

ANNOUNCEMENT

FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR YEAR ENDED 31 DECEMBER 2009

PART I - INFORMATION REQUIRED FOR FULL YEAR RESULTS ANNOUNCEMENTS

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

	The Group		Increase/ (Decrease)
	1.1.2009 to 31.12.2009	1.1.2008 to 31.12.2008	
	S\$'000	S\$'000	
			%
Continuing operations			
Revenue	30,382	34,567	(12%)
Cost of sales	(20,420)	(26,823)	(24%)
Gross profit	9,962	7,744	29%
Other income	684	810	(16%)
Administrative expenses	(8,300)	(8,735)	(5%)
Finance costs	(520)	(510)	2%
Gain on disposal of subsidiaries	613	-	n.m.
Share of results of associates & partnership	43	(52)	183%
Profit/(Loss) before taxation	2,482	(743)	434%
Income tax expense	(563)	(1,283)	(56%)
Profit/(Loss) from continuing operations	1,919	(2,026)	195%
Discontinued operations			
Loss from discontinued operations, net of tax	(2,618)	(737)	255%
Impairment on assets held for sale	(1,889)	-	n.m.
	(4,507)	(737)	
Loss for the year	(2,588)	(2,763)	(6%)
Attributable to:			
Equity holders of the Company	(4,069)	(3,922)	4%
Minority interests	1,481	1,159	28%
Operating loss after tax attributable to members of the Company	(2,588)	(2,763)	(6%)

Profit from operations included the following for the year ended 31 December 2009:

	The Group		%
	1.1.2009 to 31.12.2009	1.1.2008 to 31.12.2008	Increase/ (Decrease)
	S\$'000	S\$'000	
Depreciation of property, plant and equipment	(1,246)	(442)	182%
Foreign exchange losses	(797)	(240)	232%
Gain on disposal of property, plant and equipment	210	4	5150%
Impairment on assets held for sale	(1,889)	-	n.m.
Impairment on investment	(382)	-	n.m.
Impairment of goodwill	-	176	n.m.
Inventories written off	-	117	n.m.
Interest income	43	91	(53%)
Interest expense	(543)	(510)	6%
Adjustment for underprovision of tax in prior years	(43)	-	n.m.
Allowance for doubtful debts written back	141	345	(59%)
Allowance for doubtful debts	(137)	(2,177)	(94%)

Note: n.m. - not meaningful

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

	The Group		The Company	
	Unaudited 31.12.2009	Audited 31.12.2008	Unaudited 31.12.2009	Audited 31.12.2008
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Property, plant and equipment	7,652	4,719	51	74
Investment in subsidiary companies	-	-	12,208	18,668
Investment in associated companies	198	218	-	154
Investment in partnership	-	276	-	-
Intangible assets	19,472	19,987	-	-
Other investments	75	76	-	-
	27,397	25,276	12,259	18,896
Current assets				
Inventories	2,907	3,008	-	-
Due from customers on construction contracts	841	10,748	-	-
Trade and other receivables	6,445	7,092	5,923	11,990
Cash and cash equivalents	3,084	7,813	30	26
	13,277	28,661	5,953	12,016
Disposal group classified as held for sale	-	786	-	-
	13,277	29,447	5,953	12,016
Total Assets	40,674	54,723	18,212	30,912
Current liabilities				
Trade and other payables	8,572	17,614	5,992	3,992
Due to customers on construction contracts	2,112	3,010	-	-
Finance lease liabilities	39	45	-	-
Borrowings	4,317	5,403	-	-
Provision for taxation	743	1,182	-	-
	15,783	27,254	5,992	3,992
Liabilities directly associated with disposal group classified as held for sale	-	1,582	-	-
	15,783	28,836	5,992	3,992

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 (cont'd)

	The Group		The Company	
	Unaudited 31.12.2009	Audited 31.12.2008	Unaudited 31.12.2009	Audited 31.12.2008
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current liabilities				
Deferred tax liabilities	51	226	-	-
Finance lease liabilities	20	76	-	-
Term loan	5,300	6,135	-	-
	5,371	6,437	-	-
Total Liabilities	21,154	35,273	5,992	3,992
NET ASSETS	19,520	19,450	12,220	26,920
EQUITY				
Capital and reserves attributable to equity holders of the Company	15,359	16,771	12,220	26,920
Minority Interests	4,161	2,679	-	-
	19,520	19,450	12,220	26,920

1(b)(ii) Aggregate amount of group's borrowings and debt securities**Amount repayable in one year or less, or on demand**

As at 31.12.2009		As at 31.12.2008	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
4,356	-	4,953	495

Amount repayable after one year

As at 31.12.2009		As at 31.12.2008	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
5,320	-	6,211	-

Details of any collateral

		Repayable less than one year	Repayable more than one year	Total	Notes
		S\$'000	S\$'000	S\$'000	
1	Term Loan	1,156	2,279	3,435	(a), (b) & (d)
2	Bridging Loan	1,416	3,021	4,437	(c)
3	Hire purchase	39	20	59	(e)
4	Bills payable	1,745	-	1,745	
	Total	4,356	5,320	9,676	

Notes:

- (a) Term Loan of \$1.06 million is secured by legal mortgage on leasehold factory building at 10 Tuas Avenue 11, Singapore 639076 with net book value of S\$1.32 million (FY08: S\$1.43 million) and by joint and several personal guarantees of directors of Engineering & Marine Services (Pte) Ltd ("EMS"), a subsidiary of the Company.

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

- (b) Term Loan of S\$1.23 million is secured by:
 - i) A First Fixed and Floating Charge on the assets of EMS Offshore Pte. Ltd. ("EOF"), EMS and Oilfield Services and Supplies Pte. Ltd. ("OSSPL");
 - ii) A charge on Fixed Deposit(s) of S\$537,600;
 - iii) Corporate Guarantee from the Company, EMS and EOF;
 - iv) Personal Guarantee by a director of the Company on the recoverable principal amount at a percentage equal to his shareholding of the Company; and
 - v) A First Fixed Charge over 60% shares in OSS.
- (c) Bridging Loan of S\$4.43 million is secured by personal guarantees of a director of EMS, a subsidiary of the Company.
- (d) Term Loan of S\$1.14 million is secured by legal mortgage on property at 11 Joo Koon Road Singapore 628974 with net book value of S\$3.00 million (FY08: Nil) and by joint and several personal guarantees of directors of OSSPL, a subsidiary of the Company.
- (e) Net book value for plant and machinery amounting to S\$101,000 (FY08: S\$113,000) were 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**

Cash Flow Statement

	The Group	
	1.1.2009 to 31.12.2009	1.1.2008 to 31.12.2008
	S\$'000	S\$'000
Cash flows from operating activities		
Total loss	(2,588)	(2,763)
Adjustments for		
Income tax expense	563	1,283
Depreciation of property, plant and equipment	1,246	442
Interest income	(43)	(91)
Interest expense	543	512
Gain on disposal of property, plant and equipment	(210)	(4)
Property, plant and equipment written off	33	-
Impairment on assets held for sale	1,889	-
Impairment on investments	382	4
Inventories written off	-	117
Intangible assets written off	-	176
Allowance for doubtful debts written back	(141)	(345)
Allowance for doubtful debts	137	2,177
Gain on disposal of subsidiaries	(613)	-
Share of results of associate & partnership	(79)	52
Change in working capital, net effect from acquisition and disposal of subsidiaries	1,119	1,560
Inventories and amount due from/(to) customers for contract work	9,352	(8,037)
Trade and other receivables	(2,414)	11,455
Trade and other payables	(7,222)	958
Cash provided from operations	835	5,936
Income taxes paid	(1,179)	(628)
Interest paid	(543)	(512)
Interest received	43	91
Net cash (used in)/provided by operating activities	(844)	4,887

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

	The Group	
	1.1.2009 to 31.12.2009	1.1.2008 to 31.12.2008
	S\$'000	S\$'000
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	401	122
Payment received from partnership	-	28
Purchase of property, plant and equipment	(4,684)	(385)
Assets held for sale, net of cash	(367)	-
Acquisition of subsidiaries, net of cash acquired	-	(13,146)
Disposal of subsidiaries, net of cash disposed	(22)	-
Net cash used in investing activities	<u>(4,672)</u>	<u>(13,381)</u>
Cash flows from financing activities		
Proceeds from issuance of shares	2,650	2,931
Decrease/(Increase) in pledged fixed deposits	4,023	(1,629)
Drawdown of bank borrowings	8,124	10,601
Repayment of bank borrowings	(9,456)	(2,739)
Repayment of hire purchase creditors	(52)	(9)
Net cash provided by financing activities	<u>5,289</u>	<u>9,155</u>
Net (decrease)/increase in cash and cash equivalents	(227)	661
Cash and cash equivalents at beginning of the period	1,760	1,099
Cash and cash equivalents at end of the period (Note A)	<u>1,533</u>	<u>1,760</u>
Note A: Cash and cash equivalents		
Cash and bank balances	1,520	1,592
Bank overdrafts	-	(495)
Fixed deposits	1,564	6,238
Less: Fixed deposits pledged to bank	<u>(1,551)</u>	<u>(5,575)</u>
	<u>1,533</u>	<u>1,760</u>

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

	The Group		The Company	
	1.1.2009 to 31.12.2009	1.1.2008 to 31.12.2008	1.1.2009 to 31.12.2009	1.1.2008 to 31.12.2008
	S\$'000	S\$'000	S\$'000	S\$'000
Loss for the year	(2,588)	(2,763)	(17,350)	(339)
Other comprehensive income:				
Exchange differences arising on translation operations	8	243	-	-
Total comprehensive income/(expenses) for the year, net of tax	(2,580)	(2,520)	(17,350)	(339)
Attributable to:				
Equity holders of the Company	(4,062)	(3,677)	(17,350)	(339)
Minority Interests	1,482	1,157	-	-
	(2,580)	(2,520)	(17,350)	(339)

- 1(e)(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

Consolidated statement of changes in equity for the year ended 31 December 2009

	Share Capital	Share option reserves	Foreign currency translation reserve	Accumulated losses	Equity attributable to equity holders of the Company	Minority interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1.1.2009	29,340	2	(151)	(12,420)	16,771	2,679	19,450
Capital reduction	(12,420)	-	-	12,420	-	-	-
Share placement in Aug 2009 50,000,000 shares @ S\$0.053 each	2,650	-	-	-	2,650	-	2,650
Total comprehensive income/(expenses) for the year	-	-	7	(4,069)	(4,062)	1,482	(2,580)
Balance as at 31.12.2009	19,570	2	(144)	(4,069)	15,359	4,161	19,520

Group

Consolidated statement of changes in equity for the year ended 31 December 2008

	Share Capital	Share option reserves	Foreign currency translation reserve	Accumulated losses	Equity attributable to equity holders of the Company	Minority interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1.1.2008	18,333	31	(396)	(8,527)	9,441	1,385	10,826
Rights issue	11,641	-	-	-	11,641	-	11,641
Rights issue expenses	(634)	-	-	-	(634)	-	(634)
Forfeiture of share option	-	(29)	-	29	-	-	-
Acquisition of subsidiary	-	-	-	-	-	2,430	2,430
Acquisition of additional interest in subsidiary	-	-	-	-	-	(1,693)	(1,693)
Dividend paid to minority interest	-	-	-	-	-	(600)	(600)
Total comprehensive income/(expenses) for the year	-	-	245	(3,922)	(3,677)	1,157	(2,520)
Balance as at 31.12.2008	29,340	2	(151)	(12,420)	16,771	2,679	19,450

Note – Under the Companies (Amendment) Act 2005, the concepts of the par value and authorised share capital is abolished. Accordingly, the amount in the share premium has been reclassified as issued capital.

Company

Statement of changes in equity for the year ended 31 December 2009

	Share capital	Share option reserve	Accumulated losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1.1.2009	29,340	2	(2,422)	26,920
Capital reduction	(12,420)	-	12,420	-
Share placement Aug 2009 50,000,000 shares @ S\$0.053 each	2,650	-	-	2,650
Total comprehensive income/(expenses) for the year	-	-	(17,350)	(17,350)
Balance at 31.12.2009	19,570	2	(7,352)	12,220

Company

Statement of changes in equity for the year ended 31 December 2008

	Share capital	Share option reserve	Accumulated losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1.1.2008	18,333	31	(2,113)	16,251
Rights issue	11,641	-	-	11,641
Rights issue expenses	(634)	-	-	(634)
Forfeiture of share option	-	(29)	29	-
Total comprehensive income/(expenses) for the year	-	-	(338)	(338)
Balance at 31.12.2008	29,340	2	(2,422)	26,920

There are no treasury shares as at 31 December 2009 and 31 December 2008.

1(e)(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 or 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

Details of changes in the Company's issued share capital		
	No. of ordinary shares	Share capital
		S\$'000
As at 1.1.2009	420,354,802	29,340
Capital reduction	-	(12,420)
Issuing of shares	50,000,000	2,650
As at 31.12.2009	470,354,802	19,570

There are no treasury shares as at 31 December 2009 and 31 December 2008.

- 2. Whether the figures have been audited, or reviewed and in accordance with which standard (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 by auditors.

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

Not applicable.

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

Except as disclosed in item 5 below, the Group has applied the same accounting policies and methods of computation as in the consolidated financial statements of the Group for the financial year ended 31 December 2009.

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

The Group has adopted the new and revised Singapore Financial Reporting Standards ("FRS") that are mandatory for the financial years beginning on and after 1 January 2009. The adoption of these standards did not result in substantial changes to the Group's accounting policies, and there is no material impact on the financial statements.

The followings are the new and revised FRSs that are relevant to the Group:

FRS1 – Presentation of Financial Statements (Revised)

FRS108 – Operating Segments

6. Profit/(Loss) per ordinary share of the group for the current year reported on and the immediate preceding financial year, after deducting any provision for preference dividends

	The Group	
	31.12.2009 (Cents)	31.12.2008 (Cents)
Profit/(Loss) per ordinary share for the year based on net profit/(loss) attributable to shareholders:		
(a) Based on weighted average number of ordinary shares in issue	(0.94)	(1.70)
(b) On a fully diluted basis	(0.94)	(1.70)

The profit per ordinary share for the financial year under review is calculated based on the weighted average of 432,923,108 (31.12.2008: 230,857,098) ordinary shares in issue.

The share options are anti-dilutive as the exercise price per share is higher than the current market value.

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 year reported on and (b) immediately preceding financial year

	The Group		The Company	
	31.12.2009 (Cents)	31.12.2008 (Cents)	31.12.2009 (Cents)	31.12.2008 (Cents)
Net asset value per ordinary share based on issued share capital at end of year	3.27	3.99	2.60	6.40

Net asset value per share is calculated based on 470,354,802 shares and 420,354,802 shares as at 31.12.2009 and 31.12.2008 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 year reported on

(i) **Commentary on the Group's Income Statement**

Results by segments

	31.12.2009	31.12.2008
	S\$'000	S\$'000
<i><u>Revenue by segment</u></i>		
EES	16,470	28,792
ENV	-	2,660
OSS	13,912	3,115 ⁽¹⁾
	<u>30,382</u>	<u>34,567</u>
<i><u>Cost of Sales by segment</u></i>		
EES	12,820	21,807
ENV	-	3,185
OSS	7,601	1,831 ⁽¹⁾
	<u>20,421</u>	<u>26,823</u>
<i><u>Gross Profit/(Loss) by segment</u></i>		
EES	3,650	6,985
ENV	-	(525)
OSS	6,312	1,284 ⁽¹⁾
	<u>9,962</u>	<u>7,744</u>

Note:

EES	Engineering Equipment Services
ENV	Environmental and Water
OSS	Oilfield Services and Supplies

- ⁽¹⁾ The revenue, cost of sales and gross profits of OSS is only consolidated to the Group since the 4th quarter of year 2008.

Subsequent to the balance sheet date, the Group has disposed the ENV segment. As such, the ENV segment has been classified as discontinued operations for FY09.

Revenue

Group revenue decrease by 12% to S\$30.38 million in the current financial year ended 31 December 2009 ("FY09") as compared to revenue of S\$34.56 million in the previous corresponding financial period ("FY08"). In FY09, the revenue from ENV segment has been classified under another line item "discontinued operations".

The decrease of revenue was due to slowing demand from EES segment which resulted in a decrease by S\$12.32 million from S\$28.79 million to S\$16.47 million. However, the decrease in revenue was offset by revenue generated from the new segment, OSS. The revenue of OSS has increased by S\$10.79 million from S\$3.12 million to S\$13.91 million due to the Group has consolidated the full year results of OSS in FY09, whereas in FY08, the results from OSS was only consolidated for the last quarter of FY08.

Cost of sales & Gross profit

The decrease in cost of sales of \$6.40 million (24%) was due to a decrease in revenue.

Gross profit contribution mainly came from EES of S\$3.65 million and OSS of S\$6.31 million. The improvement in gross profit margin for FY09 (33%) as compared to FY08 (22%) is attributable to the higher margin earned from the new segment, OSS.

Other income

The decrease in other income in FY09 was mainly due to other income contributed from ENV segment has been classified under another line item "discontinued operations". The other income mainly consists of allowance for doubtful debts written back of S\$141,000, gain on disposal of property, plant and equipment of S\$210,000 and cash grants received from IRAS of S\$124,000 under the Jobs Credit Scheme.

Administrative expenses

The slightly decrease of administrative expenses was due to administrative expenses from ENV segment has been classified under another line item of "discontinued operations". However, the decrease in administrative expenses was offset by the administrative expenses contributed from the new segment, OSS. In FY09, the increase of depreciation of property, plant and equipment from S\$442,000 to S\$1.24 million was mainly contributed from the new segment, OSS. Furthermore, the increase of foreign currency losses from S\$240,000 to S\$797,000 was mainly due to the weakening of US Dollars against the Singapore Dollars.

Finance costs

The finance costs mainly consist of interest on borrowings of S\$437,000.

Gain on disposal of subsidiaries

The disposal of Airchem Holdings Sdn Bhd and its subsidiaries ("AHG") contributed a gain of S\$613,000 to the Group in FY09.

Income tax expense

Income tax expense for FY09 relates mainly to tax payable on profit from EES and OSS businesses. The effective tax rate for the FY09 was higher than the statutory tax rate of 17% mainly due to losses of non-profitable companies were unable to set off against profits made by EES and OSS businesses.

The Group recorded an operating loss after tax and minority interest, attributable to shareholders in FY09 of S\$4.06 million compared to an operating loss of S\$3.92 million in FY08.

Losses from discontinued operations

The losses from discontinued operations arose from AHG in FY08 and ENV segment in FY09.

Impairment on assets held for sale

The Group has fully impaired the assets held for sale, ENV segment, based on the aggregate consideration of S\$2 in FY09.

ii) **Commentary on the balance sheet**

Non-Current Assets

Property, plant and equipment increased by S\$2.93 million mainly due to acquisition of a property by a subsidiary, OSSPL.

Intangible assets decrease by S\$515,000, mainly due to the Group disposing 35% of the equity shares in AHG held by one of its wholly-owned subsidiary; Eco Water Technologies (M) Sdn Bhd.

Current Assets

Cash and cash equivalents decreased by S\$4.72 million mainly due to repayment of trade payables and purchases during the financial year. Trade Debtors decreased by S\$650,000 from S\$7.09 million to S\$6.44 million due to receipt from customers. The decrease in amount due from customers on construction contracts was mainly due to invoices issued to a turnkey customer which amounted to S\$9.07 million which resulted in a decrease of amount due from customers on construction contracts from S\$10.74 million to S\$841,000. In addition, there was a decrease in assets directly associated with businesses which was disposed during the financial year.

There was no stock obsolescence during the financial year.

Current Liabilities

Trade Payables decreased by S\$9.04 million due to payment made to the suppliers. The amount due to customers on construction contracts is represented work has yet to be completed but billings have been made to the customer. In FY09, there is a decrease in amount due to customers on construction contracts due to the work has been performed by the Group. In addition, there was a decrease in liabilities directly associated with businesses which was disposed during the financial year.

As a result of the changes in Current assets and Current liabilities, the decrease in current assets of S\$16.17 million (mainly from declines in cash and amount due from customers on construction contracts) and decrease in current liabilities of S\$13.05 million (mainly from declines in trade payables and liabilities directly associated with disposed business), the Group's net Current liabilities position exceeded the Current assets by S\$2.50 million and current ratio stood at 0.84.

(ii) **Commentary on the cash flow statement**

Net Cash from Operating Activities

For FY09, net cash used in operating activities amounted to S\$844,000 as compared to net cash provided by operating activities of S\$4.88 million in FY08, due mainly to the payment made to payables of S\$7.22 million, payment to income taxes of S\$1.17 million and the decline of trade and other receivables for the continuing operation of S\$2.41 million. These payments have offset with the net receipt of amount due from customers of S\$9.35 million.

Net Cash from Investing Activities

For FY09, net cash used in investing activities was mainly due to the acquisition of a new property and machinery by a subsidiary, OSSPL.

Net Cash from Financing Activities

Withdrawal of pledged fixed deposits of S\$4.02 million, drawdown of bank borrowings of S\$8.12 million, proceed from issuance of shares of S\$2.65 million and repayment of bank borrowings of S\$9.45 million, in aggregate, resulted in net cash generated in financing activities of S\$5.28 million for FY09 compared to net cash generated in financing activities of S\$9.15 million for FY08.

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 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**

Barring from any unforeseen circumstances, the Group is of the view that the next reporting period and the next 12 months period will see stable and steady growth in the activities for EES and OSS segments.

11. **Dividend**

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

Any dividend declared for the current financial period reported on? None

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

Any dividend declared for the corresponding period of the immediately preceding financial year? None

- (c) **Date payable**

Not applicable

- (d) **Books closure date**

Not applicable

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

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

No dividend has been declared / recommended.

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

FY09 (S\$'000)	EES	ENV	OSS	Consolidated
Total revenue from external customers	16,470	-	13,912	30,382
Segment results	(614)	-	4,430	3,816
Unallocated expenses				(1,470)
Finance costs				(520)
				1,826
Gain on disposal of subsidiaries				613
Share of results of associates				43
Profit before tax				2,482
Income tax expense				(563)
Profit after tax				1,919
Loss from discontinued operations, net of tax				(2,618)
Impairment on assets held for sale				(1,889)
Minority interests				(1,481)
Operating loss after tax and minority interest				(4,069)

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 (cont'd)

FY08 (S\$'000)	EES	ENV	OSS	Consolidated
Total revenue from external customers	28,792	2,660	3,115	<u>34,567</u>
Segment results	3,591	(2,631)	669	1,629
Unallocated expense				(1,810)
Finance costs				<u>(510)</u>
Share of results of partnership				3
Share of results of associates				<u>(55)</u>
Loss before tax				(743)
Income tax expense				<u>(1,283)</u>
Loss after tax				(2,026)
Loss from discontinued operations, net of tax				(737)
Minority interests				<u>(1,159)</u>
Operating loss after tax and minority interest				(3,922)

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

In FY09, the revenue from EES segment decrease by 43% from S\$28.79 million in FY08 to S\$16.47 million due to slowing demand.

The revenue of OSS has increased by S\$10.79 million from S\$3.12 million to S\$13.91 million due to the Group has consolidated the full year results of OSS in FY09, whereas in FY08, the results from OSS was only consolidated for the last quarter of FY08.

15. A breakdown of revenue

Group	FY09 S\$'000	FY08 S\$'000	% increase/ (decrease)
Sales reported for first half year	18,400	19,763	(7%)
Operating profit after tax before deducting minority interest reported for first half year	1,309	771	70%
Sales reported for second half year	11,982	14,804	(19%)
Operating loss after tax before deducting minority interest reported for second half year	(3,897)	(3,534)	(10%)

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

No dividend was declared for FY09 and FY08.

17. Interested Party Transaction

The name of the interested person and the corresponding aggregate value of the interested person transactions entered into with the same interested person:

Name of Interested Person	Aggregate value of all interested person transactions (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to rule 920)		Aggregate value of all interested person transactions conducted under the Shareholders' Mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	
	1.1.2009 to 31.12.2009 S\$'000	1.1.2008 to 31.12.2008 S\$'000	1.1.2009 to 31.12.2009 S\$'000	1.1.2008 to 31.12.2008 S\$'000
Koastal Group	Nil	Nil	6,055	5,117
OSS	Nil	Nil	153	Nil

BY ORDER OF THE BOARD

Gwendolyn Gn

Company Secretary

Date: 25 February 2010

CONFIRMATION BY THE BOARD OF DIRECTORS

We, Mr Ting Teck Jin and Mr Ong See Kong being two directors of the Company, do hereby confirm on behalf of the board of directors of the Company (the "Board") that, to the best of our knowledge, nothing has come to attention of the Board which may render the financial statements for the year ended 31 December 2009 to be materially false and misleading.

On behalf of the Board

TING TECK JIN
Executive Chairman and Chief Executive Officer

Ong See Kong
Executive Director

Date: 25 February 2010

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), Asian Corporate Advisors Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**Exchange**"). The Company's Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.*

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

*The contact person for the Sponsor is Ms Foo Quee Yin
Telephone number: 6221 0271*