

**SWISSCO INTERNATIONAL LIMITED**  
**(COMPANY REGISTRATION NO: 200401051D)**

**Full Year Unaudited Financial Statement And Dividend Announcement**

- 1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

|  | <b>31.12.06</b> | <b>31.12.05</b> | <b>Variance</b> |
|--|-----------------|-----------------|-----------------|
|  | <b>S\$'000</b>  | <b>S\$'000</b>  | <b>%age +/-</b> |
| Sales  | 25,329          | 13,890          | +82.4           |
| Cost of sales  | (15,007)        | (9,647)         | +55.6           |
| Gross Profit   | 10,322          | 4,243           | +143.3          |
| Other gains  | 6,495           | 11,736          | -44.7           |
| Less Expenses :  |                 |                 |                 |
| Administrative   | (5,291)         | (4,842)         | +9.3            |
| Other operating  | (366)           | 0               | NM              |
| Finance  | (411)           | (136)           | +202.2          |
| Share of profit of associated company  | 2,467           | 1,939           | +27.2           |
| Profit before tax  | 13,216          | 12,940          | +2.1            |
| Income tax expense   | (502)           | (460)           | +9.1            |
| Net profit for the financial year attributable to equity shareholders of the Company | 12,714          | 12,480          | +1.9            |

NM – Not Meaningful

| Notes to income statement:  | <b>31.12.06</b> | <b>31.12.05</b> |
|---|-----------------|-----------------|
|   | <b>S\$'000</b>  | <b>S\$'000</b>  |
| The profit after tax is determined after (charging)/crediting the following : |                 |                 |
| Depreciation  | (2,034)         | (1,084)         |
| Provision for impairment of receivables                                       | (278)           | (200)           |
| Interest expense  | (411)           | (136)           |
| Interest income   | 80              | 62              |
| Exchange gain/(loss)  | (366)           | 166             |
| Gain on disposal of property, plant & equipment                               | 3,256           | 9,456           |
| Gain arising from restructuring of associated companies                       | 0               | 1,201           |
| Gain arising from deemed dilution of associate                                | 2,538           | 196             |
| Amortization of deferred gain   | 452             | 190             |
| Over provision of tax in prior year   | 14              | 11              |

**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**

|                                       | <b>The Group</b> | <b>The Group</b> | <b>The Company</b> | <b>The Company</b> |
|---------------------------------------|------------------|------------------|--------------------|--------------------|
|                                       | <b>31.12.06</b>  | <b>31.12.05</b>  | <b>31.12.06</b>    | <b>31.12.05</b>    |
|                                       | <b>S\$'000</b>   | <b>S\$'000</b>   | <b>S\$'000</b>     | <b>S\$'000</b>     |
| <b>ASSETS</b>                         |                  |                  |                    |                    |
| <b>Current assets</b>                 |                  |                  |                    |                    |
| Cash and bank balances                | 3,105            | 4,206            | 45                 | 19                 |
| Available-for-sale financial asset    | 51,975           | -                | 51,975             | -                  |
| Trade and other receivables           | 8,039            | 3,380            | -                  | -                  |
| Due from subsidiaries (non-trade)     | -                | -                | 19,116             | 4,468              |
| Due from associated companies (trade) | -                | 1,404            | -                  | -                  |
| Inventories                           | 296              | 64               | -                  | -                  |
| Other current assets                  | 586              | 1,045            | 38                 | 3,362              |
|                                       | <b>64,001</b>    | <b>10,099</b>    | <b>71,174</b>      | <b>7,849</b>       |
| <b>Non-current assets</b>             |                  |                  |                    |                    |
| Club membership, at fair value        | 4                | 4                |                    |                    |
| Investment in subsidiaries            | -                | -                | 7,736              | 7,686              |
| Investment in associated companies    | -                | 6,064            | -                  | 3,450              |
| Property, plant and equipment         | 51,128           | 30,303           | -                  | -                  |
|                                       | <b>51,132</b>    | <b>36,371</b>    | <b>7,736</b>       | <b>11,136</b>      |
| <b>Total assets</b>                   | <b>115,133</b>   | <b>46,470</b>    | <b>78,910</b>      | <b>18,985</b>      |
| <b>LIABILITIES</b>                    |                  |                  |                    |                    |
| <b>Current liabilities</b>            |                  |                  |                    |                    |
| Trade and other payables              | 4,095            | 5,100            | -                  | -                  |
| Due to associated companies (trade)   | -                | 20               | -                  | -                  |
| Other creditors and accruals          | 3,299            | 2,838            | 1,739              | 1,695              |
| Provision for tax                     | 744              | 674              | -                  | -                  |
| Bank loans, current portion           | 9,095            | 3,581            | -                  | -                  |
| Lease obligation, current portion     | 176              | 172              | -                  | -                  |
|                                       | <b>17,409</b>    | <b>12,385</b>    | <b>1,739</b>       | <b>1,695</b>       |
| <b>Non-current liabilities</b>        |                  |                  |                    |                    |
| Bank loans, non-current portion       | 3,363            | 1,316            | -                  | -                  |
| Lease obligation, non-current portion | 208              | 311              | -                  | -                  |
| Deferred tax                          | 8,269            | 101              | 9,706              | -                  |
| Deferred gain                         | -                | 454              | -                  | -                  |
|                                       | <b>11,840</b>    | <b>2,182</b>     | <b>9,706</b>       | <b>-</b>           |
|                                       | <b>29,249</b>    | <b>14,567</b>    | <b>11,445</b>      | <b>1,695</b>       |
| <b>NET ASSETS</b>                     | <b>85,884</b>    | <b>31,903</b>    | <b>67,465</b>      | <b>17,290</b>      |

|                                   | The Group     | The Group     | The Company   | The Company   |
|-----------------------------------|---------------|---------------|---------------|---------------|
|                                   | 31.12.06      | 31.12.05      | 31.12.06      | 31.12.05      |
|                                   | S\$'000       | S\$'000       | S\$'000       | S\$'000       |
| <b>Share capital and reserves</b> |               |               |               |               |
| Share capital and share premium   | 25,825        | 15,651        | 25,825        | 15,651        |
| Other reserves                    | 32,817        | (40)          | 38,968        | 30            |
| Retained earnings                 | 27,242        | 16,292        | 2,672         | 1,609         |
|                                   | <b>85,884</b> | <b>31,903</b> | <b>67,465</b> | <b>17,290</b> |

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

**Amount repayable in one year or less, or on demand**

31.12.06

31.12.05

| Secured | Unsecured | Secured | Unsecured |
|---------|-----------|---------|-----------|
| S\$'000 | S\$'000   | S\$'000 | S\$'000   |
| 1,414   | 7,857     | 553     | 3,200     |

**Amount repayable after one year**

31.12.06

31.12.05

| Secured | Unsecured | Secured | Unsecured |
|---------|-----------|---------|-----------|
| S\$'000 | S\$'000   | S\$'000 | S\$'000   |
| 3,571   | 0         | 1,627   | 0         |

**The Groups' borrowings include :**

(a) Bank Term Loan 1

The three 4-year term loans with a balance of S\$4,123,768 (2005 : S\$1,119,187) as at 31 December 2006 were secured by three of the Group's vessels.

(b) Bank Term Loan 2

The 10-year term loan of S\$476,895 (2005 : S\$577,868) as at 31 December 2006 was secured by the Group's leasehold properties.

(c) Short Term Advances

Short term advances of S\$7,600,000 (2005 : S\$3,200,000) as at 31 December 2006 were unsecured.

(d) Finance Lease

The finance lease obligations of S\$384,194 (2005 : S\$482,779) are secured over the fixed assets of the Group with net book values amounting to S\$578,372 (2005 : S\$732,616).

(e) Bank Overdraft

The bank overdraft of S\$257,059 (2005 : NIL) as at 31 December 2006 is unsecured.

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

|   | <b>31.12.06</b> | <b>31.12.05</b> |
|---|-----------------|-----------------|
| Cash flows from operating activities                      |                 |                 |
| Net Profit  | 12,714          | 12,480          |
| Adjustments for :   |                 |                 |
| Income tax expense  | 502             | 460             |
| Share of profit of associated company                     | (2,467)         | (1,939)         |
| Employee share option benefit                             | 162             | 30              |
| Amortisation of deferred gain                             | (452)           | (190)           |
| Depreciation of property, plant and equipment             | 2,034           | 1,084           |
| Interest expense  | 411             | 136             |
| Interest income   | (80)            | (62)            |
| Gain from disposal of property, plant and equipment       | (3,256)         | (9,456)         |
| Gain arising from restructuring of associates             | 0               | (1,201)         |
| Gain arising from deemed dilution of associate            | (2,538)         | (196)           |
| <b>Operating cash flow before working capital changes</b> | <b>7,030</b>    | <b>1,146</b>    |
| Changes in operating assets and liabilities :             |                 |                 |
| Trade and other receivables                               | (3,254)         | (2,017)         |
| Inventories   | (233)           | (29)            |
| Other current assets                                      | 18              | (398)           |
| Trade and other payables                                  | 1,842           | 2,663           |
| <b>Cash generated from operations</b>                     | <b>5,403</b>    | <b>1,365</b>    |
| Income tax paid   | (432)           | (103)           |
| <b>Net cash inflow from operating activities</b>          | <b>4,971</b>    | <b>1,262</b>    |
| Cash flows from investing activities :                    |                 |                 |
| Interest received   | 80              | 62              |
| Dividend received   | 440             | 0               |
| Proceeds from sale of property, plant and equipment       | 13,338          | 22,043          |
| Purchase of property, plant and equipment                 | (35,309)        | (26,458)        |
| <b>Net cash used in investing activities</b>              | <b>(21,451)</b> | <b>(4,353)</b>  |
| Cash flows from financing activities :                    |                 |                 |
| Proceeds from issuance of ordinary shares                 | 10,466          | 0               |
| Share issue expenses paid                                 | (337)           | 0               |
| Interest paid   | (411)           | (136)           |
| Proceeds from borrowings                                  | 12,500          | 9,776           |
| Repayment of finance lease liabilities                    | (136)           | (404)           |
| Repayment of bank loans                                   | (5,196)         | (5,673)         |
| Dividend paid to shareholders                             | (1,764)         | 0               |
| <b>Net cash provided by financing activities</b>          | <b>15,122</b>   | <b>3,563</b>    |

|   | <b>31.12.06</b> | <b>31.12.05</b> |
|---|-----------------|-----------------|
|   | <b>S\$'000</b>  | <b>S\$'000</b>  |
| Net (decrease)/increase in cash and cash equivalents held         | (1,358)         | 472             |
| Cash and cash equivalents at the beginning of the year            | 4,206           | 3,734           |
| <b>Cash and cash equivalents at the end of the financial year</b> | <b>2,848</b>    | <b>4,206</b>    |

(A) Cash and bank balances

Cash and bank balances comprise the following :

|                        | <b>31.12.06</b> | <b>31.12.05</b> |
|------------------------|-----------------|-----------------|
|                        | <b>S\$'000</b>  | <b>S\$'000</b>  |
| Fixed Deposits         | 384             | 3,356           |
| Cash and bank balances | 2,721           | 850             |
|                        | <b>3,105</b>    | <b>4,206</b>    |

For the purpose of the consolidated cash flow statement, the consolidated cash and cash equivalents comprise the following :

|  | <b>31.12.06</b> | <b>31.12.05</b> |
|--|-----------------|-----------------|
|  | <b>S\$'000</b>  | <b>S\$'000</b>  |
| Cash and bank balances   | 3,105           | 4,206           |
| Less : Bank overdraft  | (257)           | -               |
| Cash and cash equivalents per consolidated cash flow statement | 2,848           | 4,206           |

**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**

| <b>2006<br/>The Group (S\$'000)</b>                         | <b>Share<br/>capital</b> | <b>Other<br/>reserves</b> | <b>Retained<br/>earnings</b> | <b>Total</b> |
|---|--------------------------|---------------------------|------------------------------|--------------|
| Balance as at 01.01.06                                      | 15,651                   | (40)                      | 16,292                       | 31,903       |
| Financial assets, available-for-sale-Fair value gains       | -                        | 32,669                    | -                            | 32,669       |
| Foreign currency reserve                                    | -                        | 70                        | -                            | 70           |
| Net gains recognized directly in equity                     | -                        | 32,739                    | -                            | 32,739       |
| Net profit  | -                        | -                         | 12,714                       | 12,714       |
| Total recognized gains                                      | -                        | 32,739                    | 12,714                       | 45,453       |
| Issue of shares pursuant to a private placement exercise    | 10,295                   | -                         | -                            | 10,295       |
| Share issue expenses  | (337)                    | -                         | -                            | (337)        |
| Issue of shares pursuant to an employee share option scheme | 172                      | -                         | -                            | 172          |
| Employee share option scheme: Value of employee service     | -                        | 162                       | -                            | 162          |
| Consideration for share options issued                      | 44                       | (44)                      | -                            | -            |

| <b>2006<br/>The Group (S\$'000)</b> | <b>Share<br/>capital</b> | <b>Other<br/>reserves</b> | <b>Retained<br/>Earnings</b> | <b>Total</b> |
|-------------------------------------|--------------------------|---------------------------|------------------------------|--------------|
| Dividends relating to 2005 paid     | -                        | -                         | (1,764)                      | (1,764)      |
| Balance as at 31.12.06              | 25,825                   | 32,817                    | 27,242                       | 85,884       |

| <b>2005<br/>The Group (S\$'000)</b>                      | <b>Share<br/>Capital</b> | <b>Other<br/>reserves</b> | <b>Retained<br/>earnings</b> | <b>Total</b>  |
|--|--------------------------|---------------------------|------------------------------|---------------|
| Balance as at 01.01.05                                   | 15,651                   | 1,791                     | 3,812                        | 21,254        |
| Currency translation differences                         | -                        | (70)                      | -                            | (70)          |
| Net gains recognized directly in equity                  | -                        | (70)                      | -                            | (70)          |
| Net profit   | -                        | -                         | 12,480                       | 12,480        |
| Total recognized gains                                   | -                        | (70)                      | 12,480                       | 12,410        |
| Reversal on restructuring of associated companies        | -                        | (1,791)                   | -                            | (1,791)       |
| Employee share option scheme : Value of employee service | -                        | 30                        | -                            | 30            |
| <b>Balance as at 31.12.05</b>                            | <b>15,651</b>            | <b>(40)</b>               | <b>16,292</b>                | <b>31,903</b> |

| <b>2006<br/>The Company (S\$'000)</b>                       | <b>Share<br/>capital</b> | <b>Other<br/>reserves</b> | <b>Retained<br/>earnings</b> | <b>Total</b>  |
|---|--------------------------|---------------------------|------------------------------|---------------|
| Balance as at 01.01.06                                      | 15,651                   | 30                        | 1,609                        | 17,290        |
| Financial assets, available-for-sale-Fair value gains       | -                        | 38,820                    | -                            | 38,820        |
| Net gains recognized directly in equity                     | -                        | 38,820                    | -                            | 38,820        |
| Net profit  | -                        | -                         | 2,827                        | 2,827         |
| Total recognized gains                                      | -                        | 38,820                    | 2,827                        | 41,647        |
| Issue of shares pursuant to a private placement exercise    | 10,295                   | -                         | -                            | 10,295        |
| Share issue expenses  | (337)                    | -                         | -                            | (337)         |
| Issue of shares pursuant to an employee share option scheme | 172                      | -                         | -                            | 172           |
| Employee share option scheme : Value of employee service    | -                        | 162                       | -                            | 162           |
| Consideration for share options issued                      | 44                       | (44)                      | -                            | -             |
| Dividend relating to 2005 paid                              | -                        | -                         | (1,764)                      | (1,764)       |
| <b>Balance as at 31.12.06</b>                               | <b>25,825</b>            | <b>38,968</b>             | <b>2,672</b>                 | <b>67,465</b> |

| <b>2005<br/>The Company (S\$'000)</b>                    | <b>Share<br/>capital</b> | <b>Other<br/>reserves</b> | <b>Retained<br/>earnings</b> | <b>Total</b> |
|--|--------------------------|---------------------------|------------------------------|--------------|
| Balance as at 01.01.05                                   | 15,651                   | -                         | (862)                        | 14,789       |
| Net profit   | -                        | -                         | 2,471                        | 2,471        |
| Total recognized gains                                   | -                        | -                         | 2,471                        | 2,471        |
| Employee share option scheme : Value of employee service | -                        | 30                        | -                            | 30           |
| Balance as at 31.12.05                                   | 15,651                   | 30                        | 1,609                        | 17,290       |

**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 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**

On 10 April 2006, the Company made a private placement of 29,000,000 ordinary shares at S\$0.355 per share for a total consideration of S\$10,295,000 for cash to provide funds for fleet expansion and working capital.

The Company has granted options to subscribe for 2,050,000 shares to employees, directors and controlling shareholders during the financial year.

During the financial year, 685,000 shares were allotted and issued by virtue of the exercise of options to take up unissued shares of the Company.

The Company has 2,530,000 ordinary shares under option outstanding at the end of the financial year.

**2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice(e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)**

The figures have not been audited or reviewed.

**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**

In 2006, the Group adopted the new or revised FRS and Interpretations to FRS ("INT FRS") that are applicable in the current period. The following are the FRS and INT FRS that are relevant to the Group.

|                    |  |
|--------------------|--|
| FRS 19 (Amendment) | Employee Benefits                                  |
| FRS 21 (Amendment) | The Effects of Changes in Foreign Exchange Rates   |
| FRS 32 (Amendment) | Financial Instruments:Disclosures and Presentation |
| FRS 39 (Amendment) | Financial Instruments:Recognition and Measurements |

**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 adoption of the revised FRS did not result in any substantial changes to the Group's financial statements.

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

|  | 31.12.06 | 31.12.05 |
|--|----------|----------|
| <b>Based on year end number of ordinary shares in issue (in cts)</b> | 7.58     | 8.51     |
| <b>Based on fully diluted number of ordinary shares (in cts)</b>     | 7.58     | 8.50     |

The calculation of earnings per share for the financial year ended 31 December 2005 and 31 December 2006 is based on the 146,692,925 issued and fully paid ordinary shares and average weighted number of 167,662,717 issued and fully paid ordinary shares respectively.

The calculation of fully diluted earnings per share for the financial year ended 31 December 2005 and 31 December 2006 is based on 146,827,741 shares and 167,747,601 shares respectively.

7. **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year**

|  | The Group   |             | The Company |             |
|--|-------------|-------------|-------------|-------------|
|  | 31.12.06    | 31.12.05    | 31.12.06    | 31.12.05    |
| <b>Net asset backing per ordinary share based on existing share capital as at the end of the period (in cts)</b> | 48.69       | 21.75       | 38.25       | 11.79       |
| <b>Number of shares used in computing Net Asset</b>  | 176,377,925 | 146,692,925 | 176,377,925 | 146,692,925 |

The net asset value per ordinary share of the Group and the Company as at 31 December 2005 and 31 December 2006 was calculated based on 146,692,925 issued and fully paid ordinary shares and 176,377,925 issued and fully paid ordinary shares respectively.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

#### Consolidated Income Statement

The Group registered a record turnover of S\$25.3m in FY06, a jump of 82% from S\$13.9m in FY05. The higher turnover was attributed mainly to the increase in offshore vessel chartering and ship repair and maintenance services. Correspondingly, our gross profit rose to S\$10.3m in FY06 (FY05 : S\$4.2m).



Gain from disposal of vessels and other fixed assets in FY06 was S\$3.2m as compared to S\$9.4m in FY05. The Group achieved a net profit of S\$12.7m in FY06 compared to S\$12.5m in FY05. Excluding the gain from the disposal of vessels and other fixed assets and also gain from restructuring/dilution of associates, the net profit would be S\$6.9m in FY06 compared to S\$1.6m in FY05. This represented an increase of 331%.

Administrative expenses increased to S\$5.2m in FY06 from S\$4.8m in FY05 due to higher turnover. Currency translation loss of S\$366k was incurred in FY06 as a result of a weaker US dollar. Finance cost has increased by S\$275k due primarily to higher borrowings during the year.

The Group's marine logistics services to the oil and gas maritime industries continued to see strong growth. Turnover in this division more than doubled to S\$21.4m in FY06 (FY05 :S\$9.9m). Correspondingly, the gross profit rose to S\$7.8m (FY05 : S\$3.1m). The improvement in earnings was contributed by the increased number of offshore support vessels which the Group took delivery of during the year. Gain from disposal of vessels and other fixed assets was S\$3.2m in FY06 (FY05 : S\$9.4m). Net profit for the marine logistics division stood at S\$7.5m (FY05 : S\$8.9m-which included gain from vessels disposal).

The Group's ship repair and maintenance division also saw an increase in turnover to S\$4.6m in FY06 (FY05 : S\$4.1m). This was attributed primarily to strong demand for ship repair and maintenance, against a backdrop of a continued buoyant marine industry. With tighter cost control measures, total expenses saw a slight decrease of S\$65k to S\$930k in FY06 (FY05 : S\$995k). The ship repair and maintenance division saw a 40% improvement in net profit to S\$922k in FY06 (FY05 : S\$656k)

Contribution from the Group's associated company, now operating as Swiber Holdings Ltd ("Swiber"), which offers offshore engineering and shipping services, saw a 27% increase to S\$2.5m in FY06 (FY05 : S\$1.9m). The Group's shareholding in Swiber was diluted from 22% to 14.9% following Swiber's listing on the mainboard during the year. As a result, the Group registered a net gain from deemed dilution of S\$2.5m.

#### Balance Sheet - Group

Investment in associated company has been reclassified as "available-for-sale financial asset" during the year, arising from the Initial Public Offering of Swiber. This investment is equivalent to 55 million ordinary shares of Swiber.

Higher billings recorded resulted in higher amount owing from trade debtors.

Inventories increased substantially due to certain projects undertaken at year-end.

Decrease in other assets was due to receipt of interim dividend (S\$440k) from associated company in the current financial year.

Fixed assets increased substantially due to delivery of new offshore vessels during the year and progress payments made towards the vessels under construction for delivery in FY07/FY08.

Bank borrowings increased as the Group drew down on facilities to take delivery of new offshore vessels.

Deferred tax liability increased as a result of the fair value gain on the "available-for-sale" financial asset as at year-end.

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

The Group did not make a 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**

The oil and gas industry continues to remain strong. The crude oil price is expected to remain high. Demand for energy has not shown signs of slowing down and with the marine infrastructure work already planned, the demands for the Group's offshore support vessels and marine related services are expected to continue in FY07.

The Group expects to take delivery of 7 new vessels for the remaining of FY07. These are expected to contribute progressively to the Group's performance as and when they join the fleet. As the demand for used tonnage is still high, the Group will continue to capitalize on opportunities to maximize returns should opportunity arise.

The directors expect the Group to be profitable in FY07.

**11. Dividend**

***(a) Current Financial Period Reported On***

Any dividend declared for the current financial period reported on? Yes

| Name of Dividend | Proposed Ordinary                                 | Proposed Special                                  |
|------------------|---|---|
| Dividend Type    | Cash, first and final                             | Cash, first and final                             |
| Dividend Rate    | 0.2 cents per ordinary share (tax exempt, 1-tier) | 0.8 cents per ordinary share (tax-exempt, 1-tier) |

***(b) Corresponding Period of the Immediately Preceding Financial Year***

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes, we declared dividends for the financial year ended 31 December 2005.

| Name of Dividend | Final Ordinary                                    | Final Special                                     |
|------------------|---|---|
| Dividend Type    | Cash, first and final                             | Cash, first and final                             |
| Dividend Rate    | 0.2 cents per ordinary share (tax exempt, 1-tier) | 0.8 cents per ordinary share (tax-exempt, 1-tier) |

**(c) Date payable**

Date of payment of dividend will be announced at later date.

**(d) Books closure date**

Notice of book closure will be announced at a later date.

**12. If no dividend has been declared/recommended, a statement to that effect**

Not Applicable

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

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**

| <b>Financial year ended 31 December 2006</b>            | <b>Marine Logistics (Chartering)</b> | <b>Ship Repair &amp; Maintenance</b> | <b>Elimination</b> | <b>Group</b>   |
|---|--------------------------------------|--------------------------------------|--------------------|----------------|
|   | <b>S\$'000</b>                       | <b>S\$'000</b>                       | <b>S\$'000</b>     | <b>S\$'000</b> |
| Sales :   | 21,440                               | 4,582                                | (693)              | 25,329         |
| Segment result  | 8,954                                | 1,185                                |                    | 10,139         |
| Unallocated Costs                                       |                                      |                                      |                    | (1,517)        |
| Gain arising from deemed dilution of associated company |                                      |                                      |                    | 2,538          |
| Finance costs   |                                      |                                      |                    | (411)          |
| Share of profit of associated company                   |                                      |                                      |                    | 2,467          |
| Profit before tax                                       |                                      |                                      |                    | 13,216         |
| Income tax expense                                      |                                      |                                      |                    | (502)          |
| Net profit  |                                      |                                      |                    | 12,714         |
| Segment assets  | 64,842                               | 3,852                                | (5,621)            | 63,073         |
| Available-for-sale financial asset                      |                                      |                                      |                    | 51,975         |
| Unallocated assets                                      |                                      |                                      |                    | 85             |
| Consolidated total assets                               |                                      |                                      |                    | 115,133        |
| Segment liabilities                                     | 26,690                               | 902                                  | (21,938)           | 5,654          |
| Deferred gain   |                                      |                                      |                    | 0              |
| Unallocated liabilities                                 |                                      |                                      |                    | 23,595         |
| Consolidated total liabilities                          |                                      |                                      |                    | 29,249         |
| Other segment items :                                   |                                      |                                      |                    |                |
| Capital expenditure                                     | 34,348                               |                                      |                    | 34,348         |
| Depreciation  | 1,919                                | 115                                  |                    | 2,034          |

| <b>Financial year ended 31 December 2005</b> | <b>Marine Logistics (Chartering)</b> | <b>Ship Repair &amp; Maintenance</b> | <b>Elimination</b> | <b>Group</b>   |
|--|--------------------------------------|--------------------------------------|--------------------|----------------|
|  | <b>S\$'000</b>                       | <b>S\$'000</b>                       | <b>S\$'000</b>     | <b>S\$'000</b> |
| Sales :                                      | 9,901                                | 4,132                                | (143)              | 13,890         |
| Segment result                               | 9,697                                | 861                                  | (148)              | 10,410         |
| Unallocated costs                            |                                      |                                      |                    | (670)          |
| Exceptional gains                            |                                      |                                      |                    | 1,397          |
| Finance costs                                |                                      |                                      |                    | (136)          |
| Share of profit of associated company        |                                      |                                      |                    | 1,939          |
| Profit before tax                            |                                      |                                      |                    | 12,940         |
| Income tax expense                           |                                      |                                      |                    | (460)          |
| Profit before tax                            |                                      |                                      |                    | 12,480         |
| Segment assets                               | 36,827                               | 3,327                                | (239)              | 39,915         |
| Associated companies                         |                                      |                                      |                    | 6,064          |
| Unallocated assets                           |                                      |                                      |                    | 491            |
| Consolidated total assets                    |                                      |                                      |                    | 46,470         |
| Segment liabilities                          | 12,745                               | 1,117                                | (7,597)            | 6,265          |
| Deferred gain                                |                                      |                                      |                    | 452            |
| Unallocated liabilities                      |                                      |                                      |                    | 7,849          |
| Consolidated total liabilities               |                                      |                                      |                    | 14,566         |
| Other segment items :                        |                                      |                                      |                    |                |
| Capital expenditure                          | 28,896                               |                                      |                    | 28,896         |
| Depreciation                                 | 964                                  | 120                                  |                    | 1,084          |

**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**

|             | <b>Sales for FY2006 (S\$'000)</b> | <b>Profit before tax for FY2006 (S\$'000)</b> |
|-------------|-----------------------------------|---|
| First half  | 10,491                            | 2,707   |
| Second half | 14,838                            | 10,509  |
| Total       | 25,329                            | 13,216  |

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

|          | Latest Full Year-FY2006<br>(S\$'000) | Previous Full Year-FY2005<br>(S\$'000) |
|----------|--------------------------------------|--|
| Ordinary | 354                                  | 354                                    |
| Special  | 1,410                                | 1,410                                  |
| Total    | 1,764                                | 1,764                                  |

**17. Interested Persons Transactions.**

| Name of Interested Person             | Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000) |
|---------------------------------------|--|
| Swissco Structural Mechanical Pte Ltd | Rental expense of S\$432,000 paid for the use of the premises at No 9 Pandan Road Singapore 609257   |

**BY ORDER OF THE BOARD**

Tan Ching Chek  
Company Secretary  
28 February 2007