

SOON LIAN HOLDINGS LIMITED
Co. Reg. No: 200416295G

**FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE
YEAR ENDED 31 DECEMBER 2013**

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Canaccord Genuity Singapore Pte. Ltd. (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("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.

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PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF 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.

	Group		
	<u>FY 2013</u>	<u>FY 2012</u>	<u>Change</u>
	S\$'000	S\$'000	%
Revenue	35,600	27,097	31.4%
Cost of Sales	(28,971)	(22,185)	30.6%
Gross Profit	6,629	4,912	35.0%
<u>Other Items of Income</u>			
Interest Income	2	1	100.0%
Other Credits	310	614	(49.5%)
<u>Other Items of Expense</u>			
Marketing and Distribution Costs	(1,393)	(813)	71.3%
Administrative Expenses	(4,201)	(3,950)	6.4%
Finance Costs	(602)	(580)	3.8%
Other Charges	(93)	(81)	14.8%
Profit Before Tax from Continuing Operations	652	103	>100.0%
Income Tax Expenses	(274)	(4)	>100.0%
Profit from Continuing Operations, Net of Tax	378	99	>100.0%
Profit Attributable to Owners of The Parent, Net of Tax	377	100	>100.0%
Profit (Loss) Attributable to Non-Controlling Interests, Net of Tax	1	(1)	NM
Profit Net of Tax	378	99	>100.0%

Consolidated Statement of Comprehensive Income

	Group		
	<u>FY 2013</u>	<u>FY 2012</u>	<u>Change</u>
	S\$'000	S\$'000	%
Profit Net of Tax	378	99	>100.0%
Other Comprehensive Income			
Exchange Differences on Translating Foreign Operations, Net of Tax	203	(171)	NM
Other Comprehensive Income (Loss) for the Year, Net of Tax	203	(171)	NM
Total Comprehensive Income (Loss)	581	(72)	NM
Total Comprehensive Income (Loss) Attributable to Owners of The Parent	580	(71)	NM
Total Comprehensive Income (Loss) Attributable to Non-Controlling Interests	1	(1)	NM
Total Comprehensive Income (Loss)	581	(72)	NM

NM – Not meaningful

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

	Group		
	<u>FY 2013</u> S\$'000	<u>FY 2012</u> S\$'000	<u>Change</u> %
Foreign exchange adjustment gains	176	342	(48.5%)
Depreciation of property, plant and equipment	(681)	(676)	0.7%
Directors' fee	(86)	(100)	(14.0%)
Profit /(Loss) on disposal of property, plant and equipment	12	(33)	NM
Allowance for impairment on trade receivables - reversal	80	120	(33.3%)
Allowance for impairment on trade receivables	(86)	–	NM
Inventories written down - reversal	22	103	(78.6%)
Inventories written down	(7)	(1)	>100.0%
Forward contracts gains: transactions not qualifying as hedges	14	2	>100.0%
Negative goodwill on acquisition of subsidiaries	–	47	NM
Intangible asset – non-contractual customer relationships written off	–	(47)	NM
Interest expense	(602)	(580)	3.8%
Interest income	2	1	100.0%
Government grant income from SME cash grant	5	–	NM

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 year.

	<u>Group</u>		<u>Company</u>	
	As at	As at	As at	As at
	<u>31.12.13</u>	<u>31.12.12</u>	<u>31.12.13</u>	<u>31.12.12</u>
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
<u>Non-Current Assets</u>				
Property, Plant and Equipment	2,800	11,497	–	–
Investment in Subsidiaries	–	–	11,210	11,210
Deferred Tax Assets	146	317	–	–
Total Non-Current Assets	2,946	11,814	11,210	11,210
<u>Current Assets</u>				
Asset Held For Sale under FRS 105	8,838	–	–	–
Inventories	23,343	18,508	–	–
Trade and Other Receivables	10,503	5,609	1,785	986
Other Assets	2,900	148	39	13
Cash and Cash Equivalents	2,704	6,034	30	48
Total Current Assets	48,288	30,299	1,854	1,047
Total Assets	51,234	42,113	13,064	12,257
EQUITY AND LIABILITIES				
<u>Equity Attributable to Owners of the Parent</u>				
Share Capital	10,579	10,579	10,579	10,579
Retained Earnings	10,771	10,410	1,436	1,297
Statutory Reserves	206	190	–	–
Currency Translation Reserves	109	(94)	–	–
Equity, Attributable to Owners of the Parent, Total	21,665	21,085	12,015	11,876
Non-Controlling Interests	15	14	–	–
Total Equity	21,680	21,099	12,015	11,876
<u>Non-Current Liabilities</u>				
Other Financial Liabilities	301	6,672	–	–
Total Non-Current Liabilities	301	6,672	–	–
<u>Current Liabilities</u>				
Income Tax Payable	80	22	17	22
Trade and Other Payables	18,256	10,546	1,032	359
Other Financial Liabilities	10,917	3,774	–	–
Total Current Liabilities	29,253	14,342	1,049	381
Total Liabilities	29,554	21,014	1,049	381
Total Equity and Liabilities	51,234	42,113	13,064	12,257

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

Amount repayable in one year or less, or on demand

As at 31/12/2013		As at 31/12/2012	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
6,362	17,642	2,130	9,694

Amount repayable after one year

As at 31/12/2013		As at 31/12/2012	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
301	–	6,618	54

Details of any collateral

The Group's borrowings consist of term loans, bank overdrafts, bill payables and finance leases.

The banking facilities were secured by (a) legal mortgages on the subsidiaries' leasehold and freehold properties, (b) corporate guarantees issued by the Company and (c) joint and several guarantee from certain directors of the Group. The finance leases were secured by the leased assets.

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>FY2013</u>	<u>FY2012</u>
	<u>S\$'000</u>	<u>S\$'000</u>
<u>Cash Flows From Operating Activities</u>		
Profit Before Tax	652	103
Interest Income	(2)	(1)
Interest Expense	602	580
Depreciation of Property, Plant and Equipment	681	676
Forward Contracts Gain: Transaction not Qualifying as Hedges	(14)	(2)
Intangible Asset – Non-Contractual Customer Relationships Written Off	–	47
(Gain)/Loss on Disposal of Property, Plant and Equipment	(12)	33
Release of Negative Goodwill to Income	–	(47)
Net Effect of Exchange Rate Changes in Consolidating Subsidiaries	197	(127)
Operating Cash Flow before Changes in Working Capital	2,104	1,262
Inventories	(4,835)	2,104
Trade and Other Receivables	(4,890)	313
Other Assets	(2,752)	(43)
Trade and Other Payables	7,710	1,840
Net Cash Flows (Used in) From Operations Before Interest and Tax	(2,663)	5,476
Income Taxes Paid	(37)	(73)
Net Cash Flows (Used in) From Operating Activities	(2,700)	5,403
<u>Cash Flows From Investing Activities</u>		
Disposal of Property, Plant and Equipment	65	44
Purchase of Property, Plant and Equipment	(807)	(609)
Interest Income	2	1
Net Cash Flows Used in Investing Activities	(740)	(564)
<u>Cash Flows From Financing Activities</u>		
Decrease in Other Financial Liabilities	(3,190)	(3,044)
Increase from New Borrowings	3,000	1,500
Interest Paid	(602)	(580)
Net Cash Flows Used in Financing Activities	(792)	(2,124)
Net (Decrease) Increase in Cash and Cash Equivalents	(4,232)	2,715
Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance	6,003	3,288
Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance (Note A)	1,771	6,003

Note A

Cash and cash equivalents in the consolidated statement of cash flows:

	<u>Group</u>	
	<u>FY2013</u>	<u>FY2012</u>
	S\$'000	S\$'000
Cash and cash equivalents at end of year	2,704	6,034
Bank overdraft	(933)	(31)
	<u>1,771</u>	<u>6,003</u>

Note B

Non-cash transaction:

There were acquisitions of plant and equipment with a total cost of \$60,000 (FY2012: \$152,000) acquired by means of finance leases.

- 1 (d)(i) A statement (for the group and issuer) 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.

GROUP

	<u>Total Equity</u> S\$'000	<u>Attributable To Parent Sub-Total</u> S\$'000	<u>Share Capital</u> S\$'000	<u>Retained Earnings</u> S\$'000	<u>Currency Translation Reserves</u> S\$'000	<u>Statutory Reserves</u> S\$'000	<u>Non-controlling Interests</u> S\$'000
Current Year:							
Opening Balance at 1 January 2013	21,099	21,085	10,579	10,410	(94)	190	14
Movements in Equity							
Total Comprehensive Income for the Year	581	580	–	377	203	–	1
Transfer to Statutory Reserves	–	–	–	(16)	–	16	–
Closing Balance at 31 December 2013	21,680	21,665	10,579	10,771	109	206	15

	<u>Total Equity</u> S\$'000	<u>Attributable To Parent Sub-Total</u> S\$'000	<u>Share Capital</u> S\$'000	<u>Retained Earnings</u> S\$'000	<u>Currency Translation Reserves</u> S\$'000	<u>Statutory Reserves</u> S\$'000	<u>Non-controlling Interests</u> S\$'000
Pervious Year:							
Opening Balance at 1 January 2012	21,171	21,156	10,579	10,310	77	190	15
Movements in Equity							
Total Comprehensive (Loss) Income for the Year	(72)	(71)	–	100	(171)	–	(1)
Closing Balance at 31 December 2012	21,099	21,085	10,579	10,410	(94)	190	14

COMPANY	Total Equity	Share Capital	Retained Earnings
	S\$'000	S\$'000	S\$'000
Current Year:			
Opening Balance at 1 January 2013	11,876	10,579	1,297
Movement in Equity:			
Total Comprehensive Income for the Year	139	–	139
Closing Balance at 31 December 2013	12,015	10,579	1,436
Previous Year:			
Opening Balance at 1 January 2012	11,729	10,579	1,150
Movement in Equity:			
Total Comprehensive Income for the Year	147	–	147
Closing Balance at 31 December 2012	11,876	10,579	1,297

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 were no changes in the Company's share capital since 31 December 2012. There were no outstanding convertibles and treasury shares as at 31 December 2012 and 31 December 2013.

1(d)(iii) 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.

As at 31/12/2013	As at 31/12/2012
108,000,000	108,000,000

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.

The Company does not have any treasury shares. There were no sale, transfer, disposal, cancellation and/or use of treasury shares as at 31 December 2013.

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

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

Other than the adoption of the new and revised Financial Reporting Standards ("FRS") which came into effect for the financial year ended 31 December 2013, there were no changes in accounting policies and methods of computation adopted in the current reporting period as compared to the audited financial statements for the year ended 31 December 2012.

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 new or revised standards did not require any modifications to the methods of computation or the presentation in the financial statements for the current reporting period.

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:

	Group	
	31.12.2013	31.12.2012
Earnings per ordinary share for the year based on net profit after tax attributed to the shareholders of the Company		
(i) Based on the weighted average number of ordinary shares on issue	0.35 cents	0.09 cents
(ii) On a fully diluted basis	0.35 cents	0.09 cents
Weighted average number of ordinary shares on issue	108,000,000	108,000,000

7. Net asset value (for the issuer) 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	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Net asset value per ordinary share (Cents)	20.1	19.5	11.1	11.0

The net asset value per ordinary share for Group and Company is calculated based on the issued share capital of 108,000,000 ordinary shares.

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.**

(a) Statement of Comprehensive Income

Group revenue increased by S\$8.5 million or 31.4%, from S\$27.1 million in FY2012 to S\$35.6 million in FY2013. This was mainly due to the increase in sales to our customers in the marine industry, precision engineering industry and the stockists and traders.

Sales to the marine industry increased by S\$4.1 million as we secured more orders from our local and overseas customers. Sales to the precision engineering industry increased by S\$2.1 million due to higher revenue generated by our subsidiaries in the People's Republic of China. Sales to the stockists and traders increased by S\$2.7 million due mainly to the increase in demand from overseas stockists and traders. This was partially offset by a decrease in sales to other customers of S\$0.4 million.

Gross profit increased by S\$1.7 million or 35.0% from S\$4.9 million in FY2012 to S\$6.6 million in FY2013 as a result of higher revenue in FY2013 and generally higher gross profit margin. The increase in gross profit margin was due mainly to increase in selling prices of our products.

Other credits decreased by S\$0.3 million or 49.5%, from S\$0.6 million in FY2012 to S\$0.3 million in FY2013. The higher level of other credits in FY2012 was due to the foreign exchange gains of S\$0.3 million, and reversal of inventories written down of S\$0.1 million. Other credits in FY2013 comprised mainly foreign exchange adjustments gains of S\$0.2 million and reversal of allowance for impairment on trade receivables of S\$0.1 million.

Marketing and distribution costs increased by S\$0.6 million or 71.3% from S\$0.8 million in FY2012 to S\$1.4 million in FY2013, mainly due to an increase in commission expenses as more sales were secured through our overseas sales agents.

Administrative expenses increased by S\$0.2 million or 6.4%, from S\$4.0 million in FY 2012 to S\$4.2 million in FY2013, mainly due to an increase in payroll expenses (as a result of annual salary increments) and other general administrative expenses.

Finance costs for FY2013 remained relatively constant at S\$0.6 million as compared to that of FY2012 and related mainly to interest expenses for our banking facilities.

Other charges increased by S\$12,000 from S\$81,000 in FY2012 to S\$93,000 in FY2013. Other charges in FY2013 comprised mainly allowance for impairment on trade receivables.

The Group made a profit before tax of S\$0.7 million in FY2013 as compared to profit before tax of S\$0.1 million in FY2012.

(b)(i) Statement of Financial Position

Non-current assets decreased by S\$8.9 million as the Group's property at 35 Tuas Avenue 2, Singapore 639464 (the "Existing Property") was reclassified as assets held for sale in accordance with FRS 105. The disposal of the said premises was approved by shareholders of the Company at an extraordinary general meeting held on 17 December 2013 (the "EGM"). Pursuant to the resolutions passed at the EGM, the Company's subsidiary granted to Galmon (S) Pte Ltd (the "Purchaser") an option to purchase dated 6 January 2014 for the purchase of the Existing property at the price of S\$19.8 million, excluding goods and services tax. The Purchaser exercised the Option on 20 January 2014.

Current assets increased by S\$18.0 million due to the reclassification of the Existing Property as current assets amounting to S\$8.8 million, increase in inventories of S\$4.8 million and increase in trade and other receivables and other assets of S\$4.9 million and S\$2.8 million respectively, partially offset by the decrease in cash and cash equivalents of S\$3.3 million. The higher inventories level was a result of an increase in purchases of inventories in anticipation of higher demand for our aluminium alloy products. The increase in trade and other receivables was mainly due to the increase in revenue. The increase in other assets were mainly due to payment of deposits and other prepaid fees for the acquisition of the new property at 9 Tuas Avenue 2, Singapore 639449.

Non-current liabilities decreased by S\$6.4 million mainly due to loan repayments to banks and a reclassification of long term portion of borrowings relating to the Existing Property (amounting to S\$5.4 million), as current liabilities, in view of the pending disposal.

Current liabilities increased by S\$14.9 million mainly due to the aforementioned reclassification of liabilities relating to the Existing Property as well as the increase in trade and other payables of S\$7.7 million in line with the increase in purchases of inventories and increase in financial liabilities of S\$1.8 million.

(b)(ii) Statement of Cash Flows

In FY2013, operating cash flow before changes in working capital amounted to S\$2.1 million. Net cash used in working capital of S\$4.8 million was mainly due to the increase in inventories of S\$4.8 million and increase in trade and other receivables and other assets of S\$4.9 million and S\$2.8 million respectively, partially offset by an increase in trade and other payables of S\$7.7 million.

Net cash used in investing activities amounted to S\$0.7 million was mainly for the purchase of plant and equipment.

Net cash used in financing activities amounted to S\$0.8 million mainly due to a net decrease in bank loans and finance lease of S\$0.2 million and interest payment of S\$0.6 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.

According to the International Monetary Fund in its World Economic Outlook Update in January 2014, the world economy is forecast to grow by 3.7% in 2014, compared with the growth of 3.0% in 2013. Strengthening advanced economies, with improved management of sovereign debt, will likely lead this advance. Emerging markets, on the other hand, will have to grapple with structural impediments such as over-investment, high inflation and policy uncertainties. China, for example, remains in a slowdown mode, with continued credit tightening policies and persistent inflation. At our home base of Singapore, the Ministry of Trade and Industry (MTI), in a forecast in November 2013, predicts a growth at 2% to 4% for 2014. This compares to 3.7% for the previous year, according to flash estimates by MTI in January 2014.

Against this backdrop, we remain cautiously optimistic about prospects in the year ahead.

Nonetheless, we will remain vigilant as we prudently seek growth. Despite an improving business environment, uncertainties remain. Volatile capital flows especially in emerging markets and their spillover effects into the wider global economy persist. This coupled with uneven economic growth in the Asia Pacific region, where the bulk of our business is conducted, present challenges we will have to negotiate.

Internally, we will continue to manage our credit risk and debt levels. We will also have to contend with inflation and increasing labour costs in China and Singapore, where our main operations are located.

In October 2013, the Company announced that it has purchased a property at 9 Tuas Avenue 2, Singapore 639449 from Metal One Stainless (Asia) Pte Ltd, when the Company's tender was accepted by the said Metal One Stainless (Asia) Pte Ltd (the "Proposed Purchase"). In January 2014, the Company announced it has sold its existing property at 35 Tuas Avenue 2, Singapore 639464 to Galmon (S) Pte Ltd, when the Option for Purchase was duly exercised by the said Galmon (S) Pte Ltd (the "Proposed Sale"). The Proposed Purchase and Proposed Sale are expected to be completed on or about 30th April 2014 and 6th May 2014 respectively (subject to JTC approval).

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No

(b) Corresponding Period of the Immediately Preceding Financial Year

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

No

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

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

No dividend has been declared for financial year ended 31 December 2013.

13. Interested Person Transactions – Pursuant to Rule 920 (1) (a) of Section B of the Catalist Listing Manual

The Company does not have a mandate from the Company's shareholders for any interested person transactions. There were no transactions with interested persons in the financial year ended 31 December 2013.

14. Negative confirmation pursuant to Rule 705(5).

Not required for announcement on full year results

15. 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 Group who is a relative of a director, chief executive officer, or substantial shareholder of the Company pursuant to Rule 704(10).

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

(a) Financial Information by Operating Segments

FY2013

	<u>Marine</u> S\$'000	<u>Precision engineering</u> S\$'000	<u>Stockists and traders</u> S\$'000	<u>Other customers</u> S\$'000	<u>Unallocated</u> S\$'000	<u>Group</u> S\$'000
Continuing Operations 2013						
Revenue by Segment						
Total revenue by segment	17,517	14,122	3,696	265	–	35,600
Recurring EBITDA	2,771	2,229	1,500	129	–	6,629
Finance costs					(602)	(602)
Depreciation					(681)	(681)
Operating results before income tax and other unallocated items	2,771	2,229	1,500	129	(1,283)	5,346
Other unallocated items					(4,694)	(4,694)
Profit before tax from continuing operations						652
Income tax expenses						(274)
Profit from continuing operations						378
Assets and Reconciliations						
Total assets for reportable segments	5,378	3,721	291	903	–	10,293
Unallocated:						
Property, plant and equipment					2,800	2,800
Deferred tax assets					146	146
Inventories					23,343	23,343
Cash and cash equivalents					2,704	2,704
Other unallocated amounts					11,948	11,948
Total group assets	5,378	3,721	291	903	40,941	51,234
Liabilities and Reconciliations						
Unallocated:						
Deferred and current tax liabilities					80	80
Borrowings					11,218	11,218
Trade and other payables					18,256	18,256
Total group liabilities	–	–	–	–	29,554	29,554

FY2013

	<u>Marine</u> S\$'000	<u>Precision engineering</u> S\$'000	<u>Stockists and traders</u> S\$'000	<u>Other customers</u> S\$'000	<u>Unallocated</u> S\$'000	<u>Group</u> S\$'000
Other Material Items and Reconciliations						
Impairment of trade receivables (Reversal)	(77)	(3)	–	–	–	(80)
Impairment of inventories (Reversal)	–	–	–	–	(22)	(22)
Expenditures for non current assets	–	–	–	–	867	867

FY2012

	<u>Marine</u> S\$'000	<u>Precision engineering</u> S\$'000	<u>Stockists and traders</u> S\$'000	<u>Other customers</u> S\$'000	<u>Unallocated</u> S\$'000	<u>Group</u> S\$'000
Continuing Operations 2012						
Revenue by Segment						
Total revenue by segment	13,368	12,013	993	723	–	27,097
Recurring EBITDA	2,461	1,731	424	296	–	4,912
Finance costs					(580)	(580)
Depreciation					(676)	(676)
Operating results before income tax and other unallocated items	2,461	1,731	424	296	(1,256)	3,656
Other unallocated items					(3,553)	(3,553)
Profit before tax from continuing operations						103
Income tax expenses						(4)
Profit from continuing operations						<u>99</u>
Assets and Reconciliations						
Total assets for reportable segments	3,039	2,179	81	172	–	5,471
Unallocated:						
Property, plant and equipment					11,497	11,497
Deferred tax assets					317	317
Inventories					18,508	18,508
Cash and cash equivalents					6,034	6,034
Other unallocated amounts					286	286
Total group assets	<u>3,039</u>	<u>2,179</u>	<u>81</u>	<u>172</u>	<u>36,642</u>	<u>42,113</u>
Liabilities and Reconciliations						
Unallocated:						
Deferred and current tax liabilities					22	22
Borrowings					10,446	10,446
Trade and other payables					10,546	10,546
Total group liabilities	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>21,014</u>	<u>21,014</u>

FY2012

	<u>Marine</u> S\$'000	<u>Precision engineering</u> S\$'000	<u>Stockists and traders</u> S\$'000	<u>Other customers</u> S\$'000	<u>Unallocated</u> S\$'000	<u>Group</u> S\$'000
Other Material Items and Reconciliations						
Impairment of trade receivables (Reversal)	(110)	(10)	–	–	–	(120)
Impairment of inventories (Reversal)	–	–	–	–	(103)	(103)
Release of negative goodwill to income	–	–	–	–	(47)	(47)
Intangible asset – non-contractual customer relationships written off	–	–	–	–	47	47
Expenditures for non current assets	–	–	–	–	761	761

The assets and liabilities are not allocated to operating segments because they are not directly attributable to the segment or cannot be allocated to the segment on a reasonable basis.

(b) Geographical Information

	<u>Revenue</u>	
	<u>FY2013</u> S\$'000	<u>FY2012</u> S\$'000
Singapore	11,330	9,679
China	5,665	4,086
Malaysia	3,900	2,938
Vietnam	3,373	2,375
Dubai (UAE)	2,893	718
Taiwan	2,286	372
Pakistan	1,932	139
Indonesia	1,341	3,542
Other Countries	2,880	3,248
	35,600	27,097

17. 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

18. A breakdown of sales as follows :

	Group		Increase/ (Decrease) %
	FY2013 S\$'000	FY2012 S\$'000	
(a) Sales reported for the first half year	17,506	14,022	24.8%
(b) Operating profit after tax reported for first half year	307	43	>100.0%
(c) Sales reported for second half year	18,094	13,075	38.4%
(d) Operating profit after tax reported for second half year	71	56	26.8%

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

	Latest Full Year	Previous Full Year
	S\$'000	S\$'000
Ordinary	–	–
Preference	–	–
Total	–	–

BY ORDER OF THE BOARD
TAN YEE CHIN
Chairman and CEO
20 February 2014