



**UNAUDITED HALF YEAR FINANCIAL STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015**

*This announcement has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this announcement.*

*This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

*The contact person for the Sponsor is Mr. Tan Chong Huat, Registered Professional, RHT Capital Pte. Ltd., at Six Battery Road #10-01 Singapore 049909, telephone (65) 6381 6757.*

**PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF-YEAR RESULTS**

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

*The Group changed its financial year end from 31 December 2014 to 31 March 2015 as announced on 3 October 2014. Accordingly, the corresponding comparative period used is from 1 January 2014 to 30 June 2014.*

	<b>Group (Unaudited)</b>		<b>Increase/ (Decrease)</b>
	<b>Six months ended 1 Apr 2015 to 30 Sep 2015 S\$'000</b>	<b>1 Jan 2014 to 30 Jun 2014 S\$'000</b>	
			<b>%</b>
<b>Revenue</b>	43,963	11,649	277.4%
Cost of sales	(42,244)	(12,583)	235.7%
<b>Gross profit / (loss)</b>	<b>1,719</b>	<b>(934)</b>	<b>284.0%</b>
Other Income	288	470	(38.7%)
Other gains, net	476	203	134.5%
<b>Expenses:</b>			
Selling and distribution expenses	(475)	(214)	122.0%
Administrative expenses	(4,392)	(2,238)	96.2%
Other expenses	(188)	-	Nm
Finance expenses	(185)	(82)	125.6%
Share of profit of associated company	977	-	Nm
<b>Loss before income tax</b>	<b>(1,780)</b>	<b>(2,795)</b>	<b>(36.3%)</b>
Income tax (expenses) / credit	(172)	2	(8700.0%)
<b>Net loss attributable to equity holders of the Company</b>	<b>(1,952)</b>	<b>(2,793)</b>	<b>(30.1%)</b>
<b>Other comprehensive loss, net of tax:</b>			
Share of comprehensive loss of associated company	(834)	-	Nm
Currency translation differences arising from consolidation	(668)	(810)	(17.5%)
<b>Total comprehensive loss attributable to equity holders of the Company</b>	<b>(3,454)</b>	<b>(3,603)</b>	<b>(4.1%)</b>

Nm : Not Meaningful



1(a)(ii) Notes to statements of comprehensive income

The Group's loss before income tax is arrived at after charging/(crediting):

	Group (Unaudited)		Increase/ (Decrease)
	Six months ended 1 Apr 2015 to 30 Sep 2015 S\$'000	1 Jan 2014 to 30 Jun 2014 S\$'000	
			%
Depreciation on property, plant and equipment	902	1,230	(26.7%)
Amortisation of intangible assets	62	45	37.8%
Loss on disposal of property, plant and equipment	14	100	(86.0%)
Property, plant and equipment written off (Note 1)	-	-	Nm
Bad debts written off	100	-	Nm
Foreign exchange gain, net	(476)	(301)	58.1%
Interest income from fixed deposits	(25)	(195)	(87.2%)
Sale of scrap and other materials	(43)	(194)	(77.8%)
Interest expense on borrowings	185	82	125.6%

Note 1: Amount is less than S\$1,000.

Nm: 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 period.**

	<b>Group</b>		<b>Company</b>	
	<b>(Unaudited)</b>	<b>(Audited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>30/09/2015</b>	<b>31/03/2015</b>	<b>30/09/2015</b>	<b>31/03/2015</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	2,085	4,056	159	397
Financial assets, at fair value through profit or loss	33	33	-	-
Trade and other receivables	8,772	3,430	8	15
Inventories	7,918	9,755	-	-
Other current assets	491	304	-	6
	<u>19,299</u>	<u>17,578</u>	<u>167</u>	<u>418</u>
Non-current assets classified as held-for-sale	7,300	7,300	-	-
	<u>26,599</u>	<u>24,878</u>	<u>167</u>	<u>418</u>
<b>Non-current assets</b>				
Investment in subsidiaries	-	-	39,692	39,692
Investment in associated company	18,573	17,663	9,722	8,596
Investment properties	1,843	2,180	-	-
Property, plant and equipment (Note 2)	3,485	4,427	-	1
Intangible assets	2,697	2,754	162	188
	<u>26,598</u>	<u>27,024</u>	<u>49,576</u>	<u>48,837</u>
<b>Total Assets</b>	<u>53,197</u>	<u>51,902</u>	<u>49,743</u>	<u>49,255</u>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	14,949	11,812	8,103	6,641
Due to subsidiaries	-	-	5,032	4,923
Current income tax liabilities	27	2	-	-
Borrowings	2,276	785	-	-
	<u>17,252</u>	<u>12,599</u>	<u>13,135</u>	<u>11,564</u>
<b>Non-current liabilities</b>				
Borrowings	-	51	-	-
<b>Total liabilities</b>	<u>17,252</u>	<u>12,650</u>	<u>13,135</u>	<u>11,564</u>
<b>NET ASSETS</b>	<u>35,945</u>	<u>39,252</u>	<u>36,608</u>	<u>37,691</u>
<b>EQUITY</b>				
<b>Capital and Reserves attributable to Equity Holders of the Company</b>				
Share capital	48,932	48,763	48,932	48,763
Treasury shares	(736)	(736)	(736)	(736)
Statutory reserve	2,235	2,257	-	-
Capital reserve	(142)	(142)	(142)	(142)
Other reserves	(2,946)	(1,444)	-	-
Accumulated losses	(11,398)	(9,446)	(11,446)	(10,194)
<b>Total equity</b>	<u>35,945</u>	<u>39,252</u>	<u>36,608</u>	<u>37,691</u>

Note 2: Amount under Company is less than S\$1,000.



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

Amount repayable in one year or less, or on demand

As at 30/09/2015 (Unaudited)		As at 31/03/2015 (Audited)	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
514	1,762	785	-

Amount repayable after one year

As at 30/09/2015 (Unaudited)		As at 31/03/2015 (Audited)	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	-	51	-

Details of any collateral

Bank borrowings are secured by short-term bank deposits and finance lease liabilities are secured by the rights to the leased machineries and motor vehicles which will revert to the lessor in the event of default by the Group.



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

	<b>Group (Unaudited)</b>	
	<b>Six months ended</b>	
	<b>1 Apr 2015 to 30 Sep 2015 S\$'000</b>	<b>1 Jan 2014 to 30 Jun 2014 S\$'000</b>
<b>Cash flows from operating activities</b>		
Net loss	(1,952)	(2,793)
Adjustments for:		
- Income tax expenses / (credit)	172	(2)
- Depreciation of property, plant and equipment	902	1,230
- Amortisation of intangible assets	62	45
- Loss on disposal of property, plant and equipment	14	100
- Bad debts written off	100	-
- Share of profit of associated company	(977)	-
- Employee share awards	169	-
- Interest income	(25)	(195)
- Interest expense	185	82
- Unrealised currency translation gains	(263)	(728)
Operating Loss before Working Capital Changes	(1,613)	(2,261)
Change in working capital:		
- Trade and other receivables	(5,443)	(2,132)
- Inventories	1,836	131
- Other current assets	(187)	74
- Trade and other payables	3,136	(2,885)
Cash used in operation	(2,271)	(7,073)
- Income tax (paid) / refunded	(146)	2
- <b>Net cash used in by operating activities</b>	<b>(2,417)</b>	<b>(7,071)</b>
<b>Cash flows from investing activities</b>		
Purchase of investment in associated company	(767)	-
Purchase of property, plant and equipment	(163)	(115)
Proceeds from disposal of property, plant and equipment	95	888
Purchase of Intangible assets	-	(177)
Interest received	25	195
<b>Net cash (used in) / generated from investing activities</b>	<b>(810)</b>	<b>791</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	1,504	466
Repayment of borrowings	(284)	(8,696)
Repayment of finance lease liabilities	(37)	(120)
Interest paid	(185)	(82)
Short-term bank deposits pledged	-	12,845
<b>Net cash generated from financing activities</b>	<b>998</b>	<b>4,413</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(2,229)</b>	<b>(1,867)</b>
Cash and cash equivalents at beginning of the financial period	4,056	20,885
Effects of currency translation on cash and cash equivalents	-	10
<b>Cash and cash equivalents at end of the financial period</b>	<b>1,827</b>	<b>19,028</b>



**Cash and cash equivalents comprised:**

Cash and bank balances	1,827	2,460
Short term bank deposits	205	16,568
Bank overdraft	53	-
	<u>2,085</u>	<u>19,028</u>
Less: Short term bank deposits pledged as collateral	(205)	-
Less: Bank overdraft	(53)	-
	<u>1,827</u>	<u>19,028</u>

**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 comparative statement for the corresponding period of the immediately preceding financial period.**

	Share capital S\$'000	Accumulated losses S\$'000	Other reserves S\$'000	Statutory reserve S\$'000	Capital reserve S\$'000	Treasury share S\$'000	Total S\$'000
<b>GROUP (Unaudited)</b>							
Balance as at 1 April 2015	48,763	(9,446)	(1,444)	2,257	(142)	(736)	39,252
Total comprehensive loss for the financial period	-	(1,952)	(1,502)	(22)	-	-	(3,476)
Employee share awards	169	-	-	-	-	-	169
Balance as at 30 September 2015	<u>48,932</u>	<u>(11,398)</u>	<u>(2,946)</u>	<u>2,235</u>	<u>(142)</u>	<u>(736)</u>	<u>35,945</u>
Balance as at 1 January 2014	42,818	(8,609)	(177)	934	(142)	-	34,824
Total comprehensive loss for the financial period	-	(2,793)	(810)	-	-	-	(3,603)
Transfer to statutory reserve	-	(1,324)	-	1,324	-	-	-
Paid	-	-	-	(23)	-	-	(23)
Balance as at 30 June 2014	<u>42,818</u>	<u>(12,726)</u>	<u>(987)</u>	<u>2,235</u>	<u>(142)</u>	<u>-</u>	<u>31,198</u>

	Share capital S\$'000	Accumulated losses S\$'000	Capital Reserve S\$'000	Treasury share S\$'000	Total S\$'000
<b>COMPANY (Unaudited)</b>					
Balance as at 1 April 2015	48,763	(10,194)	(142)	(736)	37,691
Total comprehensive loss for the financial period	-	(1,252)	-	-	(1,252)
Employee share awards	169	-	-	-	169
Balance as at 30 September 2015	<u>48,932</u>	<u>(11,446)</u>	<u>(142)</u>	<u>(736)</u>	<u>36,608</u>
Balance as at 1 January 2014	42,818	(4,033)	(142)	-	38,643
Total comprehensive income for the financial period	-	7,863	-	-	7,863
Balance as at 30 June 2014	<u>42,818</u>	<u>3,830</u>	<u>(142)</u>	<u>-</u>	<u>46,506</u>



- 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, 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 period.**

<b>Issued and fully paid</b>	<b>Number of ordinary shares</b>	<b>Share Capital (S\$)</b>
Balance as at 1 April 2015	340,871,163	48,763,017
Issuance of shares pursuant to the Jubilee Share Award Scheme in September 2015	5,634,306	169,029
Balance as at 30 September 2015	<u>346,505,469</u>	<u>48,932,046</u>

The outstanding convertibles and treasury shares 30 September 2015 are as follow:

<b>Purchased and fully paid</b>	<b>Number of treasury shares</b>	<b>Treasury Shares (S\$)</b>
Balance as at 1 April 2015 and 30 September 2015	<u>13,682,000</u>	<u>763,384</u>

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of current financial period and as at the end of the immediately preceding year.**

	<b>30/09/2015</b>	<b>31/03/2015</b>
Total number of issued shares excluding treasury shares	<u>332,823,469</u>	<u>327,189,163</u>

There were no treasury shares purchased during period from 1 April 2015 to 30 September 2015.

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

Not applicable. There were no uses of treasury shares during and as at the end of the current financial period ended 30 September 2015.

- 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 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 Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period as compared to its audited financial statements for the financial year ended 31 March 2015.

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 and the Company have adopted the new and revised Singapore Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 April 2014. The adoption of these FRSs and INT FRSs did not have any significant effect on the financial statements of the Group and the Company.

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.**

	<b>Group</b>	
	<b>Six months ended</b>	
	<b>1 Apr 2015 to 30 Sep 2015 S\$'000</b>	<b>1 Jan 2014 to 30 Jun 2014 S\$'000</b>
<b>Loss attributable to equity holders of the Company (S\$'000)</b>	<b>(1,952)</b>	<b>(2,793)</b>
Basic and diluted loss per ordinary shares ("LPS") attributable to equity holders of the Company (SGD cents)	(0.57)	(1.19)
Weighted average number of shares used in computation of basic and diluted LPS	341,794,820	234,729,245

Basic and diluted LPS is computed by dividing the loss attributable to the equity holders of the Company in each financial period by the weighted average number of ordinary shares outstanding as at the end of the respective financial period.

There were no potentially dilutive ordinary shares in existence during the six months ended 30 September 2015 ("HY2016") and the six months ended 30 June 2014 ("HY2015"). Accordingly, the basic and fully diluted LPS were the same for both HY2016 and HY2015.





**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 financial period reported on; and  
(b) Immediately preceding financial year.

	Group		Company	
	30/09/2015	31/03/2015	30/09/2015	31/03/2015
	S\$ cent	S\$ cent	S\$ cent	S\$ cent
Net asset value ("NAV") per ordinary share	10.37	11.52	10.56	11.06

The NAV per ordinary share for the Group and the Company as at 30 September 2015 and 31 March 2015 were calculated based on 346,505,469 and 340,871,163 ordinary shares in issue as at the respective balance sheet date.

**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, cost, 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.

**REVIEW OF STATEMENT OF COMPREHENSIVE INCOME FOR THE GROUP**

**Revenue**

	Group		% Change
	1 Apr 2015 to 30 Sep 2015 S\$'000	1 Jan 2014 to 30 Jun 2014 S\$'000	
Precision Injection Moulding ("PPIM") Segment	5,124	7,973	(35.7)
MDF Segment	1,634	3,676	(55.5)
Electronic components	37,205	-	Nm
<b>Total Revenue</b>	<b>43,963</b>	<b>11,649</b>	<b>277.4</b>

The Group's revenue increased by approximately S\$32.3 million or 277.4% from S\$11.6 million in HY2015 to S\$43.9 million in HY2016. Revenue from the PPIM segment decreased by approximately S\$2.8 million or 35.7% from S\$8.0 million in HY2015 to S\$5.1 million in HY2016 mainly due to a decrease in customers' sales. While revenue from the design, fabrication and sale of precision injection moulds ("MDF") segment had decreased by approximately S\$2.1 million or 55.5% from S\$3.7 million in HY2015 to S\$1.6 million in HY2016 mainly due to decreased orders from customers. The product mix composition of MDF to PPIM varied slightly at 31.6% to 68.4% in HY2015 as compared to 24.2% to 75.8% in HY2016. The main reason for the increase in total revenue is due to the acquisition of WE Components Pte. Ltd. and its subsidiaries ("WEC Group") which was completed on 31 January 2015 and announced on 2 February 2015, and the electronic components business contributed S\$37.2 million to total revenue.



#### **Cost of sales and gross profit**

<b>Cost of sales</b>	<b>Group</b>		<b>% Change</b>
	<b>1 Apr 2015 to 30 Sep 2015 S\$'000</b>	<b>1 Jan 2014 to 30 Jun 2014 S\$'000</b>	
PPIM segment	5,270	8,138	(35.2)
MDF segment	1,875	4,445	(57.8)
Electronic components	35,099	-	Nm
<b>Total cost of sales</b>	<b>42,244</b>	<b>12,583</b>	<b>235.7</b>

The Group's cost of sales increased by approximately S\$29.6 million or 235.7% from S\$12.6 million in HY2015 to S\$42.2 million in HY2016. The increase in cost of sales was in line with the increase in revenue.

<b>Gross profit/(loss)</b>	<b>Group</b>		<b>% Change</b>
	<b>1 Apr 2015 to 30 Sep 2015 S\$'000</b>	<b>1 Jan 2014 to 30 Jun 2014 S\$'000</b>	
PPIM segment	(146)	(165)	(11.5)
MDF segment	(241)	(769)	(68.7)
Electronic components	2,106	-	Nm
Gross profit / (loss)	1,719	(934)	Nm
<b>Gross profit / (loss) margin</b>	<b>3.9%</b>	<b>(8.0%)</b>	<b>Nm</b>

The Group improved through achieving a gross profit of S\$1.7 million in HY2016 as compared to a gross loss of S\$0.9 million in HY2015. PPIM and MDF reported gross loss of S\$0.2 million each which was mainly due to the competitive market price in moulding and tooling products. Electronic components business on the other hand contributed a gross profit of S\$2.1 million.

Gross profit margin was 3.9% in HY2016 as compared to a gross loss margin of 8.0% in HY2015. The main reason for the improvement is mainly due to the acquisition of WEC Group who contributed gross profits to the Group.

#### **Other income and Other gains, net**

The Group's other income has decreased by S\$0.2 million or 38.7% which resulted from lower scrap sales and fixed deposit income. Other gains increased by S\$0.3 million or 134.5% from S\$0.2 million in HY2015 to S\$0.5 million in HY2016. This is mainly due to the strengthening of United States Dollar ("USD") against the Malaysia Ringgit ("MYR") where it had a favorable impact on our Malaysia subsidiary, which had trade receivables denominated in USD.

#### **Selling and distribution expenses**

The increase of approximately S\$0.3 million or 122.0% was mainly due to an increase in staff costs, travelling and entertainment expenses which is in line with the increase in sales.

#### **Administrative expenses**

Administrative expenses increased by approximately S\$2.2 million or 96.2% from S\$2.2 million in HY2015 to S\$4.4 million in HY2016. This is mainly due to the increase in staff costs from the acquisition of WEC Group. The acquisition of WEC Group resulted in additional rental being incurred and this together with the issuance of shares under the Jubilee Share Awards scheme and bad debts written off led to the increase.



#### **Other expenses**

The Group's other expenses increased by S\$0.2 million and there were no such expenses incurred in HY2015. The increase was mainly due to the tax penalty paid for the additional tax on prior year's amended tax assessment of the Kunshan subsidiary and the loss of sale of plant and machinery.

#### **Finance expenses**

The Group's finance expenses increased by approximately S\$0.1 million or 125.6% from S\$0.1 million in HY2015 to S\$0.2 million in HY2016 and this is in line with the increase in borrowings.

#### **Income Tax expense**

The Group's tax expense increased from a tax credit position of S\$0.02 million in HY2015 to a tax expense of S\$0.2 million in HY2016 and this is mainly due to the additional tax to be paid on prior year's amended tax assessment of the Kunshan subsidiary.

### **REVIEW OF FINANCIAL POSITION**

#### **Current Assets**

The Group's current assets increased by approximately S\$1.7 million or 6.9% from S\$24.9 million as at 31 March 2015 to S\$26.6 million as at 30 September 2015, mainly due to the increase in trade and other receivable from the acquisition of WEC Group of S\$5.4 million. This increase is offset by the decrease in cash and cash equivalents and inventories of S\$1.9 million and S\$1.8 million respectively as a result of cash being used to purchase inventories that are sold and converted to trade receivables.

#### **Non-current Assets**

Non-current assets decreased by S\$0.4 million or 1.6% from S\$27.0 million as at 31 March 2015 to S\$26.6 million as at 30 September 2015, mainly due to decrease in investment properties and property, plant and equipment due to depreciation charge of S\$1.0 million. This decrease is offset by the increase in investment in the associated company, EG Industries Berhad.

#### **Current Liabilities**

The Group's current liabilities increased by approximately S\$4.7 million or 36.9% from S\$12.6 million as at 31 March 2015 to S\$17.3 million as at 30 September 2015. This increase is due to the increase in trade and other payables of S\$3.1 million which is in line with the rise in trade and other receivables. Borrowings have also increased by S\$1.5 million with the increase in sales as financing from banks are required to support cash flows for purchases to make the sale.

The Group reported positive working capital of S\$9.3 million as at 30 September 2015 as compared to S\$12.3 million as at 31 March 2015. This decline is mainly due to the increase in borrowings as a result of augmented sales.



## **REVIEW OF CASHFLOW STATEMENT**

The Group's cash and cash equivalents (excluding short-term deposits pledged as collateral and bank overdraft) was S\$1.8 million as at 30 September 2015, a decrease of S\$2.0 million as compared to S\$3.8 million as at 31 March 2015.

Net cash flow used in operating activities for HY2015 was S\$2.4 million, comprising operating loss before working capital changes of S\$1.6 million and cash used in operations of S\$0.8 million. The working capital outflow was mainly due to the increase in trade and other receivables and other assets of S\$5.4 million and S\$0.2 million respectively. This outflow is offset by the decrease in inventories and increase in trade and other payables of S\$1.8 million and S\$3.1 million respectively.

Net cash used in investing activities was mainly due to acquisition of a further stake in the associated company.

The cash generated from financing activities was mainly due to proceeds from borrowings of S\$1.5 million offset by repayment of bank borrowings of S\$0.5 million.

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

Not applicable. No prospect statement or forecast has been previously disclosed to shareholders.

**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 event that may affect the group in the next reporting period and the next 12 months.**

The Group remains mindful of the uncertainties in the global economic outlook, increasing costs of operations, especially labour costs, and pricing pressures from customers. The Group has been working to improve the machine utilisation rates in its China and Malaysia sites and this would help the Group to achieve cost savings. The Group will continue to seek measures for cost reduction, continue to be vigilant in monitoring changing markets and look into improving product mix towards higher margin products and services.

In line with the Group's growth strategies of expanding its customer base and vertically integrate, the Group had acquired WEC Group, a group that is principally engaged in the provision and distribution of electronic components and services and solutions to industrial and commercial users. The Group had also acquired an initial 26% stake in EG Industries Berhad, which is the largest electronic manufacturing services ("EMS") in Malaysia, and have increased their stake to 32.38% as at 30 September 2015. The Group will continue to explore merger and acquisition opportunities and strategic alliances, as and when they arise.

**11. Dividend**

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

No.

**(b) Corresponding Period of the Immediately Preceding Financial Period**

**Dividend declared for the corresponding period of the immediately preceding financial period?**

No



- (c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

- (d) **The date the dividend is payable.**

Not applicable.

- (e) **Book closure date.**

Not applicable.

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

No dividend has been declared or recommended for the financial period ended 30 September 2015.

**13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), 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.**

There was an IPT greater than S\$100,000 for HY2016. This relates to rental charged by WE Holdings Ltd. to the Group's companies domiciled in Singapore. The Group does not have a general mandate from its shareholders for IPT's.

<b>Name of Interested Person</b>	<b>Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)</b>	<b>Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)</b>
WE Holdings Ltd. <sup>1</sup>	S\$240,000	-

Notes:

1. The value of the Interested Person Transactions is less than 3% of the Group's net tangible assets.

**14. Confirmation by the Board pursuant to Rule 705(5) of the listing manual**

I, Terence Tea Yeok Kian, being a director of the Company, hereby confirm on behalf of the Board of Directors of the Company (the "Board") that, to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited financial statements for HY2016 to be false or misleading in any material aspect.

**15. Confirmation by the Board pursuant to Rule 720(1) of the listing manual**

On behalf of the Board of Directors of the Company, we hereby confirm that we have procured all the required undertakings to comply with the Exchange's listing rules from all the Directors and Executive Officers of the Company.



**BY ORDER OF THE BOARD**

Terence Tea Yeok Kian  
Non-Executive Chairman

12 November 2015