

UNAUDITED FULL YEAR FINANCIAL STATEMENT ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

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

- 1(a) (i) A consolidated income statement and consolidated statement of comprehensive income (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Income Statement for the year ended 31 December 2014	Group		
	S\$'000		%
	Full year to 31/12/2014	Full year to 31/12/2013	Change
Revenue	313,417	111,260	181.7
Cost of sales	(299,722)	(96,494)	210.6
Gross profit	13,695	14,766	(7.3)
Other expense	(3,683)	(20)	18,315.0
Distribution and marketing expenses	(8,461)	(9,953)	(15.0)
Administrative expenses	(9,617)	(6,368)	51.0
Results from operating activities	(8,066)	(1,575)	412.1
Finance income	88	119	(26.1)
Finance expenses	(233)	(29)	703.4
Net loss before income tax	(8,211)	(1,485)	452.9
Income tax expense	431	(637)	(167.7)
Loss for the year	(7,780)	(2,122)	266.6

	Group		
	S\$'000		%
	Full year to 31/12/2014	Full year to 31/12/2013	Change
Loss for the year	(7,780)	(2,122)	266.6
Other comprehensive income			
Foreign currency translation differences for foreign operations	(99)	(277)	(64.3)
Total comprehensive loss for the year	(7,879)	(2,399)	228.4

- (ii) The income statement includes the followings items:

	Group		
	S\$'000		%
	Full year to 31/12/2014	Full year to 31/12/2013	Change
Depreciation of property, plant and equipment	1,726	1,920	(10.1)
Amortisation of intangible assets	3,785	718	427.2
Impairment loss on trade receivables	135	73	84.9
Provision for slow-moving stocks	1,480	1,115	32.7
Exchange (gain) / loss	(266)	459	(158.0)
Impairment loss on fixed assets	3,434	-	N/M
Loss on disposal of subsidiary	927	-	N/M

N/M denotes Not Meaningful

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

	Group		Company	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-Current Assets</b>				
Property, Plant and Equipment	7,233	12,999	7,102	11,991
Investment in Subsidiaries	-	-	23,117	21,925
Intangible Assets	-	3,850	-	-
	7,233	16,849	30,219	33,916
<b>Current Assets</b>				
Inventories	8,504	16,323	3,103	4,395
Trade receivables	23,844	17,116	645	300
Amounts due from subsidiaries	-	-	5,220	11,886
Amounts due from related companies	29,103	6,351	-	9
Other receivables, deposits and prepayments	3,673	13,289	605	392
Tax recoverable	-	206	-	-
Cash and bank balances	24,242	30,403	5,837	6,503
	89,366	83,688	15,410	23,485
<b>Current Liabilities</b>				
Trade payables	33,482	11,446	1,658	2,221
Amounts due to subsidiaries	-	-	1,281	2,351
Amounts due to related companies	4,721	9,455	102	95
Other payables and accruals	9,449	22,144	2,247	2,738
Loans and borrowings	69	173	69	173
Provision for taxation	259	125	15	-
	47,980	43,343	5,372	7,578
<b>Net Current Assets</b>	41,386	40,345	10,038	15,907
<b>Non-Current Liabilities</b>				
Deferred taxation	300	996	300	996
	300	996	300	996
<b>Net Assets</b>	48,319	56,198	39,957	48,827
<b>Capital and Reserves</b>				
Share Capital	51,547	51,547	51,547	51,547
Asset revaluation reserve	1,047	1,047	1,047	1,047
Foreign currency translation reserve	(7,812)	(7,713)	-	-
Accumulated profits/(losses)	3,537	11,317	(12,637)	(3,767)
	48,319	56,198	39,957	48,827

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

(a) Amount repayable in one year or less, or on demand;

As at 31/12/2014		As at 31/12/2013	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
-	69	-	173

(b) Amount repayable after one year;

As at 31/12/2014		As at 31/12/2013	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Other information:

Details of any collaterals.  
Not applicable.

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

	Group	
	Full year ended	
	31/12/2014	31/12/2013
	S\$'000	S\$'000
<b>Cash flow from operating activities</b>		
Loss before tax	(8,211)	(1,485)
Adjustments for :		
Depreciation of property, plant and equipment	1,726	1,920
Amortisation of intangible assets	3,785	718
Gain on sale of property, plant and equipment	(9)	-
Loss on disposal of subsidiary	927	-
Fixed assets written off	(62)	-
Impairment loss on fixed assets	3,434	-
Interest expense	233	29
Interest income	(88)	(119)
Unrealised foreign exchange (loss)/gain	(476)	703
Impairment loss on trade receivables	135	73
Provision for slow-moving stocks	1,480	1,115
Operating profit before changes in working capital	2,874	2,954
Changes in working capital:		
Trade and other receivables	(21,242)	(13,504)
Inventories	5,206	(4,157)
Trade and other payables	6,455	15,589
Cash (used in)/generated from operations	(6,707)	882
Income tax paid	72	(98)
Net cash (used in)/generated from operating activities	(6,635)	784
<b>Cash flow from investing activities</b>		
Interest received	88	119
Purchase of property, plant and equipment	(159)	(40)
Proceeds from sale of property, plant and equipment	78	-
Net proceed from disposal of subsidiary (see note below)	646	-
Net cash generated from investing activities	653	79
<b>Cash flow from financing activities</b>		
Deposits pledged	(345)	144
Interest paid	(233)	(29)
Repayment of bills payable	(408)	(873)
Proceeds from bills payable	299	928
Net cash (used in)/generated from financing activities	(687)	170
Net (decrease)/increase in cash and cash equivalents	(6,669)	1,033
Effects of exchange rate changes on cash and cash equivalents	162	216
Cash and cash equivalents at beginning of the year	28,558	27,309
Cash and cash equivalents at end of the year	22,051	28,558
<b>Cash and cash equivalents at end of the year comprises of:</b>		
Cash and bank balances	22,099	25,121
Short term bank deposits	2,143	5,282
	24,242	30,403
Deposits pledged	(2,191)	(1,845)
Cash and cash equivalents in the statement of cash flows	22,051	28,558

**Note: Disposal of subsidiary**

	31/12/2014	31/12/2013
	S\$'000	S\$'000
Property, plant and equipment	709	-
Trade Receivables - 3rd Party	1,112	-
Trade Receivables - Related Party	104	-
Other receivables	157	-
Inventories (net)	1,119	-
Cash and cash equivalents	595	-
	3,796	-
Trade Payables - 3rd Party	(49)	-
Trade Payables - Related Party	(4,935)	-
Other payables	(72)	-
Carrying value of net assets	(1,260)	-
Total consideration	1,241	-
Cash and cash equivalents	(595)	-
Net cash inflow on disposal of subsidiary	646	-

- 1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

**The Group**

(S\$'000)	Share capital	Asset revaluation reserve	Foreign currency translation reserve	Accumulated profits/(losses)	Total
As at 1 January 2013	51,547	1,047	(7,436)	13,439	58,597
Total comprehensive loss for the year	-	-	-	(2,122)	(2,122)
Loss for the year	-	-	-	(2,122)	(2,122)
Other comprehensive income	-	-	(277)	-	(277)
Foreign currency translation differences	-	-	(277)	-	(277)
Total comprehensive loss for the year	-	-	(277)	(2,122)	(2,399)
Balance as at 31 December 2013	51,547	1,047	(7,713)	11,317	56,198
As at 1 January 2014	51,547	1,047	(7,713)	11,317	56,198
Total comprehensive loss for the year	-	-	-	(7,780)	(7,780)
Loss for the year	-	-	-	(7,780)	(7,780)
Other comprehensive income	-	-	(99)	-	(99)
Foreign currency translation differences	-	-	(99)	-	(99)
Total comprehensive loss for the year	-	-	(99)	(7,780)	(7,879)
Balance as at 31 December 2014	51,547	1,047	(7,812)	3,537	48,319

**The Company**

(S\$'000)	Share capital	Asset revaluation reserve	Foreign currency translation reserve	Accumulated profits/(losses)	Total
As at 1 January 2013	51,547	1,047	-	(2,868)	49,726
Total comprehensive income for the year	-	-	-	(899)	(899)
Loss for the year	-	-	-	(899)	(899)
Balance as at 31 December 2013	51,547	1,047	-	(3,767)	48,827
As at 1 January 2014	51,547	1,047	-	(3,767)	48,827
Total comprehensive income for the year	-	-	-	(8,870)	(8,870)
Loss for the year	-	-	-	(8,870)	(8,870)
Balance as at 31 December 2014	51,547	1,047	-	(12,637)	39,957

- 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.

The Company has no treasury shares as at 31st December 2014 and 31st December 2013.

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

	The Group	
	31/12/2014	31/12/2013
Total number of issued shares	351,398,000	351,398,000

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

There were no treasury shares 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 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.

The Group has applied the same accounting policies and methods of computation in preparing the financial statements for the current accounting year compared with the most recently audited financial statements for the year ended 31 December 2013.

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.

Not applicable.

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:

	The Group	
	31/12/2014	31/12/2013
Loss per ordinary share for the period based on net profit attributable to shareholders:		
(i) Based on the weighted average number of ordinary shares in issue; and	(2.214) cts	(0.604) cts
(ii) On a fully diluted basis (detailing any adjustments made to the earnings).	(2.214) cts	(0.604) cts

Notes:

Loss per share for years ended 31/12/2014 and 31/12/2013 were based on 351,398,000 shares.

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.

	31/12/2014	31/12/2013
Net assets value per ordinary share based on issued share capital at the end of the period - The Group	S\$ 0.138	S\$ 0.160
Net assets value per ordinary share based on issued share capital at the end of the period - The Company	S\$ 0.114	S\$ 0.139

Note:

Net assets value per share for years ended 31/12/2014 and 31/12/2013 were based on 351,398,000 shares.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

#### Consolidated Income Statement

##### Group Revenue

	FY2014	FY2013	Variance	
	S\$'000	S\$'000	S\$'000	%
Stationery Business	41,928	46,873	(4,945)	-10.5%
Trading sales	271,489	64,387	207,102	321.7%
	313,417	111,260	202,157	181.7%

The Group achieved a revenue of \$313.4 million in FY2014, an increase of \$202.2 million as compared to FY2013.

The increase in revenue came from the trading sales: (i) sales of pulp and waste papers of \$200 million mainly to the Indonesia and Hong Kong markets, (ii) increase in paper bags and gift boxes sales of \$6 million to the North America market and (iii) \$3.3 million sales of coated paper and paperboards to the South America markets which we commenced in the fourth quarter of 2014. To ensure our collections from these customers, we have insured them under a credit insurance scheme.

Stationery business revenue declined by \$5.0 million due to lower sales in the Australia market (decreased by \$2.6 million) and decrease of \$2.4 million from the household tissue business. There was no household tissue business in the fourth quarter of 2014 as we disposed our wholly owned subsidiary, Jinmei Industrial Sdn Bhd ("Jinmei") on 21 August 2014 (refer to SGX announcements dated 21 August 2014 and 30 September 2014).

##### Group Gross Profit

	FY2014		FY2013		Variance	
	S\$'000	Margin	S\$'000	Margin	S\$'000	%
Stationery Business	8,746	20.9%	13,332	28.4%	(4,586)	-34.4%
Trading sales	4,949	1.8%	1,434	2.2%	3,515	245.1%
	13,695	4.4%	14,766	13.3%	(1,071)	-7.3%

Although revenue has increased, we achieved a lower gross profit of \$13.7 million for FY2014, a decline of \$1.0 million as compared to FY2013. The trading business continued to drive earnings but at a lower gross profit margin. The decline of gross profit margin for trading was due to trading of different product mix. The stationery business gross profit declined by \$4.6 million due to lower sales, different mix of products sold and higher costs of production due to lower production output.

##### Other Expenses

	FY2014	FY2013	Variance	
	S\$'000	S\$'000	S\$'000	%
(i) Loss on disposal of subsidiary - Jinmei	(927)	-	(927)	N/M
(ii) Impairment of plant and equipment at Nippecraft	(3,434)	-	(3,434)	N/M
(iii) Exchange gain /(loss)	266	(459)	725	(1.6)
(iv) Others	412	439	(27)	(0.1)
Total	(3,683)	(20)	(3,663)	183.2

N/M denotes Not Meaningful

- (i) The loss of \$927,000 arose from the disposal of Jinmei (refer to announcements dated 21 August 2014 and 30 September 2014).
- (ii) Refer to (A) below - review of Nippecraft (company) profit and loss on impairment of plant and equipment
- (iii) Increase in exchange due to foreign exchange movements of our foreign currency
- (iv) Others consist mainly of waste income and wage credit scheme.

The decrease in selling and distribution expenses can be attributable to decline in sales in the stationery business and our continuous effort to reduce operating costs.

The increase in general and administration expenses were due to additional amortisation charge of intangible of \$3,016,000.

The intangible was acquired by our subsidiary, Collins Debden Ltd in the United Kingdom, in July 1995. Management has reviewed the intangible as at 31 December 2014 and has determined it more appropriate to amortise the remaining value within FY2014 on the assumption that the intangible has a useful economic life of slightly lower than 20 years from date of acquisition to 31 December 2014. The additional amortisation charge in FY2014 is \$3,016,000, bringing the total amortisation to \$3.8 million.

Finance costs relates to interests costs arising from discounting of trade bills for the trading business.

The lower tax expense in FY2014 was due to write back of deferred tax provision of \$696,000 at the Company level.

Group	FY2014	FY2013	Variance	Change
	S\$'000	S\$'000	S\$'000	%
<b>Net loss before tax for the year</b>	<b>(8,211)</b>	<b>(1,485)</b>	<b>(6,726)</b>	<b>452.9%</b>
(i) Loss on disposal of subsidiary - Jinmei	927	-	927	N/M
(ii) Add Impairment of plant and equipment at Nippecraft	3,434	-	3,434	N/M
(iii) Add additional amortisation of intangible	3,016	-	3,016	N/M
<b>Adjusted net loss before tax</b>	<b>(834)</b>	<b>(1,485)</b>	<b>651</b>	<b>-43.8%</b>
Add depreciation	1,726	1,920	(194)	-10.1%
Add finance costs	233	29	204	714.4%
Add amortisation of intangible	769	718	51	7.1%
<b>Adjusted EBITDA (Earnings before income tax, depreciation, amortisation and interest costs)</b>	<b>1,894</b>	<b>1,182</b>	<b>712</b>	<b>60.3%</b>

N/M denotes Not Meaningful

Had we excluded the above exceptional losses, the Group incurred an adjusted net loss of \$834,000 as compared to \$1.5 million loss in FY2013. The improvement in net loss of \$651,000 was due to growth from the trading business, outsourcing of certain production processes to reduce our production costs and our continuous effort to reduce overhead costs. Adjusted EBITDA has also improved by 60% from \$1.2 million in FY2013 to \$1.9 million.

(A) Review of Nippecraft (Company) profit and loss

Company - Profit and Loss	FY2014	FY2013	Variance	Change
	S\$'000	S\$'000	S\$'000	%
Sales	13,478	23,664	(10,186)	-43.0%
Gross Loss	(3,684)	(33)	(3,651)	11063.6%
Net Loss before tax	(9,566)	(1,224)	(8,342)	681.5%
(a) Add impairment of plant and equipment	3,434	-	3,434	N/M
(b) Add net loss on disposal of Jinmei at Company level less intercompany balances written off	1,634	-	1,634	N/M
Adjusted net loss before tax	(4,498)	(1,224)	(3,274)	267.5%
Add depreciation	1,562	1,633	(71)	-4.3%
EBITDA	(2,936)	409	(3,345)	-817.8%

N/M denotes Not Meaningful

Nippecraft, the Company, is the production arm for the Nippecraft Group. It produces stationery products. Nippecraft sells to Australia, North America and United Kingdom Markets. Since FY2011, the Company sales has decreased by almost 50% and the biggest decline came from the North America market, which had declined by 80% since FY2011.

During the year, we carried out cost cutting measures and outsourced certain production processes. It has yield some results. However, the costs reduction were not significant enough to offset the low capacity utilisation as a result of weak demand from North America and Australia for stationery products. As a result, we incurred gross losses of \$3.7 million. (FY2013: \$33,000) for FY2014. The Company also incurred negative EBITDA in FY2014.

The North America and Australia markets for stationery products remain challenging due to further softening of demand and the implications arising from the recent merger activity of two companies in the North America. We are always under continuous price pressure to remain competitive for our stationery products. Our plant and equipment has an average remaining useful life of 4 years and our equipment are relatively old and obsolete. Considering all these factors, management reviewed the carrying amount of our plant and equipment as at 31 December 2014 and has impaired the plant and equipment based on the discounted cash flow method. We have used the estimated future cash flows discounted to the present value using a pre tax discount rate of the present value. The pre tax rate discount rate (7% to 9%) applied to the cash flow projections and assume zero growth rate. An impairment loss of \$3.4 million was charged to profit and loss.

Statements of Group Financial Position

The decline in non-current assets of \$9.6million was due to the depreciation charge for property, plant and equipment of \$1.7 million, impairment charges of \$3.4 million, disposal of Jinmei and amortisation for intangibles of \$3.8 million.

The increase in current assets of \$5.6 million is due to the increase in amount due from related companies of \$22.8 million arising from increase in trading business activities. There is no collectability issue arising from amount owing from these related companies. This is offset (i) by the decline in inventories of \$7.8 million due to disposal of Jinmei, our effort to sell slow moving stocks and lower inventory held due to slow demand in certain markets. (ii) for our trading business, we require our customers to advance payments to us upon confirmation of orders. Similarly for the same order we advance payments to our suppliers. The decline of \$9.6 million was due to lower orders received and confirmed at year end; hence less advancement to suppliers.

The increase in current liabilities of \$4.6 million is due to the increase in trade payables of \$22.0 million arising from the increase in trading business activities. Our trading activities are on back to back terms. The increase is offset by a decline in (i) the decrease of \$12.7 million in other payables and accruals was due to lower advancements received from customers for the trading business activities at year end and lower accruals for inventory purchased at year end ; (ii) decrease of \$4.7 million due to related companies was due to no purchase of tissue products at year end as a result of disposal of Jinmei.

The lower deferred taxation was due to write back of deferred tax liability.

Statements of Company Financial Position

The decline in non-current assets of \$3.7million was due to the depreciation charge for property, plant and equipment of \$1.5 million and an impairment charges of \$3.4 million offset by an increase in share capital in Paperich Pte Ltd, a wholly owned subsidiary of Nippecraft.

The decline in current assets of \$8.1 million was due to write off of intercompany balances arising from Jinmei, payment of intercompany balances by subsidiaries and lower inventory level at year end.

The decline in current liabilities of \$2.2 million was due to lower trade payables, lower accruals for inventory purchased and lower amount owing to subsidiaries.

#### Group Cash Flow

The Group reported a net decrease in cash of \$6.2 million from \$30.4 million as at 31 December 2013 to \$24.2 million as at 31 December 2014. The decline in cash balances was mainly due to net cash used in operating activities as a result of change in working capital; mainly from timing of collections from receivables.

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

No forecast or prospect statement was disclosed to shareholders previously.

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 global economic outlook continue to remain uncertain. With uncertainties in the economic environment, we have to remain vigilant. Nippecraft will be outsourcing more of its production activities to remain cost competitive. The launch of new stationery products under the Collins Debden Brand to the market is on track. However, the launch is dependent on market demand. The Group will continue to look for new business opportunities when they arise.

11. Dividend

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

Nil

Name of dividend	
Dividend type	
Dividend rate	
Tax rate	

(b) Corresponding period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediate preceding financial year?

Nil

Name of dividend	
Dividend type	
Dividend rate	
Tax rate	

(c) Whether the dividend is before tax, net of tax or tax exempt.

Not applicable

(d) Date payable

Not applicable

(e) Books closing date

Not applicable

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

No dividend has been declared.



PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. 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.

By geographical location:

Geographical segment information of sales and profit before tax are presented on the basis of the location of markets.

Segment assets, segment liabilities, capital expenditure and depreciation are determined based on the country of incorporation of the company.

(a) Turnover

	Group	
	31/12/2014	31/12/2013
	S\$'000	S\$'000
Singapore	6,102	7,438
Europe	17,577	17,322
Australia	19,687	23,968
North America *	10,612	6,014
South America	3,308	-
Indonesia	238,312	55,269
Hong Kong	17,197	-
Others	622	1,249
Total	313,417	111,260

\* sales of stationery products, paper bags and gift boxes.

(b) Profit before taxation

	Group	
	31/12/2014	31/12/2013
	S\$'000	S\$'000
Singapore	(8,768)	(285)
Europe	(3,134)	(200)
Australia	(534)	(1,142)
North America	(391)	(648)
South America	63	-
Indonesia	4,562	731
Hong Kong	329	-
Others	(193)	(31)
Total	(8,066)	(1,575)
Unallocated cost	(233)	(29)
Unallocated income	88	119
Operating loss before tax	(8,211)	(1,485)

(c) Other information:

The Group - 2014  
S\$'000

	Segment assets S\$'000	Segment liabilities S\$'000	Capital expenditure S\$'000	Depreciation and impairment S\$'000	Amortisation S\$'000	Non-cash expenditure S\$'000
Singapore	19,937	2,290	107	4,996	-	(509)
Europe	17,080	4,343	9	18	3,785	(114)
Australia	18,157	2,721	43	42	-	(987)
North America	4,036	1,879	-	-	-	-
South America	2,996	87	-	-	-	-
Indonesia	29,115	6,676	-	-	-	-
Hong Kong *	4,555	27,519	-	-	-	-
Others	723	2,765	-	104	-	(5)
	96,599	48,280	159	5,160	3,785	(1,615)

\* segment liabilities - relates mostly to payables for the purchase of pulp and waste papers

The Group - 2013  
S\$'000

	Segment assets S\$'000	Segment liabilities S\$'000	Capital expenditure S\$'000	Depreciation S\$'000	Amortisation S\$'000	Non-cash expenditure S\$'000
Singapore	30,055	6,268	9	1,634	-	187
Europe	21,694	3,573	25	18	718	(233)
Australia	19,873	2,586	-	115	-	(1,277)
North America	4,166	4,420	-	-	-	-
Indonesia	6,221	18,385	-	-	-	-
Others	18,528	9,107	6	153	-	(21)
	<u>100,537</u>	<u>44,339</u>	<u>40</u>	<u>1,920</u>	<u>718</u>	<u>(1,344)</u>

Industry segment

	<u>Year 2014</u>	<u>Year 2013</u>
	Turnover S\$'000	Turnover S\$'000
Stationery Business	41,928	46,873
Trading sales	<u>271,489</u>	<u>64,387</u>
Total	<u>313,417</u>	<u>111,260</u>

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Refer to performance review on item 8.

15. A breakdown of sales.

	Group S\$'000		%	Company S\$'000		%
	Latest year to 31/12/2014	Latest year to 31/12/2013	Change	Latest year to 31/12/2014	Latest year to 31/12/2013	Change
Sales reported for first half year	58,476	32,303	81.0	7,904	12,484	(36.7)
Operating profit/(loss) after tax before minority interests reported for the first half year	(2,432)	(2,268)	7.2	(1,888)	75	(2,617.7)
Sales reported for second half year	254,941	78,957	222.9	5,574	11,180	(50.1)
Operating profit/(loss) after tax before minority interests reported for the second half year (Note 1)	(5,348)	146	(3,763.0)	(6,982)	(964)	624.2

Note (1) Had we excluded the impairment of fixed assets, disposal of Jinmei and additional amortisation of intangibles, the Group's operating profit after tax before minority interests reported for the second half year 2014 would be \$2,029,000 (FY2013: \$146,000). The Company would have incurred an operating loss of \$1,914,000 for the second half of 2014 (FY2013 loss: \$964,000).

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

Latest year to 31/12/2014	-
Latest year to 31/12/2013	-

17. Interested Person Transactions

Name of Interested Person	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)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920	
	full year ended 31/12/2014 S\$'000	31/12/2013 S\$'000	full year ended 31/12/2014 S\$'000	31/12/2013 S\$'000
<u>Purchases</u>				
PT Pindo Deli Pulp and Paper Mills	-	-	1,891	3,055
PT Pabrik Kertas Tjiwi Kimia Tbk	-	-	9,884	4,318
Yalong Paper Products (Kunshan) Co. Ltd	-	-	-	69
Paper Force	-	-	34	-
<u>Sales</u>				
PT Indah Kiat Pulp & Paper Tbk	-	-	85,111	18,237
PT Pindo Deli Pulp and Paper Mills	-	-	73,475	15,285
PT Pabrik Kertas Tjiwi Kimia Tbk	-	-	71,792	20,080
PT Lontar Papyrus Pulp & Paper Industry	-	-	5,761	1,340
PT The Univenus	-	-	355	331
PT Ekamas Fortuna	-	-	223	-
<b>Total Interested Person Transactions</b>	-	-	248,524	62,715

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 (13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Board of Nippecraft Limited ("the Company") hereby confirms that to the best of its knowledge, as at the date of this announcement, none of the persons occupying managerial positions in the Company or any of its subsidiaries is a relative of a director or chief executive officer or a substantial shareholder of the Company.

BY ORDER OF THE BOARD

Wiria Hartanto Muljono  
Chief Executive Officer and Executive Director

Date: 27 February 2015