

Full Year Financial Statements And Dividend Announcement (Unaudited) For The Year Ended 31 December 2013

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF-YEAR AND FULL-YEAR RESULTS

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

The Group

	Twelve Months Ended		% Increase/ (Decrease)
	31-Dec-13	31-Dec-12	
	S\$'000	S\$'000	
Revenue	15,147	8,953	69.2%
Cost of construction	(10,303)	(4,779)	115.6%
Gross profit	4,844	4,174	16.1%
Other income	223	165	35.2%
Selling and distribution expenses	(135)	(120)	12.5%
Administrative expenses	(3,454)	(2,735)	26.3%
Other operating expenses	(417)	(1,396)	(70.1%)
Finance expenses	(2)	(4)	(50.0%)
Profit before income tax	1,059	84	
Income tax expense	(87)	(2)	
Net profit for the year	972	82	
Other comprehensive income			
Available-for-sale financial assets			
• Fair value gains	4	45	
• Reclassification	(24)	-	
Other comprehensive (loss)/income for the year	(20)	45	
Total comprehensive income for the year	952	127	
Profit attributable to :			
Equity holders of the Company	972	82	
Total comprehensive income attributable to:			
Equity holders of the Company	952	127	
Earnings per share (cents)			
Basic	0.51	0.04	
Diluted	0.49	0.04	

Profit before income tax is arrived at after charging / (crediting) the following items:

The Group

	Twelve Months Ended	
	31-Dec-13	31-Dec-12
	S\$'000	S\$'000
Interest income	(74)	(104)
Interest expenses	2	4
Depreciation of property, plant and equipment	139	75
Allowance for impairment of trade receivables	360	1,355
Net gain on disposal of available-for-sale, financial assets	(44)	-

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.

	<u>Group</u>		<u>Company</u>	
	<u>31-Dec-13</u>	<u>31-Dec-12</u>	<u>31-Dec-13</u>	<u>31-Dec-12</u>
ASSETS	S\$'000	S\$'000	S\$'000	S\$'000
<u>Non-current Assets</u>				
Property, plant and equipment	229	262	61	102
Investments in subsidiaries	-	-	26,350	26,350
Available-for-sale financial assets	78	204	-	-
	<u>307</u>	<u>466</u>	<u>26,411</u>	<u>26,452</u>
<u>Current Assets</u>				
Inventories	2	2	-	-
Trade and other receivables	9,330	4,528	835	774
Cash and cash equivalents	11,237	12,498	2,335	1,983
	<u>20,569</u>	<u>17,028</u>	<u>3,170</u>	<u>2,757</u>
Total Assets	<u>20,876</u>	<u>17,494</u>	<u>29,581</u>	<u>29,209</u>
<u>LIABILITIES</u>				
<u>Non-current Liabilities</u>				
Finance lease liabilities	12	34	12	34
<u>Current Liabilities</u>				
Trade and other payables	4,896	2,554	366	327
Finance lease liabilities	22	21	22	21
Current income tax liabilities	73	17	-	-
	<u>4,991</u>	<u>2,592</u>	<u>388</u>	<u>348</u>
Total Liabilities	<u>5,003</u>	<u>2,626</u>	<u>400</u>	<u>382</u>
Net Assets	<u>15,873</u>	<u>14,868</u>	<u>29,181</u>	<u>28,827</u>
EQUITY				
Capital and Reserves Attributable to Equity Holders of the Company				
Share capital	4,169	4,169	39,764	39,764
Other reserves	(98)	(131)	112	59
Retained profits /(accumulated losses)	11,802	10,830	(10,695)	(10,996)
Total Equity	<u>15,873</u>	<u>14,868</u>	<u>29,181</u>	<u>28,827</u>

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

Amount repayable in one year or less, or on demand				Amount repayable after one year			
As at 31-Dec-13		As at 31-Dec-12		As at 31-Dec-13		As at 31-Dec-12	
S\$ '000	S\$ '000	S\$ '000	S\$ '000	S\$ '000	S\$ '000	S\$ '000	S\$ '000
Secured	Unsecured	Secured	Unsecured	Secured	Unsecured	Secured	Unsecured
22	0	21	0	12	0	34	0

Certain property, plant and equipment with an aggregate carrying amount of approximately S\$61,000 (31 Dec 2012: S\$102,000) are pledged under existing finance lease agreement.

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

The Group	Twelve Months Ended	
	31-Dec-13	31-Dec-12
	S\$'000	S\$'000
Cash flows from operating activities		
Net profit	972	82
Adjustments for:		
Income tax expense	87	2
Depreciation of property, plant and equipment	139	75
Allowance for impairment of trade receivables	360	1,355
Interest expense	2	4
Interest income	(74)	(104)
Dividend income	-	(6)
Net gain on disposal of available-for-sale, financial assets	(44)	-
Employee share option expense	53	52
Operating cash flows before changes in working capital	1,495	1,460
Changes in working capital:		
Inventories	-	1
Trade and other receivables	(5,198)	(1,006)
Trade and other payables	2,342	(227)
Cash (used in) / generated from operations	(1,361)	228
Income tax paid	(31)	(241)
Net cash used in operating activities	(1,392)	(13)
Cash flows from investing activities		
Purchase of property, plant & equipment	(107)	(143)
Purchase of available-for-sale, financial assets	(60)	(110)
Proceeds from disposal of available-for-sale, financial assets	209	-
Interest received	112	96
Dividend received	-	6
Net cash generated from / (used in) investing activities	154	(151)
Cash flows from financing activities		
Fixed deposits pledged to banks	(6)	(4)
Repayment of finance lease liabilities	(21)	(19)
Interest paid	(2)	(4)
Dividends paid	-	(1,146)
Net cash used in financing activities	(29)	(1,173)
Net decrease in cash and cash equivalents	(1,267)	(1,337)
Cash and cash equivalents:		
Beginning of financial year	11,812	13,149
End of financial year	10,545	11,812

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following:

The Group	Twelve Months Ended	
	31-Dec-13	31-Dec-12
	S\$'000	S\$'000
Short term fixed deposit	6,360	7,725
Cash and bank balances	4,877	4,773
	11,237	12,498
Less: Fixed deposit pledged to banks	(692)	(686)
	10,545	11,812

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>The Group</u>	Attributable to equity holders of the Company			
	Share Capital S\$'000	Other Reserves S\$'000	Retained Profits S\$'000	Total Equity S\$'000
At 1 January 2013	4,169	(131)	10,830	14,868
Total comprehensive income for the year	-	(20)	972	952
Employee Share Option Scheme – Value of employee services	-	53	-	53
At 31 December 2013	4,169	(98)	11,802	15,873
At 1 January 2012	4,169	(228)	11,894	15,835
Total comprehensive income for the year	-	45	82	127
Dividend relating to 2011 paid	-	-	(1,146)	(1,146)
Employee Share Option Scheme – Value of employee services	-	52	-	52
At 31 December 2012	4,169	(131)	10,830	14,868
<u>The Company</u>	Share Capital S\$'000	Other Reserves S\$'000	Retained Profits/ (Accumulated Losses) S\$'000	Total Equity S\$'000
At 1 January 2013	39,764	59	(10,996)	28,827
Total comprehensive income for the year	-	-	301	301
Employee Share Option Scheme – Value of employee services	-	53	-	53
At 31 December 2013	39,764	112	(10,695)	29,181
At 1 January 2012	39,764	7	(10,129)	29,642
Total comprehensive income for the year	-	-	279	279
Dividend relating to 2011 paid	-	-	(1,146)	(1,146)
Employee Share Option Scheme – Value of employee services	-	52	-	52
At 31 December 2012	39,764	59	(10,996)	28,827

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.

On 23 January 2013, the Company granted 400,000 share options to the employees of the Company pursuant to the Koyo International Share Option Scheme ("KSOS") that was approved in April 2011. The KSOS will not affect the rights of the holders of the existing outstanding share options.

The number of unissued ordinary shares of the Company under share options in relation to the Employee Share Option Schemes ("ESOS") and Koyo International Share Option Scheme ("KSOS") outstanding as at 31 December 2013 are as follows:

Type of employee share options	Date of grant	No. of unissued ordinary shares			Exercise price per share	Exercise period
		Balance as at 1 January	Granted	Lapsed		
As at 31 December 2013						
2004 ESOS II - Market Price Options	Jun 2004	15,750	-	-	15,750	S\$1.08 2005 to 2014
2004 ESOS II - Incentive Options	Jun 2004	15,750	-	-	15,750	S\$0.92 2006 to 2014
2011 Options – KSOS	Dec 2011	5,165,000	-	-	5,165,000	S\$0.04 2013 to 2016
2013 Options – KSOS	Jan 2013	-	400,000	-	400,000	S\$0.053 2015 to 2018
		<u>5,196,500</u>	<u>400,000</u>	<u>-</u>	<u>5,596,500</u>	
As at 31 December 2012						
2004 ESOS II - Market Price Options	Jun 2004	15,750	-	-	15,750	S\$1.08 2005 to 2014
2004 ESOS II - Incentive Options	Jun 2004	15,750	-	-	15,750	S\$0.92 2006 to 2014
2011 Options – KSOS	Dec 2011	5,165,000	-	-	5,165,000	S\$0.04 2013 to 2016
		<u>5,196,500</u>	<u>-</u>	<u>-</u>	<u>5,196,500</u>	

The Company does not hold any treasury shares as at 31 December 2013 and 31 December 2012.

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 immediately preceding year.

	<u>Group & Company</u> <u>No. of shares</u>
<u>Fully paid ordinary shares</u>	
At 31 December 2013 and 31 December 2012	<u>191,058,497</u>

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

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

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a 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 consistently applied the same accounting policies and methods of computation in the financial statements for the current year compared with those for the audited financial statements as at 31 December 2012.

On 1 January 2013, the Group adopted the new or amended Singapore Financial Reporting Standards ("FRS") and Interpretations to FRS ("INT FRS") that are mandatory for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of the above FRSs did not result in any substantial change to the Group's accounting policies nor any material impact on the financial statements of the Group.

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.

See the above No. 4

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.

	Twelve Months Ended	
	31-Dec-13	31-Dec-12
Earnings per ordinary share of the Group based on weighted average number of ordinary shares in issue:		
(a) Basic (in cents)	0.51	0.04
(b) Fully diluted (in cents)	0.49	0.04
Earnings per share was calculated based on weighted average number of ordinary shares in issue: ('000)		
(a) Basic	191,059	191,059
(b) Fully diluted	196,598	196,223

For the purpose of calculating diluted earnings per share, net profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares. The Company has potentially dilutive ordinary shares from its remaining 31,500 share options granted under its employee share option scheme (2004 ESOS II) and 5,565,000 share options granted under the KSOS - 2011 and KSOS - 2013.

When calculating diluted earnings per share, the weighted average number of ordinary shares are only calculated based on the number of issued ordinary shares and KSOS - 2011 and KSOS - 2013 options as the remaining 31,500 share options granted under 2004 ESOS II are considered anti-dilutive (due to them being out-of-money).

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:

	The Group		The Company	
	31-Dec-13	31-Dec-12	31-Dec-13	31-Dec-12
Net asset value per ordinary share based on existing issued share capital as at end of the period (in cents/share)	8.31	7.78	15.19	15.09

The calculation of net asset per ordinary share is based on 191,058,497 shares as at 31 December 2013 and 2012.

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

1) REVIEW OF RESULTS OF OPERATIONS

i) Revenue

	GROUP					
	Twelve Months Ended 31 Dec				Increase/(Decrease)	
	2013		2012			
	S\$'000	%	S\$'000	%	S\$'000	%
Mechanical Engineering	11,162	73.7	384	4.3	10,778	2,806.8
Electrical Engineering	(36)	(0.2)	3,588	40.1	(3,624)	(101.0)
Facilities Management	4,021	26.5	4,981	55.6	(960)	(19.3)
Total	15,147	100.0	8,953	100.0	6,194	69.2

ii) Gross Profit

	GROUP					
	Twelve Months Ended 31 Dec				Increase/ (decrease)	
	2013		2012			
	S\$'000	%	S\$'000	%	S\$'000	%
Mechanical Engineering	4,519	93.3	266	6.4	4,253	1598.9
Electrical Engineering	(209)	(4.3)	2,526	60.5	(2,735)	(108.3)
Facilities Management	534	11.0	1,382	33.1	(848)	(61.4)
Total	4,844	100.0	4,174	100.0	670	16.1

iii) Gross Profit Margin

	Increase/ (decrease)		
	2013	2012	%
	%	%	%
Mechanical Engineering	40.5	69.3	(28.8)
Electrical Engineering	n.m	70.4	n.a
Facilities Management	13.3	27.7	(14.4)
Total	32.0	46.6	(14.7)

n.m: not meaningful

The increase in total revenue by 69.2% to approximately S\$15.1 million is mainly attributable to the ongoing mechanical engineering projects and the facilities management segment. Contribution from the mechanical engineering segment increased by approximately S\$10.8 million as compared to that of the financial year ended 31 Dec 2012. This is due to the recognition of revenue from two significant ongoing mechanical engineering projects.

Revenue from electrical engineering segment decreased by approximately S\$3.6 million as projects for the electrical engineering segment were completed in FY2012. In addition, there were credit notes issued for material backcharges that resulted in a reduction of revenue by \$36,000. Retention payable was also incurred for the electrical engineering segment even though the projects were completed in FY2012.

Cost of sales increased by 115.6% to approximately S\$10.3 million and gross profit increased by 16.1% to approximately S\$4.8 million. The increase in cost of sales is mainly attributable to project works carried out during the financial year and is in line with the increase in revenue.

Gross profit margin reduced from 46.6% to 32.0% as compared to that of the last financial year ended 31 Dec 2012. The decrease is mainly due to a 28.8% decrease in gross profit margin for mechanical engineering projects and 14.4% decrease in gross profit margin for the facilities management segment.

Gross profit margin for mechanical engineering projects was higher in the financial year ended 31 Dec 2012 due to the recognition of variation orders of projects previously completed. As the ongoing mechanical engineering projects for the financial year ended 31 Dec 2013 are still in progress, variation orders with higher gross profit margin have not been recognised. The decrease in gross profit margin for facilities management segment is mainly due to increase in subcontractor costs.

2) Other Income

Other income increased by 35.2% from S\$165,000 to S\$223,000 in the current financial year. This is mainly due to gain on disposal of available-for-sale, financial assets and insurance claims on construction contracts.

3) Selling and Distribution Expenses

Selling and distribution expenses increased by 12.5% to S\$135,000 and are mainly due to increases in tender fees, and freight and handling charges for materials purchased.

4) Administrative Expenses

Administrative expenses increased by 26.3% from S\$2.7 million to S\$3.5 million. These are mainly due to an increase in staff cost of \$519,000 as a result of increased hiring, professional fees, and depreciation.

5) Other Operating Expenses

Other operating expenses decreased by 70.1% from S\$1.4 million to S\$417,000 in the current financial year. It is due to a decrease in allowance for impairment of trade receivables.

6) Income Tax Expense

Income tax expense is increased as a result of an increase in the Group's profit before income tax.

(b) 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 BALANCE SHEET

Total assets as at 31 December 2013 have increased as compared to 31 December 2012, and are mainly attributable to the following :-

- 1. Property, plant and equipment** decreased by S\$33,000 or 12.6% from S\$262,000 as at 31 December 2012 to S\$229,000 as at 31 December 2013 mainly due to an increase in depreciation of office furniture and renovation of office.
- 2. Available-for-sale financial assets** decreased approximately by S\$126,000 or 61.7% from S\$204,000 as at 31 December 2012 to S\$78,000 as at 31 December 2013 and are mainly due to the disposal of available-for-sale financial assets.
- 3. Trade and other receivables** increased approximately by S\$4.8 million from S\$4.5 million as at 31 December 2012 to S\$9.3 million as at 31 December 2013 and are mainly due to an increase in amounts due from customers of S\$4.1 million for work that had been certified but not yet due for payment invoicing. Receivables turnover days was 94 days at the end of current financial year, which is consistent with 96 days in the previous financial year.
- 4. Cash and cash equivalents** decreased approximately by S\$1.3 million or 10.4%, from S\$12.5 million as at 31 December 2012 to S\$11.2 million as at 31 December 2013. This is mainly due to longer credit terms offered to customers.

Total liabilities as at 31 December 2013 have increased as compared to 31 December 2012, and are mainly attributable to the following :-

- 1. Trade and other payables** increased approximately by S\$2.3 million or 88.5%, from S\$2.6 million as at 31 December 2012 to S\$4.9 million as at 31 December 2013. The increase is in line with the increase of purchases during the year.

REVIEW OF STATEMENT OF CASH FLOWS

The Group generated positive operating cash flow of about S\$1.5 million from its operation before changes in working capital. However, the increase in trade and other receivables of S\$5.2 million and an increase in trade and other payables of S\$2.3 million, coupled with an income tax paid of S\$31,000 have resulted in a net cash used in operating activities of S\$1.4 million. The net cash generated from investing activities amounted to S\$154,000.

As at 31 Dec 2013, the Group has cash and cash equivalents of S\$10.5 million. This excludes fixed deposit pledged to banks.

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

The Group's results for the financial year ended 31 December 2013 is in line with the Company's discussion presented in paragraph 10 of the unaudited results announcement dated 12 August 2013.

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.

On 9 January 2014, Building and Construction Authority has revised upward their forecast for the total construction demand for 2014 from between S\$22 billion and S\$30 billion, to between S\$31 billion and S\$38 billion. As such, we expect the construction demand for 2014 to be strong. In view of the above, the Group remains positive of its prospects and is cautiously optimistic of the outlook of the construction industry for the next 12 months.

The Group will continue to focus on its core business of construction and is actively tendering for new projects in the public and private sectors to generate sustainable revenue and profitability. At the date of this announcement, the Group has approximately S\$17.3 million worth of contracts on hand with completion dates ranging from financial years 2014 to 2015. As such, barring any unforeseen circumstances, the Group expects FY2014 to remain profitable.

11. Dividend

(a) **Any dividend declared for the current financial period reported on?**

Yes.

Name of dividend	First & Final
Dividend type	Cash
Dividend amount per share	S\$0.0015 per ordinary share
Tax rate	Tax-exempt (1-tier)

(b) **Any dividend declared for the corresponding period of the immediately preceding financial year?**

None.

(c) **Date payable**

The first and final dividend, if approved at the forthcoming Annual General Meeting to be held on 21 April 2014, will be paid on 15 May 2014.

(d) **Books closure date**

Notice is hereby given that the Share Transfer Books and Register of Members of the Company will be closed on 5 May 2014 for the preparation of dividend warrants.

Duly completed registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 up to 5.00 p.m. on 2 May 2014 will be registered to determine shareholders' entitlements to such dividend.

Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares as at 5.00pm on 2 May 2014 will be entitled to the proposed dividend.

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

Not Applicable.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

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

Business Segments (31 Dec 2013)

	Mechanical Engineering	Electrical Engineering	Facilities Management	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue				
External revenue	11,162	(36)	4,021	15,147
Segment result	4,519	(209)	534	4,844
Other Income				223
Finance expenses				(2)
Unallocated expenses				(4,006)
Profit before income tax				1,059
Income tax expense				(87)
Net Profit for the year				972

Business Segments (31 Dec 2012)

	Mechanical Engineering	Electrical Engineering	Facilities Management	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue				
External revenue	384	3,588	4,981	8,953
Segment result	266	2,526	1,382	4,174
Other Income				165
Finance expenses				(4)
Unallocated expenses				(4,251)
Profit before income tax				84
Income tax expense				(2)
Net Profit for the year				82

Geographically, all the Group's operations are located in Singapore.

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

Please refer to Para 8 and 10 above.

15. A breakdown of sales:

The Group	Twelve Months Ended		
	31-Dec-13	31-Dec-12	%
	S\$'000	S\$'000	Increase/ (Decrease)
Sales reported for first half year	2,882	4,416	(34.7%)
Operating profit after income tax before deducting non-controlling interests reported for first half year	126	527	(76.1%)
Sales reported for second half year	12,265	4,537	170.3%
Operating profit / (loss) after income tax before deducting non-controlling interests reported for second half year	846	(445)	290.1%

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

Total annual dividend proposed	2013 (S\$'000)	2012 (S\$'000)
Ordinary shares*	286	-
Preference shares	-	-
Total	286	-

*Please refer to Para 11.

17. Interested Person Transactions

There were no Interested Party Transactions that were above S\$ 100,000 during the year and the Company does not have a general IPT mandate.

18. 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.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Dalat Kositanon	62	(1) Married to Foo Chek Heng, Managing Director and substantial shareholder of Koyo International. (2) Daughter-in-law of Heng Jee Moi who owns 100% of Salix Capital Pte Ltd, a substantial shareholder of Koyo International.	Manager/Administration & Human Resources since 1994 for Koyo Engineering and since 21 January 2009 for Koyo International.	Not applicable.

On behalf of the board of directors

Lee Chen Chong
Director

Foo Chek Heng
Director

BY ORDER OF THE BOARD

Mr. Foo Chek Heng
Managing Director
27 February 2014

This announcement has been prepared by the Company and reviewed by the Company's sponsor, CNP Compliance Pte. Ltd. ("Sponsor"), for compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist.

The Sponsor has not verified the contents of this announcement including the accuracy or completeness of any of the information disclosed or the correctness of any of the statements or opinions made or reports contained in this announcement. This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made in this announcement.

The contact person for the Sponsor is Mr. Thomas Lam at 36 Carpenter Street, Singapore 059915; Telephone: (65) 6323 8383; Email: tlam@cnplaw.com.