

**UMS HOLDINGS LIMITED**  
**COMPANY REGISTRATION NO: 200100340R**  
**First Quarter Financial Statement And Dividend Announcement**

**PART I – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3) HALF YEAR AND FULL YEAR ANNOUNCEMENTS**

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

**UNAUDITED CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED 31 MARCH 2014**

	<b>Group</b>		
	<b>3 Months Ended</b>		
	<b>31-Mar-14</b>	<b>31-Mar-13</b>	<b>Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
Revenue	34,309	27,845	23%
Net finance income/ (expense) (Note (a))	14	(41)	N.M
Changes in inventories	(178)	279	N.M
Raw material purchases and subcontractor charges	(16,061)	(14,616)	10%
Employee benefits expense	(3,313)	(3,002)	10%
Depreciation expense	(1,817)	(2,091)	-13%
Other expenses (Note (b))	(3,374)	(2,778)	21%
Other credits (Note (c))	34	169	-80%
<b>Profit before income tax</b>	<b>9,614</b>	<b>5,765</b>	<b>67%</b>
Income tax expense (Note (d))	(1,056)	(509)	107%
<b>Net profit for the period from continuing operations</b>	<b>8,558</b>	<b>5,256</b>	<b>63%</b>
<b>Attributable to:</b>			
Equity holders of the Company	8,558	5,256	63%
Minority interests	-	-	N.M
	<b>8,558</b>	<b>5,256</b>	<b>63%</b>
Earnings per ordinary share (in cents)			
- basic and diluted	2.49	1.53	63%

N.M - Not meaningful

## **NOTES TO INCOME STATEMENT**

### **Note (a) Net finance income/ (expenses)**

	<b>Group</b>		
	<b>3 Months Ended</b>		
	<b>31-Mar-14</b>	<b>31-Mar-13</b>	<b>Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
Interest income	14	12	17%
Interest expense	-	(53)	-100%
Net finance income/ (expenses)	14	(41)	N.M

### **Note (b) Other expenses**

	<b>Group</b>		
	<b>3 Months Ended</b>		
	<b>31-Mar-14</b>	<b>31-Mar-13</b>	<b>Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
Legal and professional fees (Note (i))	(328)	(149)	120%
Rental expense (includes leasing of land)	(402)	(410)	-2%
Utilities	(1,001)	(1,016)	-1%
Freight charges	(184)	(175)	5%
Insurance	(111)	(87)	28%
Upkeep of properties and equipment (Note (ii))	(70)	(36)	94%
Upkeep of machinery (Note (ii))	(778)	(329)	136%
Others	(500)	(576)	-13%
	(3,374)	(2,778)	21%

Note 1 (a)(b)(i) – Included in legal and professional fees is an amount payable to Sure Achieve Enterprises Pte Ltd. Refer to note 13.

Note 1 (a)(b)(ii) – The increase was mainly due to higher maintenance of machinery and equipment carried out during the period in line with higher production.

**Note (c) Other credits**

	<b>Group</b>		
	<b>3 Months Ended</b>		
	<b>31-Mar-14</b>	<b>31-Mar-13</b>	<b>Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
Foreign exchange (losses)/ gains (Note (i))	(145)	530	N.M
Gain on disposal of property, plant and equipment	39	-	N.M
Write back of allowance for inventories obsolescence	93	-	N.M
Allowance for inventories obsolescence	-	(400)	-100%
Others	47	39	21%
	<b>34</b>	<b>169</b>	<b>-80%</b>

Note 1(a)(c)(i) - The exchange loss was due to the depreciation of the US dollar during the period.

**Note (d) Income tax**

	<b>Group</b>		
	<b>3 Months Ended</b>		
	<b>31-Mar-14</b>	<b>31-Mar-13</b>	<b>Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
Income tax:			
- Current	(1,056)	(509)	107%
- Deferred tax	-	-	N.M
	<b>(1,056)</b>	<b>(509)</b>	<b>107%</b>

Note 1(a)(c)(i) - The increase in current income tax was due to higher profits during the period.

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

	Group		Company	
	31 Mar 2014 S\$'000	31 Dec 2013 S\$'000	31 Mar 2014 S\$'000	31 Dec 2013 S\$'000
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and bank balances (Note (ii))	39,511	29,236	368	621
Trade receivables and other current assets (Note (iii))	17,566	21,383	6,557	5,843
Inventories (Note (iv))	35,614	37,193	-	-
<b>Total Current Assets</b>	<b>92,691</b>	<b>87,812</b>	<b>6,925</b>	<b>6,464</b>
<b>Non-Current Assets</b>				
Investment in subsidiaries (Note (i))	-	-	192,415	192,415
Property, plant and equipment	44,388	43,419	-	-
Investment property	2,793	2,848	-	-
Goodwill	81,683	81,683	-	-
<b>Total Non-Current Assets</b>	<b>128,864</b>	<b>127,950</b>	<b>192,415</b>	<b>192,415</b>
<b>Total Assets</b>	<b>221,555</b>	<b>215,762</b>	<b>199,340</b>	<b>198,879</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current Liabilities</b>				
Trade and other payables (Note (v))	16,279	18,906	4,372	3,206
Income tax payable	3,430	3,617	55	55
<b>Total Current Liabilities</b>	<b>19,709</b>	<b>22,523</b>	<b>4,427</b>	<b>3,261</b>
<b>Non Current Liabilities</b>				
Deferred tax liabilities	1,644	1,644	12	12
Long-term provision *	464	464	-	-
<b>Total Non-Current Liabilities</b>	<b>2,108</b>	<b>2,108</b>	<b>12</b>	<b>12</b>
<b>Total Liabilities</b>	<b>21,817</b>	<b>24,631</b>	<b>4,439</b>	<b>3,273</b>
<b>Capital and Reserves</b>				
Share Capital	136,623	136,623	136,623	136,623
Reserves	(3,858)	(3,907)	-	-
Retained earnings	66,973	58,415	58,278	58,983
<b>Total Equity</b>	<b>199,738</b>	<b>191,131</b>	<b>194,901</b>	<b>195,606</b>
<b>Total Liabilities and Equity</b>	<b>221,555</b>	<b>215,762</b>	<b>199,340</b>	<b>198,879</b>

\* Provision for reinstatement of leased premises.

Note 1 (b)(i)(i) Investment in Subsidiaries  
The details of the subsidiaries as at 31 March 2014 are as follows:

Name	Effective percentage of equity held by the group		Company's cost of investment	
	31-Mar-2014	31-Dec-2013	31-Mar-2014	31-Dec-2013
	%	%	S\$'000	S\$'000
<u>Held by the Company</u>				
UMS Systems Pte Ltd (Singapore)	100	100	9,561	9,561
UMS International Pte Ltd (Singapore)	100	100	800	800
UMS Pte Ltd (Singapore)	100	100	127,081	127,081
UMS Aerospace Pte Ltd (Singapore)	100	100	20,000	20,000
Integrated Manufacturing Technologies Pte Ltd (Singapore)	100	100	19,803	19,803
Integrated Manufacturing Technologies Inc. (United States)	100	100	8,196	8,196
Ultimate Machining Solutions (M) Sdn. Bhd. (Malaysia)	100	100	30,772	30,772
			216,213	216,213
Unquoted equity shares, at cost				
Less: Provision for impairment			(23,798)	(23,798)
			192,415	192,415
<u>Held through UMS International Pte Ltd</u>				
Ultimate Manufacturing Solutions (M) Sdn. Bhd (Malaysia)	100	100		
<u>Held through UMS Pte Ltd</u>				
UMS Solutions Pte Ltd (Singapore)	100	100		

Note 1(b)(i)(ii) – The increase in cash and cash equivalents by S\$10.3 million was mainly due to net cash generated from operation activities during the period.

Note 1(b)(i)(iii) – Trade receivables and other current assets decreased by S\$3.8 million mainly due to better collections during the period.

Note 1(b)(i)(iv) – The decrease in inventories by S\$1.6 million was mainly due to consumption of purchases made in previous quarter.

Note 1(b)(i)(vi) – The decrease in trade and other payables by S\$2.6 million was mainly due to lower purchases made during the period.

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

Not applicable.

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

	<b>Group</b>	
	<b>3 Months Ended</b>	
	<b>31-Mar-14</b>	<b>31-Mar-13</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Cash flows from operating activities</b>		
Profit before income tax	9,614	5,765
Adjustments for:		
Depreciation expense	1,817	2,091
Allowance for inventories obsolescence	-	400
Write back of allowance for inventories obsolescence	(93)	-
Gain on disposal of property, plant and equipment	(39)	-
Interest income	(14)	(12)
Interest expense	-	53
Unrealised foreign exchange loss/ (gain)	322	(421)
<b>Operating cash flows before working capital changes</b>	<b>11,607</b>	<b>7,876</b>
Changes in working capital:		
Trade receivables and other current assets	2,567	(3,915)
Inventories	1,677	(689)
Trade and other payables	(2,489)	3,429
<b>Cash generated from operations</b>	<b>13,362</b>	<b>6,701</b>
Income tax paid	(352)	(48)
<b>Net cash generated from operating activities</b>	<b>13,010</b>	<b>6,653</b>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	39	-
Purchase of property, plant and equipment	(2,667)	(296)
Proceeds on sale of financial assets, available-for-sale	-	4,276
Interest received	14	12
<b>Net cash (used in) /generated from investing activities</b>	<b>(2,614)</b>	<b>3,992</b>
<b>Cash flows from financing activities</b>		
Repayment of bank borrowings	-	(15,100)
Repayment of finance leases obligation	-	(103)
Increase in fixed deposit - restricted	(2)	(2)
Interest paid	-	(53)
<b>Net cash used in financing activities</b>	<b>(2)</b>	<b>(15,258)</b>
Net effect of exchange rate changes	(121)	527
Net increase/ (decrease) in cash and cash equivalents	10,273	(4,086)
Cash and cash equivalents at beginning of the period	28,990	37,276
<b>Cash and cash equivalents at end of the period</b>	<b>39,263</b>	<b>33,190</b>
Fixed deposit - restricted in use	248	258
<b>Cash and cash equivalents in the Balance Sheet</b>	<b>39,511</b>	<b>33,448</b>

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

	<b>Group</b>		
	<b>3 Months Ended</b>		
	<b>31-Dec-13</b>	<b>31-Mar-13</b>	<b>Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
<b>Net Profit for the period</b>	<b>8,558</b>	<b>5,256</b>	<b>63%</b>
Other comprehensive income, net of income tax:			
<i>Items that may be classified subsequently to profit and loss:</i>			
Exchange differences on translation of foreign operations	49	248	-80%
<b>Total comprehensive income for the period</b>	<b>8,607</b>	<b>5,504</b>	<b>56%</b>
<b>Attributable to:</b>			
Equity holders of the Company	8,607	5,504	56%
Minority interests	-	-	N.M

1(e)(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 capitalization issues and distribution to shareholders, together with a comparative statement for the corresponding period of the immediate preceding financial year.

	Share Capital S\$'000	Foreign Exchange Translation Reserve S\$'000	Retained Earnings S\$'000	Total equity attributable to equity of holders of the Company S\$'000
<b>Group</b>				
<b>Balance at 1 January 2013</b>	136,623	(2,833)	46,723	180,513
<b>Changes in equity for first quarter</b>				
Net profit for the period	-	-	5,256	5,256
Other comprehensive income for the period- Exchange differences on translation of foreign operations	-	248	-	248
<b>Total comprehensive income for the quarter</b>	-	248	5,256	5,504
<b>Balance at 31 March 2013</b>	<u>136,623</u>	<u>(2,585)</u>	<u>51,979</u>	<u>186,017</u>

	Share Capital S\$'000	Foreign Exchange Translation Reserve S\$'000	Retained Earnings S\$'000	Total equity attributable to equity of holders of the Company S\$'000
<b>Group</b>				
<b>Balance at 1 January 2014</b>	136,623	(3,907)	58,415	191,131
<b>Changes in equity for first quarter</b>				
Net profit for the period	-	-	8,558	8,558
Other comprehensive income for the period- Exchange differences on translation of foreign operations	-	49	-	49
<b>Total comprehensive income for the quarter</b>	-	49	8,558	8,607
<b>Balance at 31 March 2014</b>	<u>136,623</u>	<u>(3,858)</u>	<u>66,973</u>	<u>199,738</u>



	Share Capital S\$'000	Capital Reserve S\$'000	Retained Earnings S\$'000	Total equity attributable to equity of holders of the Company S\$'000
<b>Company</b>				
Balance at 1 January 2013	136,623	85	53,596	190,304
<b>Changes in equity for first quarter</b>				
Net loss for the period	-	-	(337)	(337)
<b>Total comprehensive expenses for the quarter</b>	-	-	(337)	(337)
<b>Balance at 31 March 2013</b>	<b>136,623</b>	<b>85</b>	<b>53,259</b>	<b>189,967</b>

	Share Capital S\$'000	Capital Reserve S\$'000	Retained Earnings S\$'000	Total equity attributable to equity of holders of the Company S\$'000
<b>Company</b>				
Balance at 1 January 2014	136,623	-	58,983	195,606
<b>Changes in equity for first quarter</b>				
Net loss for the period	-	-	(705)	(705)
<b>Total comprehensive expenses for the quarter</b>	-	-	(705)	(705)
<b>Balance at 31 March 2014</b>	<b>136,623</b>	<b>-</b>	<b>58,278</b>	<b>194,901</b>

- 1(e)(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 purposes since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all outstanding convertibles, as well as the number of shares held as treasury shares of the issuer, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There was no change in the Company's issued share capital since last financial year ended 31 December 2013 to 31 March 2014.

- 1(e)(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 March 2014 was 343,754,327 (31 December 2013: 343,754,327).

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

There was no treasury share as at 31 December 2013 and 31 March 2014.

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

The figures have not been audited or reviewed by our external auditors.

**3 Where the figures have been audited or reviewed, the auditors' report (including and 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 stated in Note 5, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as those of the audited financial statements for the financial year ended 31 December 2013.

**5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reason for, and the effect of the change.**

The Group has adopted all the new and revised Singapore Financial Reporting Standards (FRS) and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning 1 January 2014.

The adoption of the new/ revised FRS and INT FRS does not result in any significant changes to the accounting policies of the Group and has no material effect on the amounts reported for the current and prior periods.

**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.**

	<b>Group</b>	
	<b>3 Months Ended</b>	
	<b>31-Mar-14</b>	<b>31-Mar-13</b>
<b>Earnings per share (EPS)</b>		
(a) Based on weighted average number of outstanding ordinary shares in issue; and	2.49 cents	1.53 cents
(b) On a fully diluted basis	2.49 cents	1.53 cents

The basic earnings per share for the latest and the previous corresponding period have been calculated based on the weighted average number of 343,754,327 of outstanding ordinary shares. The diluted earnings per share for the latest and the previous corresponding period have been calculated based on 343,754,327 of outstanding ordinary shares.

**7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediate preceding financial year.**

	<b>Group</b>		<b>Company</b>	
	<b>31-Mar-14</b>	<b>31-Dec-13</b>	<b>31-Mar-14</b>	<b>31-Dec-13</b>
Net asset per ordinary share based on existing issued share capital as at end of period reported on	58.10 cents	55.60 cents	56.70 cents	56.90 cents

The net asset per outstanding ordinary share as at both the current and the previous financial year have been calculated based on 343,754,327 outstanding ordinary shares.

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 on 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) seasonable 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**  
1Q2014 Vs 1Q2013

	Group		
	3 Months Ended		
	31-Mar-14	31-Mar-13	Change
	S\$'000	S\$'000	%
<b>Business Segments</b>			
Contract Equipment Manufacturing (CEM)	146	495	-71%
Semiconductor (Semicon)	34,163	27,350	25%
	<b>34,309</b>	<b>27,845</b>	<b>23%</b>
<b>Geographical Regions</b>			
Singapore	18,734	17,568	7%
United States of America ('US')	7,378	5,433	36%
Others	8,197	4,844	69%
	<b>34,309</b>	<b>27,845</b>	<b>23%</b>

**Revenue**

UMS revenue for the three months ended 31 March 2014 ("1Q2014") increased by 23% to S\$34.3 million, as compared to S\$27.8 million in the previous corresponding quarter ("1Q2013"). This was mainly due to higher semiconductor component sales during 1Q2014. Quarter-on-quarter, UMS 1Q2014 revenue remained stable as compared to the preceding quarter ("4Q2013") at about S\$34 million. This was due to the continuation of strong customer demand in the global semiconductor equipment market into this quarter.

In 1Q2014, revenue from semiconductor ("Semicon") segment increased by 25% to S\$34.2 million as compared to S\$27.4 million in 1Q2013. Revenue contribution from Contract Equipment Manufacturing ("CEM") decreased to S\$0.15 million in 1Q2014 as compared to that of S\$0.5 million a year ago. On a sequential basis, revenue in Semicon segment in 1Q2014 increased 3% compared to 4Q2013.

Geographically, Singapore remained the key revenue contributor to UMS, contributing S\$18.7 million in 1Q2014, which is a 7% increase from 1Q2013 of S\$17.6 million. For the same period, revenue from US in 1Q2014 jumped 36% to S\$7.4 million as compared to S\$5.4 million in 1Q2013 while revenue from Others soared 69% to S\$8.2 million as compared to S\$4.8 million a year ago. The improvement of revenue from the all geographical regions was mainly due to high component sales, whilst Integrated Systems revenue remained comparable to last year.

**Profitability**

Overall, UMS's gross material margin increased from 49% in 1Q2013 to 53% in 1Q2014 and this was mainly due to the improved product mix in higher component sales. Raw material and sub-contractor costs increased 10% to S\$16.1 million in 1Q2014 as compared to S\$14.6 million in 1Q2013. Personnel related costs (i.e employee benefits expense) stood at S\$3.3 million in 1Q2014, an increase of 10% as compared to S\$3.0 million over the same period a year ago. This was mainly attributed to higher headcount and overtime costs incurred to achieve higher production output.

For the similar period, depreciation expenses decreased by 13% to S\$1.8 million in 1Q2014 as compared to S\$2.1 million in 1Q2013 as some assets has been fully depreciated. Meanwhile, other expenses increased to S\$3.4 million in 1Q2014, a 21% increase from S\$2.8 million in 1Q2013. This is mainly due to higher machine/equipment maintenance costs during the quarter.

Other credits reduced by 80% to S\$0.03 million in 1Q2014 as compared to S\$0.17 million in 1Q2013 as it included a foreign exchange loss of S\$0.1 million as a result of the depreciation of USD during the period. Furthermore, there was an S\$0.09 million write back of inventory provision as opposed to the inventory provision of S\$0.4 million in 1Q2013.

In line with the higher revenue and profitability, there was a higher tax provision of S\$1.1 million in 1Q2014 as compared to S\$0.5 million in 1Q2013.

As a result of the above, UMS recorded a net profit of S\$8.6 million in 1Q2014, a 63% improvement from S\$5.3 million in 1Q2013.

#### **Cashflow**

In line with the Group's strong cash flow generation capability, the Group registered positive operating cash flow of S\$13.0 million and free cash flow of S\$10.3 million, compared to S\$6.7 million and S\$6.4 million respectively in 1Q2013. As of 31 March 2014, UMS has no debt and its net cash and cash equivalents remain healthy at S\$39.5 million.

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

The current announced results are in line with the general prospect commentary previously disclosed to shareholders in the FY2013 results announcement made on 28 February 2014..

#### **10 A commentary at the date of 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.**

Following the good set of financial performance registered in 1Q2014, the Group expects its core front-end semiconductor equipment business to continue on a robust trajectory into the second quarter of 2014.

SEMI, a leading global semiconductor trade association, predicts that the spending for semiconductor equipment is more optimistic this year after facing two consecutive years of double-digit decline as current expectations is on spending to grow 20 percent or more.<sup>1</sup>

Gartner, a worldwide leading information technology research and advisory company, predicts that worldwide combined shipment of devices (PCs, tablets, ultra mobiles and mobile phones) are expected to reach 2.5 billion units, an 6.9 percent increase from 2013.<sup>2</sup> This may have a positive impact on semiconductor equipment spending by the wafer fabs and foundries.

Nonetheless, despite the positive industry level forecasts, the Group remains alert to any possible shifts in demand pattern, due to the unique nature of the industry. The Group will continue to pursue cost reduction and improving operating efficiencies, especially in our Penang operation. Barring any unforeseen circumstances, the Group will remain profitable in FY2014.

*Footnote:*

<sup>1</sup>Refer to <http://www.semi.org/en/node/49361> for SEMI citation

<sup>2</sup>Refer to <http://www.gartner.com/newsroom/id/2692318>

#### **11 Dividend**

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

Any dividend declared for the current financial period reported on? **Yes**

<b>Name of Dividend</b>	<b>Proposed Interim Dividend</b>
<b>Dividend Type</b>	Cash
<b>Dividend Amount (SGD)</b>	1.0 cent per ordinary share, (tax exempt one-tier)
<b>Tax rate</b>	Not applicable

**(b) Corresponding Period of the Immediately Preceding Financial Year**

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

<b>Name of Dividend</b>	<b>Proposed Interim Dividend</b>
<b>Dividend Type</b>	Cash
<b>Dividend Amount (SGD)</b>	1.0 cent per ordinary share, (tax exempt one-tier)
<b>Tax rate</b>	Not applicable

**(c) Date payable**

30 July 2014.

**(d) Books closure date**

NOTICE IS HEREBY GIVEN THAT the Share Transfer Books and Register of Members of the Company will be closed on 16 July 2014, for the purpose of determining members' entitlements to the First Interim Dividend of 1.0 cent per ordinary share (tax-exempt one-tier) for the financial year ending 31 December 2014.

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 the close of business at 5.00 p.m. on 15 July 2014 will be registered before entitlements to the First Interim Dividend are determined. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 15 July 2014 will be entitled to the First Interim Dividend.

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

Not applicable.

**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.**

	<b>3 Months Ended 31 March 2014</b>
Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual) <b>S\$'000</b>
<b>Sure Achieve Enterprises Pte Ltd (Note 1)</b> Consultancy Services charges	197
<b>Kalf Engineering Pte Ltd (Note 2)</b> Factory rental	10

Note 1: Transaction above is with Sure Achieve Enterprises Pte Ltd in which Mrs. Sylvia SY Lee Luong is a director. She was formerly the executive director/COO of the UMS Group and is the wife of the CEO, Mr. Andy Luong. She left the Company's employ on 6 March 2013 and continued as a consultant thereafter.

The aggregate value of IPT entered into between the Group and Sure Achieve Enterprises Pte Ltd for the year ended 31 March 2014 amounted to S\$197,000 which represented approximately 0.2% of the Group's latest audited net tangible assets as at 31 December 2013.

Note 2: Kalf Engineering Pte Ltd is a company in which both executive directors Mr. Luong Andy and Mr. Stanley Loh Meng Chong have an interest. The factory rental arrangement was from 11 February 2014 to 11 April 2014.

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

The Board of Directors hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render the 1Q2014 and the period ended 31 March 2014 financial results to be false or misleading in any material respect.

On behalf of the Board

**Luong Andy**  
Chief Executive Officer

**Stanley Loh Meng Chong**  
Executive Director

**BY ORDER OF THE BOARD**

**Luong Andy**  
**Chief Executive Officer**  
8 May 2014