



NORDIC
Group Limited

NORDIC GROUP LIMITED
(Company Registration Number: 201007399N)

Full Year Financial Statements and Related Announcement for the Year Ended 31 December 2014

PART I – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS

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

UNAUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2014

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	Q4 FY2014	Q4 FY2013	Change	Full year ended 31/12/2014	Full year ended 31/12/2013	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue	20,559	19,758	4	72,424	66,220	9
Cost of Sales	(13,592)	(12,688)	7	(48,014)	(44,803)	7
Gross Profit	6,967	7,070	(1)	24,410	21,417	14
Interest Income	67	28	nm	210	43	nm
Finance Costs	(129)	(195)	(34)	(573)	(732)	(22)
Marketing and Distribution Costs	(241)	(179)	35	(856)	(633)	35
Administrative Expenses	(3,971)	(4,208)	(6)	(14,736)	(14,321)	3
Other Gains / (Losses)	400	498	(20)	714	912	(22)
Profit Before Tax from Continuing Operations	3,093	3,014	3	9,169	6,686	37
Income Tax Expense	(549)	(245)	124	(1,303)	(584)	123
Profit from Continuing Operations, Net of Tax	2,544	2,769	(8)	7,866	6,102	29
Other Comprehensive Income: Items that may be reclassified subsequently to Profit or Loss:						
Exchange Differences on Translating Foreign Operations, Net of Tax	157	398	(61)	175	385	(55)
Other Comprehensive Income, Net of Tax	157	398	(61)	175	385	(55)
Total Comprehensive Income	2,701	3,167	(15)	8,041	6,487	24
Profit Attributable to:						
Owners of the Parent, Net of Tax	2,532	2,769	(9)	7,854	6,102	29
Non-Controlling Interests, Net of Tax	12	-	nm	12	-	nm
Profit Net of Tax	2,544	2,769	(8)	7,866	6,102	29
Total Comprehensive Income Attributable to:						
Owners of the Parent	2,689	3,167	(15)	8,029	6,487	24
Non-Controlling Interests	12	-	nm	12	-	nm
Total Comprehensive Income	2,701	3,167	(15)	8,041	6,487	24

nm: not meaningful

1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year.

The Group's profit or loss for the financial period is derived after (charging)/crediting:

		Q4 FY2014	Q4 FY2013	Change	Full year ended 31/12/2014	Full year ended 31/12/2013	Change
		\$'000	\$'000	%	\$'000	\$'000	%
1	Interest income	67	28	nm	210	43	nm
2	Interest on borrowings	(129)	(195)	(34)	(573)	(732)	(22)
3	Depreciation and amortisation	(717)	(830)	(14)	(2,963)	(3,017)	(2)
4	Gain/(loss) on disposal of plant and equipment	-	3	(100)	1	(9)	(111)
5	Allowance for impairment on trade receivables	-	(95)	(100)	-	(106)	(100)
6	Foreign exchange gain/(loss)	521	451	16	560	759	(26)
7	Inventory written off	(85)	-	nm	(85)	-	nm
8	Loss on disposal of other financial asset	(49)	-	nm	(49)	-	nm
9	Loss on disposal of subsidiary	(43)	-	nm	(43)	-	nm

nm: 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

STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	31/12/2014 \$'000	31/12/2013 \$'000	31/12/2014 \$'000	31/12/2013 \$'000
Assets				
Current Assets				
Inventories	7,315	7,820	-	-
Trade and Other Receivables	23,925	27,728	14,951	15,471
Other Assets	568	1,311	2	-
Cash and Cash Equivalents	32,799	14,852	13,057	8,483
Total Current Assets	64,607	51,711	28,010	23,954
Non-Current Assets				
Property, Plant and Equipment	13,421	14,033	-	-
Investment in Subsidiaries	-	-	1,350	1,350
Intangible Asset	190	570	-	-
Goodwill	12,292	12,292	-	-
Total Non-Current Assets	25,903	26,895	1,350	1,350
Total Assets	90,510	78,606	29,360	25,304
Liabilities and Equity				
Current Liabilities				
Income Tax Payable	1,220	884	7	6
Trade and Other Payables	10,479	9,713	3,025	453
Other Financial Liabilities	22,060	19,344	-	-
Total Current Liabilities	33,759	29,941	3,032	459
Non-Current Liabilities				
Other Financial Liabilities	3,260	2,195	-	-
Deferred Tax Liabilities	200	280	-	-
Total Non-Current Liabilities	3,460	2,475	-	-
Equity Attributable to Owners of the Parent				
Share capital	22,439	22,439	22,439	22,439
Retained earnings	30,192	23,338	3,889	2,406
Other reserves	588	413	-	-
Equity, Attributable to Owners of the Parent	53,219	46,190	26,328	24,845
Non-Controlling Interests	72	-	-	-
Total Equity	53,291	46,190	26,328	24,845
Total Liabilities and Equity	90,510	78,606	29,360	25,304

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

Amount repayable in one year or less, or on demand

As at 31 December 2014		As at 31 December 2013	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
437	21,623	8,755	10,589

Amount repayable after one year

As at 31 December 2014		As at 31 December 2013	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
1,816	1,444	2,075	120

Details of any collateral

1. Charge mortgage on the motor vehicles for finance lease liabilities
2. Borrowings drawn down in relation to the acquisition of the leasehold property is secured against mortgage on the property.
3. Corporate guarantee from the Company.

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

CONSOLIDATED STATEMENT OF CASH FLOWS

	Q4 FY2014	Q4 FY2013	Full year ended 31/12/2014	Full year ended 31/12/2013
	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities:				
Profit before tax	3,093	3,014	9,169	6,686
Adjustments for:				
Depreciation expense	622	736	2,583	2,638
Amortization of intangible assets	95	94	380	379
(Gain)/loss on disposal of plant and equipment	-	(3)	(1)	9
Loss on disposal of subsidiary	43	-	43	-
Loss on disposal of financial assets	(49)	-	(49)	-
Interest income	(67)	(28)	(210)	(43)
Interest expense	129	195	573	732
Unrealised foreign exchange (gain)/loss	(114)	(413)	(176)	(690)
Operating cash flows before changes in working capital	3,752	3,595	12,312	9,711
Trade and other receivables	549	(3,741)	3,852	(7,301)
Other assets	757	703	748	458
Inventories	640	438	596	554
Trade and other payables	(969)	(957)	732	2,280
Cash generated from operations	4,729	38	18,240	5,702
Income tax paid	(360)	(42)	(1,047)	(819)
Net cash generated from / (used in) operating activities	4,369	(4)	17,193	4,883
Cash flows from investing activities:				
Acquisition of subsidiaries	-	-	-	(3,064)
Purchase of property, plant and equipment	(395)	(1,221)	(1,678)	(4,315)
Other Financial Assets	9,023	-	-	-
Disposal of property, plant and equipment	-	13	2	26
Interest received	67	28	210	43
Net cash generated from / (used in) investing activities	8,695	(1,180)	(1,466)	(7,310)
Cash flows from financing activities:				
Other financial liabilities	(395)	(1,010)	(6,977)	(5,314)
Increase from new borrowings	2,664	-	10,614	-
(Decrease) / Increase in finance leases	(15)	24	(42)	6
Dividends paid	-	-	(1,000)	(1,000)
Interest paid	(129)	(195)	(573)	(732)
Net cash generated from / (used in) financing activities	2,125	(1,181)	2,022	(7,040)
Net increase / (decrease) in cash and cash equivalents	15,189	(2,365)	17,749	(9,467)
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies	92	215	198	354
Cash and cash equivalents at beginning of period	17,518	17,002	14,852	23,965
Cash and cash equivalents at end of period	32,799	14,852	32,799	14,852

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 immediately preceding financial year

STATEMENTS OF CHANGES IN EQUITY

	Attributable to shareholders of the company					Non-Controlling Interests \$'000	Total Equity S'000
	Issued Capital \$'000	Foreign Currency Translation Reserve \$'000	Retained Earnings \$'000	Statutory Reserves \$'000	Parent Sub-Total \$'000		
Group – Q4							
<u>Balance at 1 October 2014</u>	22,439	235	27,660	196	50,530	-	50,530
Total comprehensive income for the period	-	157	2,532	-	2,689	12	2,701
Acquisition of a non-controlling interest without a change in control	-	-	-	-	-	60	60
Balance at 31 December 2014	22,439	392	30,192	196	53,219	72	53,291
<u>Balance at 1 October 2013</u>	22,439	(181)	20,569	196	43,023	-	43,023
Total comprehensive income for the period	-	398	2,769	-	3,167	-	3,167
Balance at 31 December 2013	22,439	217	23,338	196	46,190	-	46,190
Group - 12 months							
<u>Balance at 1 January 2014</u>	22,439	217	23,338	196	46,190	-	46,190
Total comprehensive income for the period	-	175	7,854	-	8,029	12	8,041
Acquisition of a non-controlling interest without a change in control	-	-	-	-	-	60	60
Dividends paid	-	-	(1,000)	-	(1,000)	-	(1,000)
Balance at 31 December 2014	22,439	392	30,192	196	53,219	72	53,291
<u>Balance at 1 January 2013</u>	22,439	(168)	18,236	196	40,703	-	40,703
Total comprehensive income for the period	-	385	6,102	-	6,487	-	6,487
Dividends paid	-	-	(1,000)	-	(1,000)	-	(1,000)
Balance at 31 December 2013	22,439	217	23,338	196	46,190	-	46,190

	Issued Capital \$'000	Retained Earnings \$'000	Fair Value Reserves \$'000	Total equity \$'000
Company – Q4				
<u>Balance at 1 October 2014</u>	22,439	1,750	-	24,189
Total comprehensive income for the period	-	2,139	-	2,139
Balance at 31 December 2014	22,439	3,889	-	26,328
<u>Balance at 1 October 2013</u>	22,439	2,423	-	24,862
Total comprehensive loss for the period	-	(17)	-	(17)
Balance at 31 December 2013	22,439	2,406	-	24,845
Company - 12 months				
<u>Balance at 1 January 2014</u>	22,439	2,406	-	24,845
Total comprehensive income for the period	-	2,483	-	2,483
Dividends paid	-	(1,000)	-	(1,000)
Balance at 31 December 2014	22,439	3,889	-	26,328
<u>Balance at 1 January 2013</u>	22,439	3,278	-	25,717
Total comprehensive income for the period	-	128	-	128
Dividends paid	-	(1,000)	-	(1,000)
Balance at 31 December 2013	22,439	2,406	-	24,845

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 or 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 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

Not applicable.

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 excluding treasury shares as at the end of the period was 400,000,000 ordinary shares (31 December 2013: 400,000,000 ordinary shares).

The Company does not hold any treasury shares during the respective financial periods.

1(d)(iv) A statement showing all sales, transfer, disposals, cancellations 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 standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited or reviewed in accordance with Singapore Standards on Auditing.

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

Not applicable.

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

Except as set out in Note 5 of this announcement, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those used in the most recently audited annual financial statements as at 31 December 2013.

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 reporting period, the Group adopted all the new or revised Financial Reporting Standards ("FRS") and Interpretations to FRS ("INT FRS") that are relevant to its operations and are effective for first-time adoption during the current reporting period. The adoption of these new and revised FRS and INT FRS has no material effect on the amounts reported for the current or prior reporting periods.

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

	Q4 FY2014	Q4 FY2013	Full year ended 31/12/2014	Full year ended 31/12/2013
The Group				
Net profit after tax attributable to equity holders of the Company (\$'000)	2,532	2,769	7,854	6,102
Number of ordinary shares ('000)	400,000	400,000	400,000	400,000
Earnings per share - basic/fully diluted (cents)	0.6	0.7	2.0	1.5

The Company had no dilutive equity instruments during the respective financial periods.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	Group		Company	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Net asset value (\$'000)	53,219	46,190	26,328	24,845
Number of ordinary shares ('000)	400,000	400,000	400,000	400,000
Net asset value per share (cents)	13.3	11.5	6.6	6.2

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 earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Review of performance for quarter ended 31 December 2014 ("4Q2014")

Revenue

Our revenue increased by approximately \$0.8 million or 4.0%, from approximately \$19.8 million in 4Q2013 to approximately \$20.6 million in 4Q2014. The increase was mainly due to higher revenue from the System Integration, MRO & Trading and Precision Engineering business segments, partially offset by lower revenue from the Scaffolding Services business segment.

Business Segment	4Q2014	4Q2013	Change	Change (%)
System Integration	\$8.3m	\$7.0m	\$1.3m	18.6
MRO & Trading	\$1.9m	\$1.1m	\$0.8m	72.7
Precision Engineering	\$3.5m	\$2.8m	\$0.7m	25.0
Scaffolding Services	\$6.9m	\$8.9m	(\$2.0m)	(22.5)
Total	\$20.6m	\$19.8m	\$0.8m	4.0

Gross profit and gross profit margin

Gross profit for 4Q2014 decreased approximately \$0.1 million or 1.5% from \$7.1 million in 4Q2013 to \$7.0 million in 4Q2014 and gross profit margin decreased from 35.8% in 4Q2013 to 33.9% in 4Q2014.

Gross profit for 4Q2014 is lower than 4Q2013 mainly due to lower gross profits from the MRO & Trading and Scaffolding Services business segments for the quarter under review.

Interest expense

Interest expense remained relatively constant at approximately \$0.1 million.

Marketing and distribution costs

Marketing and distribution cost increased approximately \$62,000 or 34.6% from \$179,000 in 4Q2013 to \$241,000 in 4Q2014 due to higher sales and marketing costs incurred in the quarter under review.

Administrative expenses

Administrative expenses decreased approximately \$0.2 million or 5.6% from \$4.2 million in 4Q2013 to \$4.0 million in 4Q2014.

Other gains / (losses)

Other gains of approximately \$400,000 were recorded in 4Q2014, arising from foreign exchange gain of approximately \$521,000 partially offset by inventory written off of approximately \$85,000.

Review of performance for twelve months ended 31 December 2014 (“12M2014”)

Our revenue increased by approximately \$6.2 million or 9.4%, from approximately \$66.2 million in 12M2013 to approximately \$72.4 million in 12M2014. The increase was mainly due to higher revenue from the System Integration and Precision Engineering business segments.

Business Segment	12M2014	12M2013	Change	Change (%)
System Integration	\$28.5m	\$22.5m	\$6.0m	26.67
MRO & Trading	\$4.6m	\$3.2m	\$1.4m	43.8
Precision Engineering	\$13.3m	\$11.2m	\$2.1m	18.8
Scaffolding Services	\$26.0m	\$29.3m	(\$3.3m)	(11.3)
Total	\$72.4m	\$66.2m	\$6.2m	9.4

Gross profit and gross profit margin

Gross profit for 12M2014 increased approximately \$3.0 million or 13.9% from \$21.4 million in 12M2013 to \$24.4 million in 12M2014 and gross profit margin increased from 32.3% in 12M2013 to 33.7% in 12M2014.

Gross profit for 12M2014 is higher than 12M2013 mainly due to higher gross profits from all the business segments.

Interest expense

Interest expense decreased approximately \$159,000 or 21.7%, from approximately \$732,000 in 12M2013 to approximately \$573,000 in 12M2014. This is mainly due to lower interest incurred on lower principal for the Multiheight acquisition loan, charged at a lower interest rate for 12M2014.

Administrative expenses

Administrative expenses increased approximately \$0.4 million or 2.9% from \$14.3 million in 12M2013 to \$14.7 million in 12M2014. This is due to rising operating costs faced by all business segments.

Other gains / (losses)

Other gains of approximately \$714,000 were recorded in 12M2014, arising mainly from (i) government grants received of approximately \$217,000 and (ii) foreign exchange gain of approximately \$560,000, partially offset by inventory written off of approximately \$85,000.

Statement of Financial Position Review (as at 31 December 2014 compared to 31 December 2013)

Non-current assets

Non-current assets remained relatively consistent at approximately \$25.9 million as at 31 December 2014 compared to \$26.9 million as at 31 December 2013.

Current assets

Current assets increased approximately \$12.9 million or 24.9%, from approximately \$51.7 million as at 31 December 2013 to approximately \$64.6 million as at 31 December 2014. This was mainly due to increase in cash and cash equivalents approximately \$17.9 million which includes a \$9.0 million sales proceeds from disposal of shares in PSL Holding Limited, partially offset by decrease in trade and other receivables of approximately \$3.8 million.

Current liabilities

Current liabilities increased approximately \$3.8 million or 12.8%, from approximately \$29.9 million as at 31 December 2013 compared to \$33.7 million as at 31 December 2014. The increase was mainly due to increase in trade and other payables of approximately \$0.1 million and increase in utilization of short term bank borrowings of approximately \$2.7 million.

Non-current liabilities

Non-current liabilities increased by approximately \$1.0 million or 39.8%, from approximately \$2.5 million as at 31 December 2013 to approximately \$3.5 million as at 31 December 2014. The increase was mainly due to increase in loan payable relating to loan installments repayable after one year from new term loan and finance leases secured during the period under review.

Equity

Our capital and reserves increased by approximately \$7.1 million or 15.4% from \$46.2 million as at 31 December 2013 to \$53.3 million as at 31 December 2014 mainly due to retention of net profit for 12M2014 partially offset by dividend distribution made during the period under review.

Statement of Cash Flows Review

4Q2014

We continued to maintain a healthy cash position with approximately \$32.8 million in cash and bank balances as at the end of 4Q2014.

In 4Q2014, net cash generated from operating activities amounted to approximately \$4.3 million compared to approximately \$4,000 used in the corresponding period in FY2013. We generated net cash of approximately \$3.7 million from operating profits before working capital changes. Net cash generated from working capital amounted to approximately \$1.0 million. This was mainly due to (i) cash flow from decrease in trade and other receivables of approximately \$0.5 million and (ii) cash flow from decrease in other assets of approximately \$0.8 million, partially offset by cash flow decrease in trade and other payables of approximately \$0.9 million. Our operating cash flow from operations was reduced by income taxes payment of approximately \$0.4 million.

Net cash of approximately \$8.6 million was generated from investing activities mainly due to the proceeds from disposal of shares in PSL Holding Limited of approximately \$9.0 million partially offset by cash flow used for the purchase of plant and equipment of approximately \$0.4 million.

Net cash of approximately \$2.1 million was generated from financing activities. This was due to net increase in bank borrowings of approximately \$2.3 million.

12M2014

In 12M2014, net cash generated from operating activities amounted to \$17.1 million compared with approximately \$4.9 million in the corresponding period in FY2013. We generated net cash of approximately \$12.3 million from operating profits before working capital changes. Net cash generated

from working capital amounted to approximately \$6.0 million. This was mainly due to (i) cash flow from decrease in trade and other receivables of approximately \$3.8 million and cash flow from increase in trade and other payables of approximately \$0.8 million.

Net cash of approximately \$1.5 million was used in investing activities mainly purchase of plant and equipment.

Net cash of approximately \$2.0 million was increase from financing activities. This was mainly due to net increase in bank borrowings of approximately \$3.6 million, partially offset by dividend payment of \$1.0 million.

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

No profit forecast or prospect statement had been issued for the current financial reporting period.

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

Currently, our Group has outstanding orders amounting to approximately \$38.9 million. The deliveries for these orders will spread within the next 24 months and as such, we expect to derive sustained revenue streams from these orders up to FY2017. These confirmed orders are however, subjected to possible cancellation, deferral, rescheduling or variations by customers.

Although the marine and offshore oil & gas industry outlooks remain uncertain, the System Integration ("SI") and MRO & Trading ("MRO") business segments have a dominant position in the markets which they operate in and expect to be able to generate steady revenue stream from their existing clients and product solutions. The SI and MRO business segments will continue to roll out their sales and marketing plans to materialize orders for our new products and solutions launched in FY2014 in order to bring about further growth for these segments. Given the uncertainties faced by the SI and MRO business segments, the Group will take a cautious stance towards managing their capacity and fixed overheads in order to be able to react nimbly to market changes.

The Precision Engineering business segment targets to formulate strategic alliances to provide new service offerings to existing clients and secure new clients to further grow its revenue and profit contributions to the Group.

Despite the uncertainties brought about by depressed oil prices, the Scaffolding Services business segment expects to be able to maintain its steady revenue stream from its recurring maintenance jobs, as well as projects which are on track to be executed in the next 12 months. It will continue its productivity improvement drive to take full advantage of government support schemes available to tackle capacity limitation brought about by manpower resource constraints.

The Group remains positive over the long term prospects in the marine, offshore oil & gas industries and petrochemical sectors.

11. Dividend

(a) Current Financial Period Reported on 31 December 2014

- (i) Any dividend declared for the current financial period reported on? Yes.
- (ii) Any dividend recommended for the current financial period reported on? Yes.

Name Of Dividend	Final	Special
Dividend Type	Cash	Cash
Dividend Amount Per Share	0.25 cents per ordinary shares	0.25 cents per ordinary shares
Tax Rate	Tax exempt (One-tier)	Tax exempt (One-tier)

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?
Yes.

(c) Date payable

To be announced later. The proposed dividend is subject to the approval of shareholders at the forthcoming Annual General Meeting.

(d) Books closure date

To be announced at a later date.

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

Not applicable.

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

	System Integration 'S\$'000	Maintenance, Repair and Overhaul 'S\$'000	Precision Engineering 'S\$'000	Scaffolding Services 'S\$'000	Elimination 'S\$'000	Group 'S\$'000
Continuing Operations FY2014						
Revenue by Segment						
Total revenue by segment	45,688	4,679	16,092	26,373	(20,558)	72,274
Inter-segment sales	(17,359)	(96)	(2,746)	(357)	20,558	-
External revenue	28,329	4,583	13,346	26,016	-	72,274
Others unallocated items						150
						72,424
Gross Profit	5,686	1,433	2,154	14,987	-	24,260
Others unallocated items						150
						24,410
Marketing and distribution costs	(555)	(70)	(88)	(143)	-	(856)
Administrative expenses	(4,010)	(635)	(1,054)	(9,037)	-	(14,736)
Finance costs	(288)	(44)	(20)	(221)	-	(573)
Others unallocated items						(150)
Other unallocated items	833	684	992	5,586		8,095
Profit before tax from continuing operations						1,074
Income tax expenses	(192)	(147)	(143)	(821)		9,169
Profit from continuing operations, net of tax						(1,303)
						7,866

	System Integration 'S\$'000	Maintenance, Repair and Overhaul 'S\$'000	Precision Engineering 'S\$'000	Scaffolding Services 'S\$'000	Elimination 'S\$'000	Group 'S\$'000
Continuing Operations FY2013						
Revenue by Segment						
Total revenue by segment	36,694	3,374	13,846	29,794	(17,488)	66,220
Inter-segment sales	(14,193)	(197)	(2,644)	(454)	17,488	-
External revenue	22,501	3,177	11,202	29,340	-	66,220
Gross Profit	3,596	1,877	1,772	14,172	-	21,417
Marketing and distribution costs	(431)	(55)	(63)	(84)	-	(633)
Administrative expenses	(3,625)	(609)	(1,104)	(8,740)	-	(14,078)
Finance costs	(135)	(20)	(22)	(555)	-	(732)
Other unallocated items	(595)	1,193	583	4,793	-	5,974
Profit before tax from continuing operations						712
Income tax income	-	-	2	(586)		6,686
Profit from continuing operations, net of tax						(584)
						6,102

Assets and Reconciliations

	System Integration 'S\$'000	Maintenance, Repair and Overhaul 'S\$'000	Precision Engineering 'S\$'000	Scaffolding Services 'S\$'000	Group 'S\$'000
2014					
Total assets for reportable segments	29,331	5,142	11,350	31,228	77,051
Unallocated:					
Cash and cash equivalents					13,057
Other receivables, prepayments and deposits					402
Total Group assets					90,510
2013					
Total assets for reportable segments	24,216	2,827	11,271	31,397	69,711
Unallocated:					
Cash and cash equivalents					8,483
Other receivables, prepayments and deposits					412
Total Group assets					78,606

Liabilities and Reconciliations

	System Integration 'S\$'000	Maintenance, Repair and Overhaul 'S\$'000	Precision Engineering 'S\$'000	Scaffolding Services 'S\$'000	Group 'S\$'000
2014					
Total liabilities for reportable segments	11,825	1,386	2,658	6,684	22,553
Unallocated:					
Trade and other payables					963
Other financial liabilities					13,696
Income tax payable					7
Total Group liabilities					37,219
2013					
Total liabilities for reportable segments	9,131	1,136	2,045	5,101	17,413
Unallocated:					
Trade and other payables					453
Other financial liabilities					14,544
Income tax payable					6
Total Group liabilities					32,416

Other Material Items and Reconciliations

	System Integration 'S\$'000	Maintenance, Repair and Overhaul 'S\$'000	Precision Engineering 'S\$'000	Scaffolding Services 'S\$'000	Group 'S\$'000
Expenditures for non-current assets					
2014	205	7	1,047	419	1,678
2013	408	79	1,916	1,912	4,315
Depreciation and amortisation					
2014	551	65	941	1,406	2,963
2013	569	67	750	1,631	3,017

Geographical Information

	Revenue		Non-current Assets	
	31/12/2014 'S\$'000	31/12/2013 'S\$'000	31/12/2014 'S\$'000	31/12/2013 'S\$'000
China	49,080	35,444	6,286	6,114
Korea	54	127	-	-
Singapore	37,739	41,365	19,617	20,781
Others	6,109	6,772	-	-
Elimination	(20,558)	(17,488)	-	-
	72,424	66,220	25,903	26,895

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 paragraph 8.

15. A breakdown of sales as follows:-

	FY2014 \$'000	FY2013 \$'000	Change %
Sales for first half year	32,237	27,762	16
Profit attributable to Owners of the Parent, Net of Tax for first half year	3,347	2,019	66
Sales for second half year	40,187	38,458	4
Profit attributable to Owners of the Parent, Net of Tax for second half year	4,507	4,083	10

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

	FY2014 'S\$'000	FY2013 'S\$'000
Proposed first and final dividend	1,000	1,000
Proposed special dividend	1,000	-

17. Interested Person Transactions

The Company has not obtained a general mandate from shareholders for interested person transactions. The Company did not have any interested person transactions during the period under review (excluding transactions less than \$100,000).

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(13) 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
Bong Boon Hean	33	Cousin of Dorcas Teo Ling Ling, Chief Executive Officer, Nordic Flow Control Pte Ltd	Senior Manager, Project & Conversion Bong Boon Hean was promoted to this position in 2013. He leads, oversees project and conversion teams located both in Singapore and China.	N.A.

BY ORDER OF THE BOARD

**CHANG YEH HONG
CHAIRMAN
27 FEBRUARY 2015**