MARCO POLO MARINE LTD
Company Registration No. 200610073Z

UNAUDITED FOURTH QUARTER ("Q4FY2009") AND FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT OF THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2009 ("FY2009")

PART1 INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (Q1, Q2 & Q3), FULL YEAR RESULTS

1.(a)(i) A profit and loss statement for the group together with a comparative statement for the corresponding period of the immediate preceding financial year.

	The Group			The Group		
	Q4FY2009	Q4FY2008	%	**FY2009**	FY2008	%
	S$'000	S$'000	Change	**S$'000**	S$'000	Change
Revenue	**14,637**	16,044	(9)	**54,543**	45,943	19
Cost of sales	**(9,551)**	(12,671)	(25)	**(36,466)**	(34,045)	7
Gross profit	**5,086**	3,373	51	**18,077**	11,898	52
Other operating income	**30**	826	(96)	**521**	7,817	(93)
Administrative expenses	**(975)**	(934)	4	**(3,390)**	(3,029)	12
Other operating expenses	**(826)**	(1,792)	(54)	**(2,783)**	(3,424)	(19)
Finance costs	**(624)**	(530)	18	**(2,372)**	(1,711)	39
Share of results of a jointly controlled entity	**(561)**	99	(667)	**377**	58	550
Profit before tax	**2,130**	1,042	105	**10,430**	11,609	(10)
Income tax	**(302)**	(101)	199	**(368)**	(474)	(22)
Net profit attributable to the shareholders	**1,828**	941	94	**10,062**	11,135	(10)

"Q4FY2008" denotes the fourth financial quarter of the financial year ended 30 September 2008 ("FY2008").
"FY2008" denotes the full financial year of FY2008.
"% Change" denotes increase/(decrease) in the relevant profit or loss item as compared with the comparative figure.
"N/M" denotes "Not meaningful".

1.(a)(ii) The accompanying notes to the financial statements form an integral part of the financial statements.

	The Group			The Group		
	Q4FY2009 S$'000	Q4FY2008 S$'000	% Change	**FY2009 S$'000**	FY2008 S$'000	% Change
Profit before tax has been arrived at after charging/(crediting):-						
Depreciation of property, plant and equipment	**1,505**	981	53	**5,326**	3,158	69
Foreign exchange loss – net	**114**	44	159	**1**	136	(99)
Loss/(gain) on disposal of property, plant and equipment	**11**	(683)	(102)	**11**	(5,882)	(100)
Property, plant and equipment written off	**25**	1	2400	**33**	1	3200
(Write back)/impairment on trade receivables	**(10)**	613	(102)	**(456)**	613	(174)
Allowance for stock obsolescences written back	**(45)**	-	N/M	**-**	-	N/M
Interest income	**(5)**	(10)	(50)	**(23)**	(80)	(71)
Interest expenses	**624**	530	18	**2,372**	1,711	39
Adjustments for over provision of tax in respect of prior years						
- Current tax expense	**(99)**	-	N/M	**(99)**	-	N/M

"Q4FY2008" denotes the fourth financial quarter of the financial year ended 30 September 2008 ("FY2008").
"FY2008" denotes the full financial year of FY2008.
"% Change" denotes increase/(decrease) in the relevant profit or loss item as compared with the comparative figure.
"N/M" denotes "Not meaningful".

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

	The Group		The Company	
	As at 30 September 2009 S$'000	As at 30 September 2008 S$'000	**As at 30 September 2009 S$'000**	As at 30 September 2008 S$'000
Non-current assets				
Property, plant and equipment	**119,364**	65,146	**-**	-
Investments in subsidiaries	**-**	-	**4,320**	4,320
Jointly controlled entity	**8,553**	8,757	**-**	-
	127,917	73,903	**4,320**	4,320
Current assets				
Inventories	**3,661**	6,447	**-**	-
Trade receivables	**3,302**	2,427	**-**	-
Due from customers for construction contracts	**10,329**	16,828	**-**	-
Due from related parties^ (trade)	**910**	1,523	**-**	-
Other receivables, prepayments & deposits	**7,615**	7,085	**121**	47
Due from a jointly controlled entity^ (trade)	**587**	1,260	**-**	-
Due from subsidiaries^ (non-trade)	**-**	-	**37,332**	30,010
Fixed deposits	**3,579**	2,151	**3,579**	2,151
Cash and bank balances	**8,919**	3,563	**4,803**	877
	38,902	41,284	**45,835**	33,085
Total assets	**166,819**	115,187	**50,155**	37,405
Current liabilities				
Trade payables	**18,663**	20,011	**-**	-
Due to customers for construction contracts	**1,505**	-		
Due to related parties^ (trade)	**1,700**	560	**-**	-
Due to a jointly controlled entity^ (trade)	**831**	-	**-**	-
Other payables and accruals	**19,528**	10,187	**137**	109
Due to subsidiaries^ (non-trade)	**-**	-	**4,230**	-
Interest bearing loans and borrowings	**23,995**	7,105	**647**	-
Provision for income tax	**304**	576	**-**	-
	66,526	38,439	**5,014**	109
Non-current liabilities				
Interest bearing loans and borrowings	**26,876**	20,897	**1,098**	-
Deferred tax liabilities	**277**	-	**-**	-
	27,153	20,897	**1,098**	-
Total liabilities	**93,679**	59,336	**6,112**	109
Net assets	**73,140**	55,851	**44,043**	37,296
Share capital and reserves				
Share capital	**44,673**	37,446	**44,673**	37,446
Translation reserve	**11**	11	**-**	-
Retained earnings/(accumulated loss)	**28,456**	18,394	**(630)**	(150)
Total equity	**73,140**	55,851	**44,043**	37,296

^These are unsecured, interest-free and repayable on demand.

1.(b)(ii) Aggregate amount of borrowings and debts securities for the Group.

	As at 30 September 2009 S$'000	As at 30 September 2008 S$'000
Amount repayable in one year or less or on demand		
Secured*	**10,296**	7,105
Unsecured	**13,699**	-
	23,995	7,105
Amount repayable after one year		
Secured*	**20,545**	20,897
Unsecured	**6,331**	-
	26,876	20,897

Details of any collateral

* These are secured against:-

- Mortgages over certain property, plant and equipment of subsidiaries.
- Joint and several guarantees by certain directors of the Group.
- Assignment of certain charter income and insurance policies of vessels of a subsidiary.
- Corporate guarantees by the Company and a related company.
- Deposits provided by the Company.
- Assets of certain directors and related parties of the Group.
- Certain plant and equipment are under finance lease arrangements.

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

	The Group	
	FY2009	FY2008
	S$'000	S$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	**10,430**	11,609
Adjustments for:-		
Depreciation of property, plant and equipment	**5,326**	3,158
Interest expense	**2,372**	1,711
Interest income	**(23)**	(80)
Loss/(gain) on disposal of property, plant and equipment	**11**	(5,882)
Share of profits in a jointly controlled entity	**(377)**	(58)
Property, plant and equipment written off	**33**	1
Operating profit before working capital changes	**17,772**	10,459
Inventories	**2,786**	(4,593)
Trade and other receivables	**(119)**	(3,745)
Due from customers for construction contracts	**8,004**	(9,498)
Trade and other payables	**9,964**	16,056
Cash generated from operations	**38,407**	8,679
Interest paid	**(493)**	(526)
Income tax paid	**(363)**	(117)
NET CASH GENERATED FROM OPERATING ACTIVITIES	**37,551**	8,036
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(60,155)**	(34,002)
Proceeds from the disposal of property, plant and equipment	**1,780**	20,924
Jointly controlled entity	**581**	(8,699)
Placement of fixed deposits pledged with licensed bank	**(1,428)**	(2,151)
Interest received	**23**	80
NET CASH USED IN INVESTING ACTIVITIES	**(59,199)**	(23,848)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of new shares - net	**7,227**	19,288
Proceeds from loans/(repayment of loans) - net	**22,167**	1,360
Repayment of lease obligations	**(511)**	(1,113)
Interest paid on lease obligations	**(214)**	(69)
Interest paid on term loans	**(1,665)**	(1,116)
NET CASH GENERATED FROM FINANCING ACTIVITIES	**27,004**	18,350
NET INCREASE IN CASH AND CASH EQUIVALENTS	**5,356**	2,538
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**3,563**	1,025
CASH AND CASH EQUIVALENTS AT END OF YEAR (NOTE 1)	**8,919**	3,563

Note 1:-

Cash and cash equivalents consist of:-

	The Group	
	FY2009	FY2008
	S$'000	S$'000
Cash and bank balances	**8,919**	3,563
Fixed deposits	**3,579**	2,151
Total cash, bank balances and fixed deposits	**12,498**	5,714
Less: Fixed deposits pledged	**(3,579)**	(2,151)
Total cash and cash equivalents	**8,919**	3,563

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediate preceding financial year.

	The Group			
	Share Capital	**Translation Reserve**	**Retain Earnings**	**Total**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Balance as at 1 October 2008	**37,446**	**11**	**18,394**	**55,851**
Profit for the year, representing total recognised gain	-	-	10,062	10,062
Issuance of ordinary shares of the Company pursuant to the 2nd Placement (as defined in Item 1.(d)(ii) below)	7,500	-	-	7,500
Share issue expenses pursuant to the 2nd Placement	(273)	-	-	(273)
Balance as at 30 September 2009	**44,673**	**11**	**28,456**	**73,140**
Balance as at 1 October 2007	**18,158**	**11**	**7,259**	**25,428**
Profit for the year, representing total recognised gain	-	-	11,135	11,135
Issuance of ordinary shares of the Company pursuant to IPO	14,994	-	-	14,994
Share issue expenses pursuant to IPO	(1,758)	-	-	(1,758)
Issuance of ordinary shares of the Company pursuant to the Placement (as defined in item 1.(d)(ii) below)	6,228	-	-	6,228
Share issue expenses pursuant to the Placement	(176)	-	-	(176)
Balance as at 30 September 2008	**37,446**	**11**	**18,394**	**55,851**

	The Company		
	Share Capital	**Retained Earnings/ (Accumulated Loss)**	**Total**
	S$'000	**S$'000**	**S$'000**
Balance as at 1 October 2008	**37,446**	**(150)**	**37,296**
Loss for the year, representing total recognised loss	-	(480)	(480)
Issuance of ordinary shares of the Company pursuant to the 2nd Placement	7,500	-	7,500
Shares issue expenses pursuant to the 2nd Placement	(273)	-	(273)
Balance as at 30 September 2009	**44,673**	**(630)**	**44,034**
Balance as at 1 October 2007	**18,158**	**313**	**18,471**
Loss for the year, representing total recognised loss	-	(463)	(463)
Issuance of ordinary shares of the Company pursuant to IPO	14,994	-	14,994

Shares issue expenses pursuant to IPO	(1,758)	-	(1,758)
Issuance of ordinary shares of the Company pursuant to the Placement (as defined in item 1.(d)(ii) below)	6,228	-	6,228
Share issue expenses pursuant to the Placement	(176)	-	(176)
Balance as at 30 September 2008	**37,446**	**(150)**	**37,296**

1.(d)(ii) Details of any changes in 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 previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediate preceding financial year.

On 15 July 2008, the Company issued 18,000,000 new ordinary shares at S$0.346 per share for cash pursuant to a placement exercise (the "Placement"). These shares rank *pari passu* in all respect with the existing ordinary shares of the Company.

Of the gross proceeds of S$6.228 million raised from the Placement, as at the date of this announcement, a total of about S$5.2 million was utilised for the following purposes:-

Use of Placement proceeds	**As at the date of this announcement**
	S$ million
1. Financing the purchase of new vessels	2.0
2. Financing the 2nd dry-dock at shipyard	3.0
3. Other investments	-
4. Listing expenses	0.2
Total amount disbursed	5.2

Pending specific deployment for purposes (1), (2) and (3) above in connection with the Placement, the balance of the net Placement proceeds were utilised for general working capital of the Group.

On 16 June 2009, the Company issued 20,000,000 new ordinary shares at S$0.375 per share for cash pursuant to another placement exercise (the "2nd Placement"). These shares rank *pari passu* in all respect with the existing ordinary shares of the Company.

Of the gross proceeds of S$7.50 million raised from the 2nd Placement, as at the date of this announcement, a full amount of S$7.50 million were utilised for the following purposes:-

Use of 2nd Placement proceeds	**As at the date of this announcement**
	S$ million
1. Fleet/Business expansion	3.0
2. Shipyard working capital requirements	4.2
3. Listing expenses	0.3
Total amount disbursed	7.5

1.(d)(iii) 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.

	As at 30 September 2009	As at 30 September 2008
Total number of issued ordinary shares (excluding treasury shares)	305,750,000	285,750,000

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.

The Company had no treasury shares as at 30 September 2009.

2. Whether the figures have been audited, or reviewed in accordance with which standard (eg. The

Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard.

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.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those of the audited financial statements for the year ended 30 September 2008 except for the new and revised Financial Reporting Statements (FRSs) which took effect from the current financial year.

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.

There were no changes in the accounting policies and methods of computation.

6. Earnings per ordinary shares 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.

	The Group	
	As at 30 September 2009 S$'000	As at 30 September 2008 S$'000
Net profit attributable to shareholders	**10,062**	11,135
Earnings per share		
Basic (Singapore cents)	**3.5 cents**(1)	4.2 cents(2)
Diluted (Singapore cents)	**3.5 cents**(1)	4.2 cents(2)

Notes:-

(1) Basic and diluted earnings per share for FY2009 are computed based on net profit for the period attributable to ordinary shareholders amounting to about S$10.1 million and the number of weighted average ordinary share capital of 291,613,014 ordinary shares in issue during the financial year.

(2) Basic and diluted earnings per share for FY2008 are computed based on net profit for the period attributable to ordinary shareholders amounting to about S$11.1 million and the weighted average number of ordinary share capital of 266,465,164 ordinary shares in issue during the financial year.

There were no potential dilutive shares as of 30 September 2009.

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

	The Group		The Company	
	As at 30 September 2009 S$'000	As at 30 September 2008 S$'000	**As at 30 September 2009 S$'000**	As at 30 September 2008 S$'000

Net asset value as at the respective balance sheet dates	**73,140**	55,851	**44,043**	37,296
Net asset value per ordinary share based on issued share capital as at the respective balance sheet dates (Singapore cents)	**24.0 cents**	19.5 cents	**14.4 cents**	13.0 cents

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss any significant factors that affected the turnover, costs and earning 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 report on.

Overview

Marco Polo Marine is an integrated marine logistic group that facilitates the growth of and investments in South East Asia through its ship chartering and shipyard businesses.

The Group's ship chartering business provides tug boats and barges to its customers from the mining, commodities, construction, infrastructure, property development and land reclamation industries. The shipyard in Batam (occupying a land area of approximately 35 hectares with a 650 metres seafront) has two dry docks and undertakes ship building, ship repair and conversion services.

(a) Review of financial performance of the Group for FY2009 compared to FY2008

Our Group's revenue in FY2009 and FY2008 were as follow:-

	FY2009		**FY2008**		**Change**	
	S$' m	**%**	**S$'m**	**%**	**S$' m**	**%**
Ship chartering operations	26.9	49.4	20.1	43.8	6.8	33.8
Ship building & repair operations	27.6	50.6	25.8	56.2	1.8	7.0
	54.5	100.0	45.9	100.0	8.6	18.7

The Group achieved a growth of about S$8.6 million or 18.7% in total revenue from about S$45.9 million in FY2008 to about S$54.5 million in FY2009. Higher revenue was attained for both the ship chartering and ship building cum repair operations.

Revenue from our ship chartering operations increased by about S$6.8 million or 33.8% from about S$20.1 million in FY2008 to about S$26.9 million in FY2009, in tandem with the increase in our operating fleet size from 36 vessels as at 30 September 2008 to 46 vessels (excluding the 20 vessels in our 50:50 joint venture company, MPST Marine Pte Ltd ("MPST"), forged with Glencore) as at 30 September 2009.

Revenue from our ship building cum repair operations increased by about S$1.8 million or 7.0% from about S$25.8 million in FY2008 to about S$27.6 million in FY2009. The growth was attributed mainly to the substantial increase in ship repair revenue of about S$3.5 million following the completion of our first drydock in H1FY2009, offsetted by the drop of about S$1.7 million in revenue from ship building operations in FY2009 as compared to FY2008.

In Q4FY2009, we attained a marginally lower revenue of about S$14.6 million compared to that of about S$16.0 million in Q4FY2008, primarily as a result of lower ship building revenue, despite higher revenues generated from ship chartering and ship repair operations. Due to the growth in ship chartering and ship repair revenue in Q4FY2009, our gross profit increased by about S$1.7 million or 50.8% to about S$5.1 million in Q4FY2009, at a substantially improved gross profit margin which increased from about 21.0% in Q4FY2008 to about 34.7% in Q4FY2009.

Overall, the Group attained a gross profit of about S$18.1 million with a gross profit margin of about 33.1% in FY2009 as compared to a gross profit of about S$11.9 million with a gross profit margin of about 25.9% in FY2008. Comparing Q4FY2009 to Q4FY2008, our gross profit increased by about S$1.7 million or 50.8% to about S$5.1 million in Q4FY2009 at a substantially improved gross profit margin from about 21.0% in Q4FY2008 to about 34.7% in Q4FY2009. The growth in gross profit and higher gross profit margin were attributed mainly to the Group's expanding ship chartering operations, chiefly as a result of improved efficiency in the deployment of our fleet, and the Group's maiden ship repair operations, which generally command higher margins relative to that of ship building.

Our other operating income of about S$7.8 million in FY2008 relates mainly to a procurement income of S$1.4 million for securing an initial fleet of 16 vessels for MPST, as well as a gain on disposal of 14 vessels totaling about S$5.9 million. We disposed two vessels towards the end of FY2009 at a combined marginal loss of about S$0.01 million.

The increase in administrative expenses of about S$0.4 million from about S$3.0 million in FY2008 to about S$3.4 million in FY2009 relates mainly to increased manpower costs resulting from the increase in staff count as we expand our operations.

The decrease in the other operating expenses in FY2009 of about S$0.6 million was due primarily to (i) the write back of a previously impaired trade receivable of about S$0.6 million in FY2008 following a recovery of the relevant debt; and (ii) decreased legal and professional fees incurred, which though were collectively offsetted by higher depreciation and maintenance costs resulting from the expanded facilities at our Batam shipyard.

Our finance costs increased by about S$0.7 million to about S$2.4 million in FY2009, mainly as a result of increased bank borrowings and bills payables to finance the Group's expansion in both its ship chartering and shipyard operations.

The share of profits of a jointly controlled entity was contributed by MPST, which commenced ship chartering operations in June 2008. With the completion and delivery of 18 vessels in FY2009 (including six in 4QFY2009), we registered a share of profits in MPST for about S$0.4 million in FY2009 compared to about S$0.06 million in FY2008 when MPST just commenced operations with two vessels delivered in June 2008.

Our share of loss of about S$0.6 million in MPST in Q4FY2009 was mainly attributed to an impairment of certain vessels as a result of lower valuation relative to the book values due to lower steel prices (which the basis of valuation is principally dependent on) as at end September 2009. Without taking into account the impairment, our share of profits of the jointly controlled entity would have been about S$0.4 million in Q4FY2009.

We registered a lower effective corporate tax rate relative to the corporate tax rate of 17% in Singapore as a large proportion of our shipping profits are tax exempted pursuant to Section 13A of the Singapore Income Tax Act.

Excluding the gain on disposal of vessels and the one time procurement income booked in other operating income in FY2008, we achieved a more than 2-fold increase in net profit of about S$10.1 million for FY2009 compared to that of about S$3.8 million for FY2008.

(b) Review of financial position of the Group as at 30 September 2009 and 30 September 2008

The net increase in our Group's property, plant and equipment of about S$54.2 million was attributed mainly to the expansion of our fleet size with more sophisticated vessels under construction as well as cost incurred in the construction of the drydocks and jetty at our Batam shipyard.

The decrease in inventories of about S$2.8 million was mainly due to the drawdown of raw materials, mainly steel plates, for shipbuilding projects during FY2009.

The Group's trade receivables, amounts due to related parties (trade) and a jointly controlled entity (trade) increased in tandem with our business activities, mainly from shipping operations.

The amounts due from related parties (trade) and a jointly controlled entity (trade) were reduced following collections received during FY2009.

The completion and delivery of third-party vessels during FY2009 had resulted in the decrease in the amounts due from customers for construction contracts. The amounts due to customers for construction contracts of about S$1.5 million in FY2009 were the result of progress billings made in excess of the constructions work in progress.

The increase in the other payables and accruals was attributed mainly to the increase in deposits received from our ship building customers as well as from sale of vessels.

The increase in the current portion of interest bearing borrowings relates mainly to the utilisation of bridging loan facilities as well as additional term loans drawndown during FY2009, in meeting our fleet expansion needs and in tandem with our increased business activities.

Our cash and bank balances as well as fixed deposits increased from about S$5.7 million to about S$12.5 million during FY2009 as a result of recent collections of deposits from our ship building customers and from sale of vessels.

The increase in the current portion of our interest bearing borrowings, trade and other payables, coupled with a reduction in amounts due from customers for construction contracts, had resulted in the Group registering a net current liability position as at 30 September 2009 compared to a net current asset position as at 30 September 2009. Subsequent to 30 September 2009, the Group's working capital position was considerably strengthened following cash collection in November 2009 upon the delivery of its first AHTS vessel.

The Group generated a net cash from operating activities of about S$37.6 million and financing activities of about S$27.0 million for FY2009, which were utilised for investing activities to fund the Group's expansion in both its ship chartering and shipyard operations, through the purchases of vessels and shipyard equipment as well as the construction of drydocks and related yard facilities at an aggregate cash outlay of about S$59.2 million. Consequently, the Group recorded a net increase in the cash and cash equivalents of about S$5.4 million in FY2009.

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

Not applicable.

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

The regional economies of South East Asia have weathered the global financial crisis relatively well. By now, most of these economies are back on their growth path and this resilience in 2009 presented business opportunities for the Group's integrated marine logistic operations. Intra regional trade and investments remained buoyant, and the Group's chartering operation was able to capitalise on this with an expanding fleet in FY2009.

The Group's chartering operation, which comprises the chartering of coastal-plying tugboats and barges, has enjoyed good demand unlike the downturn experienced by ocean-plying bulk carriers and container ships. Underpinned by demand from construction, land reclamation projects and the shipment of commodities in South East Asia, the charter rates for tugs and barges are expected to remain strong. We will continue to expand our fleet of vessels and this recurring source of income is expected to grow in FY2010.

In the last few years, the Group has made strategic investments in the shipyard in Batam to strengthen its ship building and ship repair capabilities. These investments are expected to yield good returns from FY2010.

Following the completion of the first dry dock in H1FY2009, we have booked encouraging revenue (less cyclical in nature compared to shipbuilding) from ship repair in H2FY2009. The second and larger dry dock, which was completed in September this year, has significantly expanded the Group's ship repair capabilities from FY2010.

Our ship building activities will benefit from the deliveries of larger and more sophisticated vessels in FY2010. Early into the new financial year of FY2010, the Group delivered its first AHTS to its North Asian customer. A second sister vessel is scheduled for delivery in H2FY2010. These completions and deliveries will contribute to the Group's profits in FY2010.

With the stabilisation of the global economy, the outlook is positive for the economies of South East Asia. This will support the Group's prospects in the medium term. Barring unforeseen circumstances, the scale of our integrated marine logistic operations will grow and we expect our performance for the full year of FY2010 to improve over FY2009.

Some of the statements in this release constitute "forward-looking statements" that do not directly or exclusively relate to historical facts. These forward-looking statements reflect our current intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside our control. Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks. Because actual results could differ materially from our intentions, plans, expectations, assumptions and beliefs about the future, undue reliance must not be placed on these statements.

11. Dividend.

(a) Current Financial Period Reported On
Any dividend declared for the current financial period reported on?

Nil.

(b) Corresponding Period of the Immediately Preceding Financial Year
Any dividend declared for the corresponding period of the immediately preceding financial year?

Nil.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared or recommended for the financial year ended 30 September 2009.

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

FY2009	**Ship Chartering**	**Shipyard**	**Others**	**Eliminations**	**Total**
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**
REVENUE					
Revenue from external customers	26,898	27,645	-	-	54,543
Inter-segment revenue	124	332	-	(456)	-
Total Revenue	27,022	27,977	-	(456)	54,543
SEGMENT RESULTS	9,806	2,980	(361)	-	12,425
Share of results of a jointly controlled entity					377
Finance costs (net)					(2,372)
Profit before tax					10,430
Income tax					(368)
Net profit for the year					10,062
ASSETS AND LIABILITIES					
SEGMENT ASSETS	68,744	88,543	-	-	157,287
Unallocated assets					9,532
Total assets					166,819
SEGMENT LIABILITIES	35,861	50,879	-	-	86,740
Unallocated liabilities					6,939
Total liabilities					93,679
OTHER INFORMATION					
Capital expenditures	50,793	10,575	-	-	61,368
Depreciation of property, plant and equipment	2,805	2,521	-	-	5,326

FY2008	**Ship Chartering**	**Shipyard**	**Others**	**Eliminations**	**Total**
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**
REVENUE					
Revenue from external customers	20,115	25,828	-	-	45,943
Inter-segment revenue	188	25	-	(213)	-
Total Revenue	20,303	25,853	-	(213)	45,943
SEGMENT RESULTS	12,531	1,188	(457)	-	13,262
Share of results of a jointly controlled entity					58
Finance costs (net)					(1,711)
Profit before tax					11,609
Income tax					(474)
Net profit for the year					11,135
ASSETS AND LIABILITIES					
SEGMENT ASSETS	52,630	58,430	-	-	111,060
Unallocated assets					4,127
Total assets					115,187
SEGMENT LIABILITIES	20,966	36,830	-	-	57,796
Unallocated liabilities					1,540
Total liabilities					59,336
OTHER INFORMATION					
Capital expenditures	24,910	13,384	-	-	38,294
Depreciation of property, plant and equipment	1,839	1,319	-	-	3,158

Geographical* Segments

FY2009	Singapore S$'000	Indonesia S$'000	Others S$'000	Total S$'000
Revenue	32,210	14,770	7,563	54,543
Segment assets	122,533	44,286	-	166,819
Capital expenditures	47,554	13,814	-	61,368

FY2008	Singapore S$'000	Indonesia S$'000	Others S$'000	Total S$'000
Revenue	20,798	21,998	3,147	45,943
Segment assets	74,972	40,215	-	115,187
Capital expenditures	24,950	13,344	-	38,294

*Based on the country of origin of our customers and not the destination for the delivery of our chartering services or built vessels.

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

With the initiation of high yielding ship repair revenue in FY2009, segmental results contribution from our shipyard increased by more than 2-fold from about S$1.2 million in FY2008 to about S$3.0 million in FY2009, representing about 9% and 24% of the total segmental results for FY2008 and FY2009 respectively.

The increase in revenue contribution from Singapore in FY2009 relative to FY2008 was due primarily to the growth in our ship chartering customers base from Singapore. The decrease in revenue contribution from Indonesia in FY2009 relative to FY2008 was attributed principally to lesser ship building contracts procured from Indonesian customers in FY2009.

15. Breakdown of sales

	The Group	
	FY2009 S$'000	FY2008 S$'000
(i) Turnover reported for:		
First half year ended 31 March	**24,090**	16,448
Second half year ended 30 September	**30,453**	29,495
	54,543	45,943
(ii) Net profit for the year reported for:		
First half year ended 31 March	**4,471**	5,403
Second half year ended 30 September	**5,591**	5,732
	10,062	11,135

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

Not applicable.

17. Interested Person Transactions

Pursuant to Rule 907 of the Listing Manual and the renewed IPT General Mandate obtained from the shareholders of the Company on 23 January 2009, the following interested person transactions were entered into during FY2009:-

Name of Interested Persons	**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 the IPT General Mandate (excluding transactions less than S$100,000) pursuant to Rule 920**
	S$'000	S$'000
Purchase of used equipment from Mount Kawi Pte Ltd for shipyard use	**180**	-

Ship repair revenue from PT. Pelayaran Nasional Bina Buana Raya	**-**	**295**

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sean Lee Yun Feng
CEO

24 November 2009