



SWISSCO

SWISSCO HOLDINGS LIMITED

Company Registration Number: 200404711D
(Incorporated in the Republic of Singapore)

SECOND QUARTER AND HALF YEAR RESULTS FOR THE PERIOD ENDED 30 JUNE 2014

In response to the query from the Singapore Exchange Securities Trading Limited, the Board of Directors of the Company wishes to provide the additional information as set out below in respect of the 2nd quarter and half year results for the period ended 30 June 2014:

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

	GROUP Unaudited 1H2014 (\$'000)	GROUP Unaudited 1H2013 (\$'000)	GROUP Unaudited 2Q2014 (\$'000)	GROUP Unaudited 2Q2013 (\$'000)
Cash flows from operating activities				
Net profit	5,732	3,849	1,987	2,042
Adjustments for:				
Income tax expense	494	433	291	202
Share of loss/(profit) of joint ventures	237	(168)	98	(291)
Depreciation of property, plant and equipment	5,340	4,352	2,771	2,363
Interest expense	1,249	1,082	531	469
Interest income	(99)	(82)	(18)	(57)
Dividend income	(672)	(250)	(672)	-
Performance share and share option expense	66	106	21	30
Loss on disposal of financial assets, available for sale	-	584	-	437
Gain on disposal of non-current asset held for sale	(173)	-	(331)	-
(Gain)/Loss on disposal of property, plant & equipment	(81)	(592)	7	(150)
Operating cash flows before changes in working capital	12,093	9,314	4,685	5,045

Changes in working capital:				
Trade and other receivables	13,086	309	1,435	903
Inventories	(149)	(174)	3	(198)
Other assets	(9,270)	(3,084)	(4,087)	(350)
Trade and other payables	(4,145)	(3,559)	2	(3,164)
Net cash flows generated from operations before tax	11,615	2,806	2,038	2,236
Income tax paid	(1,795)	(2,417)	(1,778)	(1,325)
Net cash flows generated from operating activities	9,820	389	260	911
Cash flows from investing activities				
Interest received	99	82	18	57
Repayment of loan from joint venture	357	1,871	-	1,871
Dividend received	672	250	672	-
Proceeds from disposal of financial assets, available for sale	-	1,144	-	858
Proceeds from disposal of property, plant and equipment	9,439	11,979	5,303	5,365
Purchases and construction of property, plant and equipment	(27,279)	(34,449)	(10,830)	(15,978)
Net cash flows used in investing activities	(16,712)	(19,123)	(4,837)	(7,827)
Cash flows from financing activities				
Interest paid	(1,249)	(1,082)	(531)	(469)
Proceeds from issuance of ordinary shares	476	529	476	529
Proceeds from borrowings	56,904	23,721	17,224	16,816
Repayment of borrowings	(37,125)	(24,202)	(17,991)	(5,945)
Dividends paid to equity holders of the Company	(4,359)	(3,472)	(4,359)	(3,472)
Net cash flows generated from/(used in) financing activities	14,647	(4,506)	(5,181)	7,459
Net increase/(decrease) in cash and cash equivalents				
Cash and cash equivalents, beginning balance	7,755	(23,240)	(9,758)	543
Effects of currency translation on cash and cash equivalents	(90)	(163)	34	(363)
Cash and cash equivalents, ending balance	14,198	11,708	14,198	11,708

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 Company does not have any treasury shares as at 30 June 2014 and 30 June 2013 respectively.

4. Please state whether the same accounting policies and method of computation as in the issuer's most recently audited financial statements have been followed.

On 1 January 2014, the Group and the Company adopted the new or revised Singapore Financial Reporting Standards ("FRS"), which are effective for the financial period beginning 1 January 2014.

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

FRS 32 : Offsetting Financial Assets and Financial Liabilities (Effective for annual periods beginning on or after 1 January 2014)

FRS 110 and FRS 27 : Consolidated Financial Statements and Separate Financial Statements (Revised) (Effective for annual periods beginning on or after 1 January 2014)

FRS 111 and FRS 28 : Joint Arrangement and Investment in Associates and Joint Ventures (Revised) (Effective for annual periods beginning on or after 1 January 2014)

FRS 112 : Disclosure of Interests in Other Entities (Effective for annual periods beginning on or after 1 January 2014)

The adoption of the above FRS did not result in substantial changes to the Group's accounting policies and did not have any significant impact on the financial position and results of the Group and the Company.

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.

Cash Flow Statement

2Q2014 vs. 2Q2013

For 2Q2014, the Group generated \$4.7 million from its operating activities before working capital movement. Working capital movement includes mainly decrease in trade and other receivables of \$1.4 million and increase in other assets of \$4.1 million. After working capital movement and tax payments of \$1.8 million, the Group generated \$0.3 million from its operating activities. Increase in other assets represents progress payments to shipyards for ship building contracts that are earmarked for sale.

Investing activities included cash outflow of \$10.8 million of progress payments for the construction of vessels ordered by the Group partially offset by inflow of \$5.3 million comprising proceeds from disposal of property, plant and equipment.

Net cash used in financing activities for 2Q2014 of approximately \$5.2 million was due mainly to net loan repayment of \$0.8 million and \$4.4 million dividend payment.

As a result of the above, there was a net decrease in cash and cash equivalents of \$9.8 million for the 2Q2014.

By Order Of The Board

Tan Ching Chek
Company Secretary
15 August 2014