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**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR  
THE FULL YEAR ENDED 31 DECEMBER 2016**

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This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**"), for compliance with the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist. 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)(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 Statement of Profit or Loss and Other Comprehensive Income

	<b>Group</b>		
	<b><u>FY 2016</u></b>	<b><u>FY 2015</u></b>	<b><u>Change</u></b>
	<b><u>Unaudited</u></b>	<b><u>Audited</u></b>	<b><u>%</u></b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
<b>Revenue</b>	34,162	41,585	(17.9%)
Cost of Sales	(28,380)	(34,741)	(18.3%)
<b>Gross Profit</b>	5,782	6,844	(15.5%)
<b><u>Other Items of Income</u></b>			
Interest Income	2	5	(60.0%)
Other Gains	269	123	>100.0%
<b><u>Other Items of Expense</u></b>			
Marketing and Distribution Costs	(678)	(811)	(16.4%)
Administrative Expenses	(4,603)	(4,616)	(0.3%)
Finance Costs	(946)	(995)	(4.9%)
Other Losses	(2,091)	(2,454)	(14.8%)
<b>Loss Before Tax from Continuing Operations</b>	(2,265)	(1,904)	19.0%
Income Tax Expense	(168)	(38)	>100.0%
<b>Loss from Continuing Operations, Net of Tax</b>	(2,433)	(1,942)	25.3%
Loss Attributable to Owners of The Parent, Net of Tax	(2,433)	(1,935)	25.7%
Loss Attributable to Non-Controlling Interests, Net of Tax	-	(7)	NM
<b>Loss Net of Tax</b>	(2,433)	(1,942)	25.3%

**Consolidated Statement of Comprehensive (Loss)/ Income**

	<b>Group</b>		
	<b><u>FY 2016</u></b>	<b><u>FY 2015</u></b>	<b><u>Change</u></b>
	<b><u>Unaudited</u></b>	<b><u>Audited</u></b>	
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
<b>Loss Net of Tax</b>	(2,433)	(1,942)	25.3%
<b><u>Other Comprehensive Loss</u></b>			
<b>Items That May Be Reclassified</b>			
<b>Subsequently to Profit or Loss:</b>			
Exchange Differences on Translating Foreign Operations, Net of Tax	(121)	(3)	>100.0%
<b>Other Comprehensive Loss for the Year, Net of Tax</b>	(121)	(3)	>100.0%
<b>Total Comprehensive Loss</b>	(2,554)	(1,945)	31.3%
Total Comprehensive Loss Attributable to Owners of The Parent	(2,554)	(1,938)	31.8%
Total Comprehensive Loss Attributable to Non-Controlling Interests	-	(7)	NM
<b>Total Comprehensive Loss</b>	(2,554)	(1,945)	31.3%

NM – Not meaningful

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

**Loss before tax is arrived at after crediting/ (charging) the following:**

	<b>Group</b>		<b>Change</b>
	<b>FY 2016</b>	<b>FY 2015</b>	
	<b>Unaudited</b>	<b>Audited</b>	
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
Foreign exchange adjustment losses	(299)	(735)	(59.3%)
Depreciation of property, plant and equipment	(1,227)	(1,198)	2.4%
Amortisation of intangible asset	(28)	(12)	>100.0%
Directors' fee	(87)	(86)	1.2%
Gain on disposal of property, plant and equipment	56	62	(9.7%)
Allowance for impairment on trade receivables - reversal	47	18	>100.0%
Allowance for impairment on trade receivables	(1,777)	(1,386)	28.2%
Bad debts written off	(10)	–	NM
Inventories written down - reversal	95	1	>100.0%
Inventories written down	(4)	(333)	(98.8%)
Forward contracts gains: transactions not qualifying as hedges	–	2	NM
Interest expense	(946)	(995)	(4.9%)
Interest income	2	5	(60.0%)
Government grant income	70	40	75.0%

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.

**Statements of Financial Position**

	<u>Group</u>		<u>Company</u>	
	As at <u>31.12.16</u> <u>Unaudited</u> S\$'000	As at <u>31.12.15</u> <u>Audited</u> S\$'000	As at <u>31.12.16</u> <u>Unaudited</u> S\$'000	As at <u>31.12.15</u> <u>Audited</u> S\$'000
<b>ASSETS</b>				
<b><u>Non-Current Assets</u></b>				
Property, Plant and Equipment	24,152	25,053	–	–
Intangible Assets	106	129	–	–
Investments in Subsidiaries	–	–	11,871	11,871
Deferred Tax Assets	314	380	–	–
<b>Total Non-Current Assets</b>	<b>24,572</b>	<b>25,562</b>	<b>11,871</b>	<b>11,871</b>
<b><u>Current Assets</u></b>				
Inventories	20,216	28,060	–	–
Trade and Other Receivables	10,429	11,050	1,792	1,912
Other Assets	63	84	19	13
Cash and Cash Equivalents	3,433	1,165	240	46
<b>Total Current Assets</b>	<b>34,141</b>	<b>40,359</b>	<b>2,051</b>	<b>1,971</b>
<b>Total Assets</b>	<b>58,713</b>	<b>65,921</b>	<b>13,922</b>	<b>13,842</b>
<b>EQUITY AND LIABILITIES</b>				
<b><u>Equity Attributable to Owners of the Parent</u></b>				
Share Capital	10,579	10,579	10,579	10,579
Retained Earnings	16,798	19,231	3,013	2,671
Statutory Reserve	225	225	–	–
Foreign Currency Translation Reserve	17	138	–	–
<b>Equity, Attributable to Owners of the Parent, Total</b>	<b>27,619</b>	<b>30,173</b>	<b>13,592</b>	<b>13,250</b>
Non-Controlling Interests	9	9	–	–
<b>Total Equity</b>	<b>27,628</b>	<b>30,182</b>	<b>13,592</b>	<b>13,250</b>
<b><u>Non-Current Liabilities</u></b>				
Other Financial Liabilities	13,285	13,753	–	–
<b>Total Non-Current Liabilities</b>	<b>13,285</b>	<b>13,753</b>	<b>–</b>	<b>–</b>
<b><u>Current Liabilities</u></b>				
Income Tax Payable	88	39	42	35
Trade and Other Payables	14,951	14,667	288	557
Other Financial Liabilities	2,761	7,280	–	–
<b>Total Current Liabilities</b>	<b>17,800</b>	<b>21,986</b>	<b>330</b>	<b>592</b>
<b>Total Liabilities</b>	<b>31,085</b>	<b>35,739</b>	<b>330</b>	<b>592</b>
<b>Total Equity and Liabilities</b>	<b>58,713</b>	<b>65,921</b>	<b>13,922</b>	<b>13,842</b>

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

**Amount repayable in one year or less, or on demand**

<b>As at 31.12.2016</b>		<b>As at 31.12.2015</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
804	11,190	896	17,577

**Amount repayable after one year**

<b>As at 31.12.2016</b>		<b>As at 31.12.2015</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
13,056	229	13,753	–

**Details of any collateral**

The Group's borrowings consist of term loans, bank loans, bank overdrafts, bills payables, finance leases and loans from related parties.

Certain of the Group's term loans, bank loans, bank overdrafts and other credit facilities are secured by (a) legal mortgages on the subsidiaries' leasehold and freehold properties, (b) corporate guarantees issued by the Company and (c) joint and several personal guarantees from certain directors of the Company. The finance leases are 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.

**Consolidated Statement of Cash Flows**

	<b>Group</b>	
	<b><u>FY 2016</u></b> <b><u>Unaudited</u></b> <b>S\$'000</b>	<b><u>FY 2015</u></b> <b><u>Audited</u></b> <b>S\$'000</b>
<b><u>Cash Flows From Operating Activities</u></b>		
Loss Before Tax	(2,265)	(1,904)
Interest Income	(2)	(5)
Interest Expense	946	995
Depreciation of Property, Plant and Equipment	1,227	1,198
Amortisation of Intangible Assets	28	12
Forward Contracts Gains: Transaction not Qualifying as Hedges	–	(2)
Gain on Disposal of Property, Plant and Equipment	(56)	(62)
Net Effect of Exchange Rate Changes in Consolidating Subsidiaries	(50)	54
<b>Operating Cash Flow before Changes in Working Capital</b>	<b>(172)</b>	<b>286</b>
Changes in:-		
Inventories	7,844	(1,395)
Trade and Other Receivables	573	2,376
Other Assets	21	48
Trade and Other Payables	2,297	(1,809)
<b>Net Cash Flows From/ (Used in) Operations</b>	<b>10,563</b>	<b>(494)</b>
Income Taxes Paid	(31)	(168)
<b>Net Cash Flows From/ (Used in) Operating Activities</b>	<b>10,532</b>	<b>(662)</b>
<b><u>Cash Flows From Investing Activities</u></b>		
Disposal of Property, Plant and Equipment	59	90
Purchase of Property, Plant and Equipment (Note B)	(240)	(558)
Acquisition of Business	–	(1,014)
Interest Received	2	5
<b>Net Cash Flows Used in Investing Activities</b>	<b>(179)</b>	<b>(1,477)</b>
<b><u>Cash Flows From Financing Activities</u></b>		
Decrease in Borrowings	(14,823)	(16,255)
Increase from New Borrowings	9,174	12,493
Dividends paid to Equity Owners	–	(1,080)
Interest Paid	(946)	(995)
<b>Net Cash Flows Used in Financing Activities</b>	<b>(6,595)</b>	<b>(5,837)</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents</b>	<b>3,758</b>	<b>(7,976)</b>
Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance	(1,535)	6,441
<b>Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance (Note A)</b>	<b>2,223</b>	<b>(1,535)</b>

**Note A**

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

	<b><u>Group</u></b>	
	<b><u>FY 2016</u></b> <b><u>Unaudited</u></b> <b><u>S\$'000</u></b>	<b><u>FY 2015</u></b> <b><u>Audited</u></b> <b><u>S\$'000</u></b>
Cash and cash equivalents at end of year	3,433	1,165
Bank overdraft	(1,210)	(2,700)
	<b><u>2,223</u></b>	<b><u>(1,535)</u></b>

**Note B**

**Non-cash transaction:**

There were acquisitions of plant and equipment with a total cost of S\$137,000 in FY2016 (FY2015: S\$479,000). These assets were 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>Foreign Currency Translation Reserve</u> S\$'000	<u>Statutory Reserve</u> S\$'000	<u>Non- controlling Interests</u> S\$'000
<b>Current Year:</b>							
Opening Balance at 1 January 2016	30,182	30,173	10,579	19,231	138	225	9
<b>Movements in Equity</b>							
Total Comprehensive Loss for the Year	(2,554)	(2,554)	–	(2,433)	(121)	–	–
Closing Balance at 31 December 2016	27,628	27,619	10,579	16,798	17	225	9
<b>Previous Year:</b>							
Opening Balance at 1 January 2015	33,207	33,191	10,579	22,246	141	225	16
<b>Movements in Equity</b>							
Dividends paid	(1,080)	(1,080)	–	(1,080)	–	–	–
Total Comprehensive Loss for the Year	(1,945)	(1,938)	–	(1,935)	(3)	–	(7)
Closing Balance at 31 December 2015	30,182	30,173	10,579	19,231	138	225	9

<b>COMPANY</b>	<b>Total Equity</b>	<b>Share Capital</b>	<b>Retained Earnings</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Current Year:</b>			
Opening Balance at 1 January 2016	13,250	10,579	2,671
<b>Movement in Equity:</b>			
Total Comprehensive Income for the Year	342	–	342
<b>Closing Balance at 31 December 2016</b>	<b>13,592</b>	<b>10,579</b>	<b>3,013</b>
<b>Previous Year:</b>			
Opening Balance at 1 January 2015	12,139	10,579	1,560
<b>Movement in Equity:</b>			
Dividends Paid	(1,080)	–	(1,080)
Total Comprehensive Income for the Year	2,191	–	2,191
<b>Closing Balance at 31 December 2015</b>	<b>13,250</b>	<b>10,579</b>	<b>2,671</b>

**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 from 1 July 2016 to 31 December 2016. There were no outstanding convertibles and treasury shares as at 31 December 2016 and 31 December 2015.

**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.**

<b>As at 31.12.2016</b>	<b>As at 31.12.2015</b>
108,000,000	108,000,000

The Company did not have any treasury shares as at 31 December 2016 and 31 December 2015.

**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 2016.

**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.**

Except as disclosed in item 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period reported on, which are consistent with the audited financial statements for the financial year ended 31 December 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 has adopted the applicable new and revised Singapore Financial Reporting Standards ("FRS") and Interpretations of Financial Reporting Standards ("INT FRS") which became effective for the reporting periods beginning on or after 1 January 2016. The adoption of these new and revised FRS and INT FRS is not expected to result in material adjustments to the financial position, results of operations or cash flows of the Group for the financial year ended 31 December 2016.

**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	
	FY 2016	FY 2015
Loss per ordinary share for the year based on net loss after tax attributable to the shareholders of the Company		
(i) Based on the weighted average number of ordinary shares on issue	(2.25) cents	(1.79) cents
(ii) On a fully diluted basis	(2.25) cents	(1.79) cents
Weighted average number of ordinary shares on issue	108,000,000	108,000,000

The Group's basic and diluted loss per ordinary share for FY2016 and FY2015 respectively were the same as there were no potentially dilutive ordinary shares existing during the respective financial years.

**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	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Net asset value per ordinary share (Cents)	25.6	27.9	12.6	12.3

The net asset values per ordinary share for the Group and the Company have been calculated based on the issued share capital of 108,000,000 ordinary shares of the Company as at 31 December 2016 and 31 December 2015.

**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**

The Group's revenue decreased by S\$7.4 million or 17.9%, from S\$41.6 million in FY2015 to S\$34.2 million in FY2016. This was mainly due to a decrease in sales to our customers in the marine industry as well as to stockists and traders. The decrease was partially offset by an increase in sales to customers in the precision engineering industry.

Sales to customers in the marine industry decreased by S\$6.2 million in FY2016 as compared to FY2015, mainly due to the scaling down in shipbuilding activities undertaken by our customers in tandem with the challenging market conditions. Sales to stockists and traders decreased by S\$3.6 million in FY2016 as compared to FY2015, mainly due to a decrease in demand from overseas stockists and traders. Sales to the precision engineering industry increased by S\$2.4 million in FY2016 as a result of the full year revenue generated by our subsidiary in Taiwan and increased in orders from our local and overseas customers.

Gross profit decreased by S\$1.0 million or 15.5%, from S\$6.8 million in FY2015 to S\$5.8 million in FY2016, largely in line with the decrease in revenue. The Group's gross profit margin increased from 16.5% in FY2015 to 16.9% in FY2016, mainly attributable to a marginal increase in the average selling price of our products.

Other gains increased by S\$0.2 million from S\$0.1 million in FY2015 to S\$0.3 million in FY2016. Other gains in FY2016 comprised mainly gains from the disposal of property, plant and equipment of S\$56,000, reversal of impairment on trade receivables and inventories of S\$47,000 and S\$95,000 respectively and government grant income of S\$70,000.

Marketing and distribution costs decreased by S\$0.1 million or 16.4%, from S\$0.8 million in FY2015 to S\$0.7 million in FY2016, mainly due to a decrease in exhibition expenses which the Company incurred in promoting its aluminium alloy products.

Administrative expenses remained stable at S\$4.6 million for both FY2015 and FY2016.

Finance costs in FY2016 remained fairly stable at S\$0.9 million as compared to S\$1.0 million in FY2015.

Other losses decreased by S\$0.4 million from S\$2.5 million in FY2015 to S\$2.1 million in FY2016. Other losses in FY2016 comprised mainly foreign exchange adjustment losses of S\$0.3 million and allowance for impairment on trade receivables of S\$1.8 million.

The Group recorded a loss before tax of S\$2.3 million in FY2016 as compared to a loss before tax of S\$1.9 million in FY2015, due mainly to the aforementioned reasons.

**(b)(i) Statement of Financial Position**

Non-current assets decreased by S\$1.0 million, from S\$25.6 million as at 31 December 2015 to S\$24.6 million as at 31 December 2016, mainly due to the depreciation of property, plant and equipment in FY2016.

Current assets decreased by S\$6.3 million, from S\$40.4 million as at 31 December 2015 to S\$34.1 million as at 31 December 2016. This was mainly due to the decrease in inventories of S\$7.8 million, trade and other receivables of S\$0.6 million, partially offset by an increase in cash and cash equivalents of S\$2.3 million. The decrease in inventories was mainly due to the decrease in purchases as a result of lower sales in FY2016. The decrease in trade and other receivables was in line with the decrease in revenue during the financial year. Please refer to the section "Statement of Cash Flows" below, on the reasons for the increase in cash and cash equivalents.

Non-current liabilities decreased by S\$0.5 million, from S\$13.8 million as at 31 December 2015 to S\$13.3 million as at 31 December 2016, mainly due to the repayment of long-term bank loans of S\$0.4 million and finance leases of S\$0.1 million in FY2016.

Current liabilities decreased by S\$4.2 million, from S\$22.0 million as at 31 December 2015 to S\$17.8 million as at 31 December 2016, mainly due to the repayment of short-term bank borrowings of S\$4.5 million and an increase in trade and other payables of S\$0.3 million arising mainly from an increase in loans from a related party, partially offset by lower bills payables.

The Group reported a positive working capital position of S\$16.3 million as at 31 December 2016.

**(b)(ii) Statement of Cash Flows**

In FY2016, operating cash flow before changes in working capital amounted to a deficit of S\$0.2 million, arising mainly from the Group's loss before tax of S\$2.3 million, adjusted for interest expense of S\$0.9 million and depreciation of property, plant and equipment of S\$1.2 million. Net cash from working capital of S\$10.6 million was mainly due to a decrease in inventories and trade and other receivables of S\$7.8 million and S\$0.5 million respectively, as well as an increase in trade and other payables of S\$2.3 million.

Net cash used in investing activities amounted to S\$0.2 million in FY2016, and was mainly due to the purchase of plant and equipment, partially offset by the proceeds from the disposal of plant and equipment.

Net cash used in financing activities amounted to S\$6.6 million, mainly due to the repayment of bills payables, short-term bank loans, bank overdrafts and finance leases of S\$14.8 million and interest payment of S\$0.9 million, partially offset by an increase in new borrowings of S\$9.1 million.

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

The Company had previously announced a profit guidance on 02 February 2017. No variance was noted and save for the aforementioned announcement, 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 financial year under review proved more challenging than the last financial year with the Group facing existing challenges while adapting to new changes that arose in the year. Existing challenges comprised, *inter alia*, volatile and fluctuating oil prices, raw material costs and currency exchange rates.

Moving forward, we expect some challenges to moderate while others will require careful monitoring. With recent historic decision by Organization of the Petroleum Exporting Countries (OPEC) to lower production capacity and in comparison to 2016, oil prices are showing signs of being on the mend. Our marine segments displayed subtle encouraging restart on some key projects. Meanwhile, our precision engineering segment is maintaining its promising position. We have positioned ourselves to capitalise on industry trends and opportunities.

On the domestic front, the Monetary Authority of Singapore (MAS) expects a further slowdown but maintains that the fundamentals of our nation are sound and will weather through the challenges of 2017. We will continue to leverage on our diverse global reach to mitigate the impact of the economic slowdown on any one economy or region. The Group believes it has aligned its resources and capabilities to best withstand the speedbumps of the current financial year and is committed to exploring prospects that will enhance the Group's standing and ability to deliver value to its shareholders.

**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/recommendeded, a statement to that effect.**

No dividend has been declared/recommendeded for the financial year ended 31 December 2016.

**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 its shareholders for any interested person transactions.

In FY2016, the Company's wholly-owned subsidiary, Soon Lian Hardware (Pte.) Ltd., obtained unsecured short-term loans ("**Loans**") from Soon Tien Holdings Pte. Ltd. ("**ST**"), a controlling shareholder of the Company amounting to S\$5.0 million. The Loans consist of (a) an interest-free loan of S\$1.0 million and (b) a S\$4.0 million interest-bearing loan. Pursuant to Chapter 9 of the Catalist Rules, ST is considered an interested person and the Loans from ST to the Group are considered interested person transactions. The value of the aforementioned interested person transactions is the amount at risk to the Company, which is only the interest expense incurred on one of the Loans, as set out in the table below:

Name of interested person	Aggregate value of all interested person transactions during FY2016 (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) S\$'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) S\$'000
Soon Tien Holdings Pte. Ltd.	126	–

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

Not required for announcement on full year results.

**15. Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720 (1) of the Catalist Rules.**

The Company confirms that it has procured all the required undertakings from all its directors and executive officers in the format set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

**16. 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) of the Catalist Rules.

17. **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**

**FY 2016**

	<u>Precision engineering</u> S\$'000	<u>Marine</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
<b>Continuing Operations 2016</b>						
<b>Revenue by Segment</b>						
Total revenue by segment	25,740	5,313	2,102	1,007	–	34,162
<b>Recurring EBITDA</b>	4,176	370	413	823	–	5,782
Finance costs					(946)	(946)
Depreciation and amortisation					(1,255)	(1,255)
Operating results before income tax and other unallocated items	4,176	370	413	823	(2,201)	3,581
Other unallocated items					(5,846)	(5,846)
Loss before tax from continuing operations						(2,265)
Income tax expense						(168)
<b>Loss from continuing operations</b>						(2,433)
<b>Assets and Reconciliations</b>						
Total assets for reportable segments	8,776	602	639	76	–	10,093
Unallocated:						
Property, plant and equipment					24,152	24,152
Deferred tax assets					314	314
Inventories					20,216	20,216
Cash and cash equivalents					3,433	3,433
Other unallocated amounts					505	505
<b>Total group assets</b>	8,776	602	639	76	48,620	58,713
<b>Liabilities and Reconciliations</b>						
Unallocated:						
Deferred and current tax liabilities					88	88
Borrowings					16,046	16,046
Trade and other payables					14,951	14,951
<b>Total group liabilities</b>	–	–	–	–	31,085	31,085



**FY 2016**

	<u>Precision engineering</u> S\$'000	<u>Marine</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
<b>Other Material Items and Reconciliations</b>						
Impairment of trade receivables	313	795	669	–	–	1,777
Impairment of trade receivables - reversal	(47)	–	–	–	–	(47)
Trade receivables written off	10	–	–	–	–	10
Inventories written down	–	–	–	–	4	4
Inventories written down - reversal	–	–	–	–	(95)	(95)
Expenditures for non current assets	–	–	–	–	377	377

**FY 2015**

	<u>Precision engineering</u> S\$'000	<u>Marine</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
<b>Continuing Operations 2015</b>						
<b>Revenue by Segment</b>						
Total revenue by segment	23,378	11,555	5,699	953	–	41,585
<b>Recurring EBITDA</b>	3,851	1,455	814	724	–	6,844
Finance costs					(995)	(995)
Depreciation and amortisation					(1,210)	(1,210)
Operating results before income tax and other unallocated items	3,851	1,455	814	724	(2,205)	4,639
Other unallocated items					(6,543)	(6,543)
Loss before tax from continuing operations						(1,904)
Income tax expense						(38)
<b>Loss from continuing operations</b>						<b>(1,942)</b>
<b>Assets and Reconciliations</b>						
Total assets for reportable segments	6,716	2,432	1,436	113	–	10,697
Unallocated:						
Property, plant and equipment					25,053	25,053
Deferred tax assets					380	380
Inventories					28,060	28,060
Cash and cash equivalents					1,165	1,165
Other unallocated amounts					566	566
<b>Total group assets</b>	<b>6,716</b>	<b>2,432</b>	<b>1,436</b>	<b>113</b>	<b>55,224</b>	<b>65,921</b>
<b>Liabilities and Reconciliations</b>						
Unallocated:						
Deferred and current tax liabilities					39	39
Borrowings					21,033	21,033
Trade and other payables					14,667	14,667
<b>Total group liabilities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>35,739</b>	<b>35,739</b>

**FY 2015**

	<u>Precision engineering</u> S\$'000	<u>Marine</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
<b>Other Material Items and Reconciliations</b>						
Impairment of trade receivables	1,386	-	-	-	-	1,386
Impairment of trade receivables - reversal	(18)	-	-	-	-	(18)
Inventories written down	-	-	-	-	333	333
Inventories written down - reversal	-	-	-	-	(1)	(1)
Expenditures for non current assets	-	-	-	-	1,447	1,447

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>FY 2016</u> S\$'000	<u>FY 2015</u> S\$'000
China	10,008	10,966
Singapore	7,850	11,405
Taiwan	5,930	5,229
Malaysia	4,481	3,873
Indonesia	2,017	1,208
Dubai (UAE)	450	2,182
Philippines	115	2,374
Other Countries	3,311	4,348
	<u>34,162</u>	<u>41,585</u>

**18. 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.

**19. A breakdown of sales as follows :**

	Group		Increase/ (Decrease) %
	FY2016 S\$'000	FY2015 S\$'000	
(a) Sales reported for the first half year	16,804	23,870	(29.6%)
(b) Operating (loss)/ profit after tax reported for first half year	(954)	366	NM
(c) Sales reported for second half year	17,358	17,715	(2.0%)
(d) Operating loss after tax reported for second half year	(1,479)	(2,308)	(35.9%)

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

	FY2016	FY2015
	S\$'000	S\$'000
Ordinary	–	–
Preference	–	–
Total	–	–

**BY ORDER OF THE BOARD  
TAN YEE CHIN  
Chairman and CEO  
16 February 2017**