



COLEX HOLDINGS LIMITED AND ITS SUBSIDIARIES
Company Registration No. 197101485G

Unaudited Full Year Financial Statement And Dividend Announcement for the Year Ended 31 December 2014

This announcement has been prepared by Colex Holdings Limited (the "Company") and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of 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 accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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

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

	<u>Group</u>		
	<u>Unaudited</u>	<u>Audited</u>	
	<u>Financial year ended</u>		<u>Increase/</u>
	<u>31/12/2014</u>	<u>31/12/2013</u>	<u>(decrease)</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>
Revenue	58,707	52,631	11.5
Other income	1,265	929	36.2
Changes in inventories and consumables used	(1,599)	(1,480)	8.0
Staff costs	(24,576)	(21,088)	16.5
Depreciation expenses	(2,651)	(1,908)	38.9
Other operating expenses	(26,230)	(25,909)	1.2
Finance costs	(103)	(41)	151.2
Profit before taxation	4,813	3,134	53.6
Taxation	(556)	(406)	36.9
Profit for the year	4,257	2,728	56.0
Profit for the year	4,257	2,728	56.0
Other comprehensive income after tax	-	-	-
Total comprehensive income	4,257	2,728	56.0
Total comprehensive income attributable to:			
Equity holders of the Company	4,257	2,728	56.0
Non-controlling interests	-	-	-
Total comprehensive income	4,257	2,728	56.0

Explanatory notes:

		Group	
		Financial year ended	
		31/12/2014	31/12/2013
		S\$'000	S\$'000
Note 1 (a)(i)	Other income		
	Interest income	-	2
	Gain on disposal of property, plant and equipment	46	127
	Rental income	29	96
	Late payment charges received from SP Services	24	25
	Skill development fund grant	94	153
	Write back of unclaimed wages	-	8
	Special employment credit	927	436
	Other miscellaneous income	145	82
		<u>1,265</u>	<u>929</u>
Note 1 (a)(ii)	Impairment of trade receivables		
	Balance at beginning of the year	94	46
	Allowance made	85	75
	Bad debt written off	(27)	(27)
	Balance at end of the year	<u>152</u>	<u>94</u>

The allowance for impairment is made on inactive trade receivables which are overdue for more than 3 months. Specific allowance may also be written off when the debt is irrecoverable.

Note 1 (a)(iii) The tax expense for the financial year ended 31 December 2014 ("FY2014") was higher due to the increase in profit before taxation.

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

		Group		Company	
		Unaudited	Audited	Unaudited	Audited
		31/12/2014	31/12/2013	31/12/2014	31/12/2013
		S\$'000	S\$'000	S\$'000	S\$'000
Assets					
Non-Current Assets					
	Property, plant and equipment	21,087	17,628	-	-
	Subsidiaries	-	-	4,489	4,489
		<u>21,087</u>	<u>17,628</u>	<u>4,489</u>	<u>4,489</u>

	<u>Group</u>		<u>Company</u>	
	<u>Unaudited</u> <u>31/12/2014</u> S\$'000	<u>Audited</u> <u>31/12/2013</u> S\$'000	<u>Unaudited</u> <u>31/12/2014</u> S\$'000	<u>Audited</u> <u>31/12/2013</u> S\$'000
Current Assets				
Inventories	78	57	-	-
Trade and other receivables	9,179	8,630	10,093	9,961
Deposits	197	248	-	17
Prepayments	312	394	8	9
Cash and cash equivalents	6,645	7,429	931	1,188
	<u>16,411</u>	<u>16,758</u>	<u>11,032</u>	<u>11,175</u>
Total assets	<u>37,498</u>	<u>34,386</u>	<u>15,521</u>	<u>15,664</u>
Equity and Liabilities				
Capital and reserves				
Share capital	14,524	14,524	14,524	14,524
Retained profits	9,839	6,245	710	821
Total equity	<u>24,363</u>	<u>20,769</u>	<u>15,234</u>	<u>15,345</u>
Non-Current Liabilities				
Deferred income tax liabilities	818	881	-	-
Obligation under finance leases	2,009	4,730	-	-
Provisions for reinstatement costs	740	-	-	-
	<u>3,567</u>	<u>5,611</u>	<u>-</u>	<u>-</u>
Current Liabilities				
Trade and other payables	5,929	4,725	239	279
Obligation under finance leases	3,173	2,978	-	-
Accrual for directors' fees	40	40	40	40
Current tax payable	426	263	8	-
	<u>9,568</u>	<u>8,006</u>	<u>287</u>	<u>319</u>
Total equity and liabilities	<u>37,498</u>	<u>34,386</u>	<u>15,521</u>	<u>15,664</u>

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

	<u>Unaudited</u>		<u>Audited</u>	
	<u>31/12/2014</u> Secured S\$'000	<u>31/12/2014</u> Unsecured S\$'000	<u>31/12/2013</u> Secured S\$'000	<u>31/12/2013</u> Unsecured S\$'000
Amount repayable in one year or less	<u>3,173</u>	<u>-</u>	<u>2,978</u>	<u>-</u>
Amount repayable after one year	<u>2,009</u>	<u>-</u>	<u>4,730</u>	<u>-</u>

Details of any collateral

The Group's Obligations under finance leases amounting S\$5.182 million as at 31 December 2014 (31 December 2013: S\$7.708 million) are secured by the Group's refuse vehicles and equipments with carrying amount of S\$7.888 million (31 December 2013: S\$9.323 million).

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

	<u>Group</u>	
	<u>Unaudited</u>	<u>Audited</u>
	<u>Financial year ended</u>	
	<u>31/12/2014</u>	<u>31/12/2013</u>
	S\$'000	S\$'000
Cash Flows from Operating Activities		
Profit before taxation	4,813	3,134
Adjustments for:		
Depreciation of property, plant and equipment	2,651	1,908
Property, plant and equipment written off	58	38
Interest expenses on finance leases	103	41
Gain on disposal of property, plant and equipment	(46)	(127)
Interest income	-	(2)
Operating profit before working capital changes	7,579	4,992
Increase in inventories	(21)	(29)
(Increase)/Decrease in operating receivables	(416)	352
Increase in operating payables	1,204	926
Cash generated from operations	8,346	6,241
Interest income received	-	2
Net income tax paid	(456)	(279)
Net cash generated from operating activities	7,890	5,964
Cash Flows from Investing Activities		
Proceeds from disposal of property, plant and equipment	274	136
Acquisition of property, plant and equipment	(5,074)	(5,806)
Net cash used in investing activities	(4,800)	(5,670)
Cash Flows from Financing Activities		
Repayment of finance lease liabilities	(3,108)	(1,228)
Interest paid on finance lease liabilities	(103)	(41)
Payment of dividend	(663)	(663)
Net cash used in financing activities	(3,874)	(1,932)
Net decrease in cash and cash equivalents	(784)	(1,638)
Cash and cash equivalents at beginning of the year	7,429	9,067
Cash and cash equivalents at the end of the year (Note A)	6,645	7,429

Note A

Cash and cash equivalents in the above consolidated statement of cash flows comprise the following statement of financial position amounts:

	Group	
	Unaudited	Audited
	31/12/2014	31/12/2013
	S\$'000	S\$'000
Fixed deposits	1,000	-
Cash and bank balances	5,645	7,429
Cash and cash equivalents	6,645	7,429

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.**

The Group	Share	Retained	Total
(Unaudited)	capital	profits	S\$'000
	S\$'000	S\$'000	S\$'000
Balance at 1 January 2014	14,524	6,245	20,769
Total comprehensive income	-	4,257	4,257
Dividends for year ended 31 December 2013			
- tax-exempt (one-tier) final dividend of S\$0.005 per share	-	(663)	(663)
Balance at 31 December 2014	14,524	9,839	24,363
(Audited)			
Balance at 1 January 2013	14,524	4,180	18,704
Total comprehensive income	-	2,728	2,728
Dividends for year ended 31 December 2012			
- tax-exempt (one-tier) final dividend of S\$0.005 per share	-	(663)	(663)
Balance at 31 December 2013	14,524	6,245	20,769

The Company (Unaudited)	Share capital S\$'000	Retained profits S\$'000	Total S\$'000
Balance at 1 January 2014	14,524	821	15,345
Total comprehensive income	-	552	552
Dividends for year ended 31 December 2013			
- tax-exempt (one-tier) final dividend of S\$0.005 per share	-	(663)	(663)
Balance at 31 December 2014	<u>14,524</u>	<u>710</u>	<u>15,234</u>
(Audited)			
Balance at 1 January 2013	14,524	1,328	15,852
Total comprehensive income	-	156	156
Dividends for year ended 31 December 2012			
- tax-exempt (one-tier) final dividend of S\$0.005 per share	-	(663)	(663)
Balance at 31 December 2013	<u>14,524</u>	<u>821</u>	<u>15,345</u>

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.

There was no change in the Company's share capital since 30 June 2014 up to 31 December 2014. The Company did not have treasury shares or any outstanding convertibles shares as at 31 December 2014 and 31 December 2013.

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.

Total number of issued shares of the Company as at 31 December 2014 and 31 December 2013 was 132,522,560. The Company did not have any treasury shares as at 31 December 2014 and 31 December 2013.

1 (d)(iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable. The Company did not have treasury shares during and as at the end of FY2014.

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 Company's 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.

Save as disclosed in paragraph 5 below, the same accounting policies and methods of computation as in the most recently audited annual financial statements for the financial year ended 31 December 2013 ("**FY2013**") have been applied for the preparation of FY2014 results.

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.

The Group has adopted all new/revised Financial Reporting Standards ("**FRS**") and Interpretations of FRS ("**INT FRS**") that were relevant to its operations and are effective for financial periods beginning on or after 1 January 2014.

The adoption of these new/revised FRS and INT FRS did not result in any substantial changes to the Group's accounting policies and has no significant impact on the Group's financial statements for the financial year ended 31 December 2014.

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.

	<u>Group</u>	
	<u>Unaudited</u>	<u>Audited</u>
	<u>Financial year ended</u>	
	<u>31/12/2014</u>	<u>31/12/2013</u>
Based on weighted average number of ordinary shares in issue (Singapore cents)	3.21	2.06
On a fully diluted basis (Singapore cents)	3.21	2.06

As there were no potentially dilutive ordinary shares as at the end of the respective financial years above, the basic and diluted earnings per share are the same.

7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares (excluding treasury shares) of the issuer at the end of the:- (a) current financial period reported on; and (b) immediately preceding financial year.

	<u>Group</u>		<u>Company</u>	
	<u>Unaudited</u>	<u>Audited</u>	<u>Unaudited</u>	<u>Audited</u>
	<u>31/12/2014</u>	<u>31/12/2013</u>	<u>31/12/2014</u>	<u>31/12/2013</u>
Net asset value per ordinary share (Singapore cents)	18.38	15.67	11.50	11.58

A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Income Statement

Group revenue for FY2014 increased by S\$6.076 million or 11.5% to S\$58.707 million from S\$52.631 million for FY2013. Revenue from the waste disposal segment increased by S\$2.926 million or 9.5% to S\$33.854 million in FY2014 from S\$30.928 million in FY2013. Revenue from the contract cleaning segment increased by S\$3.150 million or 14.5% to S\$24.853 million in FY2014 from S\$21.703 million in FY2013. The increase in revenue was due mainly to the rollover effects of existing contracts at higher value and new contracts secured by the Group during the financial year reported on.

Group operating profit before tax in FY2014 was S\$4.813 million, an increase of S\$1.679 million or 53.6% from S\$3.134 million in FY2013. This was attributable mainly to the higher revenue and an increase in other income by S\$0.336 million or 36.2% from S\$0.929 million in FY2013 to S\$1.265 million in FY2014. Increase in other income was due mainly to special employment credits; partially offset by the increases in (i) changes in inventories and consumables used of S\$0.119 million; (ii) staff costs of S\$3.488 million; (iii) depreciation expenses of S\$0.743 million and (iv) finance costs of S\$0.062 million. The increase in changes in inventories and consumables used was due mainly to more toiletries used by the contract cleaning segment. The higher staff costs were due mainly to increase in wage related costs and headcount. The higher depreciation expenses were due mainly to the depreciation charges for the single-storey detached factory and material recovery facility at 8 Tuas South Street 13. The higher finance costs were due to higher interest paid on vehicles and equipment under finance leases.

Statement of Financial Position

Non-current assets (comprising property, plant and equipment) were S\$21.087 million as at 31 December 2014, representing an increase of S\$3.459 million from S\$17.628 million as at 31 December 2013 mainly due to the erection of the single-storey detached factory and material recovery facility at 8 Tuas South Street 13.

Current assets (comprising inventories, trade and other receivables, deposits, prepayments and cash and cash equivalents) were S\$16.411 million as at 31 December 2014, representing a decrease of S\$0.347 million from S\$16.758 million as at 31 December 2013. This was mainly due to a decrease in (i) cash and cash equivalents of S\$0.784 million as a result of the cash utilised for the aforesaid factory and material recovery facility and payment of dividend; and (ii) deposits and prepayments of S\$0.133 million; partially offset by the increase in trade and other receivables of S\$0.549 million which was in line with the higher revenue achieved.

Non-current liabilities (comprising deferred income tax liabilities, obligation under finance leases and provisions for reinstatement costs) were S\$3.567 million as at 31 December 2014, a decrease of S\$2.044 million from S\$5.611 million as at 31 December 2013, mainly due to the decreases in (i) obligation under finance leases of S\$2.721 million; (ii) deferred income tax liabilities of S\$0.063 million mainly due to provision in respect of prior year adjustment; partially offset by the provisions of S\$0.740 million in relation to the reinstatement costs of the lease at 8 Tuas South Street 13.

Current liabilities (comprising trade and other payables, obligation under finance leases, accrual for directors' fees and current tax payable) were S\$9.568 million as at 31 December 2014, an increase of S\$1.562 million from S\$8.006 million as at 31 December 2013. This was mainly due to the increases in (i) trade and other payables of S\$1.204 million, in line with the increase in Group's business; (ii) obligation under finance leases of S\$0.195 million in relation to the acquisition of some vehicles; and (iii) current tax payable of S\$0.163 million mainly due to higher profit generated in FY2014.

The Group had a positive working capital of S\$6.843 million as at 31 December 2014 as compared to S\$8.752 million as at 31 December 2013.

Statement of Cash Flows

The Group had cash and cash equivalents amounting to S\$6.645 million as at 31 December 2014, as compared to S\$7.429 million as at 31 December 2013.

Net decrease in cash and cash equivalents of S\$0.784 million for FY2014 was mainly as a result of S\$5.074 million for the payment of aforesaid factory and material recovery facility, dividend payment of S\$0.663 million and repayment of finance leases liabilities of S\$3.211 million; partly offset by the net cash generated from operating activities of S\$7.890 million.

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

No forecast or prospect statement was previously disclosed.

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.

The outlook for the financial year ending 31 December 2015 will continue to be challenging due to the uncertain global economic environment. Recruitment of local manpower in the near future will remain challenging. We will continue to enhance our productivity to alleviate the manpower crunch. The Group will continue to enhance its competitiveness through cost savings measures without compromising on providing quality services.

The Group's wholly-owned subsidiary, Colex Environmental Pte Ltd has completed the installation and commenced the usage of the material recovery facility in December 2014. The material recovery facility is used for sorting the recyclables from the industrial, commercial and public waste collection businesses. This is in line with our aim to increase the recycling rate to complement the overall profitability of the Group.

11 Dividend

(a) Current Financial Period Reported On

The Directors are pleased to recommend a tax exempt one-tier first and final dividend of Singapore cents 0.5 per share in respect of FY2014 for approval by shareholders at the forthcoming annual general meeting to be convened ("AGM").

Name of Dividend	First and final
Dividend Type	Cash
Dividend Amount per share (in Singapore cents)	0.5
Tax Rate	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

Name of Dividend	First and final
Dividend Type	Cash
Dividend Amount per share (in Singapore cents)	0.5
Tax Rate	Exempt (one-tier)

(c) Date payable

The first and final dividend, if approved by shareholders at the forthcoming AGM, will be paid on 15 May 2015.

(d) Books closure date

Notice is hereby given that subject to the approval of shareholders to the first and final dividend being obtained at the forthcoming AGM, the transfer book and register of members of the Company will be closed on 6 May 2015 after 5.00 p.m., for the purpose of determining shareholders' entitlements to the proposed first and final dividend. Duly completed transfers received by the Company's share registrar, KCK CorpServe Pte Ltd at 333 North Bridge Road, #08-00, KH KEA Building, Singapore 188721, up to 5.00 p.m. on 6 May 2015 will be registered before entitlements to the dividend are determined. Members whose securities accounts with The Central Depository (Pte) Limited are credited with shares of the Company as at 5.00 p.m. on 6 May 2015 will be entitled to such proposed dividend.

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

Not applicable.

13 Interested Person Transactions

The Company has obtained a general mandate from its shareholders for interested person transactions at the extraordinary general meeting held on 17 April 2013 (the "IPT Mandate"). Save as disclosed below, there is no other interested person transaction entered into during FY2014:

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
Goldvein Pte Ltd	\$56,356	\$233,041
Allsland Pte Ltd	\$49,777	\$180,250
Richvein Pte Ltd	-	\$721,310

Part II

ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

14

Segmented revenue and results for operating 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.

STATEMENT OF OPERATIONS BY SEGMENTS	Waste disposal S\$'000	Contract cleaning S\$'000	Others S\$'000	Eliminations S\$'000	Total S\$'000
The Group					
2014					
Revenue					
External sales	33,854	24,853	-	-	58,707
Inter-segment sales	44	-	0	(44)	-
	-	-	800	(800)	-
Total revenue	<u>33,898</u>	<u>24,853</u>	<u>800</u>	<u>(844)</u>	<u>58,707</u>
Result					
Segment result	2,030	3,126	560	(800)	4,916
Interest expense	(103)	-	-	-	(103)
Profit before taxation	<u>1,927</u>	<u>3,126</u>	<u>560</u>	<u>(800)</u>	<u>4,813</u>
Taxation					(556)
Profit after taxation from ordinary activities					<u>4,257</u>
The Group					
2013					
Revenue					
External sales	30,928	21,703	-	-	52,631
Inter-segment sales	62	-	-	(62)	-
Total revenue	<u>30,990</u>	<u>21,703</u>	<u>-</u>	<u>(62)</u>	<u>52,631</u>
Result					
Segment result	1,832	2,141	-	(800)	3,173
Interest income	2	-	-	-	2
Interest expense	(41)	-	-	-	(41)
Profit before taxation	<u>1,793</u>	<u>2,141</u>	<u>-</u>	<u>(800)</u>	<u>3,134</u>
Taxation					(406)
Profit after taxation from ordinary activities					<u>2,728</u>

Others - Operations in this segment include mainly the investment holding companies, namely Colex Holdings Ltd and Claridges Pte Ltd.

The Group operates solely in Singapore.

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

Please refer to Paragraph 8.

16 A breakdown of sales.

	<u>Group</u>		<u>Increase/ (decrease)</u>
	<u>Financial year ended</u>	<u>31/12/2013</u>	
	<u>31/12/2014</u>	<u>31/12/2013</u>	
	S\$'000	S\$'000	%
(a) Sales reported for first half financial year	28,453	25,484	11.7
(b) Operating profit after tax before deducting minority interests reported for first half financial year	2,308	1,444	59.8
(c) Sales reported for second half financial year	30,254	27,147	11.4
(d) Operating profit after tax before deducting minority interests reported for second half financial year	1,949	1,284	51.8

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

	<u>Latest Full Year</u>	<u>Previous Full Year</u>
	S\$'000	S\$'000
Ordinary shares - First and final	663	663

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.

There is no person occupying a managerial position in the Company and/or its subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company and/or its subsidiaries as at 31 December 2014 pursuant to Rule 704(10) of the Catalist Rules.

BY ORDER OF THE BOARD

Foo Soon Soo
Company Secretary
23 February 2015