

Unless otherwise defined, all capitalized terms used in this announcement shall have the same meanings as defined in the offer document of the Company dated 6 January 2016, registered by the SGX-ST, acting as agent on behalf of the Monetary Authority of Singapore (the "Offer Document").

Eindec Corporation Limited (the "Company") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 15 January 2016. The initial public offering (the "IPO") of the Company was sponsored by UOB Kay Hian Private Limited (the "Sponsor").

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the relevant rules of 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. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the statements or opinions made or reports contained in this announcement.

The contact persons for the Sponsor are Mr. Alvin Soh, Head of Catalist Operations, Senior Vice President and Mr. Josh Tan, Vice President, who can be contacted at 8, Anthony Road #01-01, Singapore 229957, Telephone: +65 6590 6881.

Background

The Company was incorporated in Singapore on 2 April 2015 under the Companies Act as a private limited company, under the name of "Eindec Corporation Pte. Ltd.". The Company was converted into a public limited company and renamed as "Eindec Corporation Limited" in connection therewith on 10 December 2015. The Company became the holding company of the Group following the completion of the Restructuring Exercise on 10 December 2015. Please refer to the Offer Document for further details on the Restructuring Exercise.

The Group is a regional clean air environmental and technological solutions group. The Group designs, manufactures and distributes a wide range of clean room equipment and heating, ventilation and air-conditioning ("HVAC") equipment. The Group has ventured into the consumer air purifier market by leveraging on its technological expertise in clean room equipment. The Group operates two facilities in Malaysia and Singapore, with its facility in Singapore serving as its corporate headquarters and research & development ("R&D") centre, as well as offices established in Malaysia, Singapore and PRC. Please refer to the Offer Document for further details on the business of the Group.

For the purpose of this announcement, the results of the Group for the financial year ended 31 December 2015 ("FY2015") and the comparative results of the Group for the financial year ended 31 December 2014 ("FY2014") have been prepared on the assumption that the group structure following the completion of the Restructuring Exercise has been in place since 1 January 2014.

Part 1 - Information required for full year announcements.

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

Consolidated Statements of Comprehensive Income

	<----- Group ----->		
	Full Year Ended 31 December		
	2015	2014	Change
	S\$'000	S\$'000	%
Revenue	16,851	14,270	18
Cost of sales	(10,157)	(9,311)	9
Gross profit	6,694	4,959	35
Other operating income	434	76	>100
Other operating expenses	(5,773)	(3,348)	72
Results from operating activities	1,355	1,687	(20)
Finance costs	(87)	(60)	45
Profit before income tax	1,268	1,627	(22)
Income tax expense	(479)	(261)	84
Profit for the year (Note 1)	789	1,366	(42)
Other comprehensive loss			
Foreign currency translation differences from foreign operations	(755)	(92)	NM
Total other comprehensive loss for the year, net of income tax	(755)	(92)	NM
Total comprehensive income for the year attributable to owners of the parent	34	1,274	(97)

NM - Not meaningful

Note 1 – Profit for the year

This is determined after charging/(crediting) the following items:

	<----- Group ----->	
	Full Year ended	
	31 December	
	2015	2014
	S\$'000	S\$'000
Gain on disposal of property, plant and equipment	(398)	(47)
Interest income	(4)	(3)
Interest expense	87	60
Net foreign exchange gain	(118)	(27)
Listing expenses	1,067	-
Depreciation of property, plant and equipment	324	317
(Over)/Under provision of tax in respect of prior year	2	22

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

Statements of Financial Position

	Group		Company	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014⁽²⁾
	S\$'000	S\$'000	S\$'000	S\$'000
Assets				
Non-current assets				
Property, plant and equipment	4,685	5,228	-	-
Other intangible assets	543	196	-	-
Investment in a subsidiary	-	-	9,300	-
	5,228	5,424	9,300	-
Current assets				
Inventories	2,394	2,672	-	-
Trade and other receivables	6,416	4,104	1,901	-
Amount due from ultimate holding company (non-trade)	101	1,196	101	-
Amount due from a subsidiary (non-trade)	-	-	661	-
Cash and cash equivalents	4,435	3,095	39	-
	13,346	11,067	2,702	-
Total assets	18,574	16,491	12,002	-
Equity and liabilities				
Current liabilities				
Trade and other payables	5,310	2,011	159	-
Amount due to a subsidiary (non-trade)	-	-	1,547	-
Amount due to ultimate holding company (non-trade)	2,394	4,357	2,394	-
Current tax payables	444	167	-	-
Bank overdrafts	643	-	-	-
Loans and borrowings	249	245	-	-
	9,040	6,780	4,100	-
Net current assets / (liabilities)	4,306	4,287	(1,398)	-
Non-current liabilities				
Deferred tax liabilities	204	230	-	-
Loans and borrowings	213	473	-	-
	417	703	-	-
Total liabilities	9,457	7,483	4,100	-
Net assets	9,117	9,008	7,902	-
Equity attributable to owners of the parent				
Share capital	9,300	-	9,300	-
Other reserves	(10,549)	(612)	-	-
Accumulated Profits/(Loss)	10,366	9,620	(1,398)	-
Total equity	9,117	9,008	7,902	-
Total equity and liabilities	18,574	16,491	12,002	-

Note:

(2) There are no comparative figures at the company level as at 31 December 2014 as the Company was incorporated on 2 April 2015.

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

Amount repayable in one year or less, or on demand

Amount repayable after one year

As at 31.12.2015		As at 31.12.2014	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
892	-	245	-
213	-	473	-

Details of any collaterals

As at 31 December 2015, the Group's borrowings were secured by the property, plant and equipment ("PPE") of a subsidiary, a deed of debenture provided by a subsidiary for RM10 million and a corporate guarantee from the ultimate holding company.

The Company refers to pages 91, A-27 and B-14 of its offer document dated 6 January 2016 ("Offer Document") and wishes to clarify that the existing term loans and overdraft facilities as described on page 91 were secured by one or several of our freehold properties in Malaysia, a deed of debenture provided by our subsidiary and a corporate guarantee from our ultimate holding company ("Corporate Guarantee"). This is provided on pages A-27 and B-14 of the Offer Document.

The Corporate Guarantee is a present and ongoing interested person transaction. The amount guaranteed by the Corporate Guarantee in each of FY2012, FY2013 and FY2014 are set out on page A-27 and the amount guaranteed by the Corporate Guarantee in 1H2015 is set out on page B-14. The total amount guaranteed (total amount available under the facilities) and the amount outstanding (utilised) as at the Latest Practicable Date (as defined in the Offer Document), the nature of the loans and the interest rates on the loans secured by the Corporate Guarantee are set out on page 91 of the Offer Document. In addition, the largest aggregate outstanding amount secured under the Corporate Guarantee from FY2012 to the Latest Practicable Date is S\$2.71 million. The Corporate Guarantee was not extended to our Group on an arm's length basis as it was beneficial to our Group and no payment was made by our Group to our ultimate holding company for the provision of the Corporate Guarantee. As at 31 December 2015, the aggregate outstanding amount secured under the Corporate Guarantee is S\$1.05 million.

We have written to the Public Bank to release and/or discharge the Corporate Guarantee by substituting or replacing the same with corporate guarantee(s) from our Company. We expect to receive a response from the Public Bank in the following weeks. Should the terms and conditions of the existing facilities be affected by the withdrawal of the Corporate Guarantee, we are confident of securing alternative bank facilities on terms similar to those of the existing facilities. We will update Shareholders once the Corporate Guarantee is released and discharged.

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

Consolidated Statements of Cash Flows

	<----- Group ----->	
	Full Year ended	
	31 December	
	2015	2014
	S\$'000	S\$'000
Cash flows from operating activities		
Profit before tax	1,268	1,627
<u>Adjustments for:</u>		
Depreciation of property, plant and equipment	324	317
Gain on disposal of property, plant and equipment	(398)	(47)
Property, plant and equipment written off	11	4
Effects of exchange rate changes	(37)	26
Listing expenses	1,067	-
Interest expense	87	60
Interest income	(4)	(3)
Operating profit before working capital changes	<u>2,318</u>	<u>1,984</u>
<u>Changes in working capital</u>		
Inventories	278	493
Trade and other receivables	(714)	(822)
Trade and other payables	1,372	279
Cash generated from operations	<u>3,254</u>	<u>1,934</u>
Income tax paid	(145)	(218)
Net cash generated from operating activities	<u>3,109</u>	<u>1,716</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(514)	(95)
Decrease/(Increase) in amount due from ultimate holding company (non-trade)	1,095	(1,057)
Decrease/(Increase) in amount due from related corporation (non-trade)	247	(247)
Interest received	4	3
Proceeds from sale of property, plant and equipment, net	568	47
Payment for development expenditure capitalised in intangible assets	(347)	(196)
Net cash generated from/(used in) from investing activities	<u>1,053</u>	<u>(1,545)</u>

Consolidated Statements of Cash Flows (cont'd)

	<----- Group ----->	
	Full Year ended	
	31 December	
	2015	2014
	S\$'000	S\$'000
Cash flows from financing activities		
Interest paid	(87)	(60)
Repayment of loans and borrowings	(306)	(1,025)
Repayment of finance lease obligations	(25)	(7)
Decrease in amount due to ultimate holding company (non-trade)	(1,963)	(572)
Payment for listing expenses	(1,042)	-
Net cash flows used in financing activities	(3,423)	(1,664)
Net increase/(decrease) in cash and cash equivalents	739	(1,493)
Cash and cash equivalents at beginning of year	3,095	4,605
Effect of exchange rate changes fluctuations on cash held	(42)	(17)
Cash and cash equivalents at end of year	3,792	3,095

For the purposes of the Consolidated statements of cash flows, cash and cash equivalents comprised the following amounts as at 31 December:

Cash at bank and on hand	4,435	3,095
Less: bank overdrafts	(643)	-
Total cash and cash equivalents in statements of cash flows⁽³⁾	3,792	3,095

Notes:

(3) Cash and cash equivalents as at 31 December 2015 included S\$20,390 (2014: S\$nil) of fixed deposits which had been pledged to bank for performance guarantee of a subsidiary.

(4) During the financial year ended 31 December 2015, the Group acquired property, plant and equipment with an aggregate cost of S\$589,000 (31 December 2014: S\$95,000), of which S\$75,000 (31 December 2014: S\$nil) was acquired under finance leases.

- 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.

Consolidated Statements of Changes in Equity

	Attributable to owners of the parent					
	Share Capital	Statutory Reserve	Merger Reserve	Foreign currency translation	Accumulated profits	Equity total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group						
Balance at 1 January 2014	-	-	-	(520)	8,254	7,734
Total comprehensive income for the year						
Profit for the year	-	-	-	-	1,366	1,366
Other comprehensive loss						
Foreign currency translation differences – foreign operations	-	-	-	(92)	-	(92)
Total comprehensive (loss)/income for the year	-	-	-	(92)	1,366	1,274
Balance at 31 December 2014	-	-	-	(612)	9,620	9,008
Balance at 1 January 2015	-	-	-	(612)	9,620	9,008
Total comprehensive income for the year						
Profit for the year	-	-	-	-	789	789
Other comprehensive loss						
Foreign currency translation differences – foreign operations	-	-	-	(755)	-	(755)
Total comprehensive (loss)/income for the year	-	-	-	(755)	789	34
Transactions with owners, recognised directly in equity						
Contributions by and distribution to owners						
Issuance of ordinary shares	9,300	-	-	-	-	9,300
Reserve arising from a restructuring exercise	-	-	(9,225)	-	-	(9,225)
Transfer to statutory reserve	-	43	-	-	(43)	-
Total transactions with owners	9,300	43	(9,225)	-	(43)	75
Balance at 31 December 2015	9,300	43	(9,225)	(1,367)	10,366	9,117

Consolidated Statements of Changes in Equity (cont'd)

	Attributable to owners of the parent					Equity total
	Share Capital	Statutory Reserve	Merger Reserve	Foreign currency translation	Accumulated profits	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Company						
Balance at 2 April 2015 (date of incorporation)	-*	-	-	-	-	-*
Total comprehensive loss for the period						
Loss for the period	-	-	-	-	(1,398)	(1,398)
Total comprehensive loss for the period	-	-	-	-	(1,398)	(1,398)
Transactions with owners, recognised directly in equity						
Contributions by and distribution to owners						
Issuance of ordinary shares	9,300	-	-	-	-	9,300
	9,300	-	-	-	-	9,300
Balance at 31 December 2015	9,300	-	-	-	(1,398)	7,902

*As at the date of incorporation, the company's issued and paid-up share capital was S\$1.00 comprising 1 Share.

- 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.**

As at the date of incorporation of the Company, the issued and paid-up share capital of the Company was S\$1.00 comprising 1 Share. Pursuant to the Restructuring Exercise, the Company issued 2,000,000 new Shares. On 8 December 2015, the Company undertook a sub-division of 2,000,001 Shares into 71,900,000 Shares with resultant issued and paid up share capital of S\$9,300,001.

The Company was listed on Catalist of SGX-ST on 15 January 2016. Upon the IPO, the Company issued 35,800,000 Shares for a total consideration of S\$7,518,000. The total number of Shares after the IPO was 107,700,000 Shares.

There are no outstanding convertibles or shares held as treasury shares of the Company as at 31 December 2015. There are no comparative figures for the Company as at the end of the corresponding period of the immediately preceding financial year, as the Company was incorporated on 2 April 2015.

- 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 the immediately preceding year.**

The total number of issued shares excluding treasury shares as at 31 December 2015 was 71,900,000 (2014: nil). There are no treasury shares held by the Company.

There are no comparative figures as at the end of the immediately preceding financial year, as the Company was incorporated on 2 April 2015. Upon the IPO, the Company issued 35,800,000 Shares for a total consideration of S\$7,518,000. The total number of Shares after the IPO was 107,700,000 Shares. As such, as at the date of this announcement, the enlarged issued and paid-up share capital of the Company is S\$14.92 million comprising 107,700,000 Shares, after taking into account the capitalisation of IPO related expenses of approximately S\$1.90 million.

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 are no treasury shares held by the Company.

2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.

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

3. Where the figures have been audited or reviewed, the auditor's 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.

Except as disclosed in section 5 below, the same accounting policies and methods of computation adopted in the most recently audited financial statements for the financial year ended 31 December 2014 have been applied in the preparation of the unaudited financial statements for the financial period 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 been changed, as well as the reasons for, and the effect of, the change.

During the current financial year, the Group and the Company have adopted the new and revised FRS which took effect from financial year beginning 1 January 2015.

The adoption of these new and revised FRS has no material effect on the results and financial position of the Group and of the Company for the current and the previous financial years. Accordingly, it has no impact on the earnings per share of the Group and of the Company.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	<----- Group ----->	
	Full Year ended	
	31 December	
	2015	2014
Profits for the year (S\$'000)	789	1,366
Weighted Average No. of Shares ('000) in issue	36,245	36,245
Basic and diluted earning per Share (in cents)	2.18	3.77

The calculation of the basic and diluted earnings per share for each of the years ended 31 December 2014 and 2015 is based on the profit for the respective years and the weighted average number of shares of the Company in issue during FY2015.

There were no dilutive potential ordinary shares in existence for both FY2015 and FY2014.

For illustrative purposes, assuming that the Restructuring Exercise and IPO had been completed as at the end of the current financial year, the basic and diluted earnings per share for FY2015 was 0.73 cents (based on 107,700,000 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.**

	Group		Company	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014 ⁽⁵⁾
Net asset value (S\$'000)	9,117	9,008	7,902	-
No. of Shares ('000)	71,900	71,900	71,900	-
Net asset value per Share (in cents)	12.68	12.53	10.99	-

The calculation of the net asset value per share as at 31 December 2014 and 2015 is based on the net asset value as at the respective year end and the pre-placement number of shares of the Company of 71,900,000 shares.

For illustrative purposes, assuming that the Restructuring Exercise and IPO had been completed as at the current financial year, the net asset value per Share of the Group as at 31 December 2015 would be 13.68 cents⁽⁶⁾.

Notes:

(5) There are no comparative figures for the Company as at the end of the immediate preceding financial year as the Company was incorporated on 2 April 2015.

(6) Upon the IPO on 15 January 2015, the Company issued 35,800,000 Shares for a total consideration of S\$7,518,000 and the enlarged issued share capital of the Company is S\$14.92 million comprising 107,700,000 Shares, after taking into account the capitalisation of IPO related expenses of approximately S\$1.90 million.

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.**

Revenue and gross profit

The Group's revenue increased by S\$2.58 million in FY2015 to S\$16.85 million as compared to S\$14.27 million in FY2014 was primarily due to the success in its new environmental and technological solution products business operation which focuses on air purifier products in the PRC and generated revenue of S\$2.09 million in FY2015. In addition, the Group's revenue for HVAC equipment increased by S\$0.43 million in FY2015 to S\$6.81 million as compared to S\$6.38 million in FY2014.

The Group's gross profit increased by S\$1.74 million in FY2015 to S\$6.70 million as compared to S\$4.96 million in FY2014 was due to sale of air purifier products with higher profit margin, more clean room equipment servicing project work with higher profit margin, higher sales in higher profit margin clean room equipment, higher sales volume to cover fixed overhead costs which remained fairly constant in FY2015. As a result, the Group recorded higher gross margin of 39.7% in FY2015 as compared to 34.8% in FY2014.

Other operating income

The Group's other income increased by S\$0.35 million in FY2015 to S\$0.43 million as compared to S\$0.08 million in FY2014 due to the one-off gain of approximately S\$0.34 million from disposal of freehold land and building in Thailand.

Other operating expenses

The Group's other operating expenses increased by S\$2.43 million in FY2015 to S\$5.78 million as compared to S\$3.35 million in FY2014 mainly due to the start up of its new environmental and technological solution products business operation in the PRC via the establishment of a wholly owned subsidiary based in Shenzhen. In addition, the Group incurred a one-off listing expenses of S\$1.07 million. There was also an increase in the contribution rate to CPF and salaries from building of new team in FY2015. Relocation of Singapore operations to new location with new premises lease expense incurred in FY2015 also contributed to the increase of other operating expenses.

Finance Costs

The Group's finance costs increased by S\$0.03 million in FY2015 to S\$0.09 million as compared to S\$0.06 million in FY2014 mainly due to interests charged by ultimate holding company for the net amount owing of S\$2.36 million. Prior to the listing of our Company, no interest was charged as the Company was a wholly owned subsidiary of our ultimate holding company. Following the listing and as disclosed in page 135 of the Company's offer document dated 6 January 2016, our ultimate holding company has agreed to continue to extend the amount owing to our Company on an unsecured basis with no fixed repayment terms and interest was charged at a rate equivalent to the three (3)-month Swap Offer Rate plus 3.5% in accordance with a deed of undertaking.

Incomes tax expense

The Group's income tax expenses increased by S\$0.22 million in FY2015 to S\$0.48 million as compared to S\$0.26 million in FY2014 due to shift of manufacturing operations from Singapore to Malaysia. The shift of manufacturing operations from Singapore to Malaysia was due to shortage of competitively priced manufacturing space in Singapore and to improve utilisation of existing manufacturing facilities in Malaysia. Despite the increase in income tax expenses, the shift resulted in higher profit before tax achieved by our subsidiary in Malaysia mainly as a result of the cost savings and better utilisation of fixed costs incurred.

Net profit

As a result of the foregoing, the Group's net profit decreased by S\$0.58 million from S\$1.37 million in FY2014 to S\$0.79 million in FY2015. For illustrative purposes, assuming the one-off gain on disposal of PPE of S\$0.34 million and listing expenses of S\$1.07 million are excluded, the Group's net profit for FY2015 would have been approximately S\$1.52 million.

Review of Financial Position

Non-current assets

The Group's non-current assets decreased by S\$0.19 million to S\$5.23 million in FY2015 as compared to S\$5.42 million in FY2014. This was due to a decrease of S\$0.54 million in property, plant and equipment to S\$4.69 million in FY2015 as compared to S\$5.23 million in FY2014. The decrease was mainly contributed by translation losses as a result of depreciation in RM currency against SGD currency during FY2015. The majority of the Group's property, plant and equipment are based in Malaysia. In addition, a freehold land and building in Thailand with net book value of S\$0.18 million was disposed off during the year.

The Group's other intangible assets increased by S\$0.34 million to S\$0.54 million in FY2015 as compared to S\$0.20 million in FY2014 due to capitalisation of development costs in relation to our new air purifier products.

Current assets

The Group's current assets increased by S\$2.28 million to S\$13.35 million in FY2015 as compared to S\$11.07 million in FY2014. The increase was mainly due to S\$1.34 million increase in cash and cash equivalents and IPO expenses of S\$1.90 million classified as prepayment under trade and other receivables as at 31 December 2015. The IPO expenses of S\$1.90 million is to be capitalised against share capital upon issuance of new shares in January 2016.

The increase in the Group's current assets was partially offset by a decrease of S\$0.28 million in inventories and reduction in amount due from ultimate holding company by S\$1.10 million.

Current liabilities

The Group's current liabilities increased by S\$2.26 million to S\$9.04 million in FY2015 as compared to S\$6.78 million in FY2014 due to an increased in trade and other payables by S\$3.30 million, mainly as a result of accrual for listing expenses of S\$1.93 million. The increase was also contributed by an increase in trade payable related to the production of our new air purifier products of S\$1.15 million in FY2015. The increase in current liabilities was partially offset by repayment of amount due to ultimate holding company.

Non-current liabilities

The Group's non-current liabilities decreased by S\$0.28 million to S\$0.42 million in FY2015 as compared to S\$0.70 million in FY2014 due to repayment of bank borrowings.

Review of Cash Flow Statement

The Group's total cash and cash equivalents increased by S\$0.69 million in FY2015 to S\$3.79 million as compared to S\$3.10 million in FY2014.

Net cash generated from operating activities amounted to S\$3.11 million, which comprised operating cash flows before changes in working capital of S\$2.32 million, net of working capital cash inflow of S\$0.94 million and income tax paid of S\$0.15 million. The net working capital inflow arose mainly from increase of S\$1.09 million in trade and other payables, increase of S\$0.71 million in trade and other receivables and decrease of S\$0.28 million in inventories.

Net cash generated from investing activities amounted to S\$1.05 million mainly due to decrease in amounts due from ultimate holding company and related corporation by S\$1.34 million in aggregate and proceeds from sale of PPE amounted to S\$0.57 million, offset by purchase of PPE mainly in the PRC amounted to S\$0.51 million.

Net cash used in financing activities amounted to S\$3.42 million mainly due to decrease in amount due to ultimate holding company by S\$1.96 million and payment for listing expenses of S\$1.04 million in FY2015, offset by lower repayment of loans and borrowings as compared to FY2014 as the Group did not utilise facilities for bankers' acceptances subsequent to full repayment in FY2014.

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

Not applicable.

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.

With the burgeoning economic growth in emerging markets, there will be corresponding growth of the domestic industries in these countries including the building, electronics, pharmaceutical, biotechnology, chemical and food and beverage industries. All of these industries require clean room equipment and HVAC equipment. The majority of our revenue from our Clean Room and HVAC Equipment Business was generated from the building and electronics industry in Singapore. The Ministry of Trade and Industry, Singapore, has forecasted Singapore's gross domestic product growth to be between 2.0% and 4.0% in each year from 2015 to 2020⁽⁷⁾. According to the Building and Construction Authority of Singapore, average annual construction demand is expected to be sustained between S\$27.0 billion and S\$37.0 billion in 2016 and 2017, and between S\$26.0 billion and S\$37.0 billion in 2018 and 2019, in view of mega public sector infrastructure projects required to meet the long-term needs of Singapore's population and maintain the competitive advantage of Singapore's economy⁽⁸⁾.

There is an increasing need, in various industries including the food, chemical and pharmaceutical manufacturing industries, to upgrade or restructure sophisticated manufacturing facilities with clean rooms for production of more advanced products which are more susceptible to particle contamination. At the same time, there are increasing requirements for manufacturers of electronics and semiconductor products to equip their own production plants with clean room equipment, thereby increasing the demand for such clean room equipment. The clean room equipment industry in Singapore is projected to grow up to 3.0% annually in the next five (5) years⁽⁹⁾.

The immense and sustained economic growth in the PRC has led to increasing levels of hazardous smog and worsening air pollution in the PRC, particularly in large cities coupled with increasing urban population. Meanwhile, the middle class in the PRC has continued to become increasingly affluent and public awareness on air pollution has increased. This has resulted in increased demand for air purifiers from urban household consumers. The prospects of the PRC's Consumer Air Purifier Industry are buoyed by challenges in air pollution control, with an expected compounded annual growth rate of 30.2% from 2014 to 2017⁽¹⁰⁾.

The current global downturn in offshore oil and gas sector due to the low oil prices may affect customers' demand for fire and smoke dampers to be used on board of oil rigs in the next 12 months.

Notes:

(7) Article entitled Singapore's Economic Growth Potential Up to 2020 (https://www.mti.gov.sg/ResearchRoom/SiteAssets/Pages/Economic-Survey-of-Singapore-First-Quarter-2015/BA_1Q15.pdf).

(8) News release by the Building and Construction Authority dated 8 January 2015 (http://www.bca.gov.sg/Newsroom/pr08012015_BCA.html).

(9) Singapore Clean Room Equipment Industry Report by Converging Knowledge Private Limited dated 10 September 2015. Please refer to the Offer Document for further details.

(10) PRC Consumer Air Purifier Industry Report by Converging Knowledge Private Limited dated 10 September 2015. Please refer to the Offer Document for further details.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial year 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 or recommended.

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

The Company did not seek and does not have a shareholders' general mandate pursuant to Rule 920 of the Listing Manual.

14. Use of IPO proceeds

Pursuant to the Company's IPO, the Company received net proceeds from the IPO of S\$4.55 million (the "Net Proceeds"). Please refer to the Offer Document for further details. As at the date of this announcement, the Net Proceeds have been utilised as follows:

Purpose	Allocation of Net Proceeds (as disclosed in the Offer Document) (S\$'000)	Net Proceeds utilised as at the date of this announcement (S\$'000)	Balance of Net Proceeds as at the date of this announcement (S\$'000)
Establishment of a new business for environmental and technological solutions products in the PRC	3,300	-	3,300
Investment in the research and development of new and existing products and establishment and enhancement of manufacturing capabilities	500	-	500
Working Capital	750	-	750
Total	4,550	-	4,550

15. Confirmation by the issuer pursuant to Rule 720(1) of the Catalist Rules

The Company has procured the undertakings from all its Directors and executive officers as required under Rule 720(1) of the Catalist Rules.

16. Negative confirmation by the board pursuant to Rule 705(5) of the Catalist Rules

Not applicable for announcement of full year financial statements.

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

- 17. Segmental 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.**

Business Segments

For management purposes, the Group is organised into business units based on their products and services, and has four reportable operating segments as follows:

Clean room equipments

A clean room provides an environment where the humidity, temperature and particles in the air are precisely controlled. Clean room equipment include fan filter units, air showers, clean booths, pass boxes, clean hand dryers and clean benches, amongst others.

HVAC

HVAC products are essentially deflection grilles and air diffusers installed to channel and regulate the airflow into the environment within the building to ensure an even distribution of air within the confined space. HVAC products also include fire and marine dampers.

Air purifier products

Air purifiers (also referred to as air cleaners) are electrical devices that remove solid and gaseous pollutants from the air such as formaldehyde and PM2.5 which may pose adverse health risks that include breathing difficulties, asthma and allergies. Through the function of air filters or sterilising systems built into each air purifier, the concentration of dust, contaminants, fine particles and volatile organic compounds in the air are reduced to the benefit of individuals within the immediate vicinity.

Others

Others include cooling towers which is complementary to HVAC products in Singapore.

Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

Income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

There are no inter-segment sales within the Group.

Business Segments

	Clean room S\$'000	HVAC S\$'000	Air Purifier S\$'000	Others S\$'000	Group S\$'000
2015					
Revenue:					
External customers	7,297	6,818	2,093	643	16,851
Segment Results	881	500	902	135	2,418
Interest income					4
Listing expenses					(1,067)
Finance costs					(87)
Profit before income tax					1,268
Income Tax Expense					(479)
Profit for the year					789
Assets:					
Segment assets	7,919	7,259	2,631	765	18,574
Segment liabilities	3,148	3,147	1,078	331	7,704
Bank overdraft					643
Provision for income tax					444
Deferred tax					204
Loans and borrowings					462
Total liabilities					9,457
Other Segment Information					
Capital Expenditure	136	127	314	12	589
Depreciation of property, plant and equipment	146	137	28	13	324

Business Segments

	Clean room S\$'000	HVAC S\$'000	Air Purifier S\$'000	Others S\$'000	Group S\$'000
2014					
Revenue:					
External customers	7,426	6,375	-	469	14,270
Segment Results	1,150	413	-	121	1,684
Interest Income					3
Finance costs					(60)
Profit before income tax					1,627
Income Tax Expense					(261)
Profit for the year					1,366
Assets:					
Segment assets	8,458	7,268	-	765	16,491
Segment liabilities	3,235	2,835	-	298	6,368
Provision for income tax					167
Deferred tax					230
Loans and borrowings					718
Total liabilities					7,483
Other Segment Information					
Capital Expenditure	49	43	-	3	95
Depreciation of property, plant and equipment	166	142	-	9	317

Geographical Segments

Revenue and non-current assets information based on the geographical location of the customers and assets respectively are as follows:

	Revenue		Non- Current Assets	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Singapore	9,251	8,675	465	320
Other Asean countries	5,018	3,324	4,763	5,104
Others	2,582	2,271	-	-
Total	16,851	14,270	5,228	5,424

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 item 8 above.

19. A breakdown of sales.

	<----- Group ----->		
	2015	2014	Change
	S\$'000	S\$'000	%
Revenue reported for first half year	6,600	6,618	(0)
Profit after tax reported for first half year	358	738	(51)
Revenue reported for second half year	10,251	7,652	34
Profit after tax reported for second half year	431	628	(31)

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

There is no dividend declared in the current and previous financial year.

21. 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.

There is no relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) occupying a managerial position in the issuer or any of its principal subsidiaries.

BY ORDER OF THE BOARD

Zhang Wei
Non-Executive Chairman
26 February 2016

Paul Chia Wei Ho
CEO & Executive Director
26 February 2016