



CIVMEC LIMITED

(Company Registration No: 201011837H)

FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE FOURTH QUARTER AND FULL YEAR ENDED 30 JUNE 2012

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 period ended 30 June 2012 and the comparative results of the Group for the financial period ended 30 June 2011 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 FY2012 S\$'000	Q4 FY2011 S\$'000	+ /(-) %	12M FY2012 S\$'000	12M FY2011 S\$'000	+ /(-) %
Sales revenue	113,564	25,394	347.2	328,654	61,007	438.7
Cost of sales	(96,794)	(17,120)	465.4	(267,860)	(41,060)	552.4
Gross profit	16,770	8,274	102.7	60,794	19,947	204.8
Other income	577	55	930.4	939	316	196.2
Administrative expenses	(4,651)	(2,519)	84.6	(17,866)	(7,588)	135.4
Finance costs	(347)	(313)	11	(674)	(1,557)	(56.7)
Profit before tax	12,349	5,497	124.6	43,193	11,118	288.5
Income tax expense	(3,928)	(1,880)	108.9	(12,883)	(3,596)	258.3
Profit for the period	8,421	3,617	132.8	30,310	7,522	302.9
<u>Other comprehensive income:</u>						
Exchange differences on translation from functional currency to presentation currency	(389)	139	(379.9)	185	1,334	(86.1)
Total comprehensive income for the period	8,032	3,756	113.8	30,495	8,856	244.3
<u>Profit attributable to:</u>						
Owners of the Company	8,421	3,617		30,310	7,522	
Non-controlling interest	-	-		-	-*	
	8,421	3,617		30,310	7,522	
<u>Total comprehensive income attributable to:</u>						
Owners of the Company	8,032	3,756		30,495	8,856	
Non-controlling interest	-	-		-	-*	
	8,032	3,756		30,495	8,856	
Earnings per share attributable to equity holders of the Company (cents per share):						
• Basic	1.68	0.72		6.05	1.50	
• Diluted	1.68	0.72		6.05	1.50	

* - Less than S\$500

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	Q4	+ / (-)	12M	12M	+ / (-)
	FY2012	FY2011		FY2012	FY2011	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(Loss)/Gain on disposal of property, plant and equipment	(13)	-	N.M.*	78	-	N.M.*
Interest income on bank balances	241	62	288.7	618	316	95.6
Share of profit in joint venture	341	-	N.M.*	234	-	N.M.*
Amortisation of deferred management fee	-	(227)	(100.0)	(422)	(473)	(10.8)
IPO expenses	600	-	N.M.*	(634)	-	N.M.*

B. Finance costs

	Group			Group		
	Q4	Q4	+ / (-)	12M	12M	+ / (-)
	FY2012	FY2011		FY2012	FY2011	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Convertible loans	-	354	(100.0)	881	787	11.9
Write-back of interest on convertible loans	-	-	N.M.*	(1,695)	-	N.M.*
Bank bill	21	(139)	(115.1)	354	152	132.9
Finance leases	276	96	187.5	1,084	304	256.6
Related parties	-	2	(100.0)	-	314	(100.0)
Others	50	-	N.M.*	50	-	N.M.*
Total Finance Costs	347	313	10.9	674	1,557	(56.7)

A total of S\$1.7 million (approximately A\$1.3 million) interest expense on convertible loans was reversed pursuant to the share conversion that took place on 27th March 2012.

C. Depreciation expenses

	Group			Group		
	Q4	Q4	+ / (-)	12M	12M	+ / (-)
	FY2012	FY2011		FY2012	FY2011	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Included in Cost of sales	1,121	694	61.5	3,867	1,651	134.2
Included in Administrative expenses	98	32	206.3	293	96	205.2
Total Depreciation	1,219	726	67.9	4,160	1,747	138.1

* 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 2012 S\$'000	As at 30 June 2011 S\$'000	As at 30 June 2012 S\$'000	As at 30 June 2011 S\$'000
ASSETS				
Current Assets				
Trade and other receivables	86,620	20,403	5,082	742
Other current assets	337	492	-	-
Cash and cash equivalents	33,801	6,620	1,295	20
	<u>120,758</u>	<u>27,515</u>	<u>6,377</u>	<u>762</u>
Non-Current Assets				
Investment in joint venture	232	-	-	-
Investment in subsidiary	-	-	9,792	-
Loans receivable	-	-	37,380	19,638
Property, plant and equipment	55,885	44,439	-	-
Intangible assets	13	13	-	-
Deferred tax assets	2,470	833	-	-
	<u>58,600</u>	<u>45,285</u>	<u>47,172</u>	<u>19,638</u>
TOTAL ASSETS	<u>179,358</u>	<u>72,800</u>	<u>53,549</u>	<u>20,400</u>
LIABILITIES AND EQUITY				
Current Liabilities				
Trade and other payables	58,215	11,287	359	740
Dividends payable	3,006	-	-	-
Borrowings	3,318	1,585	-	-
Payable to related parties	123	21	901	21
Current income tax liabilities	13,852	3,663	-	-
Employee benefit provisions	3,400	621	-	-
	<u>81,914</u>	<u>17,177</u>	<u>1,260</u>	<u>761</u>
Non-Current Liabilities				
Borrowings	10,055	33,856	-	19,472
Deferred tax liabilities	341	261	-	-
Employee benefit provisions	642	211	-	-
	<u>11,038</u>	<u>34,328</u>	<u>-</u>	<u>19,472</u>
TOTAL LIABILITIES	<u>92,952</u>	<u>51,505</u>	<u>1,260</u>	<u>20,233</u>
Capital and Reserves				
Share capital	37,864	-*	37,864	-*
Other reserves	10,479	10,536	10,432	247
Retained earnings/(accumulated losses)	38,064	10,760	3,993	(80)
Total Equity Attributable to Owners	<u>86,407</u>	<u>21,296</u>	<u>52,289</u>	<u>167</u>
Non-controlling interest	(1)	(1)	-	-
TOTAL EQUITY	<u>86,406</u>	<u>21,295</u>	<u>52,289</u>	<u>167</u>
TOTAL LIABILITIES AND EQUITY	<u>179,358</u>	<u>72,800</u>	<u>53,549</u>	<u>20,400</u>

* - Less than S\$500

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

	Group		Group	
	As at 30 June 2012		As at 30 June 2011	
	S\$'000	S\$'000	S\$'000	S\$'000
	Secured	Unsecured	Secured	Unsecured
Finance leases	13,373	-	7,177	-
Convertible loans	-	-	-	19,472
Bank bill	-	-	8,792	-
Total borrowings	13,373	-	15,969	19,472
Amount repayable in one year or less, or on demand	3,318	-	1,585	-
Amount repayable after one year	10,055	-	14,384	19,472

Details of collaterals

Finance leases:

- The Group leases motor vehicles and workshop equipment from non-related parties under finance leases. The Group will obtain the ownership of the leased assets from the lessor at no extra cost at the end of the lease term.
- The average lease term is between 4 and 5 years at interest rates ranging from 7.99% to 9.59% per annum.
- These leases are secured by the underlying leased assets and guarantees provided by the Executive Chairman and CEO.
- The Group is currently seeking release from the Guarantees provided by the Executive Chairman and CEO for the above leases

Bank bill:

- The Group has a commercial bank facility amounting to A\$6.715 million (approximately S\$8.025) and it was paid in full as at 30 June 2012.

Other financing facilities available:

- The Group has a Multi Option Facility available for a limit of A\$10.03 million (approximately S\$12.958 million). This is secured by:
 - A registered fixed and floating charge over the assets and undertakings of the Group.
 - A first registered real property mortgage over the leasehold interest in the Commercial property located at Lot 804 (16) Nautical Drive, Henderson Western Australia and guarantee and indemnity given by Civmec Limited.

Convertible loans:

- As at 31 March 2012, a total of 113,562,000 ordinary shares were issued pursuant to the conversion of certain convertible loans at a consideration of A\$15 million (approximately S\$18.919 million). The convertible loans have been discharged.

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

	Group 2012 S\$'000	Group 2011 S\$'000 (Restated)
Cash Flows from Operating Activities		
Profit before income tax	43,193	11,118
Adjustments for:		
Depreciation of property, plant and equipment	4,160	1,747
Amortisation of management fee	422	473
(Gain)/Loss on disposal of property, plant and equipment	(78)	44
Share of profit in joint venture	(232)	-
Finance cost	674	1,557
Interest income	(618)	(316)
Unrealised foreign exchange differences	(6)	(1)
Operating cash flow before working capital changes	<u>47,515</u>	<u>14,622</u>
Changes in working capital:		
Increase in trade and other receivables	(66,218)	(13,633)
Increase in other current assets	(267)	(67)
Increase in trade and other payables	46,930	2,931
Increase in provisions	3,210	521
Cash generated from operations	<u>31,170</u>	<u>4,374</u>
Interest received	618	316
Finance cost paid	(1,483)	(780)
Income taxes paid	(4,159)	(2,216)
Net cash generated by operating activities	<u>26,146</u>	<u>1,694</u>
Cash Flows from Investing Activities		
Proceeds from sale of property, plant and equipment	334	12
Purchase of property, plant and equipment	(16,516)	(30,809)
Net cash used in investing activities	<u>(16,182)</u>	<u>(30,797)</u>
Cash flows from financing activities		
Proceeds from issuance of shares	20,525	-
IPO expenses deducted from proceeds	(1,580)	-
Proceeds from borrowings	9,355	16,233
Repayment of borrowings	(11,755)	(646)
Advances from related parties	105	21
Payment of management fee	-	(639)
Proceeds from issuance of convertible loan	-	12,983
Proceeds from loans from related parties	-	32
Repayment of loans from related parties	-	(4,627)
Net cash generated by financing activities	<u>16,650</u>	<u>23,357</u>



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)

	Group 2012 S\$'000	Group 2011 S\$'000
Net increase/(decrease) in cash and cash equivalents	26,614	(5,746)
Effects of currency translation on cash and cash equivalents	567	1,111
Cash and cash equivalents at the beginning of the year	6,620	11,255
Less: Deposit pledged	(1,009)	(1,022)
Cash and cash equivalents at the end of the year	<u>32,792</u>	<u>5,598</u>
Analysis of cash and cash equivalents:		
Cash on hand and in banks	33,801	6,620
Less: Deposits pledged	(1,009)	(1,022)
	<u>32,792</u>	<u>5,598</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
Group								
Balance at 01 July 2010	9,010	-	83	(50)	3,237	12,280	-	12,280
Total comprehensive income for the year	-	-	-	1,334	7,523	8,857	(1)	8,856
Issuance of convertible loans – equity	-	-	159	-	-	159	-	159
Issuance of shares of the subsidiary	-*	-	-	-	-	-*	-	-
Adjustment pursuant to Restructuring Exercise	(9,010)	9,010	-	-	-	-	-	-
Balance as at 30 June 2011	-*	9,010	242	1,284	10,760	21,296	(1)	21,295
Balance as at 01 July 2011	-*	9,010	242	1,284	10,760	21,296	(1)	21,295
Total comprehensive income for the year	-	-	-	185	30,310	30,495	-	30,495
Issuance of shares pursuant to increase capital contribution	125	-	-	-	-	125	-	125
Dividends declared	-	-	-	-	(3,006)	(3,006)	-	(3,006)
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)
Balance as at 30 June 2012	37,864	9,010	-	1,469	38,064	86,407	(1)	86,406

* - Less than S\$500

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
Company								
Balance at 01 July 2010	-*	-	83	-	-	83	-	83
Total comprehensive income for the year	-	-	-	5	(80)	(75)	-	(75)
Issuance of convertible loans – equity	-	-	159	-	-	159	-	159
Balance as at 30 June 2011	-*	-	242	5	(80)	167	-	167
Balance as at 01 July 2011	-*	-	242	5	(80)	167	-	167
Total comprehensive income for the period/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
Balance as at 30 June 2012	37,864	9,010	-	1,422	3,993	52,289	-	52,289

* - Less than S\$500

- 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.**

	Company As at 30 June 2012		Company As at 30 June 2011	
	No. of Shares	S\$'000	No. of Shares	S\$'000
Issued and fully paid up Shares as at date of incorporation	1	-*	1	-
Issue of 124,999 shares on 8 November 2011 pursuant to increase in capital contribution	124,999	125	-	-
	<u>125,000</u>	<u>125</u>	<u>1</u>	<u>-</u>
Sub-division of 125,000 Shares	12,500,000	125	-	-
Issue of Shares pursuant to the Share Swap Agreement	323,938,000	-	-	-
Issue of Shares pursuant to the Conversion of convertible loans on 27 March 2012	113,562,000	18,919	-	-
Issue of Shares pursuant to the IPO	51,000,000	20,400	-	-
IPO expenses debited to equity	-	(1,580)	-	-
Closing balance	<u>501,000,000</u>	<u>37,864</u>	<u>1</u>	<u>-</u>

* - Less than S\$500

- 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 2012, the total number of issued ordinary shares (excluding treasury shares) was 501,000,000 (30 June 2011: 1).

- 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 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 Group adopted the new/revised FRS that are effective for financial periods beginning on or after 1 July 2011. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS.

The following is the revised FRS that is relevant to the Group for the financial year ended 30 June 2012:

FRS 24 (Revised) Related Party Disclosures
FRS 107 (Amendments) Financial Instruments: Disclosures

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 FY2012 S\$'000	Q4 FY2011 S\$'000	FY2012 S\$'000	FY2011 S\$'000
Profit after taxation	8,421	3,617	30,310	7,522
Pre-invitation Share Capital	501,000,000	501,000,000	501,000,000	501,000,000
Earnings per ordinary share (S\$ cents)				
• Basic	1.68	0.72	6.05	1.50
• Diluted	1.68	0.72	6.05	1.50

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 2012 S\$'000	As at 30 June 2011 S\$'000	As at 30 June 2012 S\$'000	As at 30 June 2011 S\$'000
Net assets	86,406	21,295	52,289	167
Net asset value per ordinary share based on issued share capital at the end of the respective periods (S\$ cents)	17.25	4.25	10.44	N/M*

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.

* N/M – Not meaningful

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

Revenue for the fourth quarter of FY2012 increased by 347.2% to S\$113.6 million (Q4 FY2011: S\$25.4 million). This increase was due to higher revenue recognised as a result of higher activity levels in both the Oil & Gas and Mining and Other segments. The increase was also aided by having the Henderson facility being open for operation for the full financial year enabling a ramp up of activities.

Revenue for FY2012 increased by 438.7% to S\$328.7 million (FY2011 : S\$61.0 million). This increase was due to the reasons stated above.

(ii) Cost of Sales and Gross Profit

Cost of Sales

The cost of sales for the fourth quarter increased by 465.4% to S\$96.8 million (Q4 FY2011: S\$17.1 million), which was consistent with the increased level of activities in Q4 FY2012. The cost of sales for the FY2012 increased by 552.4% to S\$267.9 million (FY2011: S\$41.1 million), which was consistent with the increased level of activities in FY2012.

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):

Gross Profit

Gross profit margins decreased from 32.6% during the fourth quarter of FY2011 to 14.8% during the fourth quarter of FY2012. This was due to the nature of contracts undertaken in FY2012 which have higher average values and longer terms but with a lower gross profit margin than those carried out for the same period in FY2011. The contribution from such contracts with lower gross profit margin comprises a larger proportion of our total gross profit as compared to other contracts with higher gross profit margins. Gross margins decreased from 32.7% during FY2011 to 18.5% during FY2012. The decrease was due to the reasons stated above.

(iii) Administrative Expenses

Administration expenses for the fourth quarter of FY2012 increased by 84.6% to S\$4.6 million (Q4 FY2011: S\$2.5 million). IPO expenses of S\$0.6 million were written back to equity in line with treatment of IPO expenses. (compared to Q4 FY2011: nil). The increase in administration expenses is mainly due increases in staff and staff related expenses in order to cope with the increased administrative demands in line with our revenue growth. Administration expenses for Q4 FY2012 represent 4.1% of revenue (compared to Q4 FY2011 of 9.9%).

Administration expenses for FY2012 increased by 135.4% to S\$17.9 million (FY2011: S\$7.6 million). IPO Expenses of S\$0.6 million were incurred in FY2012 (compared to FY2011: nil). The increase is mainly due to IPO expenses and increases in staff and staff related expenses in order to cope with the increased administrative demands in line with our revenue growth. Administration expenses for FY2012 represent 5.4% of revenue (compared to FY2011 of 12.4%).

(iv) Other Income

Other income for the fourth quarter of FY2012 increased by 930.4% to S\$577,000 (Q4 FY2011: S\$56,000). The increase was mainly due to higher interest received as a result of higher cash balances held and profits realised from joint ventures. Other income for FY2012 increased by 196.2% to S\$0.9 million (FY2011: S\$0.3 million). The increase was due to the reasons stated above.

(v) Finance Costs

Finance costs for the fourth quarter of FY2012 increased by 11.0% to S\$347,000 (Q4 FY2011: S\$313,000). This increase was in line with the increase in borrowings for the quarter. Finance costs for FY2012 decreased by 56.7% to S\$0.7 million (FY2011: S\$1.6 million). This decrease was due to a one-off write back of S\$1.7 million of interest expense relating to convertible loans now converted to equity.

(vi) Income Tax

Income tax for the fourth quarter of FY2012 increased by 108.9% to S\$3.9 million (Q4 FY2011: S\$1.9 million). This increase was due to higher taxable profits. Income tax for the FY2012 increased by 258.3% to S\$12.9 million (FY2011: S\$3.6 million). This increase was due to the reason stated above.

Profit after tax

Profit after tax for the fourth quarter of FY2012 increased by 132.8% to S\$8.4 million (Q4 FY2011: S\$3.6 million). Profit after tax for FY2012 increased by 302.9% to S\$30.3 million (FY2011: S\$7.5 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):**

B Statement of Financial Position

(i) Shareholders' Equity

Total shareholders' equity at 30 June 2012 amounted to S\$86.4 million, an increase of 305.8% over the previous corresponding period (FY2011: S\$21.3 million). This was due to the increase in profit for the period and the conversion of convertible loans to equity (S\$18.9 million).

(ii) Non-current Assets

Total non-current assets amounted to S\$58.6 million at 30 June 2012, representing a 29.4% increase over the previous corresponding period (FY2011: S\$45.3 million). This was due mainly to the increase in property, plant and equipment.

(iii) Current Assets

Total current assets amounted to S\$120.8 million at 30 June 2012, representing a 338.9% increase compared with the previous corresponding period (FY2011: S\$27.5 million). This was due mainly to the increase in trade and other receivables (S\$66.2 million) and cash and cash equivalents (S\$27.2 million). The increase in trade and other receivables was in line with the increased revenue and the increase in cash and cash equivalents was mainly due to the receipt of IPO proceeds and cash generated from operating activities.

(iv) Non-current Liabilities

Total non-current liabilities at 30 June 2012 decreased by 67.8% to S\$11.0 million as compared to the corresponding period (FY2011 S\$34.3million). The decrease was attributable to the convertible loans being converted to equity (S\$18.9 million), reduction in commercial bill borrowings (S\$4.0 million) and partially offset by an increase in employee benefit provisions of S\$0.4 million.

(v) Current Liabilities

Total current liabilities at 30 June 2012 increased by 376.9% to S\$81.9 million as compared with the previous corresponding period (FY2011 S\$17.2 million). The increase was mainly due to an increase in trade and other payables of S\$46.9 million, dividends payable of S\$3.0 million and income tax liability of S\$10.2 million respectively, which was in line with the increase in cost of sales and net profit respectively.

C Statement of Cash flows

Operating activities generated cash inflow of S\$26.1 million for FY2012 (FY2011: S\$1.7 million). This was due to profits before tax generated of S\$43.2 million (FY2011: S\$11.1 million) and increase in trade and other payables of S\$47.9 million which was partially offset by an increase of trade receivables of S\$66.2 million. As at 30 June 2012 the Group has S\$33.8 million in cash and cash equivalents including S\$ 1.0 million pledged as deposits. (FY2011: S\$6.6 million.) This includes proceeds received from the IPO exercise completed in April 2012 of S\$18.9 million after deducting expenses.

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 and maintenance services.

The outlook for the Oil & Gas and Mining sectors remains strong in Western Australia. The Group believes that it will continue to benefit from the demand for its services from these sectors. The order book for the Group amounted to approximately S\$264 million as of the 30th of June 2012.

As the Company matures we will place greater emphasis on retention and attraction of experienced staff and skilled labour. Our current office space is near capacity and the use of the IPO proceeds will enable us to focus on the completion of the construction of the new office building that is expected to be completed in the first quarter of Calendar Year 2013.

Administrative expenses are expected to increase in the next period due to additional administration costs associated with the listed entity, attraction and retention of staff, future expansion into SMP (structural, mechanical and piping) and organic growth of our operations.

Barring any unforeseen circumstances the Group expects to remain profitable for the financial year ending 30 June 2013.

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	0.6 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?

Not applicable.

c) Date payable

To be determined and announced at a later date.

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 FY2012 S\$'000	FY2012 S\$'000
Ann Tallon and Tallon Investment trust	79	226

The value of IPTs of the Group is below 3% of the Group's latest audited net tangible assets as at 30 June 2011.

- 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.

	2012			2011		
	Oil and Gas S\$'000	Mining and Others S\$'000	Total S\$'000	Oil and Gas S\$'000	Mining and Others S\$'000	Total S\$'000
Revenue - external sales	79,225	249,429	328,654	43,185	17,822	61,007
Cost of sales (excluding depreciation)	(55,543)	(208,450)	(263,993)	(29,590)	(9,819)	(39,409)
Depreciation expense	(1,755)	(2,112)	(3,867)	(330)	(1,321)	(1,651)
Segment results	21,927	38,867	60,794	13,265	6,682	19,947
Unallocated costs			(17,866)			(7,588)
Other income			705			316
Share of profit in joint venture	234	-	234			-
Finance costs			(674)			(1,557)
Profit before income tax			43,193			11,118
Income tax expenses			(12,883)			(3,596)
Net profit for the year			30,310			7,522
Segment assets:						
Intangible assets		13	13		13	13
Unallocated assets:						
- Fixed assets			176,538			71,462
- Other current assets			337			492
- Deferred tax assets			2,470			833
Total assets			179,358			72,800



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	2012 Mining and Others	Total	Oil and Gas	2011 Mining and Others	Total
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Segment liabilities:						
Unallocated liabilities:						
- Liabilities			58,338			11,308
- Borrowings			13,373			35,441
- Current income tax liabilities			13,852			3,663
- Deferred tax liabilities			341			261
- Provisions			4,042			832
Total liabilities			<u>89,946</u>			<u>51,505</u>
Other segment information:						
Capital expenditure			<u>30,361</u>			<u>16,758</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 83.5% to S\$79.2 million (FY2011: S\$43.2 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 1299.6% to S\$249.4 million (FY2011: S\$17.8 million). 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 65.3% to S\$21.9 million (FY2011: S\$13.3 million). Gross profit margins in the oil and gas decreased from 30.7% during FY2011 to 27.7% during FY2012. This was due to the nature of contracts undertaken in FY2012 which have higher averaging values and longer terms but with a lower gross profit margin than those carried out for the same period in FY2011.

Gross Profit for the Mining and Other sector increased by 481.6% to S\$38.9 million (FY2011: S\$6.7 million).

Gross Profit margins in the Mining and Other sector decreased from 37.5% during FY2011 to 15.6% during FY2012. This was due to the nature of contracts undertaken in FY2012 which have higher averaging values and longer terms but with a lower gross profit margin than those carried out for the same period in FY2011. The contribution from such contracts with lower gross profit margin comprises a larger proportion of our total gross profit as compared to other contracts with higher gross profit margins within the Mining and Other sector.

17. A breakdown of sales as follows:

	Group		
	FY2012	FY2011	% change increase/ (decrease)
	S\$'000	S\$'000	
(a) Sales reported for first half year	118,025	24,386	384.0
(b) Operating profit after tax before deducting non-controlling interest reported for first half year	12,005	2,895	314.7
(c) Sales reported for second half year	210,629	36,621	475.2
(d) Operating profit after tax before deducting non-controlling interest reported for second half year	18,305	4,627	295.5

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

	FY2012 S\$'000	FY2011 S\$'000
(a) Ordinary	3,006	-
(b) Preference	-	-
(c) Total	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
21 August 2012