SWISSCO

SWISSCO HOLDINGS LIMITED
(formerly known as "C2O Holdings Limited")
(Company Registration No: 200404711D)

FULL YEAR FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE FINANCIAL PERIOD FROM 1 MARCH 2010 TO 31 DECEMBER 2010

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

The Board of Directors of Swissco Holdings Limited is pleased to announce the consolidated results of the Group for the ten months ended 31 December 2010. The Group and Company changed its financial year end from 28 February to 31 December during the current financial period so as to align the financial reporting period of the Company with that of Swissco International Limited, a newly acquired subsidiary.

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

	GROUP UNAUDITED 01/03/2010 to 31/12/2010 (10 months) S$'000	GROUP AUDITED 01/03/2009 to 28/02/2010 (12 months) S$'000	INCREASE/ (DECREASE) %
Continuing Operations			
Sales	12,023	14,995	(19.8)
Cost of Sales	(9,038)	(12,909)	(30.0)
Gross Profit	2,985	2,086	43.1
Other Income	284	234	21.4
Other Gains/(Losses) - Net	19,934	-	n.m.
Less: Expenses			
Administrative	(6,588)	(2,153)	206.0
Finance	(1,047)	-	n.m.
Share of (Loss)/Profit of an Associated Company and Joint Ventures	(454)	2,444	n.m.
Profit Before Tax from Continuing Operations	15,114	2,611	478.9
Income Tax Credit/(Expense)	375	(149)	n.m.
Profit from Continuing Operations, Net of Tax	15,489	2,462	529.1
Profit from Discontinued Operations, Net of Tax	-	163	n.m.
Profit, Net of Tax	15,489	2,625	490.1

Other Comprehensive Income/(Loss):

Currency translation differences arising from consolidation	(345)	(1,080)	(68.1)
Financial Assets, Available For Sale - Fair Value Loss	(1,890)	-	n.m.
Other Comprehensive Loss, Net of Tax	(2,235)	(1,080)	106.9
Total Comprehensive Income Attributable to Equity Holders of the Company	13,254	1,545	757.9

n.m. - not meaningful

1 (a) (ii) The net profit attributable to shareholders include the following credits/(charges):-

	GROUP UNAUDITED 01/03/2010 to 31/12/2010 (10 months) S$'000	GROUP AUDITED 01/03/2009 to 28/02/2010 (12 months) S$'000	INCREASE/ (DECREASE) %
Negative goodwill[1]	20,371	-	n.m.
Depreciation	(2,772)	(63)	4300.0
Write back of /(allowance for) impairment on trade and other receivables	393	(128)	n.m.
Interest income	137	116	18.1
Interest expense	(1,047)	-	n.m.
Foreign exchange (losses)/gains	(298)	109	n.m.
Loss on disposal of property, plant & equipment	(96)	-	n.m.
Amortisation of deferred income	23	-	n.m.
Overprovision of income tax in prior years	425	-	n.m.
Acquisition related costs	(2,957)	(691)	327.9
Government grant - jobs credit scheme	5	12	(58.3)
Loss on disposal of subsidiary	-	(182)	n.m.

n.m. - not meaningful

Note:-

(1) On 23 September 2010, the Group acquired 100% equity interest of Swissco International Limited ("SIL"). The fair value of the net identifiable assets acquired exceeded the purchase consideration. Accordingly, a negative goodwill was recognised in the consolidated income statement under "Other Gains/(Losses) - Net".

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

	GROUP UNAUDITED 31/12/2010 S$'000	GROUP AUDITED 28/02/2010 S$'000	COMPANY UNAUDITED 31/12/2010 S$'000	COMPANY AUDITED 28/02/2010 S$'000
ASSETS				
Current Assets:				
Cash and Cash Equivalents	17,802	62,920	3,113	61,683
Financial Assets, Available for Sale	27,270	-	-	-
Trade and Other Receivables	12,657	1,905	2,975	2,567
Inventories	159	-	-	-
Other Current Assets	683	680	683	676
Total Current Assets	58,571	65,505	6,771	64,926
Non-Current Assets:				
Other Receivables	11,229	10,571	11,229	10,571
Investments in Subsidiaries	-	-	177,887	*
Investment in an Associated Company	353	-	-	-
Investments in Joint Ventures	2,274	2,946	50	50
Property, Plant and Equipment	173,074	13	-	-
Total Non-Current Assets	186,930	13,530	189,166	10,621
TOTAL ASSETS	**245,501**	**79,035**	**195,937**	**75,547**
LIABILITIES				
Current Liabilities:				
Trade and Other Payables	9,520	1,925	28,570	3,137
Borrowings	102,927	-	60,398	-
Current Income Tax Liabilities	409	143	9	1
Total Current Liabilities	112,856	2,068	88,977	3,138
Non-Current Liabilities:				
Deferred Gain	1,502	-	-	-
Borrowings	26,429	-	26,400	-
Deferred Income Tax Liabilities	1,482	-	-	-
Total Non-Current Liabilities	29,413	-	26,400	-
TOTAL LIABILITIES	**142,269**	**2,068**	**115,377**	**3,138**
NET ASSETS	**103,232**	**76,967**	**80,560**	**72,409**
Equity:				
Capital and Reserves Attributable to Equity Holders of the Company				
Share Capital	91,681	78,670	91,681	78,670
Other Reserves	(2,482)	(247)	-	-
Retained Earnings / (Accumulated Losses)	14,033	(1,456)	(11,121)	(6,261)
Total Equity	**103,232**	**76,967**	**80,560**	**72,409**

* Amount is less than $1,000

1 (b) (ii) Aggregate amount of the group's borrowings and debt securities-

Amount repayable in one year or less, or on demand

As at 31 December 2010		As at 28 February 2010	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
85,764	17,163	-	-

Amount repayable after one year

As at 31 December 2010		As at 28 February 2010	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
26,429	-	-	-

Details of any collateral

(a) Secured Bank Loans

These were secured by the pledge of the Group's leasehold properties, certain vessels and shares of Swissco International Limited.

(b) Finance Lease

Included in the above borrowings were finance lease obligations of S$41,000 which are secured on the motor vehicles held under finance lease.

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

	GROUP UNAUDITED 01/03/2010 to 31/12/2010 (10 months) S$'000	GROUP AUDITED 01/03/2009 to 28/02/2010 (12 months) S$'000
Operating Activities		
Net Profit	15,489	2,625
Adjustments for:		
Negative Goodwill	(20,371)	-
Income Tax (Credit)/Expense	(375)	149
Share of Loss/(Profit) of an Associated Company and Joint Ventures	454	(2,444)
Amortisation of Deferred Gain	(23)	-
Depreciation of Property, Plant and Equipment	2,772	63
Interest Expense	1,047	-
Interest Income	(137)	(116)
Loss on Disposal of Subsidiary	-	182
Loss on Disposal of Property, Plant & Equipment	96	-
	(1,048)	459
Change in Working Capital, Net of Effects from Acquisition of Subsidiary:		
Trade and Other Receivables	5,065	(2,845)
Inventories	(148)	1
Other Current Assets	(3)	(1,092)
Trade and Other Payables	(5,723)	3,732
Net Cash Flows (Used in) / Generated From Operations Before Tax	(1,857)	255
Income Tax Paid	(148)	(140)
Net Cash Flow (Used in) / Generated From Operating Activities	(2,005)	115
Investing Activities		
Interest Received	137	116
Acquisition of a Subsidiary, Net of Cash Acquired (refer to Notes to the Statement of Cash Flows)	(144,068)	-
Loan to Joint Venture	(658)	(2,514)
Proceeds from Disposal of Property, Plant and Equipment	1,364	33
Disposal of Subsidiaries, Net of Cash Disposed Off (refer to Notes to the Statement of Cash Flows)	-	(1,944)
Purchases and Construction of Property, Plant and Equipment	(5,450)	(140)
Net Cash Used in Investing Activities	(148,675)	(4,449)
Financing Activities		
Proceeds from Issuance of Ordinary Shares	-	58,024
Interest Paid	(1,047)	-
Proceeds from Borrowings	167,031	-
Repayment of Borrowings	(60,220)	-
Repayment of Finance Lease Liabilities	(83)	(49)
Restricted Cash	60,000	(59,971)
Net Cash Flows Generated From / (Used in) Financing Activities	165,681	(1,996)

Net Increase/(Decrease) in Cash and Cash Equivalents	15,001	(6,330)
Cash and Cash Equivalents		
Beginning of Financial Year	2,920	9,250
Effects of currency translation on cash and cash equivalents	(119)	-
End of Financial Year	**17,802**	**2,920**

	GROUP UNAUDITED 01/03/2010 to 31/12/2010 (10 months) S$'000	GROUP AUDITED 01/03/2009 to 28/02/2010 (12 months) S$'000
Cash and Cash Equivalents as Above		
As Shown in Consolidated Balance Sheet	17,802	62,920
Less: Bank Deposits Pledged	-	(60,000)
Cash and Cash Equivalents per Consolidated Statement of Cash Flows	**17,802**	**2,920**

Notes to the statement of cash flows

(1) Acquisition of Subsidiary

On 23 September 2010, the Group acquired 100% of the equity interest of Swissco International Limited ("SIL"). SIL and its subsidiaries ("SIL group") are mainly ship owners and operators. The purchase consideration to the shareholders of SIL in accordance with the merger agreement was as follows:-

(i) 1.7917 new shares in the capital of the Company for each share in the capital of SIL ("Share Consideration");
(ii) S$0.89 in cash for each share in the capital of SIL ("Cash Consideration");
(iii) A combination of Share Consideration and Cash Consideration in such proportion as elected by each shareholder of SIL.

The Company also paid the holders of the options of SIL ("Optionholders") an amount in cash (the "Option Consideration") for all the outstanding and unexercised options granted to and held by the Optionholders, vested or otherwise and in consideration thereof, the Optionholders waived all rights to exercise such options into new shares and surrendered their options for cancellation.

		S$'000
(a)	*Purchase consideration*	
	Cash consideration	164,155
	Option consideration	721
	Total cash paid	164,876
	Share consideration	13,011
	Consideration transferred for the business	**177,887**
(b)	*Effect on cash flows of the Group*	
	Cash paid (as above)	164,876
	Less: cash and cash equivalents in subsidiary acquired	(20,808)
	Cash outflow on acquisition	**144,068**

	At fair value S$'000
(c) *Identifiable assets acquired and liabilities assumed*	
Cash and cash equivalents	20,808
Property, plant and equipment	171,843
Investment in an associated company	353
Investment in a joint venture	21
Financial assets, available-for-sale	29,160
Inventories	11
Trade and other receivables	15,817
Total assets	238,013
Trade and other payables	13,319
Deferred gain	1,524
Borrowings	22,628
Current tax liabilities	802
Deferred tax liabilities	1,482
Total liabilities	39,755
Total identifiable net assets	**198,258**
Less: Consideration transferred for the business	(177,887)
Negative goodwill	**20,371**

(2) Disposal of subsidiary in prior year

On 31 August 2009, the Company disposed certain subsidiaries (namely, C2O Corporation Pte. Ltd., C2O Mobile Pte. Ltd., C2O Corporation Sdn. Bhd. and C2O International Trading (Beijing) Co., Ltd).

The results of the discontinued operation and the results for the previous year and for the period from 1 March 2009 to 31 August 2009 were as follows:

	S$'000
Revenue	31,066
Cost of sales	(28,312)
Gross profit	2,754
Interest income	5
Other credit and (other charges)	(172)
Marketing and distribution costs	(186)
Administrative expenses	(1,863)
Finance costs	(213)
Profit/(loss) before tax	325
Income tax benefit	20
Profit/(loss) after tax before disposal loss	345
Loss on disposal of subsidiaries	(182)
Income tax	–
Loss after tax on disposal	(182)
Total profit (loss) on discontinued operations	163

The following table summarises the carrying value of the assets and liabilities of the discontinued operations that were sold on 31 August 2009:

	Date of disposal on 31 August 2009 S$'000
Other assets	237
Property, plant and equipment	640
Inventories	5,642
Trade and other receivables	6,640
Cash and equivalents	4,030
Other financial liabilities	(7,947)
Trade and other payables	(6,277)
Income tax payable	(38)
Net assets disposed of	2,927
Loss on disposal	(182)
Total consideration (net of professional fees)	2,745
Satisfied by:	
Cash consideration	–
Net cash outflow on disposal	
Cash consideration	–
Cash balance disposed of	(4,030)
Less: Bank overdraft	359
Less: Cash Restricted in Use Over 3 months	1,727
Net cash outflow	(1,944)

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.

Group (S$'000)	Share Capital	Other reserves	Retained Earnings / (Accumulated Losses)	Total Equity
Previous Year:				
Opening Balance at 1 March 2009	**23,447**	**833**	**(4,081)**	**20,199**
Movement in Equity:				
Total comprehensive income for the year	-	(1,080)	2,625	1,545
Issue of share capital	60,006	-	-	60,006
Share issue expenses	(1,982)	-	-	(1,982)
Share capital reduction	(2,801)	-	-	(2,801)
Closing Balance at 28 February 2010	**78,670**	**(247)**	**(1,456)**	**76,967**
Current Year:				
Opening Balance at 1 March 2010	**78,670**	**(247)**	**(1,456)**	**76,967**
Movement in Equity:				
Total comprehensive income for the year	-	(2,235)	15,489	13,254
Issue of share capital(1)	13,011	-	-	13,011
Closing Balance at 31 December 2010	**91,681**	**(2,482)**	**14,033**	**103,232**

Company (S$'000)	Share Capital	Accumulated Losses	Total Equity
Previous Year:			
Opening Balance at 1 March 2009	**23,447**	**(5,646)**	**17,801**
Movement in Equity:			
Total comprehensive income for the year	-	(615)	(615)
Issue of share capital	60,006	-	60,006
Share issue expenses	(1,982)	-	(1,982)
Share capital reduction	(2,801)	-	(2,801)
Closing balance at 28 February 2010	**78,670**	**(6,261)**	**72,409**
Current Year:			
Opening Balance at 1 March 2010	**78,670**	**(6,261)**	**72,409**
Movement in Equity:			
Total comprehensive income for the year	-	(4,860)	(4,860)
Issue of share capital(1)	13,011	-	13,011
Closing balance at 31 December 2010	**91,681**	**(11,121)**	**80,560**

Note:-

(1) On 21 September 2010, the Company issued and allotted 27,932,169 new ordinary shares as part of the purchase consideration for the acquisition of Swissco International Limited.

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.

The movements in the Company's issued and fully paid-up share capital in the financial year ended 31 December 2010 were as follows:-

	Number of shares	**Share Capital**
		(S$'000)
Balance as at 1 March 2010	403,891,000	78,670
Issuance of new ordinary shares as part of the purchase consideration for the acquisition of a Swissco International Limited	27,932,169	13,011
Balance as at 31 December 2010	**431,823,169**	**91,681**

1(d)(iii) Total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 31 December 2010	**As at 28 February 2010**
Total number of issued shares (excluding treasury shares)	431,823,169	403,891,000

The Company does not have any treasury shares as at 31 December 2010 and 28 February 2010.

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 or reviewed by the Company's auditors.

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

Not applicable.

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

During the year, the Group adopted the equity method of accounting for its interest in joint ventures in accordance to FRS 31 *Interest in joint ventures* in order to align the accounting policies adopted by the entities within the Group. The Group previously accounted for its interest in joint ventures using proportionate consolidation. This change in accounting policy is applied retrospectively. Accordingly, the comparative information in this announcement was restated as follows:

Group	**28/02/2010 (Restated) S$'000**	**28/02/2010 (Previously stated) S$'000**
Sales	14,995	18,142
Cost of Sales	(12,909)	(15,459)
Gross Profit	2,086	2,683
Other gains/(losses) - net	234	2,773
Expenses	(2,153)	(2,186)
Share of results of joint venture	2,444	-
Profit Before Tax	2,611	3,270
Income Tax Expense	(149)	(808)
Profit after tax	2,462	2,462

Group	**28/02/2010 (Restated) S$'000**	**28/02/2010 (Previously stated) S$'000**
Current Assets	65,505	71,046
Non- Current Assets	13,530	11,813
Total Assets	**79,035**	**82,559**
Current Liabilities	2,068	5,233
Non-Current Liabilities	-	659
Total Liabilities	**2,068**	**5,892**
Net Assets	**76,967**	**76,967**

Except as disclosed above and in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial information for the current reporting period, compared with the last audited financial statements as at 28 February 2010.

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

On 1 March 2010, The Group adopted the new or amended Financial Reporting Standards ("FRS) and Interpretations to FRS ("INT FRS") that mandatory for application from that date.

The following FRS and INT FRS that are relevant to the Group:

FRS 27 (revised)	Consolidated and separate financial statements
FRS 103 (revised)	Business combinations
Amendments to FRS 102	Share based payment
INT FRS 117	Distribution of non cash assets to owners

INT FRS 118 Transfer of assets to customers

The adoption of the above FRS and INT FRS did not have any significant impact on the Group's results for the 10 months ended 31 December 2010.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	GROUP UNAUDITED 01/03/2010 to 31/12/2010	GROUP AUDITED 01/03/2009 to 28/02/2010
Earnings per share (cents)		
(a) Based on the weighted average number of ordinary shares on issue		
Continuing operations	**3.8**	**0.71**
Discontinued operations	**-**	**0.05**
Total	**3.8**	**0.76**
(b) On a fully diluted basis		
Continuing operations	**3.8**	**0.71**
Discontinued operations	**-**	**0.05**
Total	**3.8**	**0.76**

The calculation of basic earnings per share for the 10 months ended 31 December 2010 and 12 months ended 28 February 2010 is based on weighted average number of 411,696,702 and 343,345,573 issued and fully paid ordinary shares, respectively.

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 UNAUDITED As at 31/12/2010	GROUP AUDITED As at 28/02/2010	COMPANY UNAUDITED As at 31/12/2010	COMPANY AUDITED As at 28/02/2010
Net asset value per share (cents)	**23.91**	**19.06**	**18.66**	**17.93**

Net asset value per ordinary share is calculated by dividing the shareholders' equity of Company as at 31 December 2010 and 28 February 2010 respectively by the ordinary shares issued of 431,823,169 and 403,891,000, respectively.

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.

INCOME STATEMENT REVIEW

The Company completed its merger with Swissco International Limited on 23 September 2010 and changed its financial year end from 28 February to 31 December. As such, this announcement sets out the Group's results for the 10 months ended 31 December 2010 while the comparative figures for the preceding year was for a period of 12 months ended 28 February 2010.

The Group's revenue for the year ended 28 February 2010 was S$15.0 million which comprised revenue from the sale of vessels of S$11.6 million and revenue from the provision of maritime services of S$3.4 million.

For the 10 months ended 31 December 2010, the Group's revenue of S$12.0 million comprised revenue from its chartering business of S$10.3 million, revenue from ship repair and maintenance of S$0.8 million and revenue from the provision of maritime services of S$0.9 million. Revenue from chartering as well as ship repair and maintenance services were contributed by the newly acquired subsidiaries from 23 September 2010 to 31 December 2010.

Cost of sales of S$9.0 million comprised mainly depreciation of vessels owned, fuel consumed, crew salaries and expenses as well as expenses in relation to the upkeep of vessels incurred for the chartering and ship repair and maintenance businesses.

Other income increased as a result of higher interest income and commission income earned.

Other gains/(losses) - net of S$19.9 million was due mainly to a one-off negative goodwill (S$20.4 million) arising from the merger. The negative goodwill represents the excess of the fair value of identifiable assets acquired over the purchase consideration.

Administrative expenses increased from S$2.2 million to S$6.6 million due to inclusion of administrative expenses of the newly acquired subsidiaries and expenses incurred in relation to the merger exercise.

Finance charges were mainly interest incurred on the bridging loan used to fund the Cash Consideration in relation to the merger.

Share of loss of associated companies. The Group's 50% owned associated company, Hadi International Marine Services Pte Ltd which owned 5 vessels operating in the Middle-east recorded a loss of S$0.45 million. This was due to weak charter revenue from its fleet and the dry-docking of a vessel for 5 months period for survey.

Income Tax Credit of S$0.38 million was due mainly to write-back of current income tax liability in FY2009.

BALANCE SHEET REVIEW

Assets

The Group's assets increased by S$166.5 million from S$79.0 million as at 28 February 2010 to S$245.5 million as at 31 December 2010 mainly due to the newly acquired subsidiaries.

Liabilities

The Group's total liabilities increased by S$140.2 million from S$2.1 million as at 28 February 2010 to S$142.3 million as at 31 December 2010 mainly due to bank borrowings of S$105.0 million to partially fund the cash consideration in relation to the acquisition of Swissco International Limited.

Share Capital and Reserves

Total equity increased from S$77.0 million on 28 February 2010 to S$103.2 million on 31 December 2010 due mainly to the profit, net of tax for the period ended 31 December 2010 and the issue of new shares as part of the purchase consideration for the acquisition of Swissco International Limited.

CASH FLOW REVIEW

The Group's net cash used in operating activities before working capital changes for the 10 months ended 31 December 2010 was S$1.0 million. Cash inflow from a decrease in trade and other receivables of S$5.1 million was offset by cash outflows mainly from a decrease in trade and other payables of S$5.7 million and increase in inventories of S$0.15 million. This resulted in net cash used in operating activities of S$2.0 million.

Net cash used in investing activities for the 10 months ended 31 December 2010 of S$148.7 million was mainly due to the cash outflow of S$144.1 million in relation to the acquisition of Swissco International Limited.

Net cash generated from financing activities for the 10 months ended 31 December 2010 of S$165.7 million was due mainly to cash inflow of S$167.0 million from borrowings.

As a result of the above, there was a net increase of S$15.0 million for the 10 months ended 31 December 2010.

The Group is finalising negotiation with its bank to re-finance the bridging loan of up to S$52.4 million which is reflected in the current liabilities. The management believes that the Company has adequate resources to meet its financial obligations.

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

Not applicable, as the Group has not previously disclosed to our shareholders any forecast or prospect statement.

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.

With the completion of the merger, the Group now has 3 business segments, namely (i) ship chartering; (ii) ship repair and maintenance; and (iii) maritime services. Our chartering division presently owns 37 offshore support vessels with 5 vessels under construction and our ship repair and maintenance division continues to provide repair and maintenance service at the Group's present yard facilities. Our maritime service division provides marine consultancy and support services.

The industry is experiencing an oversupply of vessels. This is expected to put pressure on utilisation and charter rates.

Our Group will focus on improving efficiencies of its chartering operations and seek strategic alliances to improve vessel utilisation.

11. Dividend

(a) Current Financial Period Reported On

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

No.

(c) Date payable

Not applicable.

(d) Book closure date

Not applicable.

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

The directors do not recommend the payment of a dividend for the current period.

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

13. 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.

Management has determined the operating segments based on the organisation of the Group. The results of these operating segments are reviewed by the Executive Committee ("Exco") to make strategic decisions. The Exco comprises the Executive Chairman, Chief Executive Officer, Executive Director and Chief Financial Officer.

The Group is organised into three main operating segments:

- Vessel chartering (including sale of out-port-limit services and related income)
- Ship repair and maintenance services
- Maritime related services

Others include investment holding activities.

The Exco assesses the performance of these operating segments based on profit after tax.

Sales between segments are carried out at arm's length. The revenue from external parties and total assets reported to the Exco is measured in a manner consistent with that of the financial statements.

Ten months ended 31 December 2010

	Vessel Chartering S$'000	Ship Repair and Maintenance Services S$'000	Maritime Services S$'000	Others S$'000	Total S$'000
Group					
Revenue					
Segment revenue	16,254	835	942	1,405	19,436
Inter-segment revenue	(5,925)	(83)	-	(1,405)	(7,413)
Revenue from external parties	10,329	752	942	-	12,023
Profit after tax	1,139	366	(188)	14,172	15,489
Interest income	35	-	2	100	137
Interest expense	(159)	(2)	-	(886)	(1,047)
Depreciation	(2,742)	(26)	(4)	-	(2,772)
Amortisation of deferred gain	23	-	-	-	23
Income tax credit/(expense)	432	(32)	(17)	(8)	375
Share of loss of an associated company and joint ventures	(454)	-	-	-	(454)
Total assets	210,146	1,511	2,249	31,595	245,501
Total assets include:					
Investment in an associated company	353	-	-	-	353
Investments in joint ventures	2,274	-	-	-	2,274
Additions to property, plant and equipment	5,450	-	-	-	5,450

Financial year ended 28 February 2010

	Vessel Chartering S$'000	Ship Repair and Maintenance Services S$'000	Maritime Services S$'000	Others S$'000	Total for Continuing Operations S$'000
Group					
Revenue					
Segment revenue	-	-	14,995	1,242	16,237
Inter-segment revenue	-	-	-	(1,242)	(1,242)
Revenue from external parties	-	-	14,995	-	14,995
Profit after tax	2,490	-	873	(901)	2,462
Interest income	-	-	1	115	116
Depreciation	-	-	(63)	-	(63)
Income tax expense	-	-	(149)	-	(149)
Share of profits of joint ventures	2,444				2,444
Total assets	13,517	-	2,991	62,527	79,035
Total assets include:					
Investment in a joint venture	2,946	-	-	-	2,946
Additions to property, plant and equipment	-	-	140	-	140

	Group	
	01/03/2010 to 31/12/2010 S$'000	**01/03/2009 to 28/02/2010 S$'000**
Revenue for continuing operations		
Singapore	11,081	-
Asia (1)	-	1,757
Middle East (2)	942	13,238
Total continuing operations	12,023	14,995
Non-current assets		
Singapore	184,303	10,584
Asia (1)	353	-
Middle East (2)	2,274	2,946
Total continuing operations	186,930	13,530

Notes:-

(1) Asia includes Malaysia, Indonesia, The Philippines, Hong Kong, Brunei, Myanmar, India, Sri Lanka, Bangladesh and Pakistan.
(2) Middle East refers to Saudi Arabia.

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

Not applicable.

15. A breakdown of sales as follows:-

GROUP	1 Mar 2010 to 31 Dec 2010 S$'000	1 Mar 2009 to 28 Feb 2010 S$'000	INCREASE/ (DECREASE) %
(a) Sales reported for first half year	1,937	1,926	0.57
(b) (Loss)/Profit after tax reported for first half year	(1,046)	394	n.m.
(c) Sales reported for second half year	10,086	13,069	(22.8)
(d) Profit after tax reported for second half year	16,535	2,231	641.1

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

Not applicable. The Company has not issued any dividends for ten months ended 31 December 2010 and 12 months ended 28 February 2010.

17. Summary of interested person transactions for the financial year ended 31 December 2010.

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
Dragon Supply Ships Pte Ltd (1)	$805,133	Not applicable
Swissco Structural Mechanical Pte Ltd (2)	$163,354	Not applicable

Notes:-

(1) Mr Robert Chua Swee Chong, a director and controlling shareholder of Swissco Holdings Limited, is also a director and shareholder of Dragon Supply Ships Pte Ltd ("DSSPL"). DSSPL purchased goods on behalf of the joint venture and re-charged the joint venture on a cost basis.

(2) Mr Alex Yeo Kian Teong, a director and substantial shareholder of Swissco Holdings Limited, is a director and shareholder of Swissco Structural Mechanical Pte Ltd ("SSMPL"). Swissco Offshore (Pte) Ltd, a subsidiary of Swissco International Pte Ltd, is renting the premise at No. 9 Pandan Road from "SSMPL" for storage of goods and wharfage.

The Audit Committee has reviewed the transactions and is of the view that the transactions with DSSPL and SSMPL, were undertaken on normal commercial terms and were not prejudicial to the interests of the Company and its minority shareholders.

BY ORDER OF THE BOARD

Kang Hwee Meng
Chief Executive Officer
23 February 2011