IEV HOLDINGS LIMITED

(Company Registration No: 201117734D)
(Incorporated in the Republic of Singapore on 26 July 2011)
(the "Company", and together with its subsidiaries, the "Group")

FULL YEAR UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER ("FY") 2011

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Collins Stewart Pte. Limited ("Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). Collins Stewart Pte. Limited has not independently verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST and the SGX-ST 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 Mr. Alex Tan, Managing Director, Corporate Finance, Collins Stewart Pte. Limited at 77 Robinson Road, #21-02 Singapore 068896, telephone (65) 6854-6160.

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

	Group		
	FY2011 (RM)	FY2010 (RM)	% change increase/ (decrease)
Revenue	80,815,844	67,713,512	19.3
Cost of sales	(56,308,432)	(39,913,800)	41.1
Gross profit	24,507,412	27,799,712	(11.8)
Other operating income	1,097,685	322,745	240.1
Exchange (loss)/gain	(325,909)	965,989	n.m.
Administrative expenses	(15,533,086)	(12,147,225)	27.9
Selling and distribution costs	(1,360,564)	(1,971,587)	(31.0)
Other operating expenses **(Note 1)**	(2,720,039)	(37,624)	n.m.
Share of associated companies' results, net of tax	7,047,352	4,342,399	62.3
Finance costs	(614,347)	(1,851,587)	(66.8)
Profit before taxation	12,098,504	17,422,822	(30.6)
Taxation	(1,052,768)	(596,215)	76.6
Profit for the year	11,045,736	16,826,607	(34.4)
Other comprehensive income after tax			
- currency translation differences arising from consolidation	2,774,501	(6,853,138)	n.m.
Total comprehensive income for the year, net of tax	13,820,237	9,973,469	38.6
Total profit attributable to:			
Owners of the parent	11,151,071	16,798,289	(33.6)
Non-controlling interests	(105,335)	28,318	n.m.
	11,045,736	16,826,607	(34.4)
Total comprehensive income attributable to:			
Owners of the parent	13,928,673	9,935,910	40.2
Non-controlling interests	(108,436)	37,559	n.m.
	13,820,237	9,973,469	38.6

Note 1: Includes professional fees and expenses in relation to the initial public offering ("IPO") of RM3.8 million, partially offset by bad debts written-off which was recovered in FY2011 of RM0.8 million .

1(a)(ii) Profit /(Loss) before income tax is arrived after crediting / (charging) the following:

	Group		
	FY2011 (RM)	FY2010 (RM)	% change increase/ (decrease)
Rental income	86,398	154,936	(44.2)
Interest income	194,527	85,494	127.5
(Loss)/gain on disposal of property, plant and equipment	(9,501)	22,597	n.m.
Interest expense	(614,347)	(1,851,587)	(66.8)
Depreciation of property, plant and equipment (include depreciation accounted for in cost of sales)	(2,517,095)	(2,690,799)	(6.5)
Amortisation of intangible assets (include amortisation accounted for in cost of sales)	(158,878)	(334,418)	(52.5)
Interest on liability owing to holders of preference shares of a subsidiary written back	443,980	-	n.m.
Bad debts recovered	(779,117)	-	n.m.
Allowance for inventory obsolescence	-	(31,267)	n.m.
Inventories written off	(4,779)	(6,357)	(24.8)

n.m. denotes not meaningful

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

	Company		Group	
	As at 31 December 2011 (RM)	As at 31 December 2010 (RM)	As at 31 December 2011 (RM)	As at 31 December 2010 (RM)
ASSETS				
Non-Current				
Intangible assets	-	-	1,008,871	1,130,630
Property, plant and equipment	-	-	23,285,149	17,773,073
Subsidiaries	25,880,102		-	-
Associated companies	-	-	16,872,786	9,489,554
Deferred tax assets	-	-	73,727	63,194
	25,880,102	-	41,240,533	28,456,451
Current				
Inventories	-	-	911,696	582,842
Work-in-progress	-	-	605,387	-
Trade and other receivables	852,799	-	37,090,477	21,699,360
Prepayments		-	-	1,425,867
Fixed deposits	10,982,284	-	13,514,025	678,004
Cash and bank balances	8,901,902	-	16,288,127	8,664,298
	20,736,985	-	68,409,712	33,050,371
Total assets	**46,617,087**	**-**	**109,650,245**	**61,506,822**
EQUITY				
Capital and Reserves				
Share capital	63,246,859	-	63,246,859	25,880,102
Currency translation reserve	-	-	(1,362,323)	(4,139,925)
(Accumulated losses)/retained profits	(17,587,630)	-	12,393,502	1,242,431
	45,659,229	-	74,278,038	22,982,608
Non-controlling interests	-	-	(99,295)	2,141
	45,659,229	-	74,178,743	22,984,749
LIABILITIES				
Non-Current				
Bank borrowings	-	-	-	3,716,508
Liability owing to holders of preference shares of a subsidiary	-	-	-	13,360,621
Finance lease obligations	-	-	25,960	195,464
Deferred tax liabilities	-	-	5,000	5,000
Other payables	-	-	1,464,709	2,273,797
	-	-	1,495,669	19,551,390
Current				
Trade and other payables	957,858	-	27,439,529	13,587,411
Progress billings	-	-	126,535	-
Bank borrowings	-	-	5,178,268	4,292,149
Finance lease obligations	-	-	440,992	206,677
Current tax payable	-	-	790,509	884,446
	957,858	-	33,975,833	18,970,683
Total equity and liabilities	46,617,087	-	109,650,245	61,506,822

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following at the end of the financial period reported on with comparative figures as at the end of the immediately preceding financial year

Group	**As at 31 December 2011**		**As at 31 December 2010**	
	Secured	**Unsecured**	**Secured**	**Unsecured**
	(RM)	**(RM)**	**(RM)**	**(RM)**
Bank loans:				
- Bank loan # 1	4,378,860	-	6,602,170	-
- Bank loan #2	-	-	86,167	-
	4,378,860	-	6,688,337	-
Bank overdraft	799,408	-	1,320,320	-
	5,178,268	-	8,008,657	-
Advances from a third party	-	871,800	-	2,021,020
Finance leases	-	466,952	-	402,141
Liability owing to holders of preference shares of a subsidiary	-	-	-	13,360,621
	5,178,268	1,338,752	8,008,657	15,783,782

Amount repayable in one year or less, or on demand	5,178,268	440,992	4,292,149	206,677
Amount repayable after one year	-	897,760	3,716,508	15,577,105

Details of collaterals

The above bank borrowings are secured by:

Bank loan #1

- A debenture comprising fixed and floating charge over all present and future assets of IEV Energy Sdn Bhd;
- A first charge over the escrow account to be opened with a financial institution acceptable to the bank and which are to be operated solely by the bank;
- A corporate guarantee provided by IEV Group Sdn Bhd; and
- A personal guarantee provided by a Director of the Company, Christopher Nghia Do

The bank overdraft is secured by a debenture by way of a fixed and floating charge over all present and future assets of IEV Group Sdn Bhd.

Bank loan #2

- The loan was secured by a motor vehicle and repaid in FY2011.

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	
	FY2011 (RM)	FY2010 (RM)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	12,098,504	17,422,822
Share of profits in associated companies	(7,047,352)	(4,342,399)
Adjustments for:		
Provision for post-employment benefits	312,519	173,723
Property, plant and equipment written off	133,464	-
Loss/(Gain) on disposal of property, plant and equipment	9,501	(22,597)
Available-for-sale investments written off	-	5,227
Inventories written off	4,779	6,357
Amortisation of intangible assets	158,878	334,418
Depreciation of property, plant and equipment	2,517,095	2,690,799
Interest expense	614,347	1,851,587
Interest income	(638,507)	(85,494)
Operating profit before working capital changes	8,163,228	18,034,443
(Increase) /Decrease in inventories	(303,953)	158,931
(Increase) /Decrease in work-in-progress	(605,387)	-
(Increase) in operating receivables	(13,965,250)	(8,542,547)
Increase in operating payables	12,775,177	3,620,337
Increase in progress billings	126,535	-
Cash generated from operating activities	6,190,350	13,271,164
Interest received	194,527	85,494
Interest paid	(372,063)	(1,829,075)
Tax paid	(730,496)	(247,614)
Net cash generated from operating activities	5,282,318	11,279,969
CASH FLOWS FROM INVESTING ACTIVITIES		
Subscription of shares in an associated company	(1,391,458)	(1,645,465)
Acquisition of property, plant and equipment	(5,701,005)	(3,115,353)
Proceeds from disposal of property, plant and equipment	273,888	31,623
Acquisition of intangible assets	-	(254,608)
Dividends income from associated company	1,055,578	-
Net cash used in investing activities	(5,762,997)	(4,983,803)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of finance lease obligations	(304,340)	(119,026)
Repayment of advances to a third party	(556,311)	(228,980)
Bank borrowings obtained	-	86,167
Bank borrowings repaid	(2,309,476)	(3,598,650)
Proceeds from issuance of shares	26,487,399	-
(Increase)/ Decrease in fixed deposits pledged	(1,303,776)	1,702,225
Capitalisation of listing expenses	(2,113,642)	-
Net cash generated from / (used in) financing activities	19,899,854	(2,158,264)

	Group	
	FY2011 (RM)	FY2010 (RM)
Net increase in cash and cash equivalents	19,419,175	4,137,902
Cash and cash equivalents at beginning of year	7,681,073	4,133,830
Currency translation difference of cash and cash equivalents at beginning of year	257,811	(590,659)
Cash and cash equivalents at end of year	27,358,059	7,681,073
Cash and cash equivalents comprise:		
Cash and bank balances	16,288,127	7,054,095
Fixed deposits	13,514,025	2,288,207
	29,802,152	9,342,302
Pledged fixed deposits	(1,644,685)	(340,909)
Bank overdraft	(799,408)	(1,320,320)
Cash and cash equivalents at end of year	27,358,059	7,681,073

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 year

Company	**Share capital (RM)**	**Accumulated losses (RM)**	**Total (RM)**
Balance as at 1 January 2010	-	-	-
Total comprehensive expense for the year	-	-	-
Balance as at 31 December 2010	-	-	-
Issue of share capital	63,246,859	-	63,246,859
Total comprehensive expense for the year	-	(17,587,630)	(17,587,630)
Balance as at 31 December 2011	63,246,859	(17,587,630)	45,659,229

Group

	Share capital (RM)	Retained profits (RM)	Merger reserve (RM)	Currency translation reserve (RM)	Total attribu-table to equity holders of the parent (RM)	Non-control ling interests (RM)	Total equity (RM)
Balance as at 1 January 2010	25,880,102	(1,231,508)	(14,324,350)	2,722,454	13,046,698	(49,913)	12,996,785
Transfer to retained earnings	-	(14,324,350)	14,324,350	-	-	-	-
Acquisition of a subsidiary company	-	-	-	-	-	14,495	14,495
Total comprehensive (expense)/income for the year	-	16,798,289	-	(6,862,379)	9,935,910	37,559	9,973,469
Balance as at 31 December 2010	**25,880,102**	**1,242,431**	**-**	**(4,139,925)**	**22,982,608**	**2,141**	**22,984,749**
Increase in share capital	37,366,757	-	-	-	37,366,757	-	37,366,757
Acquisition of a subsidiary company	-	-	-	-	-	7,000	7,000
Total comprehensive (expense)/income for the year	-	11,151,071	-	2,777,602	13,928,673	(108,436)	13,820,237
Balance as at 31 December 2011	**63,246,859**	**12,393,502**	**-**	**(1,362,323)**	**74,278,038**	**(99,295)**	**74,178,743**

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

	Number of shares	Resultant issued and paid-up share capital (S$)
Issued and paid up Shares as at the Company's incorporation on 26 July 2011	100	100
Issue of Shares pursuant to the Restructuring Exercise	135,000,000	16,297,930
Pre-IPO issued and paid up share capital	135,000,000	16,297,930
New shares issued pursuant to the IPO	37,000,000	10,214,000
Post-IPO issued and paid up share capital	172,000,000	26,511,930

There were no outstanding share options granted as at 31 December 2011 and 31 December 2010.

There was no treasury shares held or issued as at 31 December 2011 and 31 December 2010.

Please refer to the "Restructuring Exercise" and Share Capital" sections of Company's offer document dated 12 October 2011 ("Offer Document") for further details.

1(d)(iii) To show the total number of issued shares excluding treasury shares at the end of the current financial period and as at the end of the immediately preceding financial year

	As at 31 December 2011	As at 31 December 2010
Number of issued shares excluding treasury shares	172,000,000	135,000,000(1)

Note (1): The Company's issued and paid-up ordinary share capital (excluding treasury shares) assuming the issuance of shares pursuant to the Restructuring Exercise had taken place as at 31 December 2010.

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.

There were no sales, transfers, disposal, cancellation and / or use of treasury shares as at 31 December 2011.

2. Whether the figures have been audited, or reviewed and in accordance with which standard or practice

The figures have not been audited or reviewed by the Company's 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 Note 5 below, the Group had applied the same accounting policies and methods of computation in the financial statements for the current financial period as those applied in the Group's most recently audited financial statements.

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 all the new and revised Singapore Financial Reporting Standards ("FRSs") and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2011, where applicable. The adoption of these standards from the effective date is not expected to result in material adjustments to the financial position, results of operations or cash flows of the Group for FY2011.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

Group	FY2011 (Malaysian sen)	FY2010 (Malaysian sen)
Earnings per ordinary share ("EPS") for the year based on the unaudited net profit attributable to shareholders of the Company:		
(i) Basic earnings per share*	7.7	12.4
(ii) On a fully diluted basis*	7.7	12.4

* For comparative purposes, the basic and fully diluted EPS for FY2011 have been computed based on the Group's profit attributable to owners of the parent and the weighted average number of ordinary shares of 144,250,000 (FY2010: pre-IPO of 135,000,000) in issue during the year.

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 period reported on and (b) immediately preceding financial year

	Net asset value per ordinary share (Malaysian sen)	
	As at 31 December 2011	As at 31 December 2010
Group	42.5	16.2
Company	26.5	- (1)

Note (1): The Company was incorporated on 26 July 2011.

Net asset value per ordinary share as at 31 December 2011 is calculated based on the aggregate number of ordinary shares of 172,000,000. Net asset per ordinary shares as at 31 December 2010 is calculated based on the pre-IPO ordinary shares of 135,000,000

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, 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 period reported on

Review of Statement of Comprehensive Income

Revenue

Revenue increased by RM13.1 million or 19.3%, from RM67.7 million in FY2010 to RM80.8 million in FY2011 due to an increase in revenue contribution of RM14.2 million from the Offshore Engineering Sector, partially offset by a decrease in revenue contribution of RM1.1 million from the Mobile Natural Gas Sector.

Revenue from the Offshore Engineering Sector increased by 30.3% due mainly to increased activities in the offshore oil and gas industry, driven by higher oil prices and the Group's participation in a higher number of new oilfield development projects.

Revenue from the Mobile Natural Gas Sector decreased by 5.5% due mainly to the weakening of the Ringgit Malaysian ("RM") (being the Group's reporting currency) in FY2011 against the functional currency of its subsidiary, PT IEV Gas, being Indonesian Rupiah ("IDR"). However, the volume of CNG supplied increased by 8.1% in FY2011.

Gross Profit

Gross profit decreased by RM3.3 million or 11.8%, from RM27.8million in FY2010 to RM24.5 million in FY2011. The decrease was due mainly to a 11.9 percentage point reduction in the gross profit margin from 42.2% in FY2010 to 30.3% in FY2011, contributed by both segments.

Gross profit margin from the Offshore Engineering Sector decreased by 14.9% as a result of the change in product mix from the provision of specialised engineering solutions to turnkey services such as subsea cable laying and decommissioning projects. Comparatively, turnkey services typically contribute lower gross profit margin.

Gross profit margin from the Mobile Natural Gas Sector decreased by 4.5% due mainly to the increase in the cost of feed gas and diesel used in the production of CNG.

Other Operating Income

Other operating income increased by RM0.8 million or 240.1%, from RM0.3 million in FY2010 to RM1.1 million in FY2011 due mainly to interest on liability owing to holders of preference shares of a subsidiary of RM0.4 million provided in FY2010 written back upon conversion of the preference shares into ordinary shares of the Company in FY2011.

Exchange (Loss)/Gain

An exchange loss of RM0.3 million was recorded in FY2011 compared to an exchange gain of RM1.0 million recorded in FY2011.

Administrative Expenses

Administrative expenses increased by RM3.4 million or 27.9%, from RM12.1 million in FY2010 to RM15.5 million in FY2011 due mainly to increase in employee benefit costs by RM1.0 million, consultancy fees by RM0.6 million, travelling expenses by RM0.2 million, entertainment expenses by RM0.1 million, audit fees by RM0.3 million, tender expenses by RM0.1 million, bank charges by RM0.1 million, depreciation charges by RM0.6 million, communication expenses by RM0.2 million and legal fees by RM0.1 million.

Selling and distribution costs

Selling and distribution costs decreased by RM0.6 million or 31.0%, from RM2.0 million in FY2010 to RM1.4 million in FY2011. Selling and distribution costs represent commission paid to agents for sales made for the Group.

Other Operating Expenses

Other operating expenses increased by RM2.7 million, from approximately RM38k in FY2010 to RM2.7 million in FY2011 mainly due to the increase in professional fees and expenses in relation to the IPO of RM3.8 million, partially offset by bad debts written-off which was recovered in FY2011 of RM0.8 million.

Share of Associated Companies' Results, Net of Tax

Share of associated companies' profits, net of tax increased by RM2.7 million or 62.3%, from RM4.3 million in FY2010 to RM7.0 million in FY2011 as a result of an increase in profit contribution from CNG Vietnam Joint Stock Company.

Finance Costs

Finance costs decreased by RM1.2 million or 66.8%, from RM1.8 million in FY2010 to RM0.6 million in FY2011 mainly due to the cessation of interest liability owing to holders of preference shares of a subsidiary of RM1.2 million.

Profit Before Taxation

Profit before taxation decreased by RM5.3 million or 30.6%, from RM17.4 million in FY2010 to RM12.1 million in FY2011 due mainly to (i) lower gross profit, and (ii) higher administrative expenses and other operating expenses (predominantly professional fees and expenses in relation to the IPO), partly offset by (iii) higher other operating income and share of associated companies' results net of tax, (iv) lower finance costs and (v) selling and distribution costs.

Review of Statement of Financial Position

Non-Current Assets

Net book value of intangible assets decreased by RM0.1 million to RM1.0 million as at 31 December 2011 as a result of amortisation charges for the year. Intangible assets relates mainly to the exclusive distributorship rights with A&E Systems Sdn Bhd to market and distribute the Enviropeel corrosion protection product.

Net carrying value of property, plant and equipment increased by RM5.5 million to RM23.3 million as at 31 December 2011. Acquisitions during the year amounted to RM5.7 million. Gain in exchange translation difference of RM2.7 million during FY2011 was offset by depreciation charges for the year and assets written-off which amounted to RM2.5 million and RM0.2 million respectively.

Net book value of associated companies increased by RM7.4 million to RM16.9 million as at 31 December 2011 from RM9.5 million as at 31 December 2010. The increase was mainly due to increase in investment in the equity interest of CNG Vietnam Joint Stock Company by RM1.4 million and current year's share of associated companies' results of RM6.0 million.

Deferred tax assets was approximately RM74,000 as at 31 December 2011.

Current Assets

Inventories increased by RM0.3 million to RM0.9 million as at 31 December 2011 from RM0.6 million as at 31 December 2010. The increase was mainly due to increase in stocks for the assembly of marine growth control products in anticipation of higher sales.

Work-in-progress, which mainly related to the semi-assembly of marine growth control products and the production of concrete mattress, as at 31 December 2011 was RM0.6 million.

Trade and other receivables increased by RM15.4 million to RM37.1 million as at 31 December 2011 from RM21.7 million as at 31 December 2010 due mainly to higher offshore engineering services activities.

No prepayments were recorded as at 31 December 2011. Prepayments of RM1.4 million as at 31 December 2010 related mainly to the professional fees and expenses in relation to the IPO and other prepaid operating expenses.

Fixed deposits increased by RM12.8 million to RM13.5 million as at 31 December 2011 from RM0.7 million as at 31 December 2010. The increase was mainly due to the unutilised balance from proceeds from the issuance of shares during FY2011 arising from the IPO.

Cash and bank balances increased by RM7.6 million to RM16.3 million as at 31 December 2011 from RM8.7 million as at 31 December 2010. The increase was also mainly due to the unutilised balance from proceeds from the issuance of shares during FY2011 arising from the IPO of approximately RM1.0 million and cash generated from operating activities.

Capital and Reserves

Share capital net of capitalisation of expenses in relation to the IPO of RM3.8 million increased by RM37.4 million to RM63.2 million as at 31 December 2011.

Currency translation reserve decreased by RM2.7 million to RM1.4 million as at 31 December 2011 from RM4.1 million as at 31 December 2010 mainly due to depreciation of both the US dollar and IDR against RM.

Retained profits increased by RM11.2 million to RM12.4 million as at 31 December 2011 from RM1.2 million as at 31 December 2010 due to profits generated from operating activities.

Non- Current Liabilities and Current Liabilities

Bank borrowings decreased by RM2.8 million to RM5.2 million as at 31 December 2011 from RM8.0 million as at 31 December 2010 due to repayment of bank borrowings. There were no additional bank borrowings obtained during FY2011.

Liability owing to holders of preference shares of a subsidiary of RM13.4 million as at 31 December 2010 was fully converted into ordinary share capital of the Company. Interest provision of RM0.4 million was waived and written back during FY2011.

The increase in finance lease obligations of approximately RM65k was mainly related to exchange loss arising from the conversion of finance lease obligations denominated in IDR into RM. Repayment of finance lease obligations offset new finance leases acquired during FY2011.

Trade and other payables increased by RM13.8 million to RM27.4 million as at 31 December 2011 from RM13.6 million as at 31 December 2010, correspond to the increase in offshore engineering services activities.

Current tax payable decreased by approximately RM94,000 to RM0.8 million as at 31 December 2011 from RM0.9 million as at 31 December 2010.

Review of Statement of Cash Flows

The Group generated a net increase of RM19.4 million cash flow in FY2011 compared to net increase of RM4.1 million cash flow in FY2010. The net increase in cash and cash equivalents was due to cash generated from financing activities and operating activities of RM19.9 million and RM5.3 million respectively, partially offset by net cash used in investing activities of RM5.8 million. As a result, after taking into account the currency translation difference of RM0.2 million, the cash and cash equivalents was RM27.3 million as at 31 December 2011 compared to cash and cash equivalents of RM7.7 million as at 1 January 2011.

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

No forecast or prospect statement has been previously disclosed to shareholders.

10. A commentary at the date of the announcement of the significant trend 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 factors that may significantly affect the industry in the next 12 months are as follows:

- The state of the global economy, especially Europe, USA and China;
- The movement of the oil prices; and
- The fluctuation of the US dollar.

Barring unforeseen circumstances, the Directors are optimistic that the outlook of the oil and gas industry is positive in the next 12 months, particularly in the Asian region.

In the Offshore Engineering Sector, the Directors are of the view that the oil and gas industry will likely continue to be vibrant with a significant number of new projects currently under development throughout the Asian region. Our management observed that the number of new engineering, procurement, construction, installation and commissioning (“EPCIC”) awards demonstrates the fast pace of development, which offer opportunities to all suppliers and contractors in the value chain of upstream developments. The Group will likely benefit from the marginal field development sector, where it secured the first platform reuse project in Malaysia is announced on 19 December 2011 and is expected to be completed by end of FY2012. At the other end of the life cycle, decommissioning has gained momentum in several countries and the Group is also expected to benefit from this market segment. Two turnkey decommissioning projects in Malaysia, which were awarded to the Group in FY2011 are expected to be completed sometime in the first half of FY2012.

The order book of the Group amounted to approximately RM280 million (or approximately USD88 million) as at the date of this announcement.

In the Mobile Natural Gas Sector, the Group is working to secure several stranded gas sources in Indonesia as well as “Operation Cooperation” program with Pertamina EP to secure feed gas supply for its growth strategies and plans. The Group is expected to start the development of its new mobile natural supply chains to monetise stranded gas sources in the second quarter of FY2012. The Group is intensifying its marketing efforts to increase CNG sales to existing customers as well as negotiating gas sales and purchase agreements with new customers.

11. If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended)

A first and final dividend has been recommended in respect of the current financial year ended 31 December 2011.

(b)(i) Amount per share/rate %

Name of Dividend	First and Final (proposed)
Dividend type	Cash
Dividend amount per ordinary share (Malaysian sen)	0.7

The Directors are pleased to propose a first and final tax exempt (one-tier) dividend of 0.7 Malaysian sen per ordinary share in respect of FY2011 for approval by shareholders at the forthcoming annual general meeting ("AGM"). The proposed final dividend amounting to RM1,204,000 comprises a total payout of 10.8% of the profit attributable to owners of the parent in FY2011.

(b)(ii) Previous corresponding period/rate %

Not applicable.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)

The proposed first and final divided is tax exempt (one-tier).

(d) The date the dividend is payable

To be determined and announced at a later date, subject to shareholders' approval being obtained at the AGM.

(e) The date on which Registrable Transfers received by the company (up to 5.00pm) will be registered before entitlements to the dividend are determined

To be announced at a later date.

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

Not applicable.

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

(a) Business Segment

	Offshore Engineering		Mobile Natural Gas		Combined	
	FY2011 RM	FY2010 RM	FY2011 RM	FY2010 RM	FY2011 RM	FY2010 RM
REVENUE						
Total sales	73,083,241	57,921,874	19,551,720	20,694,516	92,634,961	78,616,390
Inter-segment sales	(11,819,117)	(10,902,878)	-	-	(11,819,117)	(10,902,878)
External sales	61,264,124	47,018,996	19,551,720	20,694,516	80,815,844	67,713,512
RESULTS						
Segment results	5,281,580	11,698,947	383,919	3,233,063	5,665,499	14,932,010
Finance costs	(577,527)	(232,002)	(36,820)	(1,619,585)	(614,347)	(1,851,587)
	4,704,053	11,466,945	347,099	1,613,478	5,051,152	13,080,423
Share of associated companies' results, net of tax	(210,163)	114,316	7,257,515	4,228,083	7,047,352	4,342,399
					12,098,504	17,422,822
Taxation					(1,052,768)	(596,215)
Non-controlling interests					105,335	(28,318)
Net profit					11,151,071	16,798,289
OTHER INFORMATION						
Segment assets	67,011,517	31,064,051	25,692,215	20,890,023	92,703,732	51,954,074
Investment in associated companies	16,872,786	9,489,554			16,872,786	9,489,554
Combined total assets (excluding taxation)	83,884,303	40,553,605	25,692,215	20,890,023	109,576,518	61,443,628
Segment liabilities (excluding taxation)	30,192,233	32,202,158	4,483,760	5,430,469	34,675,993	37,632,627
Capital expenditure						
- intangible assets	-	-	-	254,608	-	254,608
- property, plant and equipment	1,632,159	1,652,472	3,950,927	1,464,004	5,583,086	3,116,476
Amortisation of intangible assets	55,800	56,160	103,078	278,258	158,878	334,418
Depreciation of property, plant and equipment	664,482	648,552	1,906,613	2,042,247	2,517,095	2,690,799

(b) Geographical Segment

The following table shows the distribution of the Group's combined sales based on geographical location of customers.

	FY2011 RM	FY2010 RM
Malaysia	20,144,297	18,702,879
Indonesia	25,745,063	21,469,137
Vietnam	9,138,692	10,538,060
Thailand	4,120,753	675,792
India	12,566,908	9,362,274
Singapore	-	1,720
China	5,598,476	1,406,217
Brunei	-	3,627,066
Middle East	-	1,624,855
Australia	1,013,174	-
Myanmar	1,902,137	-
Others	586,344	305,512
Total	**80,815,844**	**67,713,512**

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

Please refer to Note 8 above.

15. A breakdown of sales

	Group		
	FY2011 RM	FY2010 RM	% change increase/ (decrease)
(a) Sales reported for first half year	43,678,584	22,009,811	98.5
(b) Operating profit/loss after tax before deducting non-controlling interests reported for first half year	8,278,769	3,059,494	170.6
(c) Sales reported for second half year	37,137,260	45,703,701	(18.7)
(d) Operating profit/loss after tax before deducting non-controlling interests reported for second half year	2,766,967	13,767,113	(79.9)

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

Company	FY2011[(1)] RM	FY2010[(2)] RM
(a) Ordinary	-	-
(b) Preference	-	-
(c) Total	-	-

Notes:

(1) Please refer to Note 11(b)(i) above for details. The proposed final dividend in respect of FY2011 is subject to shareholders' approval being obtained at the AGM.

(2) The Company was incorporated on 26 July 2011.

17. 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

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920(1)(a)(ii).

In FY2011, the Group incurred and paid rental and related charges to PT Elang Sakti which amounted to approximately RM58,000 (FY2010: RM92,000) for the lease of the premises located at Menara Era Building, Jalan Senen Raya No. 12A-05, Jakarta, Indonesia. This property is used as the Group's office in Indonesia. PT Elang Sakti is owned by the President and CEO, Christopher Nghia Do (50.0%), his wife, Tran Thi Mai Thao (45.0%) and an unrelated third party (5.0%).

18. Use of Proceeds from the IPO

The Board of Directors of the Company refers to the Offer Document in relation to the IPO of the Company's shares on the Catalist.

The Board of Directors wishes to provide an update on the use of the proceeds raised by the Company from the issue of the 37 million new shares at the issue price of S$0.30 each in the capital of the Company (the "IPO"). In accordance with the "Use of Proceeds from the Invitation and Expenses Incurred" section of the Offer Document, the Company wishes to announce that after deducting listing expenses of approximately S$2.3 million, the net proceeds of approximately S$8.7 million has been utilised as follows:

Use of Proceeds from the IPO	Amount allocated (as stated in the Offer Document) S$'000	Amount utilised as at the date of this announcement S$'000	Balance of net proceeds as at the date of this announcement S$'000
(i) To fund the expansion plans of the Offshore Engineering Sector	1,500	(1,500)	-
(ii) To fund the additional investments in the Mobile Natural Gas Sector	5,000	(960)	4,040
(iii) To fund the continued investments in product design and development	350	(100)	250
(iv) For general corporate and working capital requirements	1,800	(1,217)	583
Net proceeds from the IPO	8,650	(3,777)	4,873

The Company will make periodic announcements on the use of the balance net proceeds from the IPO as and when the funds are materially disbursed.

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement

The Company confirms that there is no person occupying a managerial position in the Company and its subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company pursuant to Rule 704(10).

BY ORDER OF THE BOARD
CHRISTOPHER NGHIA DO
PRESIDENT & CEO
Date: 28 February 2012