

MENCAST HOLDINGS LTD.
(Incorporated in the Republic of Singapore on 30 January 2008)
(Company Registration Number: 200802235C)

UNAUDITED FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 30 JUNE 2011

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

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group		Increase / (decrease) (%)
	Six months ended 30 June 2011 (S\$'000)	2010 (S\$'000)	
Revenue	24,401	15,161	60.9
Cost of sales	(13,719)	(6,608)	107.6
Gross profit	10,682	8,553	24.9
Other gains	527	277	90.3
Expenses			
- Administrative	(4,866)	(2,676)	81.8
- Finance	(312)	(235)	32.8
Profit before income tax	6,031	5,919	1.9
Income tax expense	(621)	(1,112)	(44.2)
Total comprehensive income representing net profit for the financial period	5,410	4,807	12.5
Net profit attributable to :			
Equity holders of the Company	5,410	4,807	12.5
Non-controlling interests	-	-	NM ⁽¹⁾
	5,410	4,807	12.5
Total comprehensive income attributable to :			
Equity holders of the Company	5,410	4,807	12.5
Non-controlling interests	-	-	NM ⁽¹⁾
	5,410	4,807	12.5

Note:

(1) "NM" denotes not meaningful.

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1(a)(ii) Notes to statement of comprehensive income

The Group's profit before income tax is arrived at after charging / (crediting):

	Group		
	Six months ended 30 June 2011 (S\$'000)	2010 (S\$'000)	Increase (%)
After crediting:			
Other income ⁽¹⁾	313	190	64.7
Interest income ⁽²⁾	15	4	275.0
Gain on sale of property, plant and equipment ⁽³⁾	199	83	139.7
	527	277	90.3
After charging:			
Foreign exchange losses ⁽⁴⁾	451	10	4410
Interest expenses ⁽⁵⁾	312	235	32.8
Depreciation of property, plant and equipment ⁽⁶⁾	1,208	855	41.3

Notes:

- (1) Other income mainly relates to mooring fees and proceeds from sale of scrap metals.
- (2) Interest income relates to income earned mainly from fixed deposits.
- (3) The higher gain on sale of property, plant and equipment in the six-month period ended 30 June ("HY") 2011 as compared to HY2010 was due mainly to the sale of motor vehicles and machinery.
- (4) The higher foreign exchange losses in HY2011 as compared to HY2010 was mainly due to the appreciation of the S\$ against the US\$ in relation to US\$ receipts received from overseas customers of our subsidiary companies.
- (5) The higher interest expenses in HY2011 as compared to HY2010 was due mainly to additional working capital loans drawdown in HY2011.
- (6) The higher depreciation of property, plant and equipment in HY2011 as compared to HY2010 was due to the additions of plant and machinery during HY2011.

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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.

CONSOLIDATED BALANCE SHEET

	Group		Company	
	As at 30 June 2011 (S\$'000)	As at 31 December 2010 (S\$'000)	As at 30 June 2011 (S\$'000)	As at 31 December 2010 (S\$'000)
ASSETS				
Current assets				
Cash and cash equivalents	14,802	11,604	7,613	9,483
Trade and other receivables	21,056	13,473	2,944	2,668
Inventories	6,018	4,463	-	-
Other current assets	765	451	35	1
	42,641	29,991	10,592	12,152
Non-current assets				
Financial assets, available-for-sale	127	127	-	-
Investment in subsidiaries	-	-	59,750	20,900
Investment in associates	17	-	-	-
Investment in joint ventures	853	-	-	-
Property, plant and equipment	48,335	25,967	-	-
Deposits for purchase of property, plant and equipment	3,254	1,247	-	-
Intangible assets	27,977	4,781	-	-
Club memberships	28	28	-	-
	80,591	32,150	59,750	20,900
Total assets	123,232	62,141	70,342	33,052
LIABILITIES				
Current liabilities				
Trade and other payables	26,075	8,413	20,854	9,149
Current income tax liabilities	1,516	1,237	-	-
Borrowings	10,747	5,340	-	-
	38,338	14,990	20,854	9,149
Non-current liabilities				
Other payables	25,850	-	25,850	-
Borrowings	13,650	5,392	-	-
Deferred income tax liabilities	1,287	1,242	-	-
	40,787	6,634	25,850	-
Total liabilities	79,125	21,624	46,704	9,149
NET ASSETS	44,107	40,517	23,638	23,903
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	25,126	25,126	25,126	25,126
Fair value reserves	113	47	-	-
Retained earnings / (accumulated loss)	18,868	15,334	(1,488)	(1,223)
	44,107	40,507	23,638	23,903
Non-controlling interests	-	10	-	-
Total equity	44,107	40,517	23,638	23,903

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

Amount repayable in one year or less, or on demand

As at 30 June 2011		As at 31 December 2010	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
10,747	-	5,340	-

Amount repayable after one year

As at 30 June 2011		As at 31 December 2010	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
13,650	-	5,392	-

Details of any collaterals

The borrowings of the Company and its subsidiaries ("**Group**") comprise bank overdrafts, bank loans and finance lease liabilities. The bank loans of the Group are secured by the Group's properties. The finance lease liabilities of the Group are secured by certain equipment of the Company's subsidiaries. The bank loans and finance lease liabilities of the Group are also secured by corporate guarantees provided by the Company and personal guarantees of certain directors of new subsidiary companies.

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

CONSOLIDATED CASH FLOW STATEMENT

	Group	
	Six months ended 30 June 2011 (S\$'000)	2010 (S\$'000)
Cash flows from operating activities		
Net profit	5,410	4,807
Adjustments for:-		
Income tax expense	621	1,112
Depreciation on property, plant and equipment	1,208	855
Gain on disposal of property, plant and equipment	(199)	(83)
Exchange difference	67	-
Interest expense	312	235
Share of results in joint venture	946	-
	8,365	6,926
Changes in working capital, net of effects from acquisitions of subsidiary and business: -		
Trade and other receivables	2,604	(6,337)
Inventories	943	(496)
Other current assets	(257)	(180)
Trade and other payables	(3,959)	1,452
Cash generated from operations	7,696	1,365
Income tax paid	(926)	(894)
Net cash provided by operating activities	6,770	471
Cash flows from investing activities		
Aquisition of subsidiary and business, net of cash acquired ⁽¹⁾	4,184	-
Purchase of property, plant and equipment	(8,575)	(2,132)
Proceeds from disposal of property, plant and equipment	-	399
Net cash used in investing activities	(4,391)	(1,733)
Cash flows from financing activities		
Dividend paid	(1,876)	(1,551)
Repayment of borrowings	(4,622)	(1,135)
Repayment of finance lease liabilities	(969)	(720)
Interest paid	(312)	(235)
Proceeds from borrowings	8,598	-
Net cash provided by / (used in) financing activities	819	(3,641)
Net increase / (decrease) in cash and cash equivalents	3,198	(4,903)
Cash and cash equivalents at beginning of period	11,604	12,706
Cash and cash equivalents at end of period	14,802	7,803

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Note:

(1) Acquisitions of subsidiaries

In the second quarter of FY2011, the Company acquired the entire issued and paid-up share capital of Top Great Engineering & Marine Pte Ltd (“**TGEM**”) and Unidive Marine Services Pte Ltd (“**Unidive**”) for a purchase consideration of S\$24.00 million and S\$14.85 million respectively. As set out in their respective sale and purchase agreements, the Company took effective control of TGEM (“**TGEM Acquisition**”) and Unidive (“**Unidive Acquisition**”) on 1 May 2011 and 1 June 2011 respectively.

The aggregate effects of the TGEM Acquisition and the Unidive Acquisition on the cash flows of the Group are as follows:

	Fair value of identifiable assets and liabilities	
	TGEM (S\$'000)	Unidive (S\$'000)
Cash and cash equivalents	2,949	1,235
Trade and other receivables	8,191	1,996
Inventories	2,497	-
Other current assets	-	58
Investments in joint ventures	1,816	-
Property, plant and equipment	9,989	4,914
Total assets	25,442	8,203
Trade and other payables	8,149	473
Borrowings	4,804	3,948
Current income tax liabilities	509	74
Deferred income tax liabilities	17	28
Total liabilities	13,479	4,523
Identifiable net assets acquired	11,963	3,680
Goodwill	12,037	11,170
Purchase consideration	24,000	14,850
Unpaid portion of purchase consideration	(24,000)	(14,850)
Cash consideration paid	-	-
Cash and cash equivalents in subsidiaries acquired	2,949	1,235
Net cash inflow on acquisitions	2,949	1,235

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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.

STATEMENT OF CHANGES IN EQUITY

	Share capital (S\$'000)	Retained earnings / (accumulated losses) (S\$'000)	Fair value reserves (S\$'000)	Total (S\$'000)	Non-controlling interests (S\$'000)	Total equity (S\$'000)
Group						
Balance as at 1 January 2011	25,126	15,334	47	40,507	10	40,517
Translation reserve	-	-	66	66	-	66
Dividend paid	-	(1,876)	-	(1,876)	-	(1,876)
Acquisition of remaining shares in TG Offshore	-	-	-	-	(10)	(10)
Total comprehensive income for the period	-	5,410	-	5,410	-	5,410
Balance as at 30 June 2011	25,126	18,868	113	44,107	-	44,107
Balance as at 1 January 2010	19,699	8,390	47	28,136	-	28,136
Dividend paid	-	(1,551)	-	(1,551)	-	(1,551)
Total comprehensive income for the period	-	4,807	-	4,807	-	4,807
Balance as at 30 June 2010	19,699	11,646	47	31,392	-	31,392
Company						
Balance as at 1 January 2011	25,126	(1,223)	-	23,903	-	23,903
Dividend paid	-	(1,876)	-	(1,876)	-	(1,876)
Total comprehensive income for the period	-	1,611	-	1,611	-	1,611
Balance as at 30 June 2011	25,126	(1,488)	-	23,638	-	23,638
Balance as at 1 January 2010	19,699	(694)	-	19,005	-	19,005
Total comprehensive loss for the period	-	(459)	-	(459)	-	(459)
Balance as at 30 June 2010	19,699	(1,153)	-	18,546	-	18,546

- 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.**

There were no changes in the Company's share capital during HY2011.

The Company completed the Top Great Acquisition and the Unidive Acquisition on 22 July 2011 and 28 July 2011 respectively. As part-satisfaction of the purchase consideration for the Top Great Acquisition and the Unidive Acquisition, the Company will be issuing up to 35,121,951 and 5,914,634 new ordinary shares in the capital of the Company (collectively, the "**Consideration Shares**") over 3 payment tranches and 2 payment tranches respectively. As at the date of this announcement, the Company has not issued any of the Consideration Shares.

The Company did not have any outstanding options or convertibles or treasury shares as at 30 June 2011 and 30 June 2010.

- 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 2011	As at 31 December 2010
Total number of issued shares (excluding treasury shares)	170,572,600	170,572,600

- 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 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.**

Save as disclosed in paragraph 5 below, the Group and the Company have adopted the same accounting policies and methods of computation in their financial statements for HY2011 as those adopted in their audited financial statements for the financial year ended 31 December 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.

In the current year, the Group adopted the new and revised Financial Reporting Standards (“FRS”) and Interpretations of FRS (“INT FRS”) that are effective for annual periods beginning on or after 1 January 2011. Changes to the Group accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

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

- Amendments to FRS 24 – Related party disclosures (effective for annual periods beginning on or after 1 January 2011)
- Amendments to FRS 32 Financial instruments : Presentation – classification of rights issues (effective for annual periods beginning on or after 1 February 2010)
- Amendments to INT FRS 114 – Prepayments of a minimum funding requirement (effective for annual periods commencing on or after 1 January 2011)
- INT FRS 119 Extinguishing financial liabilities with equity instruments (effective for annual periods commencing on or after 1 July 2010)

The adoption of the above new and revised FRS, INT FRS and amendments to FRS did not result in 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.

EARNINGS PER SHARE (“EPS”)

	Group	
	Six months 30 June 2011	ended 30 June 2010
Earnings attributable to equity holders of the Company (S\$'000)	5,410	4,807
Weighted average number of shares used in computation of basic EPS	170,572,600	155,066,000
Basic EPS attributable to equity holders of the Company (SGD cents)	3.17	3.10
Diluted EPS attributable to equity holders of the Company (SGD cents)	3.17	3.10

Basic EPS is computed by dividing the earnings attributable to the equity holders of the Company in each financial period by the weighted average number of ordinary shares outstanding at the end of the respective financial period.

Diluted EPS for HY2011 and HY2010 were the same as basic EPS because there were no potential dilutive ordinary shares existing during the respective financial period, and exclude the Consideration Shares to be issued in connection with the Top Great Acquisition and the Unidive Acquisition.

The change in the weighted average number of shares used to compute the EPS for HY2011 was due to the issue and allotment of the 15,506,600 new ordinary shares in the capital of the Company on 1 November 2010 pursuant to a private placement exercise.

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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.

NET ASSET VALUE ("NAV")

	Group		Company	
	As at	As at	As at	As at
	30 June	31 December	30 June	31 December
	2011	2010	2011	2010
NAV per ordinary share (SGD cents)	25.9	23.8	13.9	14.0
Number of shares used in computation of NAV per share	170,572,600	170,572,600	170,572,600	170,572,600

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.

REVIEW OF INCOME STATEMENT OF THE GROUP

HY2011 vs HY2010

Revenue

	HY2011		HY2010		Increase/ (decrease)
	(S\$'000)	(%)	(S\$'000)	(%)	
Sterngear Manufacturing	5,117	21.0	6,714	44.3	(23.8)
Sterngear Services	8,156	33.4	8,447	55.7	(3.4)
	13,273	54.4	15,161	100.0	(12.5)
Offshore & Structure Fabrication	9,377	38.4	-	-	NM
Topside & Subsea Services	1,751	7.2	-	-	NM
Total	24,401	100.0	15,161	100.0	60.9

The Group's revenue increased by approximately S\$9.2 million or 60.9% from S\$15.2 million in HY2010 to S\$24.4 million in HY2011. The increase was mainly due to the maiden revenue contribution of approximately S\$11.1 million in aggregate from the newly acquired subsidiaries, TGEM and Unidive, under the offshore & structure fabrication and topside & subsea services business segments respectively.

The contribution from the newly acquired subsidiaries was offset by the decrease in revenue of approximately S\$1.6 million from the sterngear manufacturing business segment and approximately S\$0.3 million from the sterngear services business segment due to the slow down in activities in the ship building and ship repairing industry.

Gross profit

The Group's gross profit increased by approximately S\$2.1 million or 24.9% from S\$8.6 million in HY2010 to S\$10.7 million in HY2011. Overall gross profit margin of the Group decreased from approximately 56.4% in HY2010 to 43.8% in HY2011. This was due mainly to the decrease in gross profit margin from the sterngear manufacturing and sterngear services business segment as a result of competitive pricing, offset by the maiden contribution from the offshore & structure fabrication and topside & subsea services business segments.

Other gains

The Group's other gains increased by approximately S\$0.2 million from S\$0.3 million in HY2010 to S\$0.5 million in HY2011 due mainly to the gains from sale of scrap metals and property, plant and equipment.

Administrative expenses

The Group's administrative expenses increased by approximately S\$2.2 million or 81.8% from S\$2.7 million in HY2010 to S\$4.9 million in FY2011. The increase in administrative expenses was mainly due to the (i) administrative expenses of approximately S\$1.9 million attributable to TGEM and Unidive following the completion of their acquisitions; (ii) rental expenses of approximately S\$0.2 million attributable to the Group's additional land in Penjuru Road which lease had commenced from March 2011; and (iii) increase in legal and professional fees of S\$0.1 million.

Finance expenses

The Group's finance expenses increased by approximately S\$0.1 million or 32.8% from S\$0.2 million in HY2010 to S\$0.3 million in HY2011 due mainly to additional working capital loans of S\$8.6 million drawdown in HY2011.

Income tax expenses

The Group's income tax expenses decreased by approximately S\$0.5 million or 44.2% from S\$1.1 million in HY2010 to S\$0.6 million in HY2011 due mainly to the lower effective tax rate from higher capital allowances claimed under the Singapore government's Productivity & Innovation Credit Scheme during HY2011.

Net profit

The Group's net profit attributable to equity holders of the Company increased by approximately S\$0.6 million or 12.5% from S\$4.8 million in HY2010 to S\$5.4 million in HY2011 as a result of the above.

REVIEW OF FINANCIAL POSITION

The Group's cash and cash equivalents increased by approximately S\$3.2 million from S\$11.6 million as at 31 December 2010 to S\$14.8 million as at 30 June 2011. The increase was mainly due to net cash and cash equivalents of S\$4.2 million acquired in connection with the acquisitions TEGM and Unidive.

The Group's trade and other receivables as at 30 June 2011 increased by approximately S\$7.6 million as compared to as at 31 December 2010 due mainly to the trade and other receivables of S\$7.7 million acquired in connection with the acquisitions of TGEM and Unidive.

The Group's inventories as at 30 June 2011 increased by approximately S\$1.5 million as compared to as at 31 December 2010 due mainly to increase in work-in-progress of S\$1.0 million and inventories of S\$0.5 million acquired in connection with the acquisition of TGEM.

The Group's other current assets as at 30 June 2011 increased by approximately S\$0.3 million as compared to as at 31 December 2010 due mainly to the deposits and prepayments acquired in connection with the acquisition of TGEM.

The Group's property, plant and equipment as at 30 June 2011 increased by approximately S\$22.3 million as compared to as at 31 December 2010 due mainly to the purchase of new machinery and

equipment of S\$1.2 million, construction-in-progress of S\$6.2 million for the Group's manufacturing plant at Penjuru Road and property, plant and equipment of S\$14.9 million acquired in connection with the acquisitions of TGEM and Unidive.

The Group's intangible assets as at 30 June 2011 increased by approximately S\$23.2 million as compared to 31 December 2010 due to goodwill arising from the acquisitions of TGEM and Unidive.

The Group's trade and other payables as at 30 June 2011 increased by approximately S\$17.7 million as compared to as at 31 December 2010 due mainly to the trade and other payables of S\$7.1 million acquired in connection with the acquisitions of TGEM and Unidive, and an increase in other payables of S\$13.0 million in relation to the amount due to the former shareholders of TGEM and Unidive which are due in the next 12 months

The Group's other payables included under "non-current liabilities" of approximately S\$25.8 million as at 30 June 2011 relate to the balance amount due to the former shareholders of TGEM and Unidive.

REVIEW OF CASHFLOW STATEMENT

The Group's cash and cash equivalents increased by approximately S\$7.0 million from approximately S\$7.8 million as at 30 June 2010 to approximately S\$14.8 million as at 30 June 2011. The Group recorded cash inflows from both operating and financing activities in HY2011.

The Group's net cash from operating activities in HY2011 was approximately S\$6.8 million as compared to approximately S\$0.5 million in HY2010. This was due to the lower working capital outflows in HY2011 of approximately S\$1.6 million as compared to approximately S\$5.5 million in HY2010 and a higher net profit before working capital changes in HY2011 of approximately S\$8.4 million as compared to S\$6.9 million in HY2010. The lower working capital outflows in HY2011 was due mainly to the increase in trade and other payables of approximately S\$3.9 million and inventories of approximately S\$1.0 million, offset by the decrease in trade and other receivables and other current assets of approximately S\$2.3 million for the reasons as disclosed above.

The Group's net cash provided by financing activities in HY2011 was approximately S\$0.8 million as compared to net cash used in financing activities of approximately S\$3.6 million in HY2010. This was due mainly to a net increase in borrowings of S\$4.0 million, offset by the dividend paid of S\$1.9 million, repayment of finance lease liabilities of S\$1.0 million and interest paid of S\$0.3 million.

The Group's net cash used in investing activities in HY2011 was approximately S\$4.4 million as compared to approximately S\$1.7 million in HY2010, due mainly to the construction-in-progress at the Group's waterfront land at Penjuru Road.

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 period and the next 12 months.

Demand for new shipbuilding orders remain subdued in HY2011, which will have an effect on sales for the Group's sterngear manufacturing business segment. However, as a provider of maintenance, repair and overhaul ("MRO") services to the offshore and marine ("O&M") industry, the Group is optimistic on the vessel MRO segment which have seen an increase in fleet size and offshore activity in the region, resulting in higher demand for MRO services.

As at 30 June 2011, the Group's order book stood at S\$18.7 million, of which S\$8.3 million was attributable to the Group's sterngear manufacturing business segment, S\$5.2 million for the Group's offshore & structure fabrication business segment and S\$5.2 million for the Group's topside & subsea services business segment. Please refer to the separate announcement

released today by the Company via SGXNET for information on the contract secured for the Group's topside & subsea services business segment.

The acquisitions of TGEM and Unidive provides the Group with the opportunity to tap a larger pool of clients in the region and the ability to provide value-added services with a fuller range of MRO services to the O&M industry. TGEM, a vessel engineering-systems installer, and Unidive, which provide rope-access and diving MRO services, will allow the Group to create synergies in terms of its MRO service offerings.

The Group's sterngear services business segment is expected to remain stable, in spite of the tougher competition and tighter margins.

The Group's waterfront construction is on track and is expected to obtain the temporary occupation permit for its production facility in the later part of this year. This production facility will have approximately 40,000 sq m of yard space with the capacity to accommodate manufacturing and servicing work for the container-shipping and tanker market over and above the traditional offshore supply vessels market. The Group has recently signed a Letter of Award to Marina Technology and Construction Pte Ltd for a sum of S\$5.6 million for the construction of the quay wall at the Group's waterfront site.

In the short term, the Group will focus on integrating its recent acquisitions to better serve its customers in the O&M industry.

The Group will remain prudent in cash flow management.

11 Dividend

(a) Current financial period reported on

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding period of the immediately preceding financial year

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

None

(c) Date payable

Note applicable.

(d) Books closure date

Not applicable.

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

Not applicable.

13 INTERESTED PERSON TRANSACTIONS

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	NIL	NIL

14 CONFIRMATION BY THE BOARD OF DIRECTORS PURSUANT TO RULE 705(5) OF THE SGX-ST LISTING MANUAL SECTION B: RULES OF CATALIST

The Board of Directors hereby confirm that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the unaudited financial statements of the Group for the six-month financial period ended 30 June 2011 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Sim Soon Ngee Glenndle
Executive Chairman &
Chief Executive Officer

Sunny Wong Fook Choy
Lead Independent Director

BY ORDER OF THE BOARD

Sim Soon Ngee Glenndle
Executive Chairman & Chief Executive Officer

4 August 2011

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