

**SBI OFFSHORE LIMITED**  
**(Registration No: 199407121D)**  
**Unaudited Financial Statements and Dividend Announcement**  
**For the Full Year Ended 31 December 2017 (“FY2017”)**

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

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

<b>GROUP</b>	<b>FY2017</b>	<b>FY2016</b>	<b>Change</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>%</b>
Revenue	448	1,289	(65.2)
Cost of sales	(433)	(1,011)	(57.2)
Gross profit	<u>15</u>	<u>278</u>	(94.6)
<b><i>Other items of income</i></b>			
Interest income	177	188	(5.9)
Other income	921	186	395.2
<b><i>Other items of expense</i></b>			
Administrative and other expenses	(5,399)	(5,215)	3.5
Share of results of a joint venture, net of tax	-	(30)	NM
<b>Loss before income tax</b>	<u>(4,286)</u>	<u>(4,593)</u>	(6.7)
Income tax	(24)	7	NM
<b>Loss for the financial year</b>	<u><b>(4,310)</b></u>	<u><b>(4,586)</b></u>	(6.0)
<b>Loss attributable to:</b>			
Owners of the parent	(4,306)	(4,531)	(5.0)
Non-controlling interests	(4)	(55)	(92.7)
	<u><b>(4,310)</b></u>	<u><b>(4,586)</b></u>	(6.0)

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

Group	FY2017 US\$'000	FY2016 US\$'000	Change %
<b><u>Statement of comprehensive income</u></b>			
<b>Other comprehensive income:</b>			
<b><i>Items that may be reclassified subsequently to profit or loss</i></b>			
Exchange differences			
On translation of foreign operations net of tax of US\$Nil	35	(152)	NM
Reclassification to profit or loss from foreign currency reserve, resulting from disposal of a foreign subsidiary	19	-	NM
<b>Total comprehensive income for the financial year</b>	<b>(4,256)</b>	<b>(4,738)</b>	(10.2)
<b>Total comprehensive income attributable to:</b>			
Owners of the parent	(4,252)	(4,683)	(9.2)
Non-controlling interests	(4)	(55)	(92.7)
	<b>(4,256)</b>	<b>(4,738)</b>	(10.2)

NM – Not meaningful

**1(a)(ii) Breakdown and explanatory notes to the statement of comprehensive income.**

Loss before tax of the Group is arrived at after charging/(crediting) the following:

	FY2017 US\$'000	FY2016 US\$'000	Change %
Depreciation of property, plant and equipment	207	312	(33.7)
Amortisation of intangible assets	13	43	(69.8)
Amortisation of land lease prepayment	20	25	(20.0)
Operating lease expenses	120	109	10.1
Employees' share-based payments	(42)	23	NM
Foreign currency exchange (gain)/loss	(632)	331	NM
Write-down of inventories	460	364	26.4
Impairment loss on trade receivable	-	323	NM
Impairment loss on other receivable	10	-	NM
Impairment loss on joint venture	-	15	NM
Impairment loss on non-current asset held for sale	2,182	-	NM
Reversal of impairment loss on amount due by a joint venture	(73)	-	NM
Loss on disposal of plant and equipment	1	55	(98.2)
Loss on disposal of a subsidiary	24	-	NM
Gain on disposal of an associate	-	(17)	NM
Distribution received from a joint venture	(66)	-	NM
Waiver of debts granted to a joint venture	16	-	NM

**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	
	31.12.2017 US\$'000	31.12.2016 US\$'000	31.12.2017 US\$'000	31.12.2016 US\$'000
<b>Non-current assets</b>				
Property, plant and equipment	6	3,577	5	23
Land lease prepayment	-	921	-	-
Intangible assets	17	20	17	9
Investments in subsidiaries	-	-	-	2,839
	<b>23</b>	<b>4,518</b>	<b>22</b>	<b>2,871</b>
<b>Current assets</b>				
Inventories	-	459	-	459
Trade and other receivables	469	999	3,562	5,406
Cash and cash equivalents	14,722	16,271	13,880	15,277
	15,191	17,729	17,442	21,142
Non-current asset held for sale	2,299	-	-	-
	<b>17,490</b>	<b>17,729</b>	<b>17,442</b>	<b>21,142</b>
<b>Total assets</b>	<b>17,513</b>	<b>22,247</b>	<b>17,464</b>	<b>24,013</b>
<b>Current liabilities</b>				
Trade and other payables	576	977	777	1,149
Current income tax payable	-	35	-	35
	<b>576</b>	<b>1,012</b>	<b>777</b>	<b>1,184</b>
<b>Net current assets</b>	<b>16,914</b>	<b>16,717</b>	<b>16,665</b>	<b>19,958</b>
<b>Non-current liability</b>				
Deferred tax liability	4	4	4	4
<b>Net assets</b>	<b>16,933</b>	<b>21,231</b>	<b>16,683</b>	<b>22,825</b>
<b>Equity</b>				
Share capital	25,253	25,253	25,253	25,253
Other reserves	56	230	223	265
Foreign currency translation reserve	285	231	-	-
Accumulated losses	(8,661)	(4,355)	(8,793)	(2,693)
Equity attributable to owners of the parent	16,933	21,359	16,683	22,825
Non-controlling interests	-	(128)	-	-
<b>Total equity</b>	<b>16,933</b>	<b>21,231</b>	<b>16,683</b>	<b>22,825</b>

**1(b)(ii) Aggregate amount of group's borrowings and debt securities.**

Not applicable. The Group did not have any borrowings or debt securities as at 31 December 2017 and 31 December 2016.

**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.**

<b>Group</b>	<b>FY2017 US\$'000</b>	<b>FY2016 US\$'000</b>
<b><u>Cash flows from operating activities</u></b>		
Loss before income tax	(4,286)	(4,593)
Adjustments for:		
Amortisation of intangible assets	13	43
Amortisation of land lease prepayment	20	25
Reversal of over provisions	(35)	-
Depreciation of property, plant and equipment	207	312
Employees' share-based payments	(42)	23
Gain on disposal of an associate	-	(17)
Write-down of inventories	460	364
Impairment loss on joint venture	-	15
Impairment loss on trade receivable	-	323
Impairment loss on other receivable	10	-
Impairment loss on non-current asset held for sale	2,182	-
Interest income	(177)	(188)
Loss on disposal of a subsidiary	24	-
Loss on disposal of plant and equipment	1	55
Reversal of impairment loss on amount due by a joint venture	(73)	-
Share of results of a joint venture	-	30
Unrealised foreign exchange (gain)/loss	(597)	269
Waiver of debts granted to a joint venture	16	-
<b>Operating cash flows before working capital changes</b>	<b>(2,277)</b>	<b>(3,339)</b>
Inventories	(1)	-
Trade and other receivables	778	1,474
Trade and other payables	(614)	(316)
<b>Cash used in operations</b>	<b>(2,114)</b>	<b>(2,181)</b>
Interest income	177	188
Income tax (paid)/refund	(24)	7
<b>Net cash used in operating activities</b>	<b>(1,961)</b>	<b>(1,986)</b>
<b><u>Cash flows from investing activities</u></b>		
Purchase of plant and equipment	(2)	(1)
Purchase of intangible assets	(7)	(6)
Proceeds from disposal of plant and equipment	-	7
Disposal of subsidiary, net of cash disposed	(27)	-
Payments received from disposal of an associate	-	320
<b>Net cash (used in)/from investing activities</b>	<b>(36)</b>	<b>320</b>
<b><u>Cash flows from financing activity</u></b>		
Decrease/(increase) in pledged fixed deposits	446	(1)
<b>Net cash from/(used in) financing activity</b>	<b>446</b>	<b>(1)</b>

**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.**

<b>Net change in cash and cash equivalents</b>	<b>(1,551)</b>	<b>(1,667)</b>
Cash and cash equivalents at beginning of financial period	15,683	17,578
Effect of foreign exchange rate changes in cash and cash equivalent	448	(228)
<b>Cash and cash equivalents at end of financial period</b>	<b>14,580</b>	<b>15,683</b>

**Cash and cash equivalents comprise the following:**

Cash and cash equivalents	14,722	16,271
Less: Fixed deposits pledged	(142)	(588)
<b>Cash and cash equivalents at end of financial period</b>	<b>14,580</b>	<b>15,683</b>

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.

**Group**

	Share capital US\$'000	Share- based payment reserve US\$'000	Equity non- controlling interest US\$'000	Foreign currency translation reserve US\$'000	Accumulated losses US\$'000	Equity attributable to owners of the parent US\$'000	Non- controlling interests US\$'000	Total equity US\$'000
Balance at 1 January 2017	25,253	265	(35)	231	(4,355)	21,359	(128)	21,231
<b>Total comprehensive income for the financial year</b>								
Loss for the financial year	-	-	-	-	(4,306)	(4,306)	(4)	(4,310)
<b>Other comprehensive income</b>								
Exchange differences								
On translation of foreign operations	-	-	-	35	-	35	-	35
Reclassification to profit or loss from foreign currency reserve, resulting from disposal of a foreign subsidiary	-	-	-	19	-	19	-	19
<b>Total comprehensive income for the financial year</b>	-	-	-	54	(4,306)	(4,252)	(4)	(4,256)
<b>Transactions with owners of the parent recognised directly in equity</b>								
Employees' share-based payments	-	(42)	-	-	-	(42)	-	(42)
Effects of waiver of amount due from non-controlling interests in subsidiaries	-	-	(132)	-	-	(132)	132	-
<b>Total transactions with owners of the parent</b>	-	(42)	(132)	-	-	(174)	132	(42)
<b>Balance at 31 December 2017</b>	<b>25,253</b>	<b>223</b>	<b>(167)</b>	<b>285</b>	<b>(8,661)</b>	<b>16,933</b>	<b>-</b>	<b>16,933</b>

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.

Group

	Share capital US\$'000	Share-based payment reserve US\$'000	Equity non- controlling interest US\$'000	Foreign currency translation reserve US\$'000	Accumulated profits/(losses) US\$'000	Equity attributable to owners of the parent US\$'000	Non- controlling interests US\$'000	Total equity US\$'000
Balance at 1 January 2016	25,253	242	(35)	383	176	26,019	(73)	25,946
<b>Total comprehensive income for the financial year</b>								
Loss for the financial year	-	-	-	-	(4,531)	(4,531)	(55)	(4,586)
<b>Other comprehensive income</b>								
Exchange differences arising from translation of foreign operations	-	-	-	(152)	-	(152)	-	(152)
<b>Total comprehensive income for the financial year</b>	-	-	-	(152)	(4,531)	(4,683)	(55)	(4,738)
<b>Transactions with owners of the parent recognised directly in equity</b>								
Employees' share-based payments	-	23	-	-	-	23	-	23
<b>Total transactions with owners of the parent</b>	-	23	-	-	-	23	-	23
<b>Balance at 31 December 2016</b>	<b>25,253</b>	<b>265</b>	<b>(35)</b>	<b>231</b>	<b>(4,355)</b>	<b>21,359</b>	<b>(128)</b>	<b>21,231</b>

**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.**

<u>Company</u>	Share capital US\$'000	Share- based payment reserve US\$'000	Accumulated losses US\$'000	Total equity US\$'000
Balance at 1 January 2017	25,253	265	(2,693)	22,825
Total comprehensive income for the financial year	-	-	(6,100)	(6,100)
<b>Transactions with owners of the parent recognised directly in equity</b>				
Employees' share-based payments	-	(42)	-	(42)
<b>Total transactions with owners of the parent</b>	-	(42)	-	(42)
<b>Balance at 31 December 2017</b>	<b>25,253</b>	<b>223</b>	<b>(8,793)</b>	<b>16,683</b>
Balance at 1 January 2016	25,253	242	(623)	24,872
Total comprehensive income for the financial year	-	-	(2,070)	(2,070)
<b>Transactions with owners of the parent recognised directly in equity</b>				
Employees' share-based payments	-	23	-	23
<b>Total transactions with owners of the parent</b>	-	23	-	23
<b>Balance at 31 December 2016</b>	<b>25,253</b>	<b>265</b>	<b>(2,693)</b>	<b>22,825</b>



**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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period at the immediately preceding financial year.**

### **Ordinary Shares**

There were no changes in the Company's share capital since the end of the previous period reported on.

### **Employees' Share Option Scheme ("ESOS")/Performance Share Plan ("PSP")**

The total number of outstanding share options granted under the ESOS as at 31 December 2017 was 8 million (31 December 2016: 10 million).

There were no outstanding share awards granted under the PSP as at 31 December 2017 (31 December 2016: NIL).

Save for the aforementioned ESOS options and PSP shares, the Company did not have any other outstanding convertibles as at 31 December 2017 and 31 December 2016.

The Company did not have any treasury shares and subsidiary holdings as at 31 December 2017 and 31 December 2016.

**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 shares as at 31 December 2017 was 249,680,100 (31 December 2016: 249,680,100). The Company did not have any treasury shares as at 31 December 2017 and 31 December 2016.

**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. The Company did not have any treasury shares as at the end of the current financial period reported on.

**1(d)(v) A statement showing all sales, transfers, disposals, cancellation and/or use of subsidiary holdings as at the end of the current financial period on.**

Not applicable. The Company did not have any subsidiary holdings as at the end of the current financial period reported on.

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

The figures have neither been audited nor reviewed by the auditors.

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

Not applicable. The figures have neither been audited nor reviewed by the auditors.

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

Save as disclosed in Note 5 below, the Group has applied the same accounting policies and methods of computation adopted in the financial statements for the current financial year compared with those of the audited annual financial statements for the financial year ended 31 December 2016.

**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.**

In the current financial period, the Group adopted all the applicable new and revised Singapore Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are mandatory for annual periods beginning on or after 1 January 2017. The adoption of these new/revised FRS and INT FRS did not result in significant change to the Group's accounting policies and has no material effect on the Group's results.

**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.**

<b>Group</b>	<b>FY2017</b>	<b>FY2016</b>
Basic loss per share (cents)	(1.72)	(1.81)
Weighted average number of shares ('000)	249,680	249,680
Fully diluted loss per share (cents)	(1.72)	(1.81)
Weighted average number of shares ('000)	249,680	249,680

The basic and diluted loss per share were computed by dividing the loss attributable to owners of the parent by the weighted average number of ordinary shares. The effect of diluted potential ordinary shares from the share options granted under the Employee's Share Option Scheme is excluded from the denominator as it is antidilutive for the FY2017 and FY2016.

**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.**

	<b>Group</b>		<b>Company</b>	
	<b>31.12.2017</b>	<b>31.12.2016</b>	<b>31.12.2017</b>	<b>31.12.2016</b>
Net asset value per share (cents)	6.78	8.55	6.68	9.14
Number of shares in issue ('000)	249,680	249,680	249,680	249,680

Net asset value per ordinary share was calculated by dividing the equity attributable to the owners of the Group and the Company by the number of ordinary shares issued.

**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 financial period reported on.**

**Commentaries on performance**

1. The Group recorded marketing and distribution revenue of \$0.4 million in FY2017, a decrease of 65.2% from \$1.3 million in FY2016. The decrease in revenue was mainly due to contracts nearing completion date and competitive pressure in the offshore and marine sector.
2. The Group reported a gross profit of \$15,000 in FY2017 compared to \$278,000 in FY2016, mainly attributed to the lower revenue and lower margin attributable to the marketing and distribution segment.
3. Interest income decreased slightly from \$188,000 in FY2016 to \$177,000 in FY2017 due to lower fixed deposits placed with financial institutions.
4. Other income increased sharply by \$735,000 from S\$186,000 in FY2016 to S\$921,000 in FY2017. The increase was primarily due to foreign exchange gain of \$632,000 arising from the strengthening of the Singapore Dollar against the US Dollar. Besides, during the financial year, the Group received distribution of \$66,000 from a joint venture, RBV Energy (Singapore) Pte Ltd ("RBVS") and made a reversal of \$73,000 for impairment loss on an amount due from RBVS. The Group also recorded a gain of \$27,000 upon disposal of inventory as scrap in FY2017, and reversed \$89,000 for over-accruals in past years.

The increase was partially offset by the lower wage credit received in FY2017 by \$27,000, no service rendered to RBVS in FY2017 (FY2016: \$40,000), GST bad debt relief of \$68,000 received in FY2016 but absent in FY2017, and one-off gain on disposal of an associate in FY2016 amounted to \$17,000.

**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 financial period reported on.**

### **Commentaries on performance**

5. Administrative and other expenses increased marginally by \$184,000 (3.5%) due mainly to some one-off expenses in FY2017 which was absent in FY2016, such as impairment loss on non-current asset held for sale (\$2,182,000) and loss on disposal of a subsidiary (\$24,000). The impairment loss on non-current asset held for sale was recognised based on the initial write-down of the asset (property and related land use rights) to fair value less costs to sell. In addition, there was an increase in the write-down of inventories by \$96,000 due to lower net realisable value in FY2017.

The increase was however offset by the following reduction in expenses incurred:

- a) Cost-saving measures which led to a significant reduction in staff costs by \$904,000 or 45.3%. The Group has reduced its headcount from 16 as at 31 December 2016 to 8 as at 31 December 2017;
  - b) Decrease of \$140,000 in depreciation and amortisation expenses, due mainly to the cessation of depreciation on leasehold property and amortisation charged on land use rights from November 2017 onwards, following their reclassification as asset held for sale. The reclassification was done upon the approval by the Board to dispose the existing factory and land use rights in the China subsidiary;
  - c) Foreign exchange difference was recorded at a loss of \$331,000 in FY2016, whilst it was registered at a gain in FY2017 as mentioned previously in Note 4 of the commentaries. The foreign exchange difference was mainly arising from translation of balances or transactions denominated in Singapore Dollar and Chinese Renminbi.
  - d) Decrease in one-off impairment loss on receivables, from \$323,000 in FY2016 to merely \$10,000 in FY2017. The impairment of \$10,000 in FY2017 was attributable to the impairment loss on travel advance given to one of the former employee in previous year; and
  - e) Due to lower business activity of the Group during the financial year, the administrative and other expenses also decreased accordingly, such as professional and legal fees, printing and stationeries, telephone, travel expenses, etc. Thus it resulted in an overall reduction of administrative expenses by \$430,000.
6. The Group's income tax of \$24,000 in FY2017 was mainly attributable to under provision of tax in prior years.
7. The Group has fully impaired its investment in the joint venture RBVS, which ceased operations in FY2016. The Group did not recognise revenue from RBVS in FY2017.
8. As a result of all the above, the Group registered a net loss attributable to owners of the parent of \$4.3 million in FY2017, slightly lower than the net loss of \$4.5 million in FY2016.

**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 financial period reported on.**

### **Commentaries on financial position**

Non-current assets decreased tremendously by \$4,495,000, primarily due to the reclassification of leasehold property and land lease prepayment with a net book value of \$4,406,000 to assets held for sale in the current asset (refer to the Company's announcement on 28 December 2017 pertaining to the Disposal of Property by Subsidiary). In addition, the decrease in non-current assets was also attributable to the depreciation and amortisation charged of \$240,000 as well as disposal of fixed assets of \$1,000 during the financial year. It was however partially offset by the currency realignment of \$140,000 and addition of intangible assets and office equipment of \$10,000 and \$2,000 respectively.

Current assets decreased by \$239,000 largely attributable to: i) repayment of outstanding debts by customers, ii) a sales discount of \$20,000 given to a customer, iii) repayment of judgement sum of \$432,000 from a former director, iv) reversal of \$73,000 for impairment loss on amount due by RBVS, v) no inventory was held as at 31 December 2017 and vi) lower cash and cash equivalents mainly due to net cash outflows in operating activities. The effect was partially offset by the assets held for sale reclassified from non-current asset, with a carrying amount of \$2,299,000 (net book value less impairment loss, and accounted for currency realignment of \$75,000) as at 31 December 2017.

Current liabilities decreased by \$436,000 due to lower trade and other payables resulting from payments to vendors, and lesser transactions during the financial year.

The Group's working capital position stood at \$16.9 million as at 31 December 2017, as compared to working capital of \$16.7 million as at 31 December 2016.

### **Commentaries on cash flows**

Operating cash outflows before changes in working capital decreased from \$3,339,000 in FY2016 to \$2,277,000 in FY2017. The Group's net cash used in operating activities amounted to \$1,961,000, mainly due to the operating loss recorded in FY2017. This was quite consistent to the net cash used from operating activities of \$1,986,000 in FY2016.

There was minimal cash flow movement for investing activities in FY2017. The net cash outflow was mainly resulting from the disposal of a subsidiary, Solar Africa Investments (Pty) Ltd in October 2017.

Net cash generated from financing activities amounted to \$446,000 was solely due to the release of the pledged fixed deposits.

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

The actual results are in line with the performance guidance announced by the Company on 28 February 2018.

**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.**

While oil prices have risen substantially in recent months, it remains to be seen whether this will translate into a sustainable increase in spending on new projects by oil majors and companies across the entire oil and gas value chain. The Group will therefore continue to actively explore strategic business and investment opportunities in other industries with the view to charting a clear path to corporate recovery in order to restore and enhance shareholder value. It has a healthy balance sheet to pursue such opportunities. As at 31 December 2017, it had US\$14.7 million in cash and cash equivalents and no debt.

As announced on 28 December 2017, the Group's wholly-owned subsidiary in China, Jiangyin SBI Offshore Equipment Co., Ltd., had entered into a sale and purchase agreement to dispose of existing property for a consideration of RMB18 million (approximately US\$2.8 million). The disposal will enhance the Group's cash flows and enable it to deploy resources for other use, such as acquisitions and investments.

As disclosed on 6 October 2017, having spent much time and resources over the past few quarters on issues pertaining to the acquisition and disposal of a 35% stake in China-based Jiangyin Neptune Marine Appliance Co. Ltd., the Board has decided without prejudice that the Group will not take action against the parties involved at this point. In the event that any detrimental impact on the Group comes to light due to the abovementioned issues, the Board will re-assess whether any action is warranted.

The Group issued two announcements on 28 February 2018, the first pertaining to an unauthorised write-off by a subsidiary in China, and the second pertaining to an update of the extraordinary general meeting ("EGM") requisitioned by certain shareholders. Shareholders may refer to the announcements on the Singapore Exchange for more information on the matters.

**11. If a decision regarding dividend has been made:**

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

No.

**(b)(i) Amount per share (cents)**

Not applicable.

**(b)(ii) Previous corresponding period (cents)**

None.

**11. If a decision regarding dividend has been made:**

- (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).**

Not applicable.

- (d) **The date the dividend is payable**

Not applicable.

- (e) **The date on which Registrable Transfers receive by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined**

Not applicable.

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

No dividend has been declared or recommended for the period ended 31 December 2017.

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

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$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 S\$100,000)
NIL	NIL	NIL

No general mandate has been obtained from shareholders for IPTs. There were no IPTs more than S\$100,000 during FY2017.

**14. Use of Proceeds**

In October 2014, the Company issued 62 million new ordinary shares via share placements to four investors at an issue price of S\$0.2605 per share, raising net proceeds of approximately S\$16.1 million (US\$12.8 million). The use of the net proceeds from the issuance of placement shares was as follows:

Use of net proceeds	Amount Utilised			
	Amount Allocated S\$'000	Balance brought forward S\$'000	FY2017 S\$'000	Balance S\$'000
1) Funding for new projects	11,306	(1,626)	(887)	8,793
2) Funding for existing projects	4,845	(2,460)	-	2,385
	16,151	(4,086)	(887)	11,178

#### **14. Use of Proceeds**

Over the course of FY2017, the Company utilised S\$887,000 for its projects in the solar energy business.

The above utilisation is in line with the intended uses of the net proceeds stated in the Company's announcement dated 23 September 2014.

#### **15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)**

The Company confirms that it has procured undertakings from all of its directors and executive officers in the required format.



**PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

**16. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited financial statements, with comparative information for the immediately preceding year**

**Geographical Information**

<b>FY2017</b>	<b>Singapore US\$'000</b>	<b>People's Republic of China US\$'000</b>	<b>Southeast Asia other than Singapore US\$'000</b>	<b>Europe US\$'000</b>	<b>United States of America US\$'000</b>	<b>Others US\$'000</b>	<b>Total US\$'000</b>
<b>Revenue</b>							
Revenue from external customers	419	2	-	-	27	-	448
<b>Assets</b>							
Segment assets	14,197	3,316	-	-	-	-	17,513
<b>FY2016</b>							
	<b>Singapore US\$'000</b>	<b>People's Republic of China US\$'000</b>	<b>Southeast Asia other than Singapore US\$'000</b>	<b>Europe US\$'000</b>	<b>United States of America US\$'000</b>	<b>Others US\$'000</b>	<b>Total US\$'000</b>
<b>Revenue</b>							
Revenue from external customers	1,181	3	38	66	1	-	1,289
<b>Assets</b>							
Segment assets	16,805	5,390	6	-	-	46	22,247

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

Refer to Item 8 and 10.

**18. A breakdown of sales**

<b>Group</b>	<b>FY2017 US\$'000</b>	<b>FY2016 US\$'000</b>	<b>Change %</b>
Sales reported for first half year	441	942	(53.2)
Operating loss after tax before deducting minority interest reported for first half year	(914)	(1,562)	(41.5)
Sales reported for second half year	7	347	(98.0)
Operating loss after tax before deducting minority interest reported for second half year	(3,396)	(3,024)	12.3

NM – Not meaningful

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

Not applicable. No dividend has been declared or recommended for FY2017 and FY2016.

**20. 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 director 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**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
NIL	NIL	NIL	NIL	NIL

**On behalf of the Board of Directors**

**Mirzan Bin Mahathir**  
Executive Non-Independent Chairman

**James Kho Chung Wah**  
Independent Director

**Date: 1 March 2018**

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

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

*The contact person for the Sponsor is Mr Liau H.K.  
Telephone number: 6221 0271*