BENG KUANG MARINE LIMITED

Registration No. 199400196M

Unaudited Financial Statement and Dividend Announcement for the year ended 31 December 2007

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

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

		GROUP			GROUP		
	Notes	4th Qtr of 2007 S$'000	4th Qtr of 2006 S$'000	Increase / (Decrease) %	FY 2007 S$'000	FY 2006 S$'000	Increase / (Decrease) %
Revenue		**24,604**	**17,798**	**38%**	**95,687**	**70,550**	**36%**
Cost of sales		(15,717)	(14,364)	9%	(69,745)	(53,278)	31%
Gross profit		**8,887**	**3,434**	**159%**	**25,942**	**17,272**	**50%**
Other operating income / (expenses), net	(A)	(29)	22	NM	136	40	240%
Administrative expenses		(4,530)	(1,605)	182%	(13,547)	(9,813)	38%
Selling & distribution expenses		(695)	(556)	25%	(2,533)	(2,083)	22%
Profit from operations		**3,633**	**1,295**	**181%**	**9,998**	**5,416**	**85%**
Financial income		44	3	1,367%	96	9	967%
Financial expenses		(277)	(228)	21%	(925)	(865)	7%
Non operating income	(B)	-	-	NM	2,772	-	NM
Share of results of associates, net of tax		(151)	-	NM	(183)	-	NM
Profit before taxation	(C)	**3,249**	**1,070**	**204%**	**11,758**	**4,560**	**158%**
Income tax expenses		(963)	40	NM	(2,681)	(740)	262%
Profit after taxation		**2,286**	**1,110**	**106%**	**9,077**	**3,820**	**138%**
Attributable to :							
Equity holders of the Company		**2,311**	**1,108**	**109%**	**6,745**	**3,819**	**77%**
Minority interests		(25)	2	NM	2,332	1	NM
		2,286	1,110	106%	9,077	3,820	138%

NM - Not meaningful

Notes

(A) The Group's other operating income / (expenses), net includes:

	GROUP		GROUP	
	4th Qtr of 2007 S$'000	4th Qtr of 2006 S$'000	FY 2007 S$'000	FY 2006 S$'000
Gain / (Loss) on disposal of fixed assets	(1)	35	214	78
Fixed assets written off	(48)	(68)	(73)	(68)
Foreign exchange loss, net	(142)	(14)	(290)	(62)
Other income	162	69	285	92

(B) The Group's non operating income comprises:

Gain on deemed disposal of subsidiary *	-	-	2,772	-

(C) The Group's profit from operations is arrived at after crediting / (charging):

Interest income	10	3	62	9
Interest expense on borrowings	(233)	(223)	(861)	(844)
Depreciation of fixed assets	(846)	(509)	(2,655)	(1,964)
Write-back of allowance for doubtful debts	12	1,136	134	1,193
Allowance for doubtful debts	(206)	(79)	(454)	(525)
Provision for stock obsolescence	(40)	(31)	(40)	(31)

* Refer to notes on page 4.

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.

	GROUP		COMPANY	
	31-Dec-07	31-Dec-06	31-Dec-07	31-Dec-06
	S$'000	S$'000	S$'000	S$'000
Non-current assets				
Fixed assets	20,352	9,827	853	440
Subsidiaries	-	-	8,498	2,786
Associates	3,719	-	-	-
Intangible assets	702	-	-	-
Goodwill on consolidation *	3,293	-	-	-
Due from subsidiaries (non-trade)	-	-	185	75
Current assets				
Stocks	10,902	8,656	-	-
Work-in-progress in excess of progress billings	8,310	5,493	2,591	719
Trade debtors	21,229	18,513	3	2
Other debtors	1,741	791	233	53
Prepayment	859	455	7	13
Due from subsidiaries (trade)	-	-	2,265	2,695
Due from subsidiaries (non trade)	-	-	27,031	17,092
Due from related parties (trade)	9,097	4,777	1,564	1,656
Due from related parties (non trade)	86	55	-	-
Due from associates (trade)	9	-	3	-
Fixed deposits	3,500	87	-	-
Cash and bank balances	7,033	10,005	94	3,303
	62,766	**48,832**	**33,791**	**25,533**
Current liabilities				
Trade creditors	10,576	8,585	40	62
Bills payable to banks	7,605	5,616	1,954	1,864
Other creditors and accruals	11,980	7,699	3,406	1,654
Due to related parties (trade)	307	238	83	74
Due to related parties (non trade)	1,960	57	-	-
Due to subsidiaries (trade)	-	-	935	548
Due to subsidiaries (non-trade)	-	-	39	9
Provision for income tax	2,322	999	155	45
Lease obligations (current portion)	1,231	666	29	11
Bank overdrafts	1,931	7	1,325	-
Short-term bank loans	14,942	10,035	14,942	10,035
	52,854	**33,902**	**22,908**	**14,302**
Net current assets	**9,912**	**14,930**	**10,883**	**11,231**

	GROUP		COMPANY	
	31-Dec-07 S$'000	31-Dec-06 S$'000	31-Dec-07 S$'000	31-Dec-06 S$'000
Non-current liabilities				
Lease obligations (non-current portion)	1,491	1,058	47	12
Deferred taxation	782	660	79	62
	2,273	1,718	126	74
Net assets	**35,705**	**23,039**	**20,293**	**14,458**
Share capital and reserves				
Share capital	16,111	11,551	16,111	11,551
Revenue reserves	16,197	10,386	4,182	2,907
Translation reserves	(6)	(4)	-	-
	32,302	21,933	20,293	14,458
Minority interests	3,403	1,106	-	-
Total equity	**35,705**	**23,039**	**20,293**	**14,458**

* The Group has engaged an Independent Valuer to carry out the purchase price allocation ("PPA") exercise for the acquisition of Water & Environmental Technologies (WET) Pte Ltd ("WET"). In accordance with Singapore Financial Standards ("FRS") 103, the Group is allowed to take one year from the date of acquisition to complete the PPA exercise.

As at 31 December 2007, the fair value of the goodwill and the gain on deemed disposal of subsidiary amounting to S$3.29 million and S$2.77 million have been determined on a provisional basis as the results of the independent valuation has not been finalised as at the date of announcement.

Goodwill and the gain on deemed disposal of subsidiary arising from this acquisition will be adjusted accordingly on a retrospective basis upon completion of PPA exercise.

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-Dec-07		As at 31-Dec-06	
	S$'000		S$'000	
	Secured	Unsecured	Secured	Unsecured
Bank borrowings	-	24,478	-	15,658
Lease obligations	1,231	-	666	-

Amount repayable after one year

	As at 31-Dec-07		As at 31-Dec-06	
	S$'000		S$'000	
	Secured	Unsecured	Secured	Unsecured
Lease obligations	1,491	-	1,058	-

Details of any collateral

- Lease obligations are secured by the underlying assets acquired.

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

	GROUP	
	FY 2007	FY 2006
	S$'000	S$'000
Cash flows from operating activities		
Profit before taxation	11,758	4,560
Adjustments for:		
Allowance for doubtful debts	454	525
Write-back of allowance for doubtful debts	(134)	(1,193)
Gain on disposal of fixed assets	(214)	(78)
Fixed assets written off	73	68
Depreciation of fixed assets	2,655	1,964
Gain on deemed disposal of subsidiary *	(2,772)	-
Provision for stock obsolescence	40	31
Share of results of associates	183	-
Interest income	(62)	(9)
Interest expenses	861	844
Operating profit before working capital changes	**12,842**	**6,712**
(Increase) / decrease in:		
Stocks	(2,286)	(2,680)
Work-in-progress in excess of progress billings	(2,817)	2,182
Trade debtors	(3,036)	(1,613)
Other debtors	(939)	(271)
Prepayments	(404)	(276)
Due from related parties, net	(4,351)	(1,567)
Due from associates	291	-
Increase / (decrease) in:		
Trade creditors	1,990	3,081
Other creditors and accruals	4,276	3,510
Due to related parties, net	1,971	(95)
Net cash generated from operations	**7,537**	**8,983**
Interest received	62	9
Interest paid	(860)	(821)
Income taxes paid	(1,238)	(704)
Net cash generated from operating activities	**5,501**	**7,467**
Cash flows from investing activities		
Proceeds from disposal of fixed assets	511	414
Purchase of fixed assets	(11,165)	(2,802)
Proceeds from disposal of subsidiary, net	868	98
Net cash outflow from acquisition of subsidiaries	(5,455)	-
Investment in associate	(368)	-
Net cash outflow on acquisition of minority interests' share in subsidiaries	(255)	-
Net cash used in investing activities	**(15,864)**	**(2,290)**

	GROUP	
	FY 2007	FY 2006
	S$'000	S$'000
Cash flows from financing activities		
Repayment of finance lease liabilities	(1,386)	(259)
Proceeds from shareholders	4,560	-
Increase in bills payable to banks	1,989	2,419
Net proceeds from short-term bank loans	4,905	-
Dividends paid to shareholders	(1,157)	-
Dividends paid to minority interest	(29)	(697)
Net cash generated from financing activities	**8,882**	**1,463**
Net effect of exchange rate changes in consolidating subsidiaries	(2)	(5)
Net (decrease) / increase in cash and cash equivalents	**(1,483)**	**6,635**
Cash and cash equivalents at beginning of the period	**10,085**	**3,450**
Cash and cash equivalents at end of the period	**8,602**	**10,085**

During July 2007, the Group disposed 25,045 ordinary shares in the capital of NewEarth Pte. Ltd. ("NE") for a consideration of S$1 million to Tuas Power Ltd ("TP"). Further, NE issued and alloted 225,390 new ordinary shares to TP for a consideration of S$9 million. These transactions results in a combined decrease in equity interest held by the Group from 100% to 40% in NE.

The effect on the individual assets and liabilities is set out below:

	GROUP	
	FY 2007	FY 2006
	S$'000	S$'000
Trade debtors	5	-
Other debtors	54	-
Deferred tax assets	18	-
Cash and cash equivalents	132	-
Trade creditors	(17)	-
Other creditors and accruals	(35)	-
Loan from associate	(300)	-
	(143)	-
Minority interest	(22)	-
Attributable net liability disposed	(165)	-
Amount previously accounted for as subsidiary	(3,534)	-
Goodwill on consolidation *	1,927	-
Gain on deemed disposal *	2,772	-
Cash consideration received	1,000	-
The disposal of subsidiary, net of cash is represented by:		
Cash received	1,000	-
Less: Cash and cash equivalents disposed	(132)	-
Net cash inflow	868	-

* Refer to notes on page 4.

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.

	Attrributable to equity holders of the Company						
	Share Capital	Share Premium	Revenue Reserve	Translation Reserves	Total Reserves	Minority Interests	Total equity
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
GROUP							
Balance as at 1 Jan 2006	9,299	2,252	7,264	2	7,266	1,007	19,824
Currency translation differences representing net gains and losses not recognised in income statement	-	-	-	(6)	(6)	-	(6)
# Transfer of share premium reserve to share capital account	2,252	(2,252)	-	-	-	-	-
Issuance of shares to minority interest	-	-	-	-	-	98	98
Dividends paid to shareholders	-	-	(697)	-	(697)	-	(697)
Profit for the year	-	-	3,819	-	3,819	1	3,820
Balance as at 31 December 2006	**11,551**	-	**10,386**	**(4)**	**10,382**	**1,106**	**23,039**
Balance as at 1 Jan 2007	11,551	-	10,386	(4)	10,382	1,106	23,039
Currency translation differences representing net gains and losses not recognised in income statement	-	-	-	(2)	(2)	-	(2)
Issurance of new shares	4,560	-	-	-	-	-	4,560
Acquisition of minority interest	-	-	-	-	-	(479)	(479)
Negative goodwill realised to revenue reserve upon acquisition of minority interest	-	-	223	-	223	-	223
Acqusition of a subsidiary	-	-	-	-	-	495	495
Disposal of subsidiary	-	-	-	-	-	(22)	(22)
Dividends paid to shareholders	-	-	(1,157)	-	(1,157)	-	(1,157)
Dividends paid to minority interest	-	-	-	-	-	(29)	(29)
Profit for the year	-	-	6,745	-	6,745	2,332	9,077
Balance as at 31 December 2007	**16,111**	-	**16,197**	**(6)**	**16,191**	**3,403**	**35,705**
COMPANY							
Balance as at 1 Jan 2006	9,299	2,252	1,907	-	1,907	-	13,458
# Transfer of share premium reserve to share capital account	2,252	(2,252)	-	-	-	-	-
Dividends paid to shareholders	-	-	(697)	-	(697)	-	(697)
Profit for the year	-	-	1,697	-	1,697	-	1,697
Balance as at 31 December 2006	**11,551**	-	**2,907**	**-**	**2,907**	**-**	**14,458**
Balance as at 1 Jan 2007	11,551	-	2,907	-	2,907	-	14,458
Dividends paid to shareholders	-	-	(1,157)	-	(1,157)	-	(1,157)
Issuance of new shares	4,560	-	-	-	-	-	4,560
Profit for the year	-	-	2,432	-	2,432	-	2,432
Balance as at 31 December 2007	**16,111**	-	**4,182**	**-**	**4,182**	**-**	**20,293**

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. 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.

The Company issued 12,000,000 new ordinary shares at S$0.38 each on 9 February 2007 pursuant to a placement.

In December 2007, pursuant to the Share Split, each ordinary share was sub-divided into 3 ordinary shares. A total of 256,473,750 shares were spilt from the initial 128,236,875 shares which ranks pari passu with each other.

The details of changes in the Company's share capital were as follows:

Issued and fully paid	**No.of ordinary shares**	**S$'000**
Balance as at 1 Jan 2007	116,236,875	11,551
Issue of new shares pursuant to the placement	12,000,000	4,560
	128,236,875	16,111
Sub-division of each ordinary share into 3 ordinary shares	256,473,750	-
Balance as at 31 December 2007	384,710,625	16,111

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 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 paragraph 5 below, the group has applied consistent accounting policies and methods of computation in the financial statements for the current reporting period compared with those of the audited financial statements for the financial year ended 31 December 2006.

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.

On 1 January 2007, the Group has adopted the new and revised FRS and Interpretations of FRS ("INT FRS") that are mandatory for application from that date. Changes to the Group's 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 amended FRS and INT FRS that are relevant to the Group:

Amendments to FRS 1	Presentation of Financial Statements – Capital Disclosures
FRS 107	Financial Instruments: Disclosures

The adoption of these new/revised FRS and INT FRS did not result in any substantial changes to the Group's accounting policies nor 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 ordinary share for the period base on net profit attributable to shareholders (in cents):	**Group**	
	FY 2007	**FY 2006**
a) Based on weighted average number of ordinary shares on issue; and	4.64	3.29
Weighted no.of shares in issue	145,224,046	116,236,875
b) On a fully diluted basis	N/A	N/A

N/A - not applicable

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 financial period reported on; and (b) immediately preceding financial year.

	GROUP		COMPANY	
	31-Dec-07	31-Dec-06	31-Dec-07	31-Dec-06
Net asset value per ordinary share based on issued share capital at end of the period/year (in cents)	8.40	6.29 [(1)]	5.27	4.15 [(1)]

[(1)] Comparative figures for net asset value per ordinary share have been re-stated for the sub-division of shares by share split of each ordinary share into 3 ordinary shares.

31-Dec-07

The net asset value per ordinary share is calculated using the Group's net asset value as at the end of the period of S$32.30 million and the Company's net asset value as at the end of the period of S$20.29 million divided by the share capital of 384,710,625 ordinary shares.

31-Dec-06

The net asset value per ordinary share is calculated using the Group's net asset value as at the end of the period of S$21.93 million and the Company's net asset value as at the end of the period of S$14.46 million divided by the share capital of 348,710,625 sub-divided ordinary shares.

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

INCOME STATEMENT REVIEW

4th Qtr of 2007

	4th Quarter results			
Group Turnover	**FY 2007**	**FY 2006**	**+ / (-)**	**+ / (-)**
	S$'million	**S$'million**	**S$'million**	**%**
Corrosion Prevention ("CP")	**13.65**	**8.26**	**5.39**	**65.3**
Infrastructure & Engineering ("IE")	**4.11**	**4.10**	**0.01**	**0.2**
Supply & Distribution ("SD")	**6.84**	**5.44**	**1.40**	**25.7**
	24.60	**17.80**	**6.80**	**38.2**

Revenue from the CP division increased by S$5.39 million from S$8.26 million in 4Q2006 to S$13.65 million in 4Q2007. This was mainly contributed by the Company's newly incorporated subsidiaries operating in Batam.

The increase in shipyard and rig building activities had a positive effect on the SD division resulting in an increase in demand for the Group's marine consumables. As a result, the SD division's revenue increased by S$1.40 million from S$5.44 million in 4Q2006 to S$6.84 million in 4Q2007.

The Group's revenue increased by a total of S$6.80 million from S$17.80 million in 4Q2006 to S$24.60 million in 4Q2007. As a result, the Group's net profits attributable to shareholders for 4Q2007 increased by 109% from S$1.11 million in 4Q2006 to S$2.31 million in 4Q2007.

FY 2007

	Full Year results			
Group Turnover	**FY 2007**	**FY 2006**	**+ / (-)**	**+ / (-)**
	S$'million	**S$'million**	**S$'million**	**%**
Corrosion Prevention ("CP")	**38.92**	**32.27**	**6.65**	**20.6**
Infrastructure & Engineering ("IE")	**28.55**	**16.19**	**12.36**	**76.3**
Supply & Distribution ("SD")	**28.21**	**22.09**	**6.12**	**27.7**
	95.68	**70.55**	**25.13**	**35.6**

The Group's turnover for the financial year ended 2007 increased by 35.6% from S$70.55 in FY2006 to S$95.68 million in FY2007. The increased in revenue was mainly contributed by :

- the securing of higher value project on the conversion and upgrading works of a floating production storage and offloading ("FPSO") vessel by the IE division.

- the newly incorporated CP division subsidiaries that operate in Batam and increase in market demand for corrosion prevention services.

- the high market demand for marine and offshore hardware products and consumables which lead to our improved SD division's sales performance for FY2007.

The Group's income tax expense for financial year ended 2007 increased 262% to S$2.68 million when compared with the financial year ended 2006. The increased in income tax expense was due to the Group's expansion in business, particularly the operations in Batam where the corporate tax rate is higher.

The Group's net profits attributable to shareholders increased by 77% to S$6.75 million for the financial year ended 2007 as compared to S$3.82 million for the corresponding period in the previous year. The improved performance arose from the booming marine and offshore oil and gas activities which led to securing of high value projects with better profit margins and net earnings for the current financial period. The disposal of shares in NewEarth Pte. Ltd. and the subscription of shares by Tuas Power Ltd in NewEarth Pte. Ltd. also had a positive impact on the profits attributable to shareholders.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

BALANCE SHEET REVIEW

Shareholders' funds increased by S$10.37 million from S$21.93 million as at 31 December 2006 to $32.30 million as at 31 December 2007. This increase was due to :

	S$ million
a) Placement of 12,000,000 new ordinary shares :	4.56
b) Less : Declared and paid FY2006 dividends	(1.16)
c) Negative goodwill realised to revenue reserve upon acquisition of minority interest	0.22
d) Net profits attributable to shareholders	6.75
Total Shareholders' fund increase	10.37

Non-current assets increased by $18.24 million to $28.07 million as at 31 December 2007 as compared to S$9.83 million as at 31 December 2006. This increase was mainly due to provisional goodwill on consolidation arising from the aquisition of WET, investment in associates and the provisional intellectual property rights owned by WET and its associates.The increase in fixed assets was due mainly to the acquisition of a 32.8 hectare leasehold land, and leasehold improvement in Batam. The Group has also purchased a new fleet of air compressors and an auto-blasting machine to support the increasing operational needs.

CASHFLOW STATEMENT

Of the net proceeds of S$4.37 million which have been raised from the placement of 12 million new shares, the following amounts have been utilised ;-

(a) approximately S$1.87 million for the acquisition of land in Batam, Indonesia; and
(b) approximately S$1.5 million for the acquisition of 14,157,600 ordinary shares in the capital of WET; and
(c) the balance of S$1.0 million has been disbursed for working capital.

The Group's short-term bank loans increased during the year mainly to fund the Group's investing activities.

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

This quarter results is in line with the Group's announcement on 31 October 2007 that its financial performance is expected to be better than the last financial year.

10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The outlook for the marine and offshore oil and gas industries that we serve continue to remain positive for FY2008.

11 Dividend

(a) Current Financial Period Reported On

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

Name of Dividend:	First & Final	
Dividend Type:	Cash	
Dividend Rate (Gross):	0.70	cents
Tax Rate:	Tax Exempt One-tier	

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend:	First & Final	
Dividend Type:	Cash	
Dividend Rate (Gross):	1.1	cents
Tax Rate:	18%	

(c) Date payable

The proposed first and final dividend, if approved at the Annual General Meeting to be held on 22 April 2008, will be paid on the 13 May 2008.

(d) Books closure date

Notice is hereby given that the Share Transfer Books and Register of Members of the Company will be closed on 30 April 2008 for the preparation of dividend warrants. Duly completed registrable transfers received by the Company's Share Registrar, M & C Services Private Limited at 138 Robinson Road, The Corporate Office, #17-00 Singapore 068906 up to 5.00 p.m. on 29 April 2008 will be registered to determine shareholders' entitlements to the proposed first and final dividend. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares as at 5.00 p.m. on 29 April 2008 will be entitled to the proposed dividend.

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

Not Applicable.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

BUSINESS SEGMENTS

GROUP
2007 (Year to-date)

	CORROSION PREVENTION	INFRASTRUCTURE & ENGINEERING	SUPPLY & DISTRIBUTION	ENVIRONMENT & RESOURCE	ELIMINATION	GROUP
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Revenue						
Sales to external customers	38,923	28,547	28,217	-	-	95,687
Inter-segment sales	398	478	7,873	-	(8,749)	-
	39,321	29,025	36,090	-	(8,749)	95,687
Results						
Segment results	4,601	3,260	2,930	2,472	-	13,263
Unallocated expenses						(676)
Financial income						96
Financial expenses						(925)
Profit before taxation						11,758
Taxation						(2,681)
Profit after taxation						9,077
Minority interests						(2,332)
Net profit for the year						6,745
Segment Assets	71,473	25,143	29,922	8,707	(44,413)	90,832
Segment Liabilities	(48,974)	(21,783)	(25,636)	(42)	44,413	(52,022)
Unallocated liabilities	(1,048)	(571)	(1,486)	-		(3,105)
Total liabilities						(55,127)
Capital Expenditure	7,240	5,367	898	45	-	13,550
Depreciation	1,950	454	244	7	-	2,655
Non cash expenses	51	141	262	-	-	454

BUSINESS SEGMENTS

GROUP
2006 (Year to-date)

	CORROSION PREVENTION	INFRASTRUCTURE & ENGINEERING	SUPPLY & DISTRIBUTION	ENVIRONMENT & RESOURCE	ELIMINATION	GROUP
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Revenue						
Sales to external customers	32,265	16,193	22,092	-	-	70,550
Inter-segment sales	245	533	4,226	-	(5,004)	-
	32,510	16,726	26,318	-	(5,004)	70,550
Results						
Segment results	2,628	930	2,148	-	-	5,706
Unallocated expenses						(290)
Financial income						9
Financial expenses						(865)
Profit before taxation						4,560
Taxation						(740)
Profit after taxation						3,820
Minority interests						(1)
Net profit for the year						3,819
Segment Assets	51,007	11,999	21,088	-	(25,436)	58,658
Segment Liabilities	21,675	10,806	16,880	-	(25,436)	23,925
Unallocated liabilities						11,694
Total liabilities						35,619
Capital Expenditure	3,369	927	269	-	-	4,565
Depreciation	1,600	206	158	-	-	1,964
Non cash expenses	53	72	400	-	-	525

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

Not applicable.

15 A breakdown of sales.

	GROUP			
	FY 2007	**FY 2006**	**+ / (-)**	**+ / (-)**
	S$'000	**S$'000**	**S$'000**	**%**
First Half				
(a) Revenue	**50,075**	**34,691**	**15,384**	**44.3%**
(b) Profit after tax	**2,774**	**1,625**	**1,149**	**70.7%**
Second Half				
(a) Revenue	**45,612**	**35,859**	**9,753**	**27.2%**
(b) Profit after tax	**6,303**	**2,195**	**4,108**	**187.2%**

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

Total Annual Dividend (Refer to Para 16 of Appendix 7.2 for the required details).

	Latest Full Year 2007	Previous Full Year 2006
	S$'000	S$'000
Ordinary	2,693	1,411
Preference	-	-
Total:	2,693	1,411

17 Summary of Interested Person Transactions for the financial period ended 31 December 2007

	4th Quarter of FY2007		Full Year 2007	
	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under the 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 S$100,000)**	**Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under the 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 S$100,000)**
[Revenue/(Expenses)]	S$	S$	S$	S$
Labroy Shipbuilding & Engineering Pte Ltd				
Provision of corrosion prevention services		1,471,008		3,689,961
Provision of Infrastructure engineering services		789,131		3,139,647
Sale of hardware equipment, tools and other consumables		(13,184)		61,353
Rental of equipment		323,910		362,765
Rental of property expenses	(45,000)		(105,000)	
Procurement of yard's consumables		(40,577)		(163,033)
Transportation charges		(4,185)		(15,675)
Procurement of subcontractor services		(7,654)		(59,992)
PT Nanindah Mutiara Shipyard				
Sale of hardware equipment, tools and other consumables		1,152,922		4,190,695
Heng Huat Shipbuilding & Construction Pte Ltd				
Provision of Infrastructure engineering services		(900)		405,539
Sale of hardware equipment, tools and other consumables		-		390
Rental of property expenses	(105,000)		(420,000)	
Tellus Marine Engineering Pte Ltd				
Sale of hardware equipment, tools and other consumables		55,164		250,439
Procurement of subcontractor services		990,000		990,000
PT Graha Trisaka Industri				
Provision of Infrastructure engineering services		418,820		569,672
Sale of hardware equipment, tools and other consumables		143,579		468,295
Labroy Offshore Ltd				
Provision of corrosion prevention services		163,539		1,202,660
Sale of hardware equipment, tools and other consumables		-		178,467

Our Shareholders' Mandate first came into effect from our admission to the Official List of the SGX SESDAQ on 15 October 2004 and was renewed at each subsequent Annual General Meeting of the Company. The Shareholders' Mandate was last renewed on 27 April 2007.

BY ORDER OF THE BOARD

Chua Meng Hua
Executive Director
22 February 2008