,955	-	10,055	-

**Details of collaterals**

**Finance leases:**

The Group has S\$17.6 million (FY2012: S\$13.4 million) of finance leases for motor vehicles, workshop equipment and office fit out from non-related parties. The Group will obtain the ownership of the leased assets from the lessor at no extra cost at the end of the lease term.

**Bank bill:**

As at 30 June 2013, the Group has drawn S\$11.9 million (FY2012: nil) of its commercial bank facility.

**Finance leases and Bank bills are secured by:**

- First registered real property mortgage by Civmec Holdings Pty Ltd over the leasehold interest in the Commercial property located at 16 Nautical Drive, Henderson WA 6166.
- First registered fixed and floating charge over the assets and undertaking of Civmec Holdings Pty Ltd.
- Unlimited guarantee and indemnity given by Civmec Construction & Engineering Pty Ltd.
- Consent to Mortgage of Lease over Commercial property located at Lot 804 (16) Nautical Drive, Henderson WA 6166 given by Western Australian Land Authority.
- Unlimited guarantee and indemnity given by the Company.

Total unutilised facilities amount to approximately S\$39.5 million.

**1(c) Statement of Cash Flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year**

	<b>Group 2013 S\$'000</b>	<b>Group 2012 S\$'000</b>
<b>Cash Flows from Operating Activities</b>		
Profit before income tax	48,140	43,193
Adjustments for:		
Depreciation of property, plant and equipment	5,169	4,160
Amortisation of management fee	-	422
Gain on disposal of property, plant and equipment	(34)	(78)
Share of profit in joint venture	(568)	(234)
Write-back of interest on convertible loans	-	(809)
Finance cost	1,605	1,483
Interest income	(629)	(618)
Exchange translation differences	(4,023)	(6)
Operating cash flow before working capital changes	49,660	47,513
Changes in working capital:		
Increase in trade and other receivables	(3,253)	(66,218)
Decrease/(Increase) in other current assets	219	(267)
(Decrease)/Increase in trade and other payables	(10,199)	46,930
Increase in provisions	521	3,210
Cash generated from operations	36,948	31,168
Interest received	629	618
Finance cost paid	(1,605)	(1,483)
Income taxes paid	(27,329)	(4,159)
Net cash generated by operating activities	8,643	26,144
<b>Cash Flows from Investing Activities</b>		
Proceeds from sale of property, plant and equipment	102	333
Purchase of property, plant and equipment	(32,716)	(16,516)
Net cash used in investing activities	(32,614)	(16,183)
<b>Cash flows from financing activities</b>		
Proceeds from issuance of shares	-	20,525
IPO expenses deducted from proceeds	-	(1,580)
Proceeds from borrowings	31,759	9,355
Repayment of borrowings	(12,517)	(11,755)
Advances from related parties	-	105
Repayment of loans from related parties	(123)	-
Dividends paid	(3,006)	-
Decrease in deposits pledged	993	-
Net cash generated by financing activities	17,106	16,650



**1(c) Statement of Cash Flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd)**

	<b>Group 2013 <u>S\$'000</u></b>	<b>Group 2012 <u>S\$'000</u></b>
Net (decrease)/increase in cash and cash equivalents	(6,865)	26,611
Effects of currency translation on cash and cash equivalents	(2,819)	570
Cash and cash equivalents at the beginning of the year	32,792	6,620
Less: Deposits pledged	-	(1,009)
Cash and cash equivalents at the end of the year	<u>23,108</u>	<u>32,792</u>
Analysis of cash and cash equivalents:		
Cash on hand and in banks	23,108	33,801
Less: Deposits pledged	-	(1,009)
	<u>23,108</u>	<u>32,792</u>

- 1(d) A statement (for the issuer and the 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	Merger Reserve	Other reserves Option Premium on Convertible Loans	Translation Reserve	Retained Earnings	Total	Non- controlling interest	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Group</b>								
Balance as at 01 July 2011	-*	9,010	242	1,284	10,760	21,296	(1)	21,295
Profit for the year	-	-	-	-	30,310	30,310	-	30,310
Other comprehensive income for the year	-	-	-	185	-	185	-	185
Total comprehensive income for the year	-	-	-	185	30,310	30,495	-	30,495
Issuance of shares pursuant to increase capital contribution	125	-	-	-	-	125	-	125
Issuance of shares pursuant to conversion	18,919	-	(242)	-	-	18,677	-	18,677
Issuance of shares pursuant to the IPO	20,400	-	-	-	-	20,400	-	20,400
Costs directly attributable to IPO	(1,580)	-	-	-	-	(1,580)	-	(1,580)
<b>Balance as at 30 June 2012</b>	<b>37,864</b>	<b>9,010</b>	<b>-</b>	<b>1,469</b>	<b>41,070</b>	<b>89,413</b>	<b>(1)</b>	<b>89,412</b>
Balance as at 01 July 2012	37,864	9,010	-	1,469	41,070	89,413	(1)	89,412
Profit for the year	-	-	-	-	36,049	36,049	-	36,049
Other comprehensive loss for the year	-	-	-	(12,277)	-	(12,277)	-	(12,277)
Total comprehensive income for the year	-	-	-	(12,277)	36,049	23,772	-	23,772
Dividends paid	-	-	-	-	(3,006)	(3,006)	-	(3,006)
<b>Balance as at 30 June 2013</b>	<b>37,864</b>	<b>9,010</b>	<b>-</b>	<b>(10,808)</b>	<b>74,113</b>	<b>110,179</b>	<b>(1)</b>	<b>110,178</b>

\* - Less than S\$1,000



1(d) A statement (for the issuer and the 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	Merger Reserve	Other reserves Option Premium on Convertible Loans	Translation Reserve	Retained Earnings	Total	Non-controlling interest	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Company</b>								
Balance as at 01 July 2011	-*	-	242	5	(80)	167	-	167
Profit for the year	-	-	-	-	4,073	4,073	-	4,073
Other comprehensive income for the year	-	-	-	1,417	-	1,417	-	1,417
Total comprehensive income for the year	-	-	-	1,417	4,073	5,490	-	5,490
Issuance of shares pursuant to increase capital contribution	125	-	-	-	-	125	-	125
Issuance of shares pursuant to conversion	18,919	-	(242)	-	-	18,677	-	18,677
Issuance of shares pursuant to the IPO	20,400	-	-	-	-	20,400	-	20,400
Costs directly attributable to IPO	(1,580)	-	-	-	-	(1,580)	-	(1,580)
Adjustment pursuant to Restructuring Exercise	-	9,010	-	-	-	9,010	-	9,010
<b>Balance as at 30 June 2012</b>	<b>37,864</b>	<b>9,010</b>	<b>-</b>	<b>1,422</b>	<b>3,993</b>	<b>52,289</b>	<b>-</b>	<b>52,289</b>
Balance as at 01 July 2012	37,864	9,010	-	1,422	3,993	52,289	-	52,289
Profit for the year	-	-	-	-	3,774	3,774	-	3,774
Other comprehensive loss for the year	-	-	-	(5,492)	-	(5,492)	-	(5,492)
Total comprehensive income for the year	-	-	-	(5,492)	3,774	(1,718)	-	(1,718)
Dividends paid	-	-	-	-	(3,006)	(3,006)	-	(3,006)
<b>Balance as at 30 June 2013</b>	<b>37,864</b>	<b>9,010</b>	<b>-</b>	<b>(4,070)</b>	<b>4,761</b>	<b>47,565</b>	<b>-</b>	<b>47,565</b>

\* - Less than S\$1,000

- 1(d)(ii) Details of any changes in the company's share capital arising from right issue, bonus issue, share buy-back, 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 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.**

There was no change to the share capital of the company since the end of the previous reporting period ended 31 March 2013.

- 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, the total number of issued ordinary shares (excluding treasury shares) was 501,000,000 (30 June 2012: 501,000,000).

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

- 3. Whether 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.**

Except as disclosed under item 5 below the Group has adopted the same accounting policies and methods of computation in the financial statements for the current financial period as those applied for the most recent audited financial statements for the year ended 30 June 2012.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The following is the revised FRS that is relevant to the Group for the financial year ended 30 June 2013:

- Amendments to FRS 1 Presentation of Items of Other Comprehensive Income

The adoption of the above FRS did not result in any substantial changes to the Group's accounting policies nor any significant impact 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.**

	Q4 FY2013 S\$'000	Q4 FY2012 S\$'000	FY2013 S\$'000	FY2012 S\$'000
Profit after taxation	9,237	8,421	36,049	30,310
Share Capital	501,000,000	501,000,000	501,000,000	501,000,000
Earnings per ordinary share (S\$ cents)				
• Basic	1.84	1.68	7.20	6.05
• Diluted	1.84	1.68	7.20	6.05

Basic earnings per share is calculated by dividing the consolidated profit after tax attributable to the equity holders of the Company by the share capital of 501,000,000 ordinary shares which were assumed to be in issue throughout the entire period presented.

There was no dilution of shares for the period.

**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 30 June 2013 S\$'000	As at 30 June 2012 S\$'000	As at 30 June 2013 S\$'000	As at 30 June 2012 S\$'000
Net assets	110,178	89,412	47,565	52,289
Net asset value per ordinary share based on issued share capital at the end of the respective periods (S\$ cents)	21.99	17.85	9.49	10.44

Net asset value per share is calculated by dividing the net assets attributable to the equity holders of the Company by the share capital of 501,000,000 ordinary shares which were assumed to be in issue throughout the entire period presented.

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.

**A. Statement of Comprehensive Income**

**(i) Revenue**

- The Group's total revenue for the fourth quarter FY2013 was S\$79.4 million (Q4 FY2012: S\$113.6 million). The change in revenue was as a consequence of the timing in recognising revenues from ongoing projects, projects nearing completion and new project start-ups.
- Revenue for FY2013 increased by 23.5% to S\$405.9 million (FY2012: S\$328.7 million). The increase was the result of higher average activity levels in both the Oil & Gas and Mining and Other segments.

**(ii) Gross Profit**

- Gross profit for the fourth quarter of FY2013 was 18.7% of revenue (Q4 FY2012: 14.8%). This increase was due to productivity improvements realised on projects nearing completion during the period.
- Gross profit for the FY2013 was 17.2% of revenue (FY2012: 18.5%).

**(iii) Administrative Expenses**

- Administration expenses for the fourth quarter of FY2013 increased 1.4% to S\$4.7 million (Q4 FY2012: S\$4.6 million) which included an accrual for the Civmec Share Performance Plan based on achieving performance targets.
- Administration expenses for FY2013 represented 5.3% of revenue (FY2012: 5.4%).

**(iv) Other Income**

- Other income for the fourth quarter FY2013 was S\$0.5 million (Q4 FY2012: S\$0.6 million).
- Other income for FY2013 was S\$1.3 million (FY2012: S\$1.7 million).

**(v) Finance Costs**

- Finance costs for the fourth quarter of FY2013 increased by 33.7% to S\$0.5 million (Q4 FY2012: S\$0.3 million). This increase was in line with the increase in borrowings during the period.
- Finance costs for FY2013 increased by 8.2% to S\$1.6 million (FY2012: S\$1.5 million). This increase was in line with the increase in borrowings during the year.

**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 (cont'd):**

**(vi) Income Tax**

- Income tax for the fourth quarter of FY2013 decreased by 76.5% to S\$0.9 million (Q4 FY2012: S\$3.9 million). This decrease was mainly due to Research and Development Tax Incentive for the year of approximately S\$1.2 million.
- Income tax for the FY2013 decreased by 6.1% to S\$12.1 million (FY2012: S\$12.9 million). This decrease was due to the reasons stated above.

**Profit after tax**

- Profit after tax for the fourth quarter of FY2013 increased by 9.7% to S\$9.2 million (Q4 FY2012: S\$8.4 million). Profit after tax for FY2013 increased by 18.9% to S\$36.0 million (FY2012: S\$30.3 million).

**B Statement of Financial Position**

**(i) Shareholders' Equity**

- Total shareholders' equity at 30 June 2013 amounted to S\$110.2 million, an increase of 23.2% over the previous corresponding period (FY2012: S\$89.4 million). This was due to the increase in profit for the period.

**(ii) Non-current Assets**

- Total non-current assets amounted to S\$80.2 million at 30 June 2013, representing a 36.8% increase over the previous corresponding period (FY2012: S\$58.6 million). This was due mainly to the increase in property, plant and equipment.

**(iii) Current Assets**

- Total current assets amounted to S\$113.1 million at 30 June 2013, representing a 6.3% decrease compared with the previous corresponding period (FY2012: S\$120.8 million). This was due mainly to the decrease in cash and cash equivalents (S\$10.7 million) and an increase of Trade and other receivables (S\$3.3 million).

**(iv) Non-current Liabilities**

- Total non-current liabilities at 30 June 2013 increased by 95.9% to S\$21.6 million as compared to the corresponding period (FY2012: S\$11.0 million). The increase was attributable to an increase in commercial bill borrowings (S\$9.9 million) and an increase in employee leave provisions of S\$0.7 million.

**(v) Current Liabilities**

- Total current liabilities at 30 June 2013 decreased by 22.1% to S\$61.5 million as compared with the previous corresponding period (FY2012: S\$78.9 million). The decrease was mainly due to:
  - A decrease in trade and other payables of S\$10.2 million
  - A decrease in income tax liability of S\$13.2 million
  - Partially offset with an increase in borrowings of S\$6.2 million.

**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 (cont'd):**

**C Statement of Cash flows**

- Operating activities generated cash inflow of S\$8.6 million for FY2013 (FY2012: S\$26.1 million). This included -
  - Profits before tax generated of S\$48.1 million (FY2012: S\$43.2 million),
  - A decrease in trade and other payables of S\$10.2 million,
  - Income taxes of S\$27.3 million paid during the period comprised of an income tax liability from FY2012 as well as provisional tax payments for FY2013 (FY2012: S\$4.2 million).
  - Partially offset by an increase in trade and other receivables of S\$3.3 million.
  
- Cash flows from investing activities of S\$32.6 million (FY2012: S\$16.2 million), included -
  - Purchase of land in Henderson, Western Australia,
  - Development of the Henderson office complex,
  - Capex on equipment to expand into SMP
  - Capex on equipment to support existing business units
  - Acquisition of equipment to expand operations into the Northern Territory

As at 30 June 2013 the Group has S\$23.1 million in cash and cash equivalents. (FY2012: S\$33.8 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 and the next 12 months.**

We are an Australian-based integrated multi-disciplinary heavy engineering services provider to the oil and gas, mining and other industries, such as the infrastructure, utilities, chemical and power industries. We provide heavy engineering and other services including metal and structural fabrication, site civil works, pre-cast concrete, maintenance services and offshore logistics.

The Oil and Gas sector in Australia remains strong and the outlook is positive. Client commitments together with our level of tendering in the Mining sector underpins our anticipation of an ongoing level of activity in this sector in the medium and long term. Opportunities are becoming available to engage with new clients as well as continue with our existing. The outlook for infrastructure projects remains steady. Tendering opportunities remain buoyant and tendering activities remain high.

The outlook for the Company remains strong. We retain a strong commitment to excellence in project delivery. Our increased geographical footprint with our expansion into the Northern Territory opens up new opportunities going forward, especially in the oil and gas sector, as well as introducing a new capacity with our Darwin offshore logistics base. We remain well positioned to capitalise on the substantial pipeline of projects in our key operating sectors.

The Group is confident regarding its long term outlook and believes our attitude towards innovation, waste minimisation and productivity improvements will hold us in good stead going forward.

**11. Dividend**

**a) Any dividend declared for the current financial period reported on?**

Yes

Name of Dividend	First and Final (one tier)
Dividend Type	Cash
Dividend amount per share	0.7 Singapore Cents
Tax Rate	Tax Exempt
Number of Shares	501,000,000

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

Name of Dividend	First and Final (one tier)
Dividend Type	Cash
Dividend amount per share	0.6 Singapore Cents
Tax Rate	Tax Exempt
Number of Shares	501,000,000

**c) Date payable**

The proposed first and final dividend is subject to approval by the shareholders in the forthcoming Annual General Meeting. The payment date will be announced in due course.

**d) Books closure date**

To be determined and announced at a later 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 the effect.**

No general mandate has been obtained for interested persons transactions

Name of interested persons	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual)	
	Q4 FY2013 S\$'000	FY2013 S\$'000
Ann Tallon and Tallon Investment trust	-	159

The value of IPTs of the Group is below 3% of the Group's latest audited net tangible assets as at 30 June 2012.

**14. Negative confirmation pursuant to Rule 705(5).**

Negative confirmation pursuant to Rule 705(5) not required for announcement on full 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 immediately preceding year.**

	2013			2012		
	Oil and Gas	Mining and	Total	Oil and Gas	Mining and	Total
	<u>S\$'000</u>	<u>Others</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>Others</u>	<u>S\$'000</u>
Revenue - external sales	143,634	262,290	405,924	79,225	249,429	328,654
Cost of sales (excluding depreciation)	(115,378)	(215,889)	(331,267)	(55,543)	(208,450)	(263,993)
Depreciation expense	(2,186)	(2,524)	(4,710)	(1,755)	(2,112)	(3,867)
Segment results	<u>26,070</u>	<u>43,877</u>	<u>69,947</u>	<u>21,927</u>	<u>38,867</u>	<u>60,794</u>
Unallocated costs			(21,512)			(17,866)
Other income			742			1,514
Share of profit in joint venture	568		568	234	-	234
Finance costs			(1,605)			(1,483)
Profit before income tax			<u>48,140</u>			<u>43,193</u>
Income tax expenses			(12,091)			(12,883)
Net profit for the year			<u><u>36,049</u></u>			<u><u>30,310</u></u>
<b>Segment assets:</b>						
Intangible assets		12	12		13	13
Unallocated assets:						
- Assets			188,743			179,085
- Other current assets			118			337
- Deferred tax assets			4,383			2,470
Total assets			<u><u>193,256</u></u>			<u><u>181,905</u></u>





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 immediately preceding year (cont'd).**

	Oil and Gas <u>S\$'000</u>	2013 Mining and Others <u>S\$'000</u>	Total <u>S\$'000</u>	Oil and Gas <u>S\$'000</u>	2012 Mining and Others <u>S\$'000</u>	Total <u>S\$'000</u>
<b>Segment liabilities:</b>						
Unallocated liabilities:						
- Liabilities			48,016			60,885
- Borrowings			29,476			13,373
- Current income tax liabilities			681			13,852
- Deferred tax liabilities			342			341
- Provisions			4,563			4,042
Total liabilities			<u>83,078</u>			<u>92,493</u>
Other segment information:						
Capital expenditure			<u>8,539</u>			<u>16,516</u>

**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.**

Revenue for the Oil and Gas sector increased by 81.3% to S\$143.6 million (FY2012: S\$79.2 million). This increase was mainly due to securing new contracts in an environment of increased activity levels in the oil and gas industry in the Western Australia market.

Revenue for the Mining and Other sector increased by 5.2% to S\$262.3 million (FY2012: S\$249.4million). This increase was mainly due to having secured higher value and longer term contracts in an environment of increased activity levels in the mining industry in the Western Australia market.

Gross profit for the Oil and Gas sector increased by 18.9% to S\$26.1 million (FY2012: S\$21.9 million). Gross profit margins in the oil and gas decreased from 27.7% during FY2012 to 18.2% during FY2013. This was due to the nature of contracts undertaken in FY2013 which have higher averaging values and longer terms but with a lower gross profit margin than those carried out for the same period in FY2012.

Gross Profit for the Mining and Other sector increased by 12.9% to S\$43.9 million, in line with increased revenue (FY2012: S\$38.9 million). Gross Profit margins in the Mining and Other sector increased from 15.6% during FY2012 to 16.7% during FY2013.

**17. A breakdown of sales as follows:**

	Group FY2013	FY2012	% change increase/ (decrease)
	S\$'000	S\$'000	
(a) Sales reported for first half year	239,395	118,025	102.8
(b) Operating profit after tax before deducting non-controlling interest reported for first half year	18,283	12,005	52.3
(c) Sales reported for second half year	166,529	210,629	(20.9)
(d) Operating profit after tax before deducting non-controlling interest reported for second half year	17,766	18,305	(2.9)

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

	FY2013 S\$'000	FY2012 S\$'000
(a) Ordinary	3,507	3,006
(b) Preference	-	-
(c) Total	3,507	3,006



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

The Company confirms that there is no person occupying a managerial position in the Company and its subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company pursuant to Rule 704(10).

**ON BEHALF OF THE BOARD**

James Finbarr Fitzgerald  
Executive Chairman  
26 August 2013