



Advanced Holdings Ltd.

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FOR IMMEDIATE RELEASE

Advanced's FY2013 net profit rises 50% to S\$6.6 million on the back of record sales

- Record sales of S\$114.2 million and a 50% increase on profit
 - Healthy cash reserve of S\$25.9 million
 - Final dividend of 0.60 cents recommended

Financial Highlights for the year ended 31 December

<i>(in S\$'m)</i>	4Q2013 (3M)	4Q2012 (3M)	Chg (%)¹	FY2013	FY2012	Chg (%)¹
<i>Revenue</i>	46.3	39.1	18.4	114.2	109.1	4.6
<i>Gross profit</i>	11.9	9.2	29.6	30.8	27.1	13.7
<i>Gross profit margin (%)</i>	25.8	23.5	2.3% pts	27.0	24.8	2.2% pts
<i>Profit before tax</i>	3.9	2.0	89.3	8.5	6.2	37.1
<i>Net profit attributable to shareholders</i>	2.6	1.2	122.8	6.6	4.4	50.0
<i>EPS (cents)²</i>	0.86	0.39	122.8	2.14	1.44	50.0

1. Any discrepancies in the percentages are due to rounding

2. EPS is based on 303,807,176 weighted average number of ordinary shares

SINGAPORE – 26 February 2014 – Advanced Holdings Ltd. (“Advanced” or the “Group”), a global supplier of proprietary process equipment and technologies, clean energy solutions and environmental technologies, today reported a 50% surge in its net profit attributable to shareholders to S\$6.6 million on the back of a record revenue of S\$114.2 million for the 12 months ended 31 December 2013 (“FY2013”). This was achieved in spite of higher costs associated with the Group’s general business expansion, R&D efforts and relocation to its two new factories in Singapore (Woodlands Loop) and China (Fengxian, Shanghai) during the year.

In FY2013, revenue of the Group grew by 4.6% primarily due to increase in Petrochemicals & Chemicals projects in China. Sales contribution from this business improved by 16.3% to S\$53.7 million in FY2013.

During the year, gross profit of Advanced rose 13.7% to S\$30.8 million due to improved cost management. In line with this, the Group's gross profit margin improved 2.2 percentage points from 24.8% in FY2012 to 27.0% in FY2013.

Said Managing Director of the Group, Dr Wong Kar King, "Despite experiencing a rise in overheads from our expansion activities, Advanced still performed commendably in FY2013, achieving a record revenue and better profits. We are pleased to recommend a final cash dividend of 0.60 cents per share which takes our total dividend for the year to 0.90 cents per share, translating to a payout of 41.7%. The Group's cash reserve of S\$25.9 million stands us in good stead to invest in strategic opportunities."

Based on the weighted average number of 303,807,176 shares, the Group's Earnings Per Share for FY2013 rose to 2.16 cents from 1.44 cents in FY2012, and its Net Asset Value as at 31 December 2013 improved to 24.49 cents compared to 22.14 cents at 31 December 2012.

Outlook and Business Strategies

The recovery pace of the US and the Eurozone economies and slower forecasted GDP growth of China will have an impact on the macro-economic landscape. With uncertainties in the near-term economic outlook and an anticipated rise in business costs, Advanced intends to improve operating efficiencies and productivity levels to better manage costs. The Group also plans to explore effective ways to strengthen its financial position and boost its ability to generate resources to finance investment opportunities.

Looking ahead, the Group plans to focus on three key themes namely cost management, capital management and strategic investments / partnerships.

“Maximising long-term shareholder value is a constant priority for us. Besides growing organically, which we have done by ramping up our manufacturing capacity and sales efforts globally, we are also looking to enhance our business and technologies base through increased R&D activities, strategic acquisitions and investments and other forms of collaboration within the industry and in new market segments. We have an outstanding order book of S\$71.5 million as at 31 December 2013 and with our much bigger facilities this year, stand ready to take on more,” said Dr Wong.

Segment breakdown:

Revenue by Industry (S\$'m)	FY2013	FY2012	% Chg
Oil and Gas	52.3	53.8	(2.8)
Petrochemicals and Chemicals	53.7	46.1	16.3
Iron and Steel	0.1	0.2	(31.2)
Others	8.1	9.0	(10.3)
Revenue by Geography (S\$'m)	FY2013	FY2012	% Chg
China	51.8	44.1	17.3
Other Asian Countries	46.0	47.5	(3.1)
Europe and USA	7.8	9.0	(12.8)
Others	8.6	8.5	0.5

About Advanced Holdings Ltd.

Founded in 1993, SGX Mainboard-listed Advanced is a specialist company with three key business areas encompassing the design and supply of **Process Equipment and Technologies** to the **Oil & Gas** and **Petrochemicals & Chemicals** industries; the design and supply of **Clean Energy** and the provision of **Environmental Technologies**. Advanced is an established global company with rapidly growing presence across countries spanning Asia, Europe and USA.

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