



PACC OFFSHORE SERVICES HOLDINGS LTD.

Registration Number: 200603185Z

PACC OFFSHORE SERVICES HOLDINGS LTD.
UNAUDITED FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT
FOR THE SECOND QUARTER AND 6 MONTHS ENDED 30 JUNE 2014

Introduction

PACC Offshore Services Holdings Ltd. ("POSH") is Asia's largest operator of offshore support vessels, with a diversified fleet servicing offshore oil and gas exploration and production activities. With four distinct operating segments: Offshore Supply Vessels, Transportation and Installation, Offshore Accommodation and Harbour Services and Emergency Response. POSH's offshore support vessels perform anchor handling services, ocean towage and installation, ocean transportation, heavy-lift and offshore accommodation services as well as harbour towage and emergency response services.

As of 30 June 2014, the POSH Group (including joint ventures) operated a combined fleet of 110 vessels with another 19 vessels on order, comprising Anchor Handling Tug Supply Vessels, Anchor Handling Tugs, Platform Supply Vessels, accommodation vessels, harbour tugs, crane and deck barges.

The POSH fleet operates worldwide, serving offshore oilfields in Asia, Africa and Latin America providing vessels and services for projects involving many of the world's major oil companies, as well as many large international offshore contractors.

The Company's shares were listed and quoted on the Official List of Singapore Exchange Securities Trading Limited ("SGX-ST") on 25 April 2014.

For more information on POSH, please visit www.posh.com.sg.

<p>The initial public offering of the PACC Offshore Services Holdings Ltd. was sponsored by DBS Bank Ltd., Merrill Lynch (Singapore) Pte. Ltd. and Oversea-Chinese Banking Corporation Limited (together, the "Joint Issue Managers"). The Joint Issue Managers assume no responsibility for the contents of this Announcement.</p>

1(a)(i) *An income statement and statement of comprehensive income or as statement of comprehensive income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.*

	Group					
	Quarter ended			6 Months ended 30 June		
	30-Jun 2014	30-Jun 2013	%	30-Jun 2014	30-Jun 2013	%
	US\$'000	US\$'000	change	US\$'000	US\$'000	change
Revenue	58,270	60,586	-4%	111,198	117,108	-5%
Cost of sales	(40,715)	(39,558)	3%	(77,824)	(83,733)	-7%
Gross profit	17,555	21,028	-17%	33,374	33,375	NM
Other operating income	6,629	12,813	-48%	42,446	27,845	52%
Distribution costs	(371)	(438)	-15%	(724)	(762)	-5%
General and administrative expenses	(9,338)	(5,081)	84%	(16,847)	(10,579)	59%
Financing costs	(2,730)	(3,155)	-13%	(6,230)	(6,046)	3%
Share of joint ventures' results	300	3,302	-91%	(2,896)	5,906	NM
Profit before taxation	12,045	28,469	-58%	49,123	49,739	-1%
Taxation	(175)	(1,062)	-84%	(576)	(1,533)	-62%
Net profit for the period	11,870	27,407	-57%	48,547	48,206	1%
Attributable to:						
Equity holders of the Company	11,870	27,407	-57%	48,547	48,206	1%
Non-controlling interests	-	-		-	-	
	11,870	27,407	-57%	48,547	48,206	1%

NM denotes "Not Meaningful"

1(a)(ii) *Profit before taxation is arrived at after (charging)/crediting the following items.*

	Group			
	Quarter Ended		6 Months Ended	
	30-Jun 2014	30-Jun 2013	30-Jun 2014	30-Jun 2013
	US\$'000	US\$'000	US\$'000	US\$'000
Amortisation of intangible assets	(45)	(57)	(112)	(113)
Depreciation of fixed assets	(8,980)	(8,745)	(17,891)	(18,362)
Gain on disposal of fixed assets	2,192	7	34,810	530
Net fair value gain on derivatives	-	5,432	-	15,020
Interest income	1,821	4,582	4,975	7,543
(Allowance for)/reversal of doubtful debts	(1,547)	306	(2,082)	322
Bad debts written off	(36)	-	(36)	-

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	30-Jun-14 US\$'000	31-Dec-13 US\$'000	30-Jun-14 US\$'000	31-Dec-13 US\$'000
Non-current assets				
Goodwill	295,303	295,303	-	-
Fixed assets	1,070,008	1,037,610	13,291	208,045
Intangible assets	138	251	46	128
Loans to joint ventures	181,056	191,197	181,056	191,197
Investment in subsidiaries	-	-	432,856	432,856
Investment in joint ventures	46,144	20,072	60,700	60,582
Long-term prepayments	8,266	8,847	-	-
	1,600,915	1,553,280	687,949	892,808
Current assets				
Consumable stores	604	1,265	-	-
Receivables and other current assets	77,029	67,845	4,865	2,011
Amounts owing from subsidiaries, joint ventures and fellow subsidiaries	98,154	90,170	1,046,798	847,465
Loans to joint ventures	29,304	26,089	28,041	26,089
Cash and cash equivalents	11,452	10,552	584	664
	216,543	195,921	1,080,288	876,229
Fixed assets classified as held for sale	12,407	24,320	-	-
	228,950	220,241	1,080,288	876,229
Total assets	1,829,865	1,773,521	1,768,237	1,769,037
Non-current liabilities				
Bank borrowings	300,000	300,000	300,000	300,000
Deferred tax liabilities	166	166	-	-
	300,166	300,166	300,000	300,000
Current liabilities				
Payables and accruals	73,731	62,089	14,296	12,605
Advances received from customers	3,400	12,778	-	-
Amounts owing to subsidiaries, joint ventures and fellow subsidiaries	17,577	23,367	29,511	41,984
Amount owing to holding companies	914	649	914	649
Bank borrowings	222,240	507,426	222,240	507,426
Provision for taxation	2,769	2,751	2,029	1,602
	320,631	609,060	268,990	564,266
Total liabilities	620,797	909,226	568,990	864,266
Equity				
Share capital	827,201	530,975	827,201	530,975
Accumulated profits	381,569	333,022	372,046	373,796
Other reserves	298	298	-	-
Total equity	1,209,068	864,295	1,199,247	904,771
Total liabilities and equity	1,829,865	1,773,521	1,768,237	1,769,037

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

	As at 30-Jun-2014		As at 31-Dec-2013	
	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000	Secured US\$'000
(i) Amount payable in one year or less, or on demand	222,240	-	507,426	-
(ii) Amount repayable after one year	300,000	-	300,000	-

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

	Group			
	Quarter Ended		6 Months Ended	
	30-Jun-14 US\$'000	30-Jun-13 US\$'000	30-Jun-14 US\$'000	30-Jun-13 US\$'000
Cash flows from operating activities				
Profit before taxation	12,045	28,469	49,123	49,739
Adjustments for:				
Amortisation of prepayment	307	852	307	1,090
Amortisation of intangible assets	45	57	112	113
Depreciation of fixed assets	8,980	8,745	17,891	18,362
Bad debts written off	36	-	36	-
Allowance for doubtful debts - trade	1,547	(306)	2,082	(322)
Gain on disposal of fixed assets	(2,192)	(7)	(34,810)	(530)
Fair value (gain) losses on derivatives	-	(90)	-	4,725
Share of joint ventures' results	(300)	(3,302)	2,896	(5,906)
Interest expense	2,730	3,046	6,230	5,821
Interest income	(1,821)	(4,582)	(4,975)	(7,543)
Operating cash flows before working capital changes	21,377	32,882	38,892	65,549
Changes in working capital				
Decrease in consumables	739	838	661	3,608
(Increase)/decrease in receivables and other current assets	(4,404)	36,326	(12,028)	(4,006)
Increase/(decrease) in payables and accruals	9,766	(21,000)	12,451	(4,098)
Increase in amount owing to ultimate holding company (non-trade)	(71)	-	(29)	-
Cash generated from operations	27,407	49,046	39,947	61,053
Interest paid	(2,871)	(3,046)	(7,283)	(5,023)
Interest received	596	4,582	2,154	7,543
Income taxes paid	(558)	(523)	(558)	(657)
Net cash generated from operating activities	24,574	50,059	34,260	62,916
Cash flows from investing activities				
Acquisition of intangible assets	-	-	-	(38)
Acquisition of fixed assets	(31,409)	(129,912)	(77,426)	(213,313)
Proceeds from disposal of fixed assets	2,059	-	46,389	2,621
(Decrease)/increase in amount owing from joint ventures	(1,723)	27,908	(1,536)	11,745
Interest in joint ventures	-	(15,463)	(118)	(24,370)
Net cash used in investing activities	(31,073)	(117,467)	(32,691)	(223,355)
Cash flows from financing activities				
Proceeds from issuance of shares	296,226	-	296,226	-
(Repayment of)/proceeds from bank borrowings	(288,340)	74,200	(285,186)	174,665
Increase/(decrease) in amount owing to fellow subsidiaries	919	(5,953)	(12,003)	(11,766)
(Decrease)/increase in amount owing to immediate holding company	(3,121)	(86)	294	(1,263)
Net cash generated from financing activities	5,684	68,161	(669)	161,636
Net (decrease)/increase in cash and cash equivalents	(815)	753	900	1,197
Cash and cash equivalents at beginning of period	12,267	961	10,552	517
Cash and cash equivalents at end of period	11,452	1,714	11,452	1,714

1(d)(i) A statement (for the issuer and group) showing either (i) all the 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.

	Share capital US\$'000	Retained profits US\$'000	Other reserves US\$'000	Equity component of RCPS ¹ US\$'000	Total Equity US\$'000
The Group					
Balance at 1 Jan 2014	530,975	333,022	298	-	864,295
Total Comprehensive Income for the period	-	36,677	-	-	36,677
Balance at 31 Mar 2014	530,975	369,699	298	-	900,972
Issuance of new ordinary shares	296,226	-	-	-	296,226
Total Comprehensive Income for the period	-	11,870	-	-	11,870
Balance at 30 Jun 2014	<u>827,201</u>	<u>381,569</u>	<u>298</u>	<u>-</u>	<u>1,209,068</u>
Balance at 1 Jan 2013	380,975	266,569	298	14,672	662,514
Total Comprehensive Income for the period	-	20,799	-	-	20,799
Balance at 31 Mar 2013	380,975	287,368	298	14,672	683,313
Total Comprehensive Income for the period	-	27,407	-	-	27,407
Balance at 30 Jun 2013	<u>380,975</u>	<u>314,775</u>	<u>298</u>	<u>14,672</u>	<u>710,720</u>
The Company					
Balance at 1 Jan 2014	530,975	373,796	-	-	904,771
Total Comprehensive Loss for the period	-	(1,212)	-	-	(1,212)
Balance at 31 Mar 2014	530,975	372,584	-	-	903,559
Issuance of new ordinary shares	296,226	-	-	-	296,226
Total Comprehensive Loss for the period	-	(538)	-	-	(538)
Balance at 30 Jun 2014	<u>827,201</u>	<u>372,046</u>	<u>-</u>	<u>-</u>	<u>1,199,247</u>
Balance at 1 Jan 2013	380,975	365,086	14,672	-	760,733
Total Comprehensive Income for the period	-	9,211	-	-	9,211
Balance at 31 Mar 2013	380,975	374,297	14,672	-	769,944
Total Comprehensive Income for the period	-	6,351	-	-	6,351
Balance at 30 Jun 2013	<u>380,975</u>	<u>380,648</u>	<u>14,672</u>	<u>-</u>	<u>776,295</u>

¹ RCPS refers to redeemable convertible preference shares.

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 issue of equity securities, issue of shares for cash or 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 end of the current financial period reported on and as at end of the corresponding period of the immediately preceding financial year.

<u>Share Capital</u>	<u>Number of shares ([']000)</u>	<u>Issued and Paid-up (US\$[']000)</u>
As at 1 April 2014	1,482,375	530,975
Issuance of new ordinary shares pursuant to listing of the Company on SGX-ST	337,625	296,226
As at 30 June 2014	<u>1,820,000</u>	<u>827,201</u>

Redeemable Convertible Preference Shares

As at 30 June 2013, there were 160,150,000 ordinary shares in issue and 37,500,000 redeemable convertible preference shares ("RCPS") outstanding, each fully convertible into one fully paid new ordinary share.

On 9 December 2013, an aggregate of 37,500,000 RCPS held by the RCPS holders were converted to 37,500,000 ordinary shares. As at 30 June 2014, there were no outstanding RCPS.

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.

The total number of issued ordinary shares excluding treasury shares as at 30 June 2014 and 31 December 2013 were 1,820,000,000 and 197,650,000 respectively.

1(d)(iv) A statement showing all sales, transfers, disposal, 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 financial statements for the period under review have not been audited or reviewed by the auditor.

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.

The Group has applied accounting policies and methods of computation in the financial statements for the current reporting period consistent with those of the audited financial statements for the year ended 31 December 2013 save as disclosed in Note 5.

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 reason for, and the effect of, the change.

On 1 January 2014, the Group and the Company adopted all new and revised FRSs and interpretation of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2014. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group's and the Company's accounting policies.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding year, after deducting any provision for the preference dividends; (a) Based on weighted average number of shares and (b) On a fully diluted basis (detailing any adjustments made to the earnings).

	Group			
	Quarter Ended		6 Months Ended	
	30-Jun-14	30-Jun-13	30-Jun-14	30-Jun-13
Net profit attributable to equity holders of the Company (US\$'000)	11,870	27,407	48,547	48,206
Weighted average ordinary shares for calculation ('000)				
- Basic	1,734,666	1,201,125	1,609,218	1,201,125
- On fully diluted basis	1,734,666	1,482,375	1,609,218	1,482,375
Earnings per ordinary share ("EPS")				
(i) Based on weighted average number of ordinary shares issued	0.68	2.28	3.02	4.01
(ii) On fully diluted basis	0.68	1.85	3.02	3.25

For comparative purpose, the earnings per ordinary share for the period ended 30 June 2013 was computed based on the issued and paid up share capital of 1,201,125,000 ordinary shares. This was a result of the one-into-fifteen share split and two-into-one consolidation completed on 28 March 2014.

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.

	Group		Company	
	As at	As at	As at	As at
	30-Jun-14	31-Dec-13	30-Jun-14	31-Dec-13
Net asset value (US\$'000)	1,209,068	864,295	1,199,247	904,771
Total number of ordinary shares issued ('000)	1,820,000	1,482,375	1,820,000	1,482,375
Net asset value per ordinary shares (US cents)	66.43	58.30	65.89	61.04

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.

Income Statement

2nd Quarter 2014 ("Q2 14") vs 2nd Quarter 2013 ("Q2 13")

The Group's revenue was US\$58.3 million as compared to US\$60.6 million in Q2 13. The decrease in revenue was due mainly to lower utilisation of vessels from Transportation and Installation ("T&I") and Harbour Services and Emergency Response ("HSER") segments which was partially offset by the increase in Offshore Supply Vessels ("OSV") and Offshore Accommodation ("OA") segments. Accordingly, gross profit decreased by 17% to US\$17.6 million in Q2 14.

Income Statement (continued)

General and administrative expenses increased by US\$4.3 million to US\$9.3 million in Q2 14. This was due mainly to allowances for doubtful trade debts of US\$1.6 million (Q2 13: write-back of provision of US\$0.3 million) as well as higher personnel related and other administrative expenses.

The Group's other operating income decreased from US\$12.8 million in Q2 13 to US\$6.6 million in Q2 14 due mainly to absence of any fair value gain on derivatives (Q2 13: US\$5.4 million) as well as lower interest income of US\$1.8 million (Q2 13: US\$4.6 million).

The Group's finance cost decreased by 13% from US\$3.2 million to US\$2.7 million in Q2 14 due to partial repayment of bank borrowings with proceeds from the IPO.

The Group's share of profit from Joint Ventures ("JVs") decreased from US\$3.3 million to US\$0.3 million due mainly to the lower utilisation of vessels in Mexico.

Consequently, the Group recorded a decrease in net profit attributable to shareholders to US\$11.9 million in Q2 14 as compared to US\$27.4 million in previous corresponding period.

1st Half 2014 ("1H 14") vs 1st Half 2013 ("1H 13")

For the half year ended 30 June 2014, overall revenue was marginally lower by 5.0% due mainly to injection of deepwater T&I operations into a Joint Venture ("JV") in Q2 13. Arising from this, revenue which was recorded as part of Group's revenue in 1H 13 is now accounted for as share of profit in JV in current year.

OSV continued to be the Group's largest contributing segment. Revenue from OSV was up 25.7% to US\$62.1 million while revenue for OA rose 3.5% to US\$13.6 million as a result of higher utilisation and contribution from new vessels delivered in both segments. If not for the non employment of 3 wholly-owned OSV vessels in Mexico, earnings would have been higher. T&I and HSER segments recorded lower revenue, down 41.3% to US\$24.5 million and 14.0% to US\$11.0 million respectively, due to lower utilisation and disposal of vessels.

Except for HSER segment whose gross profit margin reduced from 47.6% in 1H 13 to 16.6% in 1H 14 due to lower utilisation for harbour services vessels and lower salvage income, all other segments recorded higher gross profit margins. Segment gross profit margin for OSV was 28% (1H 13: 16.6%) while T&I and OA recorded 37.8% (1H 13: 35.9%) and 36.1% (1H 13: 30.8%) respectively.

The Group's share of profit from Joint Ventures ("JVs") decreased from profit of US\$5.9 million in 1H 13 to loss of US\$2.9 million in 1H 14 due mainly to negative contribution of US\$7.5 million from its Mexican JVs.

Statement of Financial Position

The Group's net assets increased to US\$1,209 million as at 30 June 2014 (31 December 2013: US\$864 million) due mainly to net proceeds of US\$296.2 million from issuance of new shares pursuant to the IPO. The net proceeds were used to repay short term bank borrowings as indicated in the Prospectus dated 17 April 2014. Consequently, the Group's total bank borrowings were reduced to US\$522 million from US\$807 million on 31 December 2013.

The Group's net current liabilities as at 30 June 2014 was US\$92 million as compared with US\$389 million on 31 December 2013 due mainly to repayment of short term bank borrowings.

Statement of Cash Flows

During Q2 14, the Group generated net operating cashflow of US\$24.6 million compared to US\$50.1 million in Q2 13. This was due mainly to lower earnings in the current period.

The Group's net cash used in investing activities was US\$31.1 million as compared to US\$117.5 million in Q2 13. The reduction was due mainly to lower amount paid for vessels under construction in current period.

The Group's net cash flow from financing activities was US\$5.7 million as compared to US\$68.2 million. During the period, the Group received US\$296.2 million from its IPO and repaid short term bank borrowings of US\$288.3 million.

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

None

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.

Oil price is expected to stay strong, backed by continued global demand for oil. This will in turn, lead to continued expenditure on exploration and production (E&P) activities which will require the services of offshore support vessels. Deepwater expenditure is set to grow, driven primarily by Africa and the Americas. Although rising costs has resulted in some large and ultra deepwater projects being delayed earlier this year, it is expected that spending in deepwater E&P activities will continue to grow but with a more targeted focus. Shallow water activities remains robust with 80% of offshore oilfields to be developed being in shallow waters.

The Group will continue to optimize the mix and number of vessels within its fleet by disposing older and lower specification vessels and building new vessels with more sophisticated technology and equipment. As at 30 June 2014, construction-in-progress totalled US\$443 million representing 19 vessels on order which will be delivered over the next 2 years. Outstanding committed capital expenditure on these vessels approximated US\$240 million. In addition, the Group is planning to commit additional capex approximating US\$380 million in newbuilds over the next 6 months for fleet expansion.

On 18 July 2014, a submersible barge, owned by a 50% associate, sank while undergoing submerging trials in Batam. Plans are underway for the barge to be refloated and undergo repairs. The Group's vessels are insured with Hull & Machinery policies as well as Protection and Indemnity ("P&I") policies to cover third party liabilities arising out of the Group's vessel operations. The incident is not expected to have a material financial impact on the Group.

In Mexico, the Group's JVs vessels have stopped work as a result of non-payment by Oceanografia. Notwithstanding, the Group continues to work on securing employment of the JVs vessels in Mexico. Recently, the Group has successfully secured a two and a half year charter for one of its vessels to PEMEX.

The Group has recently signed a term sheet with Grupo Pegaso, a Mexican conglomerate. Grupo Pegaso intends to acquire interests in a POSH JV in Mexico.

The Group's Semi-Submersible Accommodation Vessel ("SSAV") the "POSH XANADU" has been contracted to Petrobras for one plus one year contract valued at US\$80.5 million for the fixed contract and US\$144 million if including the option. The Company is currently pursuing various contract opportunities for its second SSAV, the "POSH ARCADIA".

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported

No.

Corresponding Period of the Immediately Preceding Financial Year

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

No.

(b) Date payable

Not applicable.

(c) Books closure date

Not applicable.

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

No dividend has been declared or recommended for the current period reported on.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Pursuant to Rule 920(2) of the listing manual of the SGX-ST, a general mandate has been obtained for the Group to enter into Interested Person Transactions with our Interested Persons as set out in the prospectus of the Company dated 17 April 2014 registered with the Monetary Authority of Singapore. During the six months financial period ended 30 June 2014, the following Interested Person Transactions were entered into by the Group.

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 under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	US\$' 000	US\$' 000
DP Shipbuilding and Engineering Pte Ltd	-	26,632
PaxOcean Engineering Zhousan Co., Ltd	-	4,600
PaxOcean Engineering Zhuhai Co., Ltd	-	68,445
DP Marine Pte Ltd	-	1,961
PSM Perkapalan Sdn Bhd	-	534
DDW-Pax Ocean Shipyard Pte Ltd	-	189
Midpoint Properties Limited	-	305
PaxOcean Engineering Pte Ltd	136	-
Pacific Carriers Ltd	-	478
Raffles Bunkering Pte Ltd	-	151
Kuok (Singapore) Ltd	376	-
TOTAL	512	103,295

Note: Transactions relating to construction of vessels are reported based on the contract value upon signing and not on progress payments made.

14. Use of IPO net proceeds

As per the Company's SGX announcements on 25 and 29 April 2014, the Company has disbursed the full amount of estimated net proceeds of US\$296.2 million (S\$373.5 million) raised from the Initial Public Offering to reduce its bank borrowings.

15. Negative confirmation pursuant to Rule 705 (5).

The Board hereby confirms 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 financial statements for the six months ended 30 June 2014 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Gerald Seow
 Chief Executive Officer/ Director

Teo Joo Kim
 Director

14 August, 2014