

**SANTAK HOLDINGS LIMITED (Company Registration No. 200101065H)  
(Incorporated In Singapore)**

**Full Year Financial Statement And Dividend Announcement for the Year Ended 30 June 2014**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL YEAR RESULTS**

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

	GROUP		
	Latest Year 30 June 2014 S\$'000	Previous Year 30 June 2013 S\$'000	% Increase / (Decrease)
Revenue	62,275	77,828	(20)
Cost of sales	(58,618)	(61,061)	(4)
Gross profit	<hr/> 3,657	<hr/> 16,767	(78)
Other income	981	1,066	(8)
Distribution and selling expenses	(2,412)	(2,234)	8
Administrative expenses	(2,698)	(3,251)	(17)
Other operating expenses	(2,211)	(1,053)	110
Financial expenses	(831)	(1,393)	(40)
Financial income	96	113	(15)
(Loss)/profit before taxation	<hr/> (3,418)	<hr/> 10,015	n.m
Taxation	2,571	(214)	n.m
(Loss)/profit for the year	<hr/> (847)	<hr/> 9,801	n.m
Attributable to equity holders of the Company	<hr/> (847)	<hr/> 9,801	n.m

**Statement of Comprehensive Income**

(Loss)/profit for the year	(847)	9,801	n.m
Other comprehensive income : <i>Items that may be reclassified subsequently to profit and loss :</i>			
Foreign currency translation	(906)	1,269	n.m
Net surplus on revaluation of leasehold property	4,884	-	n.m
Total other comprehensive income for the year	<hr/> 3,978	<hr/> 1,269	213
Total comprehensive income for the year	<hr/> 3,131	<hr/> 11,070	(72)
Total comprehensive income attributable to equity holders of the Company	<hr/> 3,131	<hr/> 11,070	(72)

n.m. – not meaningful

The profit attributable to shareholders is determined after crediting/(charging) the following:

	<b>GROUP</b>	
	<b>Latest Year 30 June 2014 S\$'000</b>	<b>Previous Year 30 June 2013 S\$'000</b>
Other income	981	1,066
Interest Income	96	113
Interest on borrowings	(601)	(991)
Depreciation and amortisation	(4,520)	(5,029)
Allowance for stocks obsolescence (net)	(104)	(526)
Write off of stocks directly to profit and loss account	(5)	(195)
Foreign exchange loss	(211)	(720)
Over/(under) provision of tax in respect of prior years	89	(37)
Loss on disposal of property, plant and equipment	-	(24)
Write off of goodwill	-	(257)

**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.**

	GROUP		COMPANY	
	30 June 2014 S\$'000	30 June 2013 S\$'000	30 June 2014 S\$'000	30 June 2013 S\$'000
<b>Non-current assets</b>				
Property, plant and equipment	29,946	25,043	286	330
Investments in subsidiary companies	-	-	8,113	8,113
Intangible assets	183	238	46	67
Loan to a subsidiary company	-	-	4,030	4,030
Deferred tax assets	4,609	2,128	-	-
Restricted fixed deposits	3,035	3,050	-	-
	<u>37,773</u>	<u>30,459</u>	<u>12,475</u>	<u>12,540</u>
<b>Current assets</b>				
Stocks	8,379	9,391	-	-
Trade debtors	15,318	16,963	-	-
Other debtors, deposits and prepayments	899	774	23	11
Due from subsidiary companies (non-trade)	-	-	1,726	1,781
Dividend receivable	-	-	388	2,200
Cash and cash equivalents	14,946	31,062	249	390
	<u>39,542</u>	<u>58,190</u>	<u>2,386</u>	<u>4,382</u>
<b>Current liabilities</b>				
Trade creditors	8,574	5,079	-	-
Other creditors and accruals	5,360	5,407	430	946
Provision for taxation	248	512	9	5
Loans and borrowings (secured) – current portion	12,040	22,525	-	-
Finance lease obligations – current portion	164	531	31	35
	<u>26,386</u>	<u>34,054</u>	<u>470</u>	<u>986</u>
<b>Net current assets</b>	13,156	24,136	1,916	3,396
<b>Non-current liabilities</b>				
Loan and borrowings (secured) – non-current portion	918	6,539	-	-
Finance lease obligations – non-current portion	382	546	202	233
Deferred tax liabilities	2,134	1,195	-	4
	<u>3,434</u>	<u>8,280</u>	<u>202</u>	<u>237</u>
<b>Net assets</b>	<u>47,495</u>	<u>46,315</u>	<u>14,189</u>	<u>15,699</u>

	GROUP		COMPANY	
	30 June 2014 S\$'000	30 June 2013 S\$'000	30 June 2014 S\$'000	30 June 2013 S\$'000
<b>Equity attributable to equity holders of the Company</b>				
Share capital	12,780	12,595	12,780	12,595
Share option reserve	542	542	542	542
Retained earnings	25,445	28,428	867	2,562
Revaluation reserve	7,347	2,463	-	-
Translation reserve	426	1,332	-	-
Statutory reserves	955	955	-	-
	<u>47,495</u>	<u>46,315</u>	<u>14,189</u>	<u>15,699</u>

**1(b)(ii) Aggregate amount of group's borrowings and debt securities. Amount repayable in one year or less, or on demand**

As at 30/06/2014		As at 30/06/2013	
Secured	Unsecured	Secured	Unsecured
S\$	S\$	S\$	S\$
12,204,000	0	23,056,000	0

**Amount repayable after one year**

As at 30/06/2014		As at 30/06/2013	
Secured	Unsecured	Secured	Unsecured
S\$	S\$	S\$	S\$
1,300,000	0	7,085,000	0

**Details of any collateral**

- 1) The term loans are secured as follows:
  - (a) S\$12,018,000 (2013: S\$26,312,000) is secured by way of a legal mortgage over a subsidiary company's leasehold property with a net book value as at 30 June 2014 of S\$11,500,000 (2013: S\$5,808,000), a charge over a subsidiary company's fixed deposit of S\$2,530,000 as at 30 June 2014 (2013: S\$2,550,000) and a corporate guarantee from the Company, and
  - (b) S\$250,000 (2013: S\$1,333,000) is secured by a charge over a subsidiary company's fixed deposit of S\$505,000 as at 30 June 2014 (2013: S\$500,000) and a corporate guarantee from the Company, and
  - (c) S\$690,000 (2013: S\$1,419,000) is secured by corporate guarantees from the Company.
- 2) Finance lease obligations are secured over the respective machineries and motor vehicles as well as corporate guarantees from the Company.

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

	<b>GROUP</b>	
	<b>30 June 2014</b>	<b>30 June 2013</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Cash flows from operating activities</b>		
(Loss)/profit before taxation	(3,418)	10,015
Adjustments:		
Depreciation of property, plant and equipment	4,466	4,978
Amortisation of intangible assets	54	51
Write off of goodwill	-	257
Loss on disposal of property, plant and equipment	-	24
Interest expenses	601	991
Interest income	(96)	(113)
Operating cash flows before working capital changes	1,607	16,203
Stocks	1,012	169
Trade debtors	1,645	4,559
Other debtors, deposits and prepayments	(125)	2,149
Trade creditors	3,495	(3,558)
Other creditors and accruals	(681)	(1,359)
Cash generated from operations	6,953	18,163
Interest received	96	113
Income taxes paid, net	(337)	(2,857)
Currency realignment	(701)	1,064
Net cash generated from operating activities	6,011	16,483
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(3,197)	(4,138)
Purchase of intangible assets	(1)	(33)
Proceeds from disposal of property, plant and equipment	-	42
Net cash used in investing activities	(3,198)	(4,129)
<b>Cash flows from financing activities</b>		
(Repayment)/proceeds from loans and borrowings, net	(15,846)	6,973
Repayment of finance leases, net	(531)	(516)
Proceeds from share issue	185	281
Dividends paid	(2,136)	(1,586)
Interest paid	(601)	(991)
Placement of a fixed deposit	-	(500)
Net cash (used in)/generated from financing activities	(18,929)	3,661
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(16,116)</b>	<b>16,015</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>31,062</b>	<b>15,047</b>
<b>Cash and cash equivalents at end of year</b>	<b>14,946</b>	<b>31,062</b>

**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.**

Statement of changes in equity for the year ended 30 June 2014.

**GROUP**

	Share capital	Share option reserve	Retained earnings	Revaluation reserve	Statutory reserves	Translation reserve	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance at 1 July 2012</b>	12,314	542	20,429	2,463	739	63	36,550
Profit net of tax	-	-	9,801	-	-	-	9,801
Other comprehensive income for the year	-	-	-	-	-	1,269	1,269
Total comprehensive income for the year	-	-	9,801	-	-	1,269	11,070
Dividends on ordinary shares	-	-	(1,586)	-	-	-	(1,586)
Transfer to statutory reserves	-	-	(216)	-	216	-	-
Exercise of employee share options	281	-	-	-	-	-	281
<b>Balance at 30 June 2013</b>	12,595	542	28,428	2,463	955	1,332	46,315
<b>Balance at 1 July 2013</b>	12,595	542	28,428	2,463	955	1,332	46,315
Loss net of tax	-	-	(847)	-	-	-	(847)
Other comprehensive income for the year	-	-	-	4,884	-	(906)	3,978
Total comprehensive income for the year	-	-	(847)	4,884	-	(906)	3,131
Dividends on ordinary shares	-	-	(2,136)	-	-	-	(2,136)
Exercise of employee share options	185	-	-	-	-	-	185
<b>Balance at 30 June 2014</b>	12,780	542	25,445	7,347	955	426	47,495

**COMPANY**

	Share capital	Share option reserve	Retained earnings	Total
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance at 1 July 2012</b>	12,314	542	1,941	14,797
Total comprehensive income for the year	-	-	2,207	2,207
Dividends on ordinary shares	-	-	(1,586)	(1,586)
Exercise of employee share options	281	-	-	281
<b>Balance at 30 June 2013</b>	<b>12,595</b>	<b>542</b>	<b>2,562</b>	<b>15,699</b>
<b>Balance at 1 July 2013</b>	12,595	542	2,562	15,699
Total comprehensive income for the year	-	-	441	441
Dividends on ordinary shares	-	-	(2,136)	(2,136)
Exercise of employee share options	185	-	-	185
<b>Balance at 30 June 2014</b>	<b>12,780</b>	<b>542</b>	<b>867</b>	<b>14,189</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.**

During the financial year ended 30 June 2014, the Company issued and allotted 1,150,000 new ordinary shares upon the exercise of share options granted under Santak Share Option Scheme 2001. The shares were issued ranking pari passu in all respects with the existing issued ordinary shares in the capital of the Company. As a result of the above, the issued and paid-up capital of the Company increased from S\$12,594,938 as at 30 June 2013 to S\$12,780,488 as at 30 June 2014.

As at 30 June 2014, there were 2,800,000 share options outstanding (30 June 2013: 4,000,000). The movement of share options of the Company during the financial year was as follows:

Balance as at 1.7.2013	Exercised	Lapsed	Balance as at 30.06.2014	Exercise price S\$	Exercise period
1,000,000	(950,000)	(50,000)	-	\$0.145	22.6.2005 to 21.6.2014
3,000,000	(200,000)	-	2,800,000	\$0.239	15.9.2006 to 14.9.2015
<b>4,000,000</b>	<b>(1,150,000)</b>	<b>(50,000)</b>	<b>2,800,000</b>		

There was no share held as treasury shares as at 30 June 2014 (30 June 2013: Nil).

- 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.**

As at 30 June 2014, the total number of issued shares of the Company were 107,280,980 shares (30 June 2013: 106,130,980).

- 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 as at 30 June 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 nor reviewed.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a 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 paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year ended 30 June 2014 compared to the audited financial statements as at 30 June 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.**

The Group has adopted all the new and revised FRS and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after July 1, 2013. The adoption of these new/revised FRS and INT FRS does not result in changes to the Group's accounting policies and has no material effects on the amounts reported for the current or prior periods.

The management has considered and anticipated that the adoption of FRS, INT FRS and amendments to FRS that were issued but not effective until future periods will not have a material impact on the financial statements of the Group in the period of their initial adoption.



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

<b>Earnings/(loss) per ordinary share of the Group :</b>	<b>Latest year</b>	<b>Previous year</b>
(a) Based on the weighted average number of ordinary shares on issue; and	(0.79) cents	9.28 cents
(b) On a fully diluted basis (detailing any adjustments made to the earnings)	(0.78) cents	9.14 cents

Basic (loss)/earnings per share is calculated by dividing the net (loss)/profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

Diluted (loss)/earnings per share is calculated by dividing the net (loss)/profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year (adjusted for the effects of dilutive options).

The following reflects the income and share data used in the basic and diluted (loss)/earnings per share computations:

	<b>Latest year</b>	<b>Previous year</b>
Net (loss)/profit attributable to ordinary shareholders for basic and diluted (loss)/earnings per share (S\$'000)	(847)	9,801
Weighted average number of ordinary shares (in thousands) on issue applicable to basic (loss)/earnings per share	106,810	105,582
Effect of dilutive securities: Share options (in thousands)	1,336	1,651
Adjusted weighted average number of ordinary shares (in thousands) applicable to diluted (loss)/earnings per share	108,146	107,233

**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.**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>Latest financial year 30 June 2014</b>	<b>Previous financial year 30 June 2013</b>	<b>Latest financial year 30 June 2014</b>	<b>Previous financial year 30 June 2013</b>
Net asset value per ordinary share based on issued share capital of the issuer at the end of the financial year reported on	44.27cents	43.64 cents	13.23 cents	14.79 cents

**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.**

The Group recorded a turnover of S\$62.28 million, a decrease of approximately S\$15.55 million or 20.0% for the Financial Year ended 30 June 2014 ("FY2014") as compared to a turnover of S\$77.83 million of previous financial year ("FY2013"). Sales of the Group's Precision Engineering Division ("PE") came in at S\$58.70 million, a decrease of S\$16.62 million or 22.1% as compared to prior year. The decrease in sales in PE compared to prior year was mainly due to the lower sales arising from weaker demand and pricing pressure for our precision machined components in FY2014 from the electronics sector mainly in our China operation. In particular, the turnover for second half of FY2014 ("2H2014") was significantly lower than first half of FY2014 ("1H2014") mainly attributable to substantially weaker demand for our existing precision machined component products ahead of transition to new product models which encountered delays in our mass production ramp up in 2H2014. On the other hand, the Group's Trading & Distribution Division ("T&D") registered higher sales at S\$3.58 million compared to S\$2.51 million in FY2013 mainly due to stronger demand from the security/access control systems sector. The Group's gross profit was significantly lower at S\$3.66 million in FY2014 compared to S\$16.77 million in FY2013 following the decrease in turnover. The decline in gross margin percentage from 21.5% in FY2013 to 5.9% in FY2014 was mainly due to lower economy of scale resulting from the lower turnover as well as pricing and cost pressures.

The decrease in administrative expenses by S\$0.55 million to S\$2.70 million in FY2014 was mainly due to significantly lower provision for payroll in line with the loss registered in FY2014. The higher distribution and selling expenses of S\$2.41 million was mainly due to the increase in marketing activities during FY2014. The significantly higher other operating expenses in FY2014 of S\$2.21 million were due to the substantial costs of S\$2.0 million incurred for the qualification and development process of other new precision machined component projects during 2H2014. This increase in other operating expenses was partially offset by the lower foreign exchange losses by S\$0.51 million mainly arising from the strengthening of the USD as well as the absence of write off of goodwill of S\$0.26 million in prior year during FY2014. On the other hand, the lower other income of approximately S\$0.98 million was mainly the results of lower sales of scraps in FY2014 in line with the lower turnover. The decrease in financial expenses by approximately S\$0.56 million was the result of lower bank interest expenses and bank facilities fees arising from the decrease in bank borrowings following repayments made during FY2014. The lower depreciation and amortisation expenses of S\$4.52 million were mainly the result of certain fully depreciated plant and machinery in our China operation in FY2014.

The Group registered a loss before tax of S\$3.42 million in FY2014 compared to a profit before tax of S\$10.02 million in the previous year. The tax credit of S\$2.57 million arose mainly from the recognition of deferred tax assets due to tax losses in our China operation. The loss after tax for FY2014 was S\$0.85 million. Our basic and diluted loss per share were 0.79 cents and 0.78 cents respectively for FY2014 versus basic and diluted earnings per share of 9.28 cents and 9.14 cents respectively in the prior year. The Group's net asset value per share was 44.27 cents as at 30 June 2014 compared to 43.64 cents as at 30 June 2013.

The increase in property, plant and equipment by S\$4.90 million was mainly due to the surplus on revaluation of a subsidiary company's leasehold property as at 30 June 2014. The increase in deferred tax assets by S\$2.48 million as at 30 June 2014 was the result of the recognition of

deferred tax assets in our China subsidiary during the year. The decrease in the Group's trade debtors and stocks by S\$1.65 million and S\$1.01 million respectively as at 30 June 2014 was mainly due to the slowdown in sales in the last quarter of FY2014. On the other hand, the increase in trade creditors by approximately S\$3.50 million to S\$8.57 million as at 30 June 2014 was mainly the results of trade purchases during the last quarter of FY2014 in preparation for the ramp up of mass production of the new product models. The increase in other debtors, deposits and prepayments by S\$0.13 million to S\$0.90 million was mainly due to higher deposits as at 30 June 2014 for the leasing of additional factory space in preparation for the new projects under qualification and development. Other creditors and accruals decreased slightly by approximately S\$47,000 to S\$5.36 million mainly as a result of lower provision for payroll cost, partially offset by higher other payables for renovation as at 30 June 2014 as compared to 30 June 2013. The decrease in cash and cash equivalent by S\$16.12 million from S\$31.06 million to S\$14.95 million is explained in the cash flow explanation in the following paragraph below. The decrease in provision for taxation was mainly due to payment of prior year provision and absence of new provision arising from the loss registered in FY2014. Loans and borrowings (excluding finance leases) decreased by S\$16.11 million from S\$29.06 million to S\$12.96 million mainly due to repayments made during FY2014. The increase in revaluation reserves and deferred tax liabilities was the result of the surplus on revaluation of a subsidiary company's leasehold property as at 30 June 2014.

Following the loss incurred and decrease in sales revenue, the Group's operations generated lower operating cash inflow before working capital changes of approximately S\$1.61 million in FY2014, compared to S\$16.20 million in the previous year. However, mainly due to higher trade creditors as well as lower trade debtors and stock registered as at 30 June 2014, the group recorded a higher net cash flow from operating activities of S\$6.01 million in FY2014. Cash utilised in investing activities was S\$3.20 million compared to S\$4.13 million in previous year due to lesser purchase of machinery and equipment in FY2014. Net cash used in financing activities was S\$18.93 million mainly arising from repayment of loans and borrowings of S\$15.85 million, dividend payment of S\$2.14 million, interest expense paid of S\$0.60 million as well as net repayment of finance lease of approximately S\$0.53 million during FY2014, partially offset by S\$0.19 million of proceeds from the issuance of shares arising from the exercise of share options. Overall, cash and cash equivalents decreased by S\$16.12 million during FY2014 to S\$14.95 million as at 30 June 2014 as compared to the balance of S\$31.06 million as at 30 June 2013.

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

This announcement is in line with the profit guidance announcement on 30 July 2014.

**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 market in which the Group operates remains competitive. Cost and pricing pressures as well as foreign exchange volatility are expected to remain challenging.

Going forward into the current financial year ending 30 June 2015 ("FY2015"), the Group is currently ramping up its mass production of new product models for our precision-machined components. Together with our expansion of the precision engineering production capacity and capabilities for other new precision-machined component projects currently under qualification and development, and barring any unforeseen circumstances, we are optimistic of our business for FY2015.

## **11. Dividend**

### **(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

Subject to the shareholders' approval at the forthcoming Annual General Meeting, the Board of Directors is pleased to recommend and propose a first and final dividend as follow:

Name of Dividend	First & Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.50 Singapore cents per ordinary share (one-tier tax)
Optional:- Dividend Rate (in %)	
Tax Rate	Tax exempt

### **(b) If Corresponding Period of the Immediately Preceding Year**

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

Name of Dividend	First & Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.50 Singapore cents per ordinary share (one-tier tax)
Optional:- Dividend Rate (in %)	
Tax Rate	Tax exempt

Name of Dividend	Special
Dividend Type	Cash
Dividend Amount per Share (in cents)	1.50 Singapore cents per ordinary share (one-tier tax)
Optional:- Dividend Rate (in %)	
Tax Rate	Tax exempt

### **(c) Date payable**

26 November 2014, subject to the approval of the shareholders at the Company's Annual General Meeting to be held on 29 October 2014.

### **(d) Books closure date**

Notice is hereby given that a first and final tax exempt (one-tier) dividend of 0.50 Singapore cents per ordinary share for the year ended 30 June 2014 (the "Dividend") will be closed on 18 November 2014 for the preparation of dividend warrants.

Duly completed registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 up to 5.00 p.m. on 18 November 2014 will be registered to determine shareholders' entitlements to the said proposed Dividend. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 18 November 2014 will be entitled to the proposed Dividend.

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

See Item 11.

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 Group has not obtained any general mandate for interested person transactions.

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

14. 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.

Segment information

- (a) Operating segments

<b>FY 2014</b>	<b>Precision Engineering &amp; Assembly</b>	<b>Trading &amp; Distribution</b>	<b>Investment and Management Services</b>	<b>Inter – segment Eliminations</b>	<b>Total</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Revenue</b>					
External sales	58,695	3,580	-	-	62,275
Inter-segment sales	327	1	1,903	(2,231)	-
Total revenue	59,022	3,581	1,903	(2,231)	62,275
<b>Results</b>					
Interest Income	96	-	-	-	96
Interest Expenses	(595)	-	(6)	-	(601)
Depreciation & Amortisation	(4,451)	(1)	(68)	-	(4,520)
Other non-cash expenses	(432)	-	-	-	(432)
Taxation	2,574	(2)	(1)	-	2,571
Segment profit /(loss)	(928)	29	440	(388)	(847)
<b>Assets</b>					
Additions to non-current assets	3,826	4	3	-	3,833
Segment assets	76,168	931	14,861	(14,645)	77,315
<b>Liabilities</b>					
Segment liabilities	34,446	1,232	672	(6,530)	29,820

<b>FY 2013</b>					
	<b>Precision Engineering &amp; Assembly</b>	<b>Trading &amp; Distribution</b>	<b>Investment and Management Services</b>	<b>Inter – segment Eliminations</b>	<b>Total</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Revenue</b>					
External sales	75,323	2,505	-	-	77,828
Inter-segment sales	300	1	4,135	(4,436)	-
<b>Total revenue</b>	<b>75,623</b>	<b>2,506</b>	<b>4,135</b>	<b>(4,436)</b>	<b>77,828</b>
<b>Results</b>					
Interest Income	113	-	-	-	113
Interest Expenses	(980)	-	(11)	-	(991)
Depreciation & Amortisation	(4,960)	(1)	(68)	-	(5,029)
Other non-cash expenses	(906)	-	-	-	(906)
Taxation	(217)	-	3	-	(214)
<b>Segment profit /(loss)</b>	<b>9,887</b>	<b>(93)</b>	<b>2,207</b>	<b>(2,200)</b>	<b>9,801</b>
<b>Assets</b>					
Additions to non-current assets	4,864	1	4	-	4,869
<b>Segment assets</b>	<b>87,529</b>	<b>670</b>	<b>16,922</b>	<b>(16,472)</b>	<b>88,649</b>
<b>Liabilities</b>					
<b>Segment liabilities</b>	<b>48,464</b>	<b>1,005</b>	<b>1,223</b>	<b>(8,358)</b>	<b>42,334</b>

(b) Geographical segments

	<b>Turnover</b>	<b>Non Current Assets</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>FY 2014</b>		
Singapore	850	13,770
Asean (excluding Singapore)	6,131	-
North Asia	44,734	16,359
America & Europe	4,328	-
Others	6,232	-
<b>Total</b>	<b>62,275</b>	<b>30,129</b>

	<b>Turnover</b>	<b>Non Current Assets</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>FY 2013</b>		
Singapore	611	8,887
Asean (excluding Singapore)	5,562	-
North Asia	68,873	16,394
America & Europe	2,782	-
<b>Total</b>	<b>77,828</b>	<b>25,281</b>

**15. 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.

**16. A breakdown of sales.**

	Group S\$'000		%
	30-June-14	30-June-13	Increase/ (Decrease)
Sales reported for first half year	39,095	49,345	(21)
Profit attributable to shareholders reported for first half year	3,942	6,596	(40)
Sales reported for second half year	23,180	28,483	(19)
(Loss)/profit attributable to shareholders reported for second half year	(4,789)	3,205	n.m

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

Total Annual Dividend

	FY2014 (S\$'000)	FY2013 (S\$'000)
Ordinary	2,136	1,586
Preference	0	0
Total:	2,136	1,586

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

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Mr Tan Sin Hock	53	Brother of Mr Tan Chee Hawaii (Group Managing Director and Substantial Shareholder) and Mr Tan Ah Wo (Substantial	Executive Director since year 2001	Nil

		Shareholder). Brother-in-law of Ms Heng Kheng Hwai (Non-Executive Director and Substantial Shareholder).		
Ms Heng Kheng Hwai	56	Sister-in-law of Mr Tan Sin Hock (Executive Director and Substantial Shareholder) and Mr Tan Ah Wo (Substantial Shareholder). Spouse of Mr Tan Chee Hwai (Group Managing Director and Substantial Shareholder).	Non-Executive Director since year 2001	Nil
Mr Tan Chee Hwai	64	Brother of Mr Tan Sin Hock (Executive Director and Substantial Shareholder) and Mr Tan Ah Wo (Substantial Shareholder). Spouse of Ms Heng Kheng Hwai (Non-Executive Director and Substantial Shareholder).	Group Managing Director since year 2012	Nil

## BY ORDER OF THE BOARD

Lai Foon Kuen  
Company Secretary  
27 August 2014

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), Asian Corporate Advisors Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**Exchange**"). The Company's Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.*

*This announcement has not been examined or approved by the Exchange and the Exchange 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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