



TREK 2000 INTERNATIONAL LTD (Registration Number 199905744N)

**Full Year Financial Statement and Dividend 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) An income statement for the group together with a comparative statement for the corresponding period of the immediately preceding financial year

UNAUDITED RESULTS FOR THE FULL YEAR ENDED 31 DECEMBER 2014

(i) Consolidated Income Statement

	Year Ended		Increase/ (decrease) %
	2014 US\$'000	2013 US\$'000	
Revenue	112,949	73,923	52.79
Cost of goods sold	(100,266)	(64,158)	56.28
Gross profit	<u>12,683</u>	<u>9,765</u>	29.88
Other items of income			
Interest income	649	498	30.32
Other income	648	899	(27.92)
Other items of expense			
Research and development expenses	(4,027)	(3,679)	9.46
Marketing and distribution expenses	(2,380)	(2,301)	3.43
General administration expenses	(3,565)	(3,495)	2.00
Finance costs	(150)	(152)	(1.32)
Other expenses	(810)	(232)	249.14
Profit before tax [1]	<u>3,048</u>	<u>1,303</u>	133.92
Income tax	25	(11)	(327.27)
Profit after tax	<u>3,073</u>	<u>1,292</u>	137.85
Profit attributable to:			
Non-controlling interest	528	285	85.26
Equity holders of the Company	<u>2,545</u>	<u>1,007</u>	152.73
	<u>3,073</u>	<u>1,292</u>	137.85
Earnings per share attributable to equity holders of the company (expressed in cents per share) :			
- Basic	0.86	0.34	
- Diluted	0.85	0.34	

(ii) Breakdown and Explanatory notes to Consolidated Income Statement

NM denotes not meaningful

[1] Profit before income tax is stated after (charging)/crediting the following:

	Year Ended		Increase/ (decrease) %
	2014 US\$'000	2013 US\$'000	
Interest income from:			
- Fixed deposits	76	24	216.67
- Available for sale financial assets	573	474	20.89
Net writeback for doubtful debts	141	38	271.05
Depreciation of plant, property and equipment	(1,398)	(1,586)	(11.85)
Amortisation of intangible assets	(1,776)	(1,536)	15.63
Gain on disposal of plant, property and equipment	18	16	12.50
Foreign exchange gain	-	53	-
Foreign exchange loss	(810)	(232)	249.14
Interest expenses on:			
- Obligations under finance leases	(18)	(14)	28.57
- Term loans	(56)	(51)	9.80

(iii) Statement of comprehensive income statement for the group, together with a comparative statement for the corresponding period of the immediately preceding financial period

	Group		
	US\$'000		%
	FY2014	FY2013	Increase/ (decrease)
Profit after tax for the year	3,073	1,292	137.85
Other comprehensive income:			
Net gain (loss) on investment Securities:			
- Fair value adjustment	29	145	(80.0)
-Transfer to profit or loss upon disposal	(30)	(232)	(87.01)
Net surplus on revaluation of freehold and leasehold land and buildings	2,572	-	nm
Foreign currency translation	(882)	(242)	264.47
Other comprehensive income, net of tax	1,689	(329)	Nm
Total comprehensive income for the year	4,762	963	394.50
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Equity holders of the Company	3,357	691	385.82
Non-controlling interests	1,405	272	416.54
	4,762	963	394.50

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

BALANCE SHEET as at	GROUP		COMPANY	
	31 Dec 2014 US\$'000	31 Dec 2013 US\$'000	31 Dec 2014 US\$'000	31 Dec 2013 US\$'000
Non-current assets				
Plant, property and equipment	11,736	10,859	7	7
Intangible assets	11,229	11,341	4,500	4,697
Investment in subsidiaries	-	-	5,441	6,507
Investment in associates	-	-	5	5
Quoted investments	9,408	8,095	9,408	8,095
Unquoted investments	197	204	-	-
	32,570	30,499	19,361	19,311
Current assets				
Trade receivables	26,194	17,296	13	15
Inventories	12,883	10,775	-	-
Amounts due from subsidiaries	-	-	17,992	18,900
Amounts due from associates	186	185	-	-
Amounts due from related co.	369	-	-	-
Other receivables	4,224	1,852	986	375
Prepayments	1,678	1,581	354	992
Fixed deposits	3,170	5,144	-	1,093
Cash and bank balances	8,879	4,913	462	166
	57,583	41,746	19,807	21,541
Total assets	90,153	72,245	39,168	40,852
Current liabilities				
Trade payables and accruals	20,674	17,009	101	233
Other payables	8,417	4,051	326	230
Amounts due to subsidiaries	-	-	54	55
Hire purchase payables	239	265	-	-
Term loans and bank overdrafts	6,914	2,184	-	-
Income tax payable	838	506	183	183
	37,082	24,015	664	701
Net current assets	20,501	17,731	19,143	20,840
Non-current liabilities				
Term loans	682	861	-	-
Deferred taxation	696	1,089	331	331
Hire purchase payables	193	200	-	-
	1,571	2,150	331	331
Total liabilities	38,653	26,165	995	1,032
Net assets	51,500	46,080	38,173	39,820
Capital and reserves attributable to the equity holders of the Company				
Share capital	29,605	29,595	29,605	29,595
Treasury shares	(257)	(257)	(222)	(222)
Other reserves	579	580	579	580
Revaluation reserve	2,029	334	-	-
Revenue reserve	8,570	6,025	8,211	9,867
Capital reserve	2,717	2,717	-	-
Translation reserve	(301)	581	-	-
Non-controlling interest	8,558	6,505	-	-
Total equity	51,500	46,080	38,173	39,820
Total equity and liabilities	90,153	72,245	39,168	40,852

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

Amount repayable in one year or less, or on demand

As at 31 December 2014 US\$'000		As at 31 December 2013 US\$'000	
Secured	Unsecured	Secured	Unsecured
7,153	-	2,449	-

Amount repayable after one year

As at 31 December 2014 US\$'000		As at 31 December 2013 US\$'000	
Secured	Unsecured	Secured	Unsecured
875	-	1,061	-

Details of any collateral :

The Group's motor vehicles and plants & equipments with net carrying amount of US\$561,058 (2013: US\$645,986) were pledged as collaterals to the hire purchase creditors.

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 CASH FLOW STATEMENTS for the Full Year ended 31st December

	Year Ended 31 December	
	2014	2013
	US\$'000	US\$'000
Cash flow from operating activities		
Profit before income tax	3,048	1,303
Adjustments for:-		
Amortisation of intangible assets	1,776	1,536
Depreciation of plant, property and equipment	1,398	1,586
Gain on disposal of property, plant and equipment	(18)	(16)
Gain on disposal of quoted investments	(30)	(232)
Net writeback of doubtful debts	(141)	(38)
Share based payment	90	(188)
Interest income	(649)	(498)
Interest expense	150	152
Loss on disposal of Subsidiary	2	-
Translation difference	196	(4)
Operating cash flow before changes in working capital	5,822	3,601
Increase in trade and other receivables and prepayments	(15,967)	(3,268)
Increase in inventories	(3,572)	(1,934)
Increase in trade and other payables	13,948	7,951
Cash generated from operating activities	231	6,350
Interest received	87	24
Interest paid	(150)	(152)
Income tax refund	76	62
Net cash generated from operating activities	244	6,284
Cash flow from investing activities:		
Proceeds from disposal of property, plant and equipment	35	88
Proceeds from disposal of quoted and unquoted investments	1,130	1,878
Proceeds from disposal of subsidiary	676	-
Purchase of plant, property and equipment	(1,196)	(1,140)
Purchase of quoted investments	(2,439)	(3,013)
Payment for patent and trademark registration expenses	(273)	(610)
Payment for development expenditures	(1,456)	(1,530)
Purchase of unquoted investments	-	(58)
Capital contribution from Non-Controlling Interest	469	-
Interest income from available-for-sale investments	573	474
Net cash used in investing activities	(2,481)	(3,911)
Cash flow from financing activities:		
Employees' share option exercised	10	15
Repayment of hire purchase instalments	(335)	(307)
Proceeds from term loans	4,321	656
Payment of dividends	-	(601)
Net cash from/(used in) financing activities	3,996	(237)
Net increase in cash and cash equivalents	1,759	2,136
Cash and cash equivalents as beginning of year	8,455	6,349
Effect of foreign exchange difference	(52)	(30)
Cash and cash equivalents at end of year	10,162	8,455

Group cash and cash equivalents in the consolidated cash flow statement consist of the following:

	2014	2013
	\$'000	\$'000
Cash and Bank Balances	8,879	4,913
Fixed Deposits	3,170	5,144
Bank Overdrafts	(1,887)	(1,602)
	10,162	8,455

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

	Equity attributable to equity holders of the Company									
	Share Capital	Treasury Shares	Capital Reserve	Foreign Currency Translation Reserve	Revenue Reserve	Other Reserve	Revaluation reserve	Total	Non-Controlling Interest	Total Equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
THE GROUP										
Balance at 1 January 2013	29,580	(257)	2,717	809	5,619	857	334	39,659	6,233	45,892
Total comprehensive income for the period	-	-	-	(182)	482	29	-	329	(72)	257
Balance at 31 March 2013	29,580	(257)	2,717	627	6,101	886	334	39,988	6,161	46,149
Total comprehensive income for the period	-	-	-	(260)	105	(148)	-	(303)	151	(152)
Increase in Shares through exercise of share options.	15	-	-	-	-	-	-	15	-	15
Tax exempt (one-tier) dividends @ 0.0025 cts @1.233= US\$0.00203 per share	-	-	-	-	(601)	-	-	(601)	-	(601)
Balance at 30 June 2013	29,595	(257)	2,717	367	5,605	738	334	39,099	6,312	45,411
Total comprehensive income for the period	-	-	-	(32)	64	99	-	131	246	377
Balance at 30 September 2013	29,595	(257)	2,717	335	5,669	837	334	39,230	6,558	45,788
Total comprehensive income for the period	-	-	-	246	356	(257)	-	345	(53)	292
Balance at 31 December 2013	29,595	(257)	2,717	581	6,025	580	334	39,575	6,505	46,080
Balance at 1 January 2014	29,595	(257)	2,717	581	6,025	580	334	39,575	6,505	46,080
Increase in Shares through exercise of share options	7	-	-	-	-	-	-	7	-	7
Total comprehensive income for the period	-	-	-	(534)	460	38	-	(36)	(346)	(382)
Balance at 31 March 2014	29,602	(257)	2,717	47	6,485	618	334	39,546	6,159	45,705
Total comprehensive income for the period	-	-	-	177	206	210	-	593	966	1,559
Balance at 30 June 2014	29,602	(257)	2,717	224	6,691	828	334	40,139	7,125	47,264
Increase in Shares through exercise of share options	3	-	-	-	-	-	-	3	-	3
Total comprehensive income for the period	-	-	-	108	1,032	(155)	-	985	(95)	890
Balance at 30 September 2014	29,605	(257)	2,717	332	7,723	673	334	41,127	7,030	48,157
Capital contribution from non-controlling Interest	-	-	-	-	-	-	-	-	469	469
Disposal of Subsidiary	-	-	-	-	-	-	-	-	179	179
Total comprehensive income for the period	-	-	-	(633)	847	(94)	1,695	1,815	880	2,695
Balance at 31 December 2014	29,605	(257)	2,717	(301)	8,570	579	2,029	42,942	8,558	51,500

	Equity attributable to equity holders of the Company							Total	Non-Controlling Interest	Total Equity
	Share Capital	Treasury Shares	Capital Reserve	Foreign Currency Translation Reserve	Revenue Reserve	Other Reserves	Revaluation reserves			
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
THE COMPANY										
Balance at 1 January 2013	29,580	(222)	-	-	11,238	857	-	41,453	-	41,453
Total comprehensive income for the period	-	-	-	-	(299)	29	-	(270)	-	(270)
Balance at 31 March 2013	29,580	(222)	-	-	10,939	886	-	41,183	-	41,183
Total comprehensive income for the period	-	-	-	-	(391)	(148)	-	(539)	-	(539)
Increase in Shares through exercise of share options.	15	-	-	-	-	-	-	15	-	15
Tax exempt (one-tier) dividends @ 0.0025 cts @ 1.233= US\$0.00203 Per share	-	-	-	-	(601)	-	-	(601)	-	(601)
Balance at 30 June 2013	29,595	(222)	-	-	9,947	738	-	40,058	-	40,058
Total comprehensive income for the period	-	-	-	-	(228)	99	-	(129)	-	(129)
Balance at 30 September 2013	29,595	(222)	-	-	9,719	837	-	39,929	-	39,929
Total comprehensive income for the period	-	-	-	-	148	(257)	-	(109)	-	(109)
Balance at 31 December 2013	29,595	(222)	-	-	9,867	580	-	39,820	-	39,820
Balance at 1 January 2014	29,595	(222)	-	-	9,867	580	-	39,820	-	39,820
Increase in Shares through exercise of share options	7	-	-	-	-	-	-	7	-	7
Total comprehensive income for the period	-	-	-	-	(305)	38	-	(267)	-	(267)
Balance at 31 March 2014	29,602	(222)	-	-	9,562	618	-	39,560	-	39,560
Total comprehensive income for the period	-	-	-	-	(374)	210	-	(164)	-	(164)
Balance at 30 June 2014	29,602	(222)	-	-	9,188	828	-	39,396	-	39,396
Increase in Shares through exercise of share options	3	-	-	-	-	-	-	3	-	3
Total comprehensive income for the period	-	-	-	-	(598)	(155)	-	(753)	-	(753)
Balance at 30 September 2014	29,605	(222)	-	-	8,590	673	-	38,646	-	38,646
Total comprehensive income for the period	-	-	-	-	(379)	(94)	-	(473)	-	(473)
Balance at 31 December 2014	29,605	(222)	-	-	8,211	579	-	38,173	-	38,173

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 at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

There was no change in the issued and paid-up capital of the Company since the previous period reported on.

During the 4Q 2014 no share options were granted under the Trek 2000 International Share Options Scheme 2011.

The outstanding share options under Trek 2000 International Share Options Scheme as at 31 December 2014 is as follows:

Unexercised Share Option	<u>No. of shares</u>
Balance as at 1 st January 2014	3,542,500
Share option expired	(370,000)
Share option exercised	(90,000)
Balance as at 31 December 2014	<u>3,082,500</u>

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 31 December 2014, share capital of the Company is as follows:

Ordinary Shares Issued and fully paid	<u>No. of shares</u>	<u>US\$</u>
Balance as at 1 January 2014	296,581,925	29,594,866
Movement in Shares	90,000	10,376
Balance as at 31 December 2014	<u>296,671,925</u>	<u>29,605,242</u>

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.

During the year, no new treasury shares were acquired by the Company to acquire shares pursuant to the Share Purchase Mandate to be held as "Treasury Shares".

	<u>No. of shares</u>	<u>US\$</u>
Balance as at 1 st January 2014	1,293,000	(256,914)
Repurchase of shares and held as Treasury Shares	-	-
Balance as at 31st December 2014	<u>1,293,000</u>	<u>(256,914)</u>

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard) or practice.

The above figures have not been audited or reviewed by its auditors, Messrs Ernst & Young LLP.

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 adopted the same accounting policies and method of computation in the consolidated financial statements for the current financial period as compared with the audited financial statement for the financial year ended 31 December 2013, as well as applicable Financial Reporting Standards (FRS) which became effective for the financial year beginning on or after 1 January 2014.

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

Nil

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

THE GROUP	Year Ended 31 st December	
	2014	2013
Profit after tax (US\$'000)	2,545	1,007
Weighted average number of ordinary shares in issue (in '000)	296,351	296,289
Weighted average number of ordinary shares in issue along with dilution effect (in '000)	298,534	297,111
(Amount in USD cents)		
Earnings per ordinary share for the period after deducting any provision for preference dividends:-		
(i) Based on existing issued share capital	0.86	0.34
(ii) On a fully diluted basis	0.85	0.34

Note:

Basic earnings per share amounts are calculated by dividing profit for the period that is attributable to the ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial period.

Diluted earnings per share amounts are calculated by dividing profit for the period that is attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial period plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary 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 period reported on and (b) immediately preceding financial year

NET ASSETS VALUE	GROUP		COMPANY	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Weighted average number of ordinary shares in issue (in '000)	296,644	296,582	296,644	296,582
(Amount in USD cents)				
Net assets value per ordinary share based on issued share capital at the end of the year	17.36	15.54	12.87	13.43

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

For the full year ended 31 December 2014 (FY2014), the Group reported a 52.8% year-on-year (yoy) increase in revenue to US\$112.9 million from US\$73.9 million in FY2013. Gross profit correspondingly increased 29.9% yoy from US\$9.7 million in FY2013 to US\$12.7 million in FY2014. The Group also reported net profit after tax of US\$3.1 million, representing a 137.9% yoy increase from US\$1.3 million in FY2013.

The Group's performance is attributable to the following factors:

Revenue

- The Group's Interactive Consumer Solutions (ICS) business (formerly known as Mobile Media Solutions) reported a 61.7% yoy increase in revenue to US\$101.9 million in FY2014 from US\$63.0 million in FY2013, driven by increased sales of Flucard and Wi-Fi memory modules.
- The Group's Licensing business segment also reported a 6.5% yoy growth in revenue to US\$2.1 million (FY 2013: US\$2.0 million) as Group's third party licensing customers experienced an improvement in sales for the year.

Profitability

- Gross profit increased 29.9% yoy to US\$12.7 million in FY2014 from US\$9.8 million in FY2013.
- Gross profit margin in FY 2014 decreased marginally to 11.2% from 13.2% in FY2013. The decline in gross profit margin was a result of the Group's strategy to secure higher volume business.

Expenses

Total expenses amounted to US\$10.9 million in FY2014 (FY 2013: US\$9.9 million) representing an increase of 10.9% yoy. The factors contributing to the change are:

- Research and development expenses, including amortisation reported an increase of 9.5% yoy to US\$4.0 million in FY2014 (FY2013: US\$3.7million). This is in line with the Group's increased activities in Intellectual Property (IP) registration and filing of new patents in FY2014.
- Marketing and distribution expenses increased 3.4% yoy to US\$2.4 million in FY2014 (FY2013: US\$2.3 million) mainly due to increased marketing efforts for Cloud Stringers, a new media and broadcast solution.
- General administration expenses increased 2.0% yoy to US\$3.6 million in FY2014 (FY2013: US\$3.5 million) contributed mainly by increased expenses incurred by subsidiaries.
- Other expenses increased 249.1% yoy to US\$0.8 million in FY2014 (FY2013: US\$0.2 million) mainly due to the foreign exchange losses arising from appreciation of the US dollar against the Singapore dollar and Malaysian Ringgit by 4% and 13% respectively.

Net Profit After Tax

The Group reported a net profit after tax of US\$3.1 million (FY2013: US\$1.3 million). The 137.9% increase is mainly attributed to higher revenue and improved net profit margin.

Balance Sheet – Key Highlights

- **Plant, Property and Equipment** – reported an increase by US\$0.3 million from US\$10.9 million in FY13 to US\$11.7 million in FY14, mainly attributable to revaluation of properties.
- **Intangible Assets** –Stands at US\$11.2 million in FY2014 (FY2013: \$11.3 million). These assets were a result of the Group's continual efforts in research and development (R&D), which included registration of new patents in its core interactive consumer division and the development of R&D activities, focusing in particular on the Flucard® and Flucard® Wi-Fi memory module projects. As a technology leader, the Group's strategy on building its library of patents has gained momentum with 436 granted patents across the world (FY2013: 420 patents granted).

- **Quoted Investments** – Investments in quoted investments increased to US\$9.4 million from US\$8.1 million due to an increase in investment in short-terms bonds.
- **Unquoted Investments** – There is no significant change in the unquoted investment which stands at US\$0.2 million in FY14 (FY2013: US\$0.2 million).
- **Trade Receivables** – At the close of FY2014, The Group's trade receivables balance stood at US\$26.2 million (FY2013: US\$17.3 million). Trade receivables turnover improved to 70 days in FY2014 compared to 76 days in FY2013.
- **Inventory** – The Group's inventory balance increased from US\$10.8 million (FY2013) to US\$12.9 million (FY2014) and inventory turnover improved to 43 days in FY2014 (FY2013: 56 days). The higher inventory is due to lead time requirements for production planning.
- **Term loans and Bank overdrafts** – At the close of the FY 2014, the Group's term loans and bank overdraft is US\$7.6 million (FY2013: US\$3.0 million) in line with the Group's revenue growth requirements.
- **Shareholders' Funds** – The Group's shareholders' funds in FY2014 amounted to US\$51.5 million (FY2013: US\$46.0 million) representing an increase by US\$5.4 million arising from increase in revenue reserves and revaluation of properties.

Cashflow

The Group's cash and cash equivalents as at 31 December 2014 amounted to US\$10.2 million (includes fixed deposits amounting to US\$3.2 million and bank overdrafts of US\$1.9 million).

There are no other significant factors that affected the revenues, costs, and earnings of the Group for the current quarter under review.

Besides the factors mentioned above, there are no other material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current quarter under review.

There are no interested persons transactions during the year under review.

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

The consumer electronics market in Asia Pacific is expanding rapidly and expected to be worth US\$356.0 billion by 2017¹. Aligning our focus to our tagline "**Innovation: Inside Out**", the Group will continue to engage in its proprietary technologies in more diverse projects as well as pursue R&D initiatives so as to expand its market presence in the industry.

With the ability to be integrated across a wide range of applications, the proprietary FluCard® continues to be a leading driver of growth for the Group. In July 2014, we secured a US\$25.0 million agreement to supply FluCard® Wi-Fi memory modules to a global leader in interactive toy solutions. This agreement not only demonstrates the versatility of the FluCard®, but is also a pledge of confidence in the Group's innovative and revolutionary capabilities. The Group continues to focus on leveraging the growth and flexibility of the FluCard®, and exploring automobile applications.

In addition, the market for consumer solid-state drives (SSDs), supported by high adoption rates, is also expected to grow to become a US\$20.7 billion industry by 2016². In October 2014, we entered into a joint venture with Unimicron, a subsidiary of UMC, the world's largest printed circuit board manufacturer to produce consumer SSDs for portable consumer electronics. Building on our R&D expertise in SSDs, embedded multi-media controller (EMMC) and embedded multi-media chips (EMCP) along with Unimicron's extensive distribution network, the JV hopes to tap onto the growing SSDs market that is expected to replace the consumer hard-disk drive (HDD) industry³.

As a technology leader in our space, the Group's library of patents is steadily gaining momentum with 436 granted patents across the world (FY2013: 420 patents granted). In February 2014, FluCard® was granted patent protection across major jurisdictions worldwide including USA, UK, European Union, China and Korea. The FluCard® patent protection has an effective period of 20 years and is the first and core of a family of patents to come. Moving forward, we expect to expand our patent portfolio in order to grow our licensing revenue streams.

1 Source: Euromonitor International

2 "Solid-state drive market revenue set to more than double this year on renewed ultrabook hopes", IHS Technology, January 2013

3 "SSD vs HDD price and performance study" – Dell technical white paper, June 2012

Despite the global uncertainties, the Group remains cautiously optimistic as the ICS business is projected to be the main driver of growth into the future. This is attributed to the numerous strategic design-in collaboration projects for the new embedded "SMART" WiFi memory module solutions with MNCs.

Going forward, we are targeting growth in three key areas in the next generation of interactive consumer technologies with our development focus on Consumer Wearable, Medical and Cloud technologies. As always, the focus on product development is balanced with the Group exercising vigilance and prudence in our operations in view of the challenging business conditions ahead.

11. Dividend

(a) Current Financial Year Reported On

Yes, an ordinary dividend is recommended.

Name of Dividend	:	First and Final Dividend
Dividend Type	:	Cash
Dividend Rate (cents)	:	0.5 Singapore cent (1/2 Singapore Cent)
Tax Rate	:	Tax exempt dividend (one-tier)
Total amount payable	:	S\$1.483 million (US\$1.138 million)

(b) Corresponding Period of the Immediately Preceding Financial Year

Dividend declared and paid for the corresponding period of the immediately preceding financial year is as follows.

None

(c) Date payable

The dividend is payable on 19 May 2015

(d) Books closure date

The Register of Members and Register of Transfer of the Company will be closed on 4 May 2015 for the purpose of determining shareholders' entitlement of dividends.

Registerable transfers received by the Company's Share Register, Boardroom Corporate & Advisory Services Pte. Ltd. 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623, up to 5.00 p.m. on 30 April 2015 will be registered before entitlements to the dividend are determined.

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

No interim dividend has been declared/(recommended) for the current period under review.

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 does not have any general mandate from shareholders pursuant to Rule 920.

14. If the case of an announcement of interim financial statement (quarterly or half-yearly), the issuer's directors must confirm that, to the best of their knowledge, nothing has come to the attention of the board of directors which may render the interim financial results to be false or misleading, in any material aspect. Please confirm that such a statement has been made.

The Company has not issued any interim financial statements which may render the interim financial statements to be false or misleading, in any material aspect pursuant to Rule 705(5).

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

15. 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

Results by Business Segment

	Customised Solutions	Interactive Consumer Solutions	Licensing	Adjustments	Note	Total
	US\$	US\$	US\$	US\$		US\$
Year ended 31 December 2014						
Sales to external customers	8,914,883	101,889,145	2,144,901	-		112,948,929
Inter-segment sales *	-	-	-	-		-
Total Revenue	8,914,883	101,889,145	2,144,901	-		112,948,929
RESULTS:						
Interest income	51,190	585,056	12,316	-		648,562
Depreciation and amortisation	110,341	2,942,646	121,208	-		3,174,195
Other non-cash expenses	(13,848)	(127,573)	-	-		(141,421)
Segment operating profit	48,812	2,023,439	476,679	498,965	A	3,047,895
Additions to non-current assets	49,762	2,875,135	-	-	B	2,924,897
Segment assets	6,787,606	62,531,366	11,229,215	9,604,768	C	90,152,955
Segment liabilities	2,848,520	26,242,215	-	9,561,543	D	38,652,278

	Customised Solutions	Interactive Consumer Solutions	Licensing	Adjustments	Note	Total
	US\$	US\$	US\$	US\$		US\$
Year ended 31 December 2013						
Sales to external customers	8,889,698	63,019,311	2,013,671	-		73,922,680
Inter-segment sales *	-	-	-	-		-
Total Revenue	8,889,698	63,019,311	2,013,671	-		73,922,680
RESULTS:						
Interest income	59,884	424,515	13,565	-		497,674
Dividend income	-	2,732	-	-		2,732
Depreciation and amortisation	190,720	2,784,112	147,453	-		3,122,285
Other non-cash expenses	(5,644)	(32,624)	-	-		(38,268)
Segment operating profit	7,420	707,340	239,571	348,987	A	1,303,318
Additions to non-current assets	47,074	3,225,067	-	-	B	3,272,141
Segment assets	7,759,025	44,845,627	11,340,513	8,299,894	C	72,245,059
Segment liabilities	3,106,351	17,954,092	-	5,104,303	D	26,164,746

* - There were no inter-segment sales during the year.

Notes Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements

A The following items are added to/(deducted from) segment profit/(loss) to arrive at "Profit before income tax" presented in the consolidated income statement:

	Group	
	2014	2013
	US\$	US\$
Interest income	648,562	497,964
Dividend income	-	2,732
Finance costs	(149,597)	(151,709)
	498,965	348,987
	498,965	348,987

B Additions to non-current assets consist of addition to property, plant and equipment in the consolidated balance sheet.

C The following items are added to segment assets to arrive at total assets reported in the consolidated balance sheet:

	US\$	US\$
	2014	2013
Unquoted investments	197,065	204,773
Quoted investments - non-current	9,407,703	8,095,121
	9,604,768	8,299,894
	9,604,768	8,299,894

D The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated balance sheet:

	Group	
	2014	2013
	US\$	US\$
Hire purchase payables (current)	238,757	265,157
Hire purchase payables (non-current)	192,656	200,260
Income tax payable	473,469	505,619
Deferred taxation	1,060,521	1,088,590
Term loan (current)	6,913,665	2,183,950
Term loan (non-current)	682,475	860,727
	9,561,543	5,104,303
	9,561,543	5,104,303

Segment Results by Geographical Segment

Sales to external customers

(US\$'000)	Revenue		Non-current Assets	
	2014	2013	2014	2013
ASEAN Countries	53,829	43,113	32,050	30,492
China/HK	39,471	13,845	7	7
United States	5,320	6,485	-	-
Japan	3,546	2,774	-	-
India	4,298	3,844	-	-
Europe	2,330	3,286	-	-
Others	4,155	576	-	-
TOTAL	112,949	73,923	32,057	30,499

ASEAN Countries was the main contributor for the Group's revenue in FY2014, with YOY growth by 25%. China/HK was the fastest growing region with an increase of 185%.

Revenues of approximately US\$52.5 million are derived from top 5 external customers (FY2013: US\$26.1 million).

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

Segmental Analysis – by Business Segments

By business segments, its core Interactive Consumer Solutions (ICS) division dominates as the key revenue generator accounting for 90% of its revenue. The Group's ICS solutions/products comprise Thumbdrive®, Flucard®, Security Solution, WiFi memory modules for embedded SMART TOYS continue to dominate as the main engine of growth for the ICS business segment.

Customised Solutions (“CS”) division contributed 8% of the Group's aggregate revenue in FY2014. This is consistent with the Group's strategy to gradually diversify its resources to the other business segments within the Group while still maintaining its existing customer base.

The Group's licensing revenue continues to be an important part of the Group's business and has turned in a licensing revenue of US\$2.1 million in FY2014 (FY 2013 : US\$2.0 million). The success of the licensing revenue stems from the ability and efforts of our licensees in marketing our products and solutions.

Segmental Analysis – by Geography

In FY2014, notwithstanding the market competition, the Group focused on key markets like ASEAN which saw an increase by 25%; China/HK increased by 185%; Japan by 28% and India by 12%.

US saw a drop by 18% mainly due to End-of-Line of a major project.

17. A breakdown of sales

		Group US\$'000		% Change
		Latest Full Year 2014	Previous Full Year 2013	
(a)	Sales reported for first half year	41,429	33,294	24.4%
(b)	Operating profit reported for first half year	1,285	681	88.7%
(c)	Sales reported for second half year	71,520	40,629	76.0%
(d)	Operating profit reported for second half year	1,788	611	192.6%

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

	Latest Full Year 2014 US\$	Previous Full Year 2013 US\$
Ordinary	-	601,077
Preference	-	-
Total	-	601,077

19. Disclosure of person occupying a managerial position in the issues of 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.

Name	Age	Family relationship with any director/or CEO 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
Tan Boon Tat	57	Brother of Henn Tan*	Director of Trek Technology (Singapore) Pte Ltd (wholly-owned subsidiary of the Company) and Store Manager of the Company, since 31 October 1995. Duties:- - To oversee the proper distribution of inventory for the Company and its subsidiaries ("the Group"); and - To ensure that goods and materials are delivered to the Group's customers in a timely and proper manner.	Nil
Tan Boon Siong	53	Brother of Henn Tan*	Director of Trek Technology (Singapore) Pte Ltd (wholly-owned subsidiary of the Company), since 11 July 1989. Duties:- to provide business advisory services.	Nil
Tan Boon Liew	50	Brother of Henn Tan*	Assistant Manager in the Company, since 15 July 1997. Duties:- to manage and oversee the despatch of goods to the Group's customers.	Nil
Tan Joon Yong Wayne	28	Son of Henn Tan *	Director of Cloud Stringers (S) Pte Ltd, a Subsidiary of Trek Technology (S) Pte Ltd, since 13 March 2014. Duties: To manage and oversee the business development and corporate action plans on its secured online ecosystem platform for content owners to store, view, share, exchange and transact with others.	Nil

* Henn Tan is the Chairman and Chief Executive Officer of Trek 2000 International Ltd

BY ORDER OF THE BOARD

GURCHARAN SINGH
Executive Director
24th February 2015

CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

The directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited financial statements for the period ended 31 December 2014 to be false and misleading in any material respect.

On behalf of the Directors

Signed

HENN TAN
Director

24th February 2015

Signed

GURCHARAN SINGH
Director