

## ANNOUNCEMENT

### HALF YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2010

#### PART I - INFORMATION REQUIRED FOR HALF 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) %
	1.1.2010 to 30.6.2010	1.1.2009 to 30.6.2009	
	S\$'000	S\$'000	
<b>Continuing operations</b>			
Revenue	17,778	17,514	2%
Cost of sales	(12,829)	(11,018)	16%
<b>Gross profit</b>	<b>4,949</b>	<b>6,496</b>	(24%)
Other income	274	340	(19%)
Administrative expenses	(3,820)	(4,133)	(8%)
Finance costs	(254)	(201)	26%
Gain on disposal of subsidiaries	630	493	28%
Share of results of associates & partnership	130	34	282%
<b>Profit before taxation</b>	<b>1,909</b>	<b>3,029</b>	(37%)
Income tax expense	(469)	(570)	(18%)
<b>Profit from continuing operations</b>	<b>1,440</b>	<b>2,459</b>	(41%)
<b>Discontinued operations</b>			
Loss from discontinuing operations, net of tax	(517)	(1,150)	(55%)
<b>Profit for the period</b>	<b>923</b>	<b>1,309</b>	(29%)
<b>Attributable to:</b>			
Equity holders of the Company	69	390	(82%)
Non-controlling interests	854	919	(7%)
<b>Operating profit after tax attributable to members of the Company</b>	<b>923</b>	<b>1,309</b>	(29%)

Profit from operations included the following for the period ended 30 June 2010:

	The Group		
	1.1.2010 to 30.6.2010	1.1.2009 to 30.6.2009	Increase/ (Decrease)
	S\$'000	S\$'000	%
Depreciation	(611)	(544)	12%
Foreign exchange gains / (losses)	96	(600)	(116%)
Gain on disposal of property, plant and equipment	32	17	88%
Impairment on investment	-	(131)	n.m.
Interest income	-	33	n.m.
Finance costs	(254)	(215)	18%
Allowance for doubtful debts written back	150	351	(57%)
Allowance for doubtful debts	-	(119)	n.m.

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 30.6.2010	Audited 31.12.2009	Unaudited 30.6.2010	Audited 31.12.2009
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current assets</b>				
Property, plant and equipment	8,063	7,652	40	51
Investment in subsidiaries	-	-	12,208	12,208
Investment in associated companies	328	198	-	-
Intangible assets	19,472	19,472	-	-
Financial assets, available-for-sale	86	76	-	-
	<b>27,949</b>	<b>27,398</b>	<b>12,248</b>	<b>12,259</b>
<b>Current assets</b>				
Inventories	2,179	2,907	-	-
Due from customers on construction contracts	2,109	840	-	-
Trade and other receivables	20,507	6,445	8,782	5,923
Cash and cash equivalents	4,574	3,084	24	30
	<b>29,369</b>	<b>13,276</b>	<b>8,806</b>	<b>5,953</b>
<b>Total Assets</b>	<b>57,318</b>	<b>40,674</b>	<b>21,054</b>	<b>18,212</b>
<b>Current liabilities</b>				
Trade and other payables	7,614	8,572	6,267	5,992
Due to customers on construction contracts	15,245	2,112	-	-
Finance lease liabilities	169	39	-	-
Term loans	4,548	4,317	-	-
Provision for current income tax liabilities	871	743	-	-
	<b>28,447</b>	<b>15,783</b>	<b>6,267</b>	<b>5,992</b>

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 30.6.2010	Audited 31.12.2009	Unaudited 30.6.2010	Audited 31.12.2009
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current liabilities</b>				
Deferred income tax liabilities	51	51	-	-
Finance lease liabilities	2	20	-	-
Term loans	6,074	5,300	-	-
	6,127	5,371	-	-
<b>Total Liabilities</b>	<b>34,574</b>	<b>21,154</b>	<b>6,267</b>	<b>5,992</b>
<b>NET ASSETS</b>	<b>22,744</b>	<b>19,520</b>	<b>14,787</b>	<b>12,220</b>
<b>EQUITY</b>				
Capital and reserves attributable to equity holders of the Company	18,275	15,359	14,787	12,220
Non-controlling interests	4,469	4,161	-	-
	<b>22,744</b>	<b>19,520</b>	<b>14,787</b>	<b>12,220</b>

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

As at 30.6.2010		As at 31.12.2009	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
4,601	116	4,356	-

**Amount repayable after one year**

As at 30.6.2010		As at 31.12.2009	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
6,076	-	5,320	-

**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	700	3,634	4,334	(a),(b),(c) & (d)
2	Bridging Loan	1,416	2,440	3,856	(e)
3	Hire purchase	169	2	171	(f)
4	Bills payable	2,316	-	2,316	
5	Bank overdrafts	116	-	116	
	<b>Total</b>	<b>4,717</b>	<b>6,076</b>	<b>10,793</b>	

**Notes:**

- (a) Term Loan of S\$0.98 million is secured by legal mortgage on leasehold factory building at 10 Tuas Avenue 11, Singapore 639076 with net book value of S\$1.27 million (FY09: S\$1.32 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\$1.91 million is secured by:
  - i) A First Fixed and Floating Charge over the assets of Oilfield Services and Supplies Pte. Ltd. ("OSSPL"), a subsidiary of the Company;and
  - ii) A charge on Fixed Deposit(s) of US\$20,865.86;and
  - iii) A corporate guarantee from the Company and a personal guarantee from a director of OSSPL at a percentage equal to the respective shareholdings of OSSPL.
- (c) Term loan of S\$0.42 million is secured by joint and several personal guarantees by the directors of OSSPL.
- (d) Term Loan of S\$1.02 million is secured by legal mortgage on property at 11 Joo Koon Road Singapore 628974 with net book value of S\$2.96 million (FY09: S\$3.0 million) and by joint and several personal guarantees of directors of OSSPL.
- (e) Bridging Loan of S\$3.86 million is secured by personal guarantees of a director of EMS, a subsidiary of the Company.
- (f) Net book value for plant and machinery amounting to S\$316,000 (FY09: S\$101,000) 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	
	1.1.2010 to 30.6.2010	1.1.2009 to 30.6.2009
	S\$'000	S\$'000
Total profit	923	1,309
<b>Adjustments</b>		
Income tax expense	469	538
Depreciation of property, plant and equipment	611	544
Interest income	-	(33)
Interest expense	254	215
Gain on disposal of property, plant and equipment	(32)	(17)
Impairment on investments	-	131
Gain on disposal of subsidiaries	(113)	(493)
Share of results of associated companies	(130)	(34)
Changes in working capital, net of effects from disposal of subsidiaries	1,982	2,160
Inventories and work-in-progress	12,592	11,247
Trade and other receivables	(14,040)	(9,534)
Trade and other payables	(1,558)	(2,462)
Cash (used in) / generated from operations	(1,024)	1,411
Income taxes paid	(341)	(736)
Income taxes refund	-	32
Interest paid	(254)	(215)
Interest received	-	33
<b>Net cash (used in) /generated from operating activities</b>	<b>(1,619)</b>	<b>525</b>

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	
	1.1.2010 to 30.6.2010	1.1.2009 to 30.6.2009
	S\$'000	S\$'000
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	51	100
Purchase of property, plant and equipment	(1,039)	(4,240)
Investment in financial assets	(10)	-
Disposal of subsidiaries, net of cash disposed of	-	(22)
<b>Net cash used in investing activities</b>	<b>(998)</b>	<b>(4,162)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of ordinary shares	2,990	-
Decrease in pledged fixed deposits	1,029	3,407
Proceeds from term loan	6,817	8,532
Repayment of term loan	(5,928)	(8,027)
Proceeds from finance lease	173	-
Repayment of finance lease liabilities	(61)	(25)
<b>Net cash provided by financing activities</b>	<b>5,020</b>	<b>3,887</b>
<b>Net increase in cash and cash equivalents</b>	<b>2,403</b>	<b>250</b>
Cash and cash equivalents at beginning of the period	1,812	1,760
<b>Cash and cash equivalents at end of the period (Note A)</b>	<b>4,215</b>	<b>2,010</b>
<b>Note A: Cash and cash equivalents</b>		
Cash and bank balances	4,574	4,239
Less: Bank overdrafts	(116)	(62)
Less: Bank deposits pledged	(243)	(2,167)
	4,215	2,010

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	
	1.1.2010 to 30.6.2010	1.1.2009 to 30.6.2009	1.1.2010 to 30.6.2010	1.1.2009 to 30.6.2009
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Profit/(Loss) for the period</b>	923	1,309	(423)	(615)
Other comprehensive income/(expenses):				
Foreign currency translation	(89)	54	-	-
<b>Total comprehensive income/(expenses) for the period, net of tax</b>	<b>834</b>	<b>1,363</b>	<b>(423)</b>	<b>(615)</b>
<b>Attributable to:</b>				
Equity holders of the Company	(74)	418	(423)	(615)
Non-controlling interests	908	945	-	-
	<b>834</b>	<b>1,363</b>	<b>(423)</b>	<b>(615)</b>

- 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 half year ended 30 June 2010

	Share Capital	Share option reserves	Foreign currency translation reserve	Retained Profits / (Accumulated losses)	Equity attributable to equity holders of the Company	Non-controlling interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1.1.2010	19,570	-	(144)	(4,067)	15,359	4,161	19,520
Issue of shares	2,990	-	-	-	2,990	-	2,990
Dividend paid to non-controlling interests	-	-	-	-	-	(600)	(600)
Total comprehensive income/(expenses) for the period	-	-	(143)	69	(74)	908	834
<b>Balance as at 30.6.2010</b>	<b>22,560</b>	<b>-</b>	<b>(287)</b>	<b>(3,998)</b>	<b>18,275</b>	<b>4,469</b>	<b>22,744</b>

### Group

Consolidated statement of changes in equity for the half year ended 30 June 2009

	Share Capital	Share option reserves	Foreign currency translation reserve	Retained Profits / (Accumulated losses)	Equity attributable to equity holders of the Company	Non-controlling 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
Total comprehensive income/(expenses) for the period	-	-	28	390	418	945	1,363
<b>Balance as at 30.6.2009</b>	<b>29,340</b>	<b>2</b>	<b>(123)</b>	<b>(12,030)</b>	<b>17,189</b>	<b>3,624</b>	<b>20,813</b>

**Company**

Statement of changes in equity for the half year ended 30 June 2010

	<b>Share Capital</b>	<b>Share option reserves</b>	<b>Accumulated losses</b>	<b>Total</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Balance at 1.1.2010	19,570	-	(7,350)	12,220
Issue of shares	2,990	-	-	2,990
Total comprehensive income/(expenses) for the period	-	-	(423)	(423)
<b>Balance at 30.6.2010</b>	<b>22,560</b>	<b>-</b>	<b>(7,773)</b>	<b>14,787</b>

**Company**

Statement of changes in equity for the half year ended 30 June 2009

	<b>Share Capital</b>	<b>Share option reserves</b>	<b>Accumulated losses</b>	<b>Total</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Balance at 1.1.2009	29,340	2	(2,422)	26,920
Total comprehensive income/(expenses) for the period	-	-	(615)	(615)
<b>Balance at 30.6.2009</b>	<b>29,340</b>	<b>2</b>	<b>(3,037)</b>	<b>26,305</b>

There are no treasury shares as at 30 June 2010 and 30 June 2009.

**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**

<b>Details of changes in the Company's issued share capital</b>		
	<b>No. of ordinary shares</b>	<b>Share capital</b>
		<b>S\$'000</b>
As at 1.1.2010	470,354,802	19,570
Issuing of shares	46,000,000	2,990
As at 30.6.2010	516,354,802	22,560

- 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**

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, except for the adoption of new/revised Financial Reporting Standards (FRS) and Interpretations to FRS applicable for the financial period beginning 1 January 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**

Among the changes to FRS are FRS 103 (revised 2009) and FRS 27 (amended 2009) which will become effective for the Group's financial statements for the year ending 31 December 2010. FRS 103 (revised 2009) introduces significant changes to the accounting for business combination, both at the acquisition date and post acquisition, and requires greater use of fair values. The amendments will mainly impact the accounting for transaction costs, step acquisition, goodwill and non-controlling interests (previously minority interests).

The amended FRS 27 requires accounting for changes in ownership interests by the Group in a subsidiary, while maintaining control, to be recognised as an equity transaction. When the Group loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with gain or loss recognized in the income statement.

The revised FRS 103 and amended FRS 27 will be applied prospectively and therefore there will be no adjustments made to prior periods financial statements.

**6. Earnings 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	
	30.6.2010 (Cents)	30.6.2009 (Cents)
Earnings per ordinary share for the period based on net profit attributable to shareholders:		
(a) Based on weighted average number of ordinary shares in issue	0.01	0.09
(b) On a fully diluted basis	0.01	0.09

The profit per ordinary share for the financial period under review is calculated based on the weighted average of 506,697,343 (30.6.2009: 420,354,802) ordinary shares in issue.

**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	
	30.6.2010 (Cents)	31.12.2009 (Cents)	30.6.2010 (Cents)	31.12.2009 (Cents)
Net asset value per ordinary share based on issued share capital at end of period / year	3.54	3.27	2.86	2.60

Net asset value per share is calculated based on 516,354,802 shares and 470,354,802 shares as at 30.6.2010 and 31.12.2009 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**

	<b>30.06.2010</b>	<b>30.06.2009</b>
	S\$'000	S\$'000
<u>Revenue by segment</u>		
<i>Continuing operations</i>		
EES	8,234	8,978
OSS	9,544	8,536
	<u>17,778</u>	<u>17,514</u>
<i>Discontinued operations</i>		
ENV	33	886
	<u>17,811</u>	<u>18,400</u>
 <u>Cost of Sales by segment</u>		
<i>Continuing operations</i>		
EES	6,550	6,245
OSS	6,279	4,773
	<u>12,829</u>	<u>11,018</u>
<i>Discontinued operations</i>		
ENV	282	1,280
	<u>13,111</u>	<u>12,298</u>
 <u>Gross Profit/(Loss) by segment</u>		
<i>Continuing operations</i>		
EES	1,684	2,733
OSS	3,265	3,763
	<u>4,949</u>	<u>6,496</u>
<i>Discontinued operations</i>		
ENV	(249)	(394)
	<u>4,700</u>	<u>6,102</u>

**Note:**

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

The Company has disposed the ENV segment in Apr 2010, and the ENV segment has been classified as a discontinued operation for FY09. The income statement of 1H09 has been reclassified for better comparative purpose.

### **Revenue**

Group revenue increased slightly by 2% to S\$17.78 million in the current financial period ended 30 June 2010 ('1H10') as compared to revenue of S\$17.51 million in the previous corresponding financial period ('1H09').

The increase of revenue was contributed by higher revenue from OSS segment, revenue of OSS has increased by S\$1.01 million from S\$8.53 million in 1H09 to S\$9.54 million in 1H10, which was partially offset by lower revenue from EES segment due to slowing demand during the financial period, resulting in a decrease of S\$0.74 million from S\$8.97 million in 1H09 to S\$8.23 million in 1H10.

### **Cost of sales & Gross profit**

Cost of sales increased by 16% from S\$11.02 million to S\$12.83 million mainly due to increase in material costs.

Gross profit contribution mainly came from EES of S\$1.68 million and OSS of S\$3.27 million. The drop in gross profit margin for 1H10 (28%) as compared to 1H09 (37%) is mainly due to the lower margin earned.

### **Other income**

Other income decreased by S\$66,000 from S\$340,000 in 1H09 to S\$274,000 in 1H10 due to lesser bank interest income and cash grants from job credit schemes.

### **Administrative expenses**

The administrative expenses reduced by 8% from S\$4.13 million in 1H09 to S\$3.82 million in 1H10. 1H10 recorded a foreign exchange gain S\$96,000 comparing to foreign exchange loss in 1H09 S\$545,000 due to the weakening of US Dollars against the Singapore Dollars in 2009 coupled with lower office expenses, which was partially offset by higher staff training, professional fee and utilities expenses. In 1H10, depreciation of property, plant and equipment increased from S\$516,000 to S\$611,000 due to additional plant and equipment acquired during the year.

### **Finance costs**

The finance costs consist of interest on loans of S\$218,000 (1H09: S\$144,000).

### **Gain on disposal of subsidiaries**

The disposal of Asia Eco Environmental Technologies Pvt Ltd ("AEET") and Eco Water Technologies (M) Sdn Bhd ("EWTM") contributed a net gain of S\$113,000 in 1H10. The disposal of Airchem Holdings and its subsidiaries ("AHG") contributed a gain of S\$493,000 to the Group in 1H09.

### **Income tax expense**

Income tax expense for 1H10 relates mainly to tax payable on profit from OSS segment. The effective tax rate for the 1H10 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 OSS segment.

The Group recorded an operating profit after tax and non-controlling interests, attributable to shareholders in 1H10 of S\$69,000 compared to an operating profit of S\$390,000 in 1H09.

(ii) **Commentary on the balance sheet**

**Non-Current Assets**

Property, plant and equipment increased by S\$411,000 mainly due to purchase of plant and equipment by OSS segment.

**Current Assets**

Cash and cash equivalents increased by S\$1.49 million mainly contributed by increase in collection from customers for contract work and proceeds from issuance of shares during the financial period. Trade and other receivables increased by S\$14.06 million from S\$6.44 million to S\$20.50 million mainly due to the invoices issued to 2 turnkey customers on milestone basis according to the contract signed. In 1H10 income statement, no contract revenue for the 2 turnkey projects was recognised as the contract work has not been performed.

Amount due from customers on construction contracts increased by S\$1.27 million from S\$840,000 in Dec 2009 to S\$2.11 million due to invoices yet to be issued to the contract customer but cost has been incurred.

There was no stock obsolescence during the financial period.

**Current Liabilities**

Trade and other payables decreased by S\$958,000 due to payment made to the suppliers. There was an increase of S\$13.13 million in amount due to customers on construction contracts, this was resulted from invoices issued to 2 turnkey customers on milestone basis wherein work has yet to be performed.

As a result of the changes in Current assets and Current liabilities, the increase in current assets of S\$16.09 million (mainly from increase in trade and other receivables) and increase in current liabilities of S\$12.67 million (from amount due to customers on construction contracts), the Group's net Current assets was S\$922,000 and current ratio stood at 1.03.

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

**Net Cash from Operating Activities**

For 1H10, net cash used by operating activities amounted to S\$1.62 million as compared to net cash provided by operating activities S\$525,000 in 1H09, due to increase in receivables and decrease in payables.

**Net Cash from Investing Activities**

For 1H10, net cash used in investing activities was mainly for purchase of plant and equipment by OSS segment.

**Net Cash from Financing Activities**

Withdrawal of pledged fixed deposits of S\$1.03 million, drawdown of bank borrowings of S\$6.82 million, proceeds from issue of shares S\$2.99 million and repayment of term loans of S\$5.93 million, in aggregate, resulted in net cash generated in financing activities of S\$5.02 million for 1H10 compared to net cash generated in financing activities of S\$3.89 million for 1H09.

**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**

During the first half of FY10, the Group had announced two turnkey contracts which brought the order book to S\$70 million. On 23 June 2010, it secured an engineering, procurement and construction ("EPC") contract worth US\$22.35 million from a regional shipyard to design and build a ship transfer system, with a delivery schedule of 14 months. On 24 May 2010, the Group had secured a US\$17 million repeat order from Vietnamese oil major Vietsovpetro to build a Mobile Modular Workover Unit on a turnkey basis, with a delivery schedule of 23 months.

Barring any unforeseen circumstances and after securing the two turnkey projects in 1H10, the Group is of the view that the operating performance for the next reporting period will be better than that of 1H10.

**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

**12. 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)	
	1.1.2010 to 30.6.2010 S\$'000	1.1.2009 to 30.6.2009 S\$'000	1.1.2010 to 30.6.2010 S\$'000	1.1.2009 to 30.6.2009 S\$'000
Koastal Group	Nil	Nil	1,644	2,343

**BY ORDER OF THE BOARD**

**Gwendolyn Gn**


Company Secretary


Date: 4 August 2010

## CONFIRMATION BY THE BOARD OF DIRECTORS

We, Mr Ting Teck Jin and Mr Lim Poh Boon 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 interim financial statements for the half year ended 30 June 2010 to be materially false and misleading.

**On behalf of the Board**

  
**Ting Teck Jin**  
Executive Chairman and Chief Executive Officer

  
**Lim Poh Boon**  
Non-Executive & Non-Independent  
Director

Date: 4 August 2010

*This announcement has been reviewed by the Company's sponsor, KW Capital Pte. Ltd., for compliance with the relevant rules of the Exchange. The Company's Sponsor has not independently verified the contents of this announcement.*

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

*The details of the contact person for the Sponsor is:-*

*Name: Mr Hoon Tai Meng (Registered Professional, KW Capital Pte. Ltd)  
Address: 80 Raffles Place, #25.02 UOB Plaza 1, Singapore 048624  
Tel.: 6238 3377*