



FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

*This announcement has been prepared by 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, 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 FULL YEAR RESULTS ANNOUNCEMENTS

- 1(a)(i) 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

Consolidated Income Statement and Consolidated Statement of Comprehensive Income (FY2014 vs FY2013)

	FY2014 (Unaudited) S\$'000	FY2013 (Audited) S\$'000	Increase/ (Decrease) %
Revenue	63,701	31,528	102.0
Cost of sales	(49,015)	(26,053)	88.1
Gross profit	14,686	5,475	168.2
Other income	552	1,410	(60.9)
Administrative expenses	(9,485)	(6,329)	49.9
Finance costs	(481)	(385)	24.9
Profit before tax	5,272	171	2,983
Income tax (expense)/credit	(29)	206	N/M
Profit net of tax	5,243	377	1,290.7
<u>Other comprehensive income, net of tax -</u>			
Foreign currency translation	(25)	(42)	(40.5)
Total comprehensive income	5,218	335	1,457.6
Profit net of tax attributable to:			
Owners of the Company	5,318	521	920.7
Non-controlling interests	(75)	(144)	(47.9)
	5,243	377	1,290.7
Total comprehensive income attributable to:			
Owners of the Company	5,293	479	1,005
Non-controlling interests	(75)	(144)	(47.9)
	5,218	335	1,457.6

N/M – Not meaningful

1(a)(ii) Notes to Consolidated Statement of Comprehensive Income

Profit for the year is stated after charging/(crediting):

	FY2014	FY2013	Increase/
	(Unaudited)	(Audited)	(Decrease)
	S\$'000	S\$'000	%
Allowance for doubtful debts	661	749	(11.7)
Write back of allowance of doubtful debts	(16)	(121)	86.8
Provision for impairment of contract work-in-progress	435	293	48.4
Depreciation of fixed assets	441	341	29.3
Gain on disposal of non-current assets held for sale	-	(210)	N/M
Loss on disposal of property, plant and equipment	61	98	(37.8)

N/M – Not meaningful

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

Consolidated Statement of Financial Position	Group		Company	
	31 Dec 2014 Unaudited S\$'000	31 Dec 2013 Audited S\$'000	31 Dec 2014 Unaudited S\$'000	31 Dec 2013 Audited S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	19,864	2,258	16,483	-
Goodwill	-	42	-	-
Investment in subsidiaries	-	-	12,634	11,644
	<u>19,864</u>	<u>2,300</u>	<u>29,117</u>	<u>11,644</u>
Current assets				
Gross amount due from customers for contract work-in-progress	15,248	10,042	-	-
Inventories	1,706	1,318	-	-
Prepaid operating expenses	227	219	43	6
Trade and other receivables	9,466	5,995	1,742	1,206
Cash and cash equivalents	10,389	3,446	2,163	1,411
	<u>37,036</u>	<u>21,020</u>	<u>3,948</u>	<u>2,623</u>
Total assets	<u>56,900</u>	<u>23,320</u>	<u>33,065</u>	<u>14,267</u>
EQUITY AND LIABILITIES				
Current liabilities				
Gross amount due to customers for contract work-in-progress	167	146	-	-
Trade and other payables	10,198	6,113	1,163	181
Other liabilities	5,429	1,916	237	179
Loans and borrowings	10,912	3,878	714	-
Income tax payable	71	36	-	-
	<u>26,777</u>	<u>12,089</u>	<u>2,114</u>	<u>360</u>
Net current assets	<u>10,259</u>	<u>8,931</u>	<u>1,834</u>	<u>2,263</u>
Non-current liabilities				
Loans and borrowings	12,319	369	12,086	-
Deferred tax liabilities	-	5	-	-
	<u>12,319</u>	<u>374</u>	<u>12,086</u>	<u>-</u>
Total liabilities	<u>39,096</u>	<u>12,463</u>	<u>14,200</u>	<u>360</u>
Net assets	<u>17,804</u>	<u>10,857</u>	<u>18,865</u>	<u>13,907</u>
Equity attributable to owners of the Company				
Share capital	17,393	14,576	17,393	14,576
Foreign currency translation reserve	(35)	(10)	-	-
Premium paid on acquisition of non-controlling interests	(355)	-	-	-
Merger reserves	(7,442)	(7,442)	-	-
Retained earnings	8,243	3,723	1,472	(669)
Equity attributable to owners of the Company	<u>17,804</u>	<u>10,847</u>	<u>18,865</u>	<u>13,907</u>
Non-controlling interests ("NCI")	-	10	-	-
Total equity	<u>17,804</u>	<u>10,857</u>	<u>18,865</u>	<u>13,907</u>
Total equity and liabilities	<u>56,900</u>	<u>23,320</u>	<u>33,065</u>	<u>14,267</u>

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 (Unaudited)		As at 31 December 2013 (Audited)	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
10,912	-	3,878	-

Amount repayable after one year

As at 31 December 2014 (Unaudited)		As at 31 December 2013 (Audited)	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
12,319	-	369	-

Details of any collateral

Obligations under finance leases are secured over the leased assets. Trade facilities and bank borrowings are secured by corporate guarantees from the Company.

- 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

Consolidated Statement of Cash Flows

	Group	
	FY2014 Unaudited S\$'000	FY2013 Audited S\$'000
Cash flows from operating activities		
Profit before tax	5,272	171
<u>Adjustments:</u>		
Depreciation of property, plant and equipment	441	341
Allowance for doubtful trade receivables	661	749
Write-back of allowance for doubtful debts	(16)	(121)
Loss on disposal of property, plant and equipment	61	98
Impairment of goodwill	42	-
Gain on disposal of non-current assets held for sale	-	(210)
Impairment of gross amount due from customers for contract work-in-progress	435	293
Finance costs	481	385
Translation difference	(25)	(42)
Operating cash flows before working capital changes	7,352	1,664
<u>Changes in working capital:</u>		
Increase in gross amount due from customers for contract work-in-progress	(5,641)	(1,182)
Increase in inventories	(388)	(616)
Increase in prepaid operating expenses	(8)	(34)
Increase in trade and other receivables	(4,116)	(277)
Increase in gross amount due to customers for contract work-in-progress	21	146
Increase/(decrease) in trade and other payables	4,085	(802)
Increase in other liabilities	3,513	741
Cash flows generated from/(used in) operations	4,818	(360)
Interest paid	(481)	(385)
Income tax refund/(paid)	1	(24)
Net cash flows generated from/(used in) operating activities	4,338	(769)
Cash flows from investing activities		
Acquisition of non-controlling interests	(290)	58
Purchase of property, plant and equipment	(17,806)	(826)
Proceeds from disposal of property, plant and equipment	1	1,009
Dividend paid	(798)	-
Net cash flows (used in)/generated from investing activities	(18,893)	241
Cash flows from financing activities		
Proceeds from loans and borrowings	43,353	14,254
Repayments of loans and borrowings	(24,672)	(18,409)
Proceeds from issuance of new ordinary shares	2,817	-
Net cash flows generated from/(used in) financing activities	21,498	(4,155)
Net increase/(decrease) in cash and cash equivalents	6,943	(4,683)
Cash and cash equivalents at 1 January	3,446	8,129
Cash and cash equivalents at 31 December	10,389	3,446

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

	< ----- Attributable to owners of the Company ----- >							
	Share capital	Foreign currency translation Reserve	Merger reserve	Premium on acquisition of Non-Controlling interests	Retained earnings	Equity attributable to owners of the Company	Non-Controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group (Unaudited)								
Balance as at 1 January 2014	14,576	(10)	(7,442)	-	3,723	10,847	10	10,857
Profit/(loss) for the financial year	-	-	-	-	5,318	5,318	(75)	5,243
<u>Other comprehensive income</u>								
Foreign currency translation	-	(25)	-	-	-	(25)	-	(25)
Total comprehensive income for the financial year	-	(25)	-	-	5,318	5,293	(75)	5,218
Issuance of new ordinary shares pursuant to placement shares	3,000	-	-	-	-	3,000	-	3,000
Share issuance expense	(183)	-	-	-	-	(183)	-	(183)
Dividends	-	-	-	-	(798)	(798)	-	(798)
Acquisition of non-controlling interests	-	-	-	(355)	-	(355)	65	(290)
Balance as at 31 December 2014	17,393	(35)	(7,442)	(355)	8,243	17,804	-	17,804
Group (Audited)								
Balance as at 1 January 2013	14,576	32	(7,442)	-	3,202	10,368	-	10,368
Profit/(loss) for the financial year	-	-	-	-	521	521	(144)	377
<u>Other comprehensive income</u>								
Foreign currency translation	-	(42)	-	-	-	(42)	-	(42)
Total comprehensive income for the financial year	-	(42)	-	-	521	479	(144)	335
Acquisition of a subsidiary	-	-	-	-	-	-	154	154
Balance as at 31 December 2013	14,576	(10)	(7,442)	-	3,723	10,847	10	10,857
Company (Unaudited)								
Balance as at 1 January 2014	14,576	-	-	-	(669)	13,907	-	13,907
Total comprehensive income for the financial year	-	-	-	-	2,939	2,939	-	2,939
Issuance of new ordinary shares pursuant to placement shares	3,000	-	-	-	-	3,000	-	3,000
Share issuance expense	(183)	-	-	-	-	(183)	-	(183)
Dividends	-	-	-	-	(798)	(798)	-	(798)
Balance as at 31 December 2014	17,393	-	-	-	1,472	18,865	-	18,865

Company (Audited)

Balance as at 1 January 2013	14,576	-	-	-	(1,071)	13,505	-	13,505
Total comprehensive income for the financial year	-	-	-	-	402	402	-	402
Balance as at 31 December 2013	14,576	-	-	-	(699)	13,907	-	13,907

- 1(d)(ii) Details of any changes in the company's share capital arising from right 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 of the issuer, if any, against 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.

The Company had on 13 October 2014 completed a placement of 15,000,000 new ordinary shares in the capital of the Company (the "2014 Placement").

	Company	
	Number of Shares	Share Capital (S\$)
Issued and fully paid:		
As at 1 July 2014	99,724,000	14,576,304
Issuance of shares in connection with the 2014 Placement	15,000,000	3,000,000
Less: Expenses for the 2014 Placement	-	(183,000)
As at 31 December 2014	114,724,000	17,393,304

There were no outstanding options, convertibles or treasury shares as at 31 December 2014 and 31 December 2013.

- 1(d)(iii) To show the 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

	Company 31 Dec 2014	Company 31 Dec 2013
Total number of issued shares excluding treasury shares	<u>114,724,000</u>	<u>99,724,000</u>

There were no 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 the financial year ended 31 December 2014.

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 independent 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 financial statements for the current financial year reported on had been prepared using the same accounting policies and methods of computation applied by the Group in its most recently audited financial statements for the financial year ended 31 December 2013, except as disclosed in paragraph 5 below.

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 the new and revised Singapore Financial Reporting Standards ("FRS") and Interpretations of Financial Reporting Standards ("INT FRS") that are relevant to its operations and are effective for the financial periods beginning on or after 1 January 2014. The adoption of these new and revised FRS and INT FRS did not result in substantial changes to the Group's accounting policies and methods of computation and had no material impact to the Group's financial statements for the current financial year ended 31 December 2014 or prior financial years.

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**

	Group	
	FY2014 Unaudited	FY2013 Audited
Profit attributable to owners of the Company (\$'000)	5,318	521
Weighted average number of ordinary shares in issue	102,970,575	99,724,000
Basic and diluted earnings per ordinary share ("EPS")(Singapore cents)	5.16	0.52

The basic and diluted EPS for the respective financial years are computed based on the profit attributable to the owners of the Company and the weighted average of the Company's ordinary shares in issue during the respective financial years.

The basic and diluted EPS are the same as there were no potentially dilutive ordinary shares in issue during and as at the end of the respective financial years.

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**

	Group		Company	
	31 Dec 2014 (Unaudited)	31 Dec 2013 (Audited)	31 Dec 2014 (Unaudited)	31 Dec 2013 (Audited)
Net asset value per ordinary share based on issued share capital (Singapore cents)	15.52	10.89	16.44	13.95
Number of issued shares	114,724,000	99,724,000	114,724,000	99,724,000

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; 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.

(i) **Review of the Group's income statement (FY2014 vs FY2013)**

The Group's total revenue increased by S\$32.17 million or 102.0%, from S\$31.53 million in FY2013 to S\$63.70 million in FY2014.

This increase was attributable to 1) higher revenue from the mechanical and electrical engineering (M&E) segment of S\$28.45 million or 161.80% from S\$17.58 million in FY2013 to S\$46.03 million in FY2014, primarily due to higher order intakes, 2) higher revenue from the manufacturing segment of S\$2.26 million or 16.21% from S\$13.95 million in FY2013 to S\$16.21 million in FY2014, primarily due to increased sales to external customers and re-sale of coils in FY2014, and 3) maiden revenue contribution from the building and construction solutions segment of S\$1.46 million in FY2014.

Our Group's gross profit of S\$14.69 million in FY2014 was higher when compared to S\$5.48 million in FY2013, mainly due to 1) an increase of S\$9.19 million in gross profit from the M&E segment arising from improved project execution and productivity, and 2) an increase of S\$0.30 million from the manufacturing segment due to above-mentioned increased sales to external customers and re-sale of coils. This increase was partially offset by a gross loss of S\$0.21 million recorded by the building and construction solutions segment due to initial start-up loss comprising mainly direct staff cost.

Other income decreased by S\$0.86 million from S\$1.41 million in FY2013 to S\$0.55 million in FY2014 mainly due to a decrease in (i) write-back of allowance for doubtful debts of S\$0.10 million and (ii) scrap sale of S\$0.55 million, and the one-off gain on disposal of freehold land of S\$0.21 million in FY2013.

Administrative expenses increased by S\$3.16 million or 49.9% from S\$6.33 million in FY2013 to S\$9.49 million in FY2014. This was mainly attributable to 1) start-up cost in the building and construction solutions segment of S\$0.90 million, 2) an increase in the provision for impairment of contract work-in-progress of S\$0.14 million, and 3) an increase of S\$2.12 million in higher employees' salaries and wages due to annual salaries adjustment, headcount increase and related administrative expenses such as recruitment, advertising and IT expenses, in line with business growth.

Finance costs increased by S\$0.10 million from S\$0.38 million in FY2013 to S\$0.48 million in FY2014, mainly due to increased project financing utilised by the Group in FY2014.

The Group's profit before tax in FY2014 was S\$5.27 million, as compared to profit before tax of S\$0.17 million in FY2013.

Tax expenses in FY2014 amounted to S\$0.03 million as compared to an income tax credit of S\$0.21 million in FY2013 due to an overprovision pertaining to prior years which was reversed in FY2013.

(ii) **Review of the Group's financial position**

Non-Current Assets

Non-current assets increased by S\$17.56 million to S\$19.86 million as at 31 December 2014 from S\$2.30 million as at 31 December 2013. The increase was mainly due to 1) the purchase of a factory at a cost of S\$16.48 million at 53 Loyang Drive, the addition of plant and equipment of around S\$1.62 million at cost, partially offset by the disposal of fixed assets of around S\$0.06 million at net book value and depreciation charges of approximately S\$0.44 million incurred in FY2014, and 2) partially offset by the write off of a goodwill of S\$0.04 million arising from the acquisition of a new subsidiary in FY2014.

The increase in depreciation expenses of S\$0.10 million in FY2014 was mainly due to the purchase of plant and equipment.

Current Assets

As at 31 December 2014, current assets stood at S\$37.04 million. This was an increase of S\$16.02 million when compared to S\$21.02 million as at 31 December 2013 due to the following:

- An increase in cash and bank balances of S\$6.94 million mainly due to improved risk management and collection strategy;
- An increase in gross amount due from customers for contract work-in-progress of S\$5.21 million from higher order intakes;
- An increase in trade and other receivables of S\$3.47 million due to increased sales; and
- An increase in inventories holding of S\$0.39 million.

Current Liabilities

As at 31 December 2014, current liabilities stood at S\$26.78 million, which represented an increase of S\$14.69 million when compared to S\$12.09 million as at 31 December 2013. This increase was mainly due to:

- An increase in loans and borrowings of S\$7.04 million mainly due to new financing of S\$0.71 million for the purchase of a factory at 53 Loyang Drive, increase in factoring and trade financing of S\$5.41 million due to increase in projects secured, increase in working capital loan of S\$0.76 million and increase in hire purchase for the purchase of plant and machinery and motor vehicles amounting to S\$0.16 million;
- An increase in other liabilities of S\$3.51 million mainly due to increase in subcontractors' invoices from increased project activities;
- An increase in trade and other payables of S\$4.08 million due to decrease in payment to vendors as part of working capital management; and
- Higher income tax payable of S\$0.04 million.

Non-Current Liabilities

As at 31 December 2014, non-current liabilities increased by S\$11.95 million to S\$12.32 million from S\$0.37 million as at 31 December 2013, mainly due to a property loan which was secured for the purchase of the factory at 53 Loyang Drive.

Equity attributable to owners of the Company

Equity attributable to owners of the Company amounted to S\$17.80 million as at 31 December 2014, which reflected an increase of S\$6.96 million when compared to S\$10.85 million as at 31 December 2013.

The Group has a positive working capital of S\$10.26 million as at 31 December 2014, compared to S\$8.93 million as at 31 December 2013.

Review of Group's Cash Flow

In FY2014, the net cash flows generated from operating activities amounted to S\$4.34 million mainly due to operating cash flows before working capital changes of S\$7.35 million, adjusted for net working capital outflows of S\$2.53 million, as well as interest paid of S\$0.48 million. The net working capital outflows were mainly due to the increase in gross amount due from customers for contract work-n-progress of S\$5.64 million, the increase in inventories of S\$0.39 million and increase in trade and other receivables of S\$4.12 million, partially offset by the increase in trade and other payables of S\$4.09 million and the increase in other liabilities of S\$3.51 million.

Net cash used in investing activities of S\$18.89 million in FY2014 was mainly attributable to the purchase of property, plant and equipment of S\$17.80 million, acquisition of a non-controlling interest for S\$0.29 million and dividend payment of S\$0.80 million.

Net cash generated from financing activities amounted to S\$21.50 million in FY2014 due to the net proceeds from bank loans and borrowings of S\$18.68 million and issuance of new ordinary shares pursuant to the 2014 Placement of S\$2.82 million.

As at 31 December 2014, the Group's cash and cash equivalents stood at S\$10.39 million.

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

A forecast statement for the financial year ended 31 December 2014 ("FY2014") was disclosed on 23 April 2014 with a follow up clarification announcement made on 25 April 2014.

The Group's FY2014 results are in line with the internal targets for FY2014 in relation to the order book, sales, gross margin and net profit after tax.

The following factors have been taken into consideration in the Company's aforementioned assessment:

1. Secured order book of approximately S\$121 million as at 31 December 2014;
2. An increase in revenue recognition of (i) 161.8% or S\$28.45 million from the M&E segment primarily due to higher order intakes and (ii) 24.8% or S\$3.73 million from the manufacturing segment primarily due to increased sales volume and increased re-sale of coils in FY2014;
3. Attained better margins in secured projects in our M&E services business due to improved project execution and productivity in FY2014;
4. The overall gross profit margin of the Group was in line with the target set for FY2014, due to the improved margins in the M&E business. However, the gross profit margin for our manufacturing business experienced a dip in margin in FY2014 when compared to FY2013, mainly attributable to the rising foreign worker levy and wages, coupled with more competitive pricing contracts as the Group strived to gain market share; and
5. The increase in selling, general and administrative expenses was in line with higher level of activities primarily due to staff expansion, salary increments, higher operating expenses and higher bank financing costs.

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 construction industry outlook remains challenging in the next 12 months with increasing competition and anticipated increase in labour cost. To gain competitive advantage, our Group will continue to focus on building up our strength through continuous innovation and integration strategies.

The M&E business of the Group has successfully obtained a registration from the Building and Construction Authority ("BCA") with a higher BCA grading from L5 category to L6 category for the workhead ME01 (air-conditioning, refrigeration & ventilation works) and ME15 (integrated building services) which would enable the Company to tender for unlimited amount of public government projects under the approval of BCA. The registration will expire on 1 May 2017.

We will continue to manage escalating labour costs through productivity improvement and other cost savings strategies in selling, general and administrative expenses. On a long term basis, our Group will continue seeking potential opportunities to achieve sustainable growth.

With the completed acquisition of the remaining 49% stake in our currently wholly owned subsidiary, Libra Building Construction Pte Ltd, the Group is ready to offer one stop building and construction solutions on building related products and services to our customers. In FY2014, the maiden revenue contribution of S\$1.46 million was recorded from the building and construction solutions segment.

In general, our on-going projects are progressing well as scheduled and they include residential developments work at Canberra Drive/Yishun Avenue 7, Spottiswoode Park Road, Serangoon Avenue 3, Woodgrove Avenue and Amber Road. Recently secured works at Bedok South Avenue, and Jurong Gateway Road are also progressing well as scheduled. One of our government projects in Teaching Facilities at 21 Tampines Avenue 1 was completed on time in Q4 2014.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes

Name of Dividend	Interim
Dividend type	Cash
Dividend amount per ordinary share	0.50 Singapore cents (S\$0.005)
Tax rate	One-tier tax exempt

The interim dividend of 0.50 Singapore cents (S\$0.005) per ordinary share was paid on 8 September 2014.

Name of Dividend	Proposed Final Dividend
Dividend type	Cash
Dividend amount per ordinary share	0.70 Singapore cents (S\$0.007)
Tax rate	One-tier tax exempt

The proposed final dividend is subject to shareholders' approval at the forthcoming annual general meeting. Including the interim dividend of 0.50 Singapore cents per share paid in

September 2014, the total dividends for FY2014 would amount to 1.20 Singapore cents (S\$0.012) per share, an increase of 0.90 Singapore cents (S\$0.009) per share as compared to FY2013.

(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
Dividend type	Cash
Dividend amount per ordinary share	0.30 Singapore cents (S\$0.003)
Tax rate	One-tier tax exempt

(c) Date payable: To be announced at a later date.

(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. If the group has obtained a general mandate from shareholders for interested person transactions ("IPTs"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate for IPTs.

The on-going IPT that is subsisting since the Company's listing on 15 November 2011 is tabulated in the table below. There were no IPTs entered into by the Company during FY2014.

Name of interested person	Aggregate value of all IPTs during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Catalist Rules)	Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 of the Catalist Rules (excluding transactions less than S\$100,000)
Chu Sau Ben ⁽¹⁾	S\$209,000 ⁽²⁾	-

Notes:

- 1) Mr Chu Sau Ben is the Executive Chairman and CEO of the Company.
- 2) Performance bond for electrical work at the Altez project for which Mr Chu Sau Ben is a joint guarantor of.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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.

FY2014 (Unaudited)	M&E	Manufacturing	Building & Construction Solutions	Adjustments, Eliminations & Others	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
REVENUE					
External revenue	46,032	16,206	1,463	-	63,701
Inter-segment	-	2,516	-	(2,516)	-
Total revenue	46,032	18,722	1,463	(2,516)	63,701
RESULTS					
Segment gross profit/(loss)	10,803	3,445	(206)	644	14,686
Segment profit/(loss)	4,931	1,094	(979)	226	5,272
ASSETS					
Trade receivables	3,819	3,897	159	-	7,875
Segment assets	25,406	12,046	948	18,500	56,900
LIABILITIES					
Loans and borrowings	5,791	4,640	-	12,800	23,231
Segment liabilities	18,155	7,562	1,202	12,177	39,096
FY2013 (Audited)	M&E	Manufacturing	Building & Constructions Solutions	Adjustments, Eliminations & Others	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
REVENUE					
External revenue	17,583	13,945	-	-	31,528
Inter-segment	-	1,048	-	(1,048)	-
Total revenue	17,583	14,993	-	(1,048)	31,528
RESULTS					
Segment gross profit	1,612	3,143	-	720	5,475
Segment profit/(loss)	(584)	456	-	299	171
ASSETS					
Trade receivables	2,227	3,405	-	-	5,632
Segment assets	14,332	10,352	-	(1,364)	23,320
LIABILITIES					
Loans and borrowings	1,717	2,530	-	-	4,247
Segment liabilities	10,301	5,971	-	(3,809)	12,463

Geographical segments

Our Group's revenue is derived only in Singapore and as such, it is not meaningful to report the Group's results by geographical segments.

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

	FY2014 (Unaudited) S\$'000	FY2013 (Audited) S\$'000	Increase/(Decrease) %
1st Half			
Sales reported for the 1 st half year	27,928	14,370	94.3
Operating profit/(loss) after tax before deducting minority interests reported for the 1st half year	2,912	903	222.5
2nd Half			
Sales reported for the 2 nd half year	35,773	17,158	108.5
Operating profit/(loss) after tax before deducting minority interests reported for the 2nd half year	2,331	(526)	N/M

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

	FY2014	FY2013
	S\$	S\$
Ordinary	1,301,688	299,172
Total	1,301,688	299,172

The proposed final dividend of 0.70 Singapore cents (S\$0.007) per ordinary share was calculated based on the number of ordinary shares in issue as at 31 December 2014, and is subject to the approval of shareholders at the forthcoming annual general meeting. Including the interim dividend of 0.50 Singapore cents (S\$0.005) per ordinary share which was paid in September 2014, the total annual dividend for FY2014 would amount to S\$1,301,688, an increase of S\$1,002,516 when compared to FY2013.

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.

Pursuant to Rule 704(10) of the Listing Manual Section B: Rules of Catalist of the SGX-ST, we set out below the persons holding managerial positions in the Group who are related to the Directors, Chief Executive Officer or substantial shareholders of the Company or of any of its principal subsidiaries:

Name	Age	Family relationship with any director, CEO &/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
Chu Fai Fong	43	Sister of Executive Chairman and CEO, Chu Sau Ben	Credit Controller (Responsible for the Group customers' credit evaluation and accounts receivable management) from November 2013	No change
Chu Kee Yong	41	Sister of Executive Chairman and CEO, Chu Sau Ben	Assistant Operations Manager (Responsible for the coordination of the sale of ACMV ducts and production planning) from 2009	No change

19. Use of Proceeds

Pursuant to Rule 704(30) of the Catalist Rules, the Company had on 16 February 2015 announced the change in the use of the net proceeds of the 2014 Placement.

Pursuant to the re-allocation, the use of net proceeds as at the date of this announcement is set out below:

Use of net proceeds	Amount allocated pursuant to the re-allocation (S\$)	Amount utilised (S\$)	Amount unutilised (S\$)
General working capital	2,800,000	(2,800,000) ⁽¹⁾	-
Total	2,800,000	(2,800,000)	-

Note:

(1) Utilised for capital expenditure of S\$1 million to purchase machinery and equipment and for making payments to suppliers of S\$0.4 million in the manufacturing business segment, and S\$1.4 million for making payments to suppliers in the M&E business segment.

BY ORDER OF THE BOARD

Chu Sau Ben
Executive Chairman and Chief Executive Officer

Date: 27 February 2015