

## Full Year Financial Statements And Dividend Announcement (Unaudited) For The Year Ended 31 December 2015

### PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF-YEAR AND FULL-YEAR RESULTS

1(a) A Statement of Comprehensive Income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

#### The Group

	Twelve Months Ended		% Increase/ (Decrease)
	31-Dec-15 S\$'000	31-Dec-14 S\$'000	
Revenue	14,641	20,321	(28.0%)
Cost of construction	(9,697)	(14,958)	(35.2%)
<b>Gross profit</b>	<b>4,944</b>	<b>5,363</b>	<b>(7.8%)</b>
Other income	251	166	51.2%
Selling and distribution expenses	(105)	(117)	(10.3%)
Administrative expenses	(3,843)	(3,277)	17.3%
Other operating expenses	(36)	(69)	(47.8%)
Finance expenses	-	(1)	(100.0%)
<b>Profit before income tax</b>	<b>1,211</b>	<b>2,065</b>	<b>(41.4%)</b>
Income tax expense	(127)	(154)	(17.5%)
<b>Net profit for the year</b>	<b>1,084</b>	<b>1,911</b>	<b>(43.3%)</b>
<b>Other comprehensive income</b>			
Available-for-sale financial assets			
• Fair value losses	(18)	(28)	(35.7%)
<b>Other comprehensive losses for the year</b>	<b>(18)</b>	<b>(28)</b>	<b>(35.7%)</b>
<b>Total comprehensive income for the year</b>	<b>1,066</b>	<b>1,883</b>	<b>(43.4%)</b>
<b>Profit attributable to :</b>			
Equity holders of the Company	1,084	1,911	(43.3%)
<b>Total comprehensive income attributable to:</b>			
Equity holders of the Company	1,066	1,883	(43.4%)
<b>Earnings per share (cents)</b>			
Basic	0.57	1.00	
Diluted	0.55	0.97	

Profit before income tax is arrived at after charging / (crediting) the following items:

#### The Group

	Twelve Months Ended		% Increase/ (Decrease)
	31-Dec-15 S\$'000	31-Dec-14 S\$'000	
Interest income	(103)	(97)	6.2%
Interest expenses – finance lease	-	1	(100.0%)
Depreciation of property, plant and equipment	70	93	(24.7%)
Allowance for impairment of trade receivables	-	27	(100.0%)

**1(b)(i) A Statement of Financial Position (for the Issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.**

	<b>Group</b>		<b>Company</b>	
	<b>31-Dec-15</b>	<b>31-Dec-14</b>	<b>31-Dec-15</b>	<b>31-Dec-14</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b><u>ASSETS</u></b>				
<b><u>Non-current Assets</u></b>				
Property, plant and equipment	96	136	-	20
Investments in subsidiaries	-	-	27,950	27,950
Available-for-sale financial assets	32	50	-	-
	<b>128</b>	<b>186</b>	<b>27,950</b>	<b>27,970</b>
<b><u>Current Assets</u></b>				
Trade and other receivables	6,877	6,868	23	918
Cash and cash equivalents	14,355	15,708	2,382	2,561
	<b>21,232</b>	<b>22,576</b>	<b>2,405</b>	<b>3,479</b>
<b>Total Assets</b>	<b>21,360</b>	<b>22,762</b>	<b>30,355</b>	<b>31,449</b>
<b><u>LIABILITIES</u></b>				
<b><u>Current Liabilities</u></b>				
Trade and other payables	3,219	5,240	1,061	2,097
Finance lease liabilities	-	12	-	12
Current income tax liabilities	111	184	-	-
	<b>3,330</b>	<b>5,436</b>	<b>1,061</b>	<b>2,109</b>
<b>Total Liabilities</b>	<b>3,330</b>	<b>5,436</b>	<b>1,061</b>	<b>2,109</b>
<b>Net Assets</b>	<b>18,030</b>	<b>17,326</b>	<b>29,294</b>	<b>29,340</b>
<b><u>EQUITEY</u></b>				
<b><u>Capital and Reserves Attributable to Equity Holders of the Company</u></b>				
Share capital	4,199	4,169	39,794	39,764
Other reserves	(150)	(122)	101	111
Retained profits / (accumulated losses)	13,981	13,279	(10,601)	(10,535)
<b>Total Equity</b>	<b>18,030</b>	<b>17,326</b>	<b>29,294</b>	<b>29,340</b>

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

<b>Amount repayable in one year or less, or on demand</b>				<b>Amount repayable after one year</b>			
<b>As at 31-Dec-15</b>		<b>As at 31-Dec-14</b>		<b>As at 31-Dec-15</b>		<b>As at 31-Dec-14</b>	
<b>S\$ '000</b>	<b>S\$ '000</b>	<b>S\$ '000</b>	<b>S\$ '000</b>	<b>S\$ '000</b>	<b>S\$ '000</b>	<b>S\$ '000</b>	<b>S\$ '000</b>
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
-	-	12	-	-	-	-	-

There are no borrowings / finance lease agreement as at 31 December 2015.

As at 31 December 2014, certain property, plant and equipment with an aggregate carrying amount of S\$20,000 are pledged under existing finance lease agreement.

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

<b>The Group</b>	<b>Twelve Months Ended</b>	
	<b>31-Dec-15 S\$'000</b>	<b>31-Dec-14 S\$'000</b>
<b>Cash flows from operating activities</b>		
Net profit	1,084	1,911
Adjustments for:		
Income tax expense	127	154
Depreciation of property, plant and equipment	70	93
Loss on disposal of property, plant and equipment	-	3
Allowance for impairment of trade receivables	-	27
Interest expense	-	1
Interest income	(103)	(97)
Employee share option expense	-	4
<b>Operating cash flows before changes in working capital</b>	<b>1,178</b>	<b>2,096</b>
<b>Change in working capital:</b>		
Inventories	-	2
Trade and other receivables	9	3,899
Trade and other payables	(2,021)	(1,264)
<b>Cash (used in) / generated from operations</b>	<b>(834)</b>	<b>4,733</b>
Income tax paid	(200)	(43)
<b>Net cash (used in) / generated from operating activities</b>	<b>(1,034)</b>	<b>4,690</b>
<b>Cash flows from investing activities</b>		
Additions of property, plant & equipment	(30)	(3)
Interest received	85	94
<b>Net cash generated from investing activities</b>	<b>55</b>	<b>91</b>
<b>Cash flows from financing activities</b>		
Fixed deposits pledged to banks	(5)	(5)
Issuance of shares upon exercise of share options	20	-
Repayment of finance lease liabilities	(12)	(22)
Interest paid	-	(1)
Dividends paid	(382)	(287)
<b>Net cash used in financing activities</b>	<b>(379)</b>	<b>(315)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(1,358)</b>	<b>4,466</b>
Cash and cash equivalents:		
Beginning of financial year	15,011	10,545
<b>End of financial year</b>	<b>13,653</b>	<b>15,011</b>

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following:

<b>The Group</b>	<b>Twelve Months Ended</b>	
	<b>31-Dec-15 S\$'000</b>	<b>31-Dec-14 S\$'000</b>
Short term fixed deposit	6,964	7,437
Cash and bank balances	7,391	8,271
	14,355	15,708
Less: Fixed deposit pledged to banks	(702)	(697)
	<b>13,653</b>	<b>15,011</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.

	Attributable to equity holders of the Company			
	Share Capital S\$'000	Other Reserves S\$'000	Retained Profits S\$'000	Total Equity S\$'000
<b>The Group</b>				
<b>Balance as at 1 January 2015</b>	4,169	(122)	13,279	17,326
Total comprehensive income for the year	-	(18)	1,084	1,066
Dividend relating to 2014 paid	-	-	(382)	(382)
Issuance of share on exercise of share options	30	(10)	-	20
<b>Balance as at 31 December 2015</b>	<b>4,199</b>	<b>(150)</b>	<b>13,981</b>	<b>18,030</b>
<b>Balance as at 1 January 2014</b>	<b>4,169</b>	<b>(98)</b>	<b>11,655</b>	<b>15,726</b>
Total comprehensive income for the year	-	(28)	1,911	1,883
Dividend relating to 2013 paid	-	-	(287)	(287)
Employee Share Option Scheme				
- Value of employee services	-	4	-	4
<b>Balance as at 31 December 2014</b>	<b>4,169</b>	<b>(122)</b>	<b>13,279</b>	<b>17,326</b>
	<b>Share Capital</b>	<b>Other Reserves</b>	<b>(Accumulated Losses)</b>	<b>Total Equity</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>The Company</b>				
<b>Balance as at 1 January 2015</b>	<b>39,764</b>	<b>111</b>	<b>(10,535)</b>	<b>29,340</b>
Total comprehensive income for the year	-	-	316	316
Dividend relating to 2014 paid	-	-	(382)	(382)
Issuance of share on exercise of share options	30	(10)	-	20
<b>Balance as at 31 December 2015</b>	<b>39,794</b>	<b>101</b>	<b>(10,601)</b>	<b>29,294</b>
<b>Balance as at 1 January 2014</b>	<b>39,764</b>	<b>112</b>	<b>(10,695)</b>	<b>29,181</b>
Reclassification of share option reserve upon expiry	-	(5)	5	-
Total comprehensive income for the year	-	-	442	442
Dividend relating to 2013 paid	-	-	(287)	(287)
Employee Share Option Scheme				
- Value of employee services	-	4	-	4
<b>Balance as at 31 December 2014</b>	<b>39,764</b>	<b>111</b>	<b>(10,535)</b>	<b>29,340</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.

#### Ordinary Shares

The Company's share capital as at 31 December 2015 was S\$39,793,742 (30 June 2015: S\$ 39,763,742) comprising 191,558,497 (30 June 2015: 191,058,497) issued ordinary shares of the Company.

#### Options

The number of unissued ordinary shares of the Company under share options in relation to the Employee Share Option Schemes ("ESOS") and Koyo International Share Option Scheme ("KSOS") outstanding as at 31 December 2015 are as follows:

Type of employee share options	Date of grant	No. of unissued ordinary shares				Exercise price per share	Exercise period
		Balance as at 1 January	Exercised	Granted / (Lapsed)	Balance as at 31 December		
<b>As at 31 December 2015</b>							
2011 Options – KSOS	Dec 2011	5,165,000	(500,000)	-	4,665,000	S\$0.04	2013 to 2016
2013 Options – KSOS	Jan 2013	400,000	-	-	400,000	S\$0.053	2015 to 2018
		5,565,000	(500,000)	-	5,065,000		
<b>As at 31 December 2014</b>							
2004 ESOS II - Market Price Options*	Jun 2004	15,750	-	(15,750)	-	S\$1.08	2005 to 2014
2004 ESOS II - Incentive Options*	Jun 2004	15,750	-	(15,750)	-	S\$0.92	2006 to 2014
2011 Options – KSOS	Dec 2011	5,165,000	-	-	5,165,000	S\$0.04	2013 to 2016
2013 Options – KSOS	Jan 2013	400,000	-	-	400,000	S\$0.053	2015 to 2018
		5,596,500	-	(31,500)	5,565,000		

\*Share options consolidated and exercise price adjusted after the completion of the RTO and resulted in a 4-for-1 share consolidation.

Save for the above, the Company does not hold any other outstanding convertible instruments as at 31 December 2015 and 31 December 2014. The Company does not hold any treasury shares as at 31 December 2015 and 31 December 2014.

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

	<b><u>Company</u></b>	
	<b>31-Dec-15</b>	<b>31-Dec-14</b>
Fully paid ordinary shares (No. of shares)	191,558,497	191,058,497

The Company does not have any treasury shares as at 31 December 2015 and 31 December 2014.

**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.**

Not Applicable. The Company does not have any treasury shares as at 31 December 2015.

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

The figures have not been audited or reviewed by the auditors.

**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.**

Save as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the financial year ended 31 December 2015 as those used in the most recently for the audited financial statements for the financial year ended 31 December 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.**

On 1 January 2015, the Group adopted the new or amended Singapore Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are mandatory for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRSs did not result in any substantial change to the Group's accounting policies nor has any material impact on the financial statements of the Group for the financial year ended 31 December 2015.



**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.**

	Twelve Months Ended	
	31-Dec-15	31-Dec-14
Earnings per ordinary share of the Group based on weighted average number of ordinary shares in issue:		
(a) Basic ( Singapore cents)	0.57	1.00
(b) Fully diluted (Singapore cents)	0.55	0.97
Earnings per share was calculated based on weighted average number of ordinary shares in issue: ('000)		
(a) Basic	191,559	191,059
(b) Fully diluted	196,623	196,623

For the purposes of calculating fully diluted earnings per share, the weighted average number of ordinary shares outstanding has been adjusted for the effects of all dilutive potential ordinary shares assuming such shares have been issued at the beginning of the respective financial years. The Company has potentially dilutive ordinary shares of 5,065,000 and 5,565,000 share options as at 31 December 2015 and 31 December 2014 respectively.

**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 reported on; and (b) immediately preceding financial year.**

	The Group		The Company	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
Net asset value per ordinary share based on existing issued share capital as at end of the period (Singapore cents/ordinary share)	9.41	9.07	15.29	15.36

The calculation of net asset per ordinary share is based on 191,558,497 and 191,058,497 shares as at 31 December 2015 and 31 December 2014 respectively.

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

### 1) REVIEW OF RESULTS OF OPERATIONS

#### i) Revenue

	GROUP					
	Twelve Months Ended 31 Dec				Increase/(Decrease)	
	2015		2014			
	S\$'000	%	S\$'000	%	S\$'000	%
Mechanical Engineering	7,492	51.2	11,479	56.5	(3,987)	(34.7)
Electrical Engineering	5	n.m	6	n.m	(1)	(16.7)
Facilities Management	7,144	48.8	7,009	34.5	135	1.9
Supply of Construction Materials	-	-	1,827	9.0	(1,827)	n.m.
<b>Total</b>	<b>14,641</b>	<b>100.0</b>	<b>20,321</b>	<b>100.0</b>	<b>(5,680)</b>	<b>(28.0)</b>

#### ii) Gross Profit / (Loss)

	GROUP					
	Twelve Months Ended 31 Dec				Increase/ (decrease)	
	2015		2014			
	S\$'000	%	S\$'000	%	S\$'000	%
Mechanical Engineering	2,778	56.2	4,439	82.8	(1,661)	(37.4)
Electrical Engineering	1	n.m	(4)	(0.1)	5	n.m
Facilities Management	2,165	43.8	808	15.1	1,357	167.9
Supply of Construction Materials	-	-	120	2.2	(120)	n.m.
<b>Total</b>	<b>4,944</b>	<b>100.0</b>	<b>5,363</b>	<b>100.0</b>	<b>(419)</b>	<b>(7.8)</b>

#### iii) Gross Profit /(Loss) Margin

	2015		2014		Increase/ (decrease)
	%		%		%
Mechanical Engineering	37.1		38.7		(1.6)
Electrical Engineering	20.8		(66.7)		n.m.
Facilities Management	30.3		11.5		18.8
Supply of Construction Materials	-		6.6		n.m
<b>Total</b>	<b>33.8</b>		<b>26.4</b>		<b>7.4</b>

n.m: not meaningful

The decrease in total revenue by 28.0% to S\$14.6 million for the financial year ended 31 December 2015 ("FY2015") was mainly attributable to the decrease in revenue from the mechanical engineering. Revenue contribution from the mechanical engineering segment decreased by approximately S\$4 million mainly due to the lower revenue recognition in FY2015 in accordance with the percentage-of-completion method as a project was completed earlier in the financial year reported on and 2 new projects only commenced in the second half of the financial year while in FY2014, there was revenue recognition from projects for the full 12 months. Revenue contribution from electrical engineering segment remained low. There was no revenue generated from the supply of construction materials during the financial year.

In line with the decrease in revenue, cost of construction decreased by 35.2% to approximately S\$9.7 million for FY2015. Gross profit decreased by 7.8% to approximately S\$4.9 million for FY2015.



Gross profit margin increased from 26.4% in FY2014 to 33.8% in FY2015. The increase in gross profit margin of the Company was mainly attributable to the improvement of gross profit margin of the facilities management segment. Gross profit margin for the facilities management segment increased from 11.5% to 30.3% mainly attributable to new facilities management projects with better margins that commenced during the financial year.

## **2) Other Income**

Other income increased by 51.2% from S\$166,000 to S\$251,000 in the current financial year due to the receipt of insurance claims of S\$86,000 pursuant to non-performance of contract terms.

## **3) Selling and Distribution Expenses**

Selling and distribution expenses decreased by 10.3% from S\$117,000 to S\$ 105,000 in the current financial year due to decreases in freight and handling charges and licence fee during FY2015.

## **4) Administrative Expenses**

Administrative expenses increased by 17.3% from S\$3.3 million to S\$3.8 million, mainly due to increase in staff cost of S\$334,000 as the Group hired more staff to support the increased in number of facilities management projects. The increase was also pursuant to increased CPF contributions, directors' remuneration and rental expenses.

## **5) Other Operating Expenses**

Other operating expenses decreased by 47.8% from S\$69,000 to S\$36,000 in the current financial year, mainly due to the absence in allowance for impairment of trade receivables in FY2015 (FY2014: S\$27,000) and a decrease of office expenses.

## **6) Income Tax Expense**

Income tax expense decreased to S\$127,000 as a result of the decrease in the Group's profit before income tax.

**(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

## **REVIEW OF FINANCIAL POSITION**

**Total assets as at 31 December 2015 have decreased as compared to 31 December 2014, and are mainly attributable to the following :-**

- 1. Property, plant and equipment** decreased by S\$40,000 or 29.4% from S\$136,000 as at 31 December 2014 to S\$96,000 as at 31 December 2015. This was due to depreciation charges of S\$ 70,000, which was offset by the purchase of plant and equipment of S\$ 30,000.
- 2. Available-for-sale financial assets** decreased by S\$18,000 or 36.0% from S\$50,000 as at 31 December 2014 to S\$32,000 as at 31 December 2015 as a result of fair value losses for the current financial year.
- 3. Trade and other receivables** increased slightly by S\$10,000 from S\$6.87 million as at 31 December 2014 to S\$6.88 million as at 31 December 2015. Receivables turnover days increased from 46 days to 56 days as at the end of current financial year.
- 4. Cash and cash equivalents** decreased by S\$1.3 million or 8.6%, from S\$15.7 million as at 31 December 2014 to S\$14.4 million as at 31 December 2015. This decrease was mainly due to payments to trade and other creditors of S\$2.0 million and a payment of final dividend of S\$382,000 for FY2014.

**Total liabilities as at 31 December 2015 have decreased as compared to 31 December 2014, and are mainly attributable to the following :-**

- 1. Trade and other payables** decreased by approximately S\$2.0 million or 38.6%, from S\$5.2 million as at 31 December 2014 to S\$3.2 million as at 31 December 2015. The decrease was due to the payment of purchased materials and to subcontractors during FY2015.

## REVIEW OF STATEMENT OF CASH FLOWS

The Group generated positive operating cash flow of about S\$1.2 million from its operation before changes in working capital in FY2015. The net working capital outflow had resulted in a net cash used in operating activities of S\$1.0 million. This was largely pursuant to a decrease in trade and other payable of S\$2.0 million, coupled with an income tax payment of S\$ 200,000. The net cash generated from investing activities amounted to S\$55,000. The net cash used in financing activities amounting to S\$379,000, which was mainly pursuant to dividends of S\$382,000 that was paid during the financial year for dividend declared in respect of FY2014.

As at 31 December 2015, the Group has cash and cash equivalents of S\$13.6 million. This excludes fixed deposit pledged to banks.

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

The Group's results for the financial year ended 31 December 2015 is in line with the Company's discussion presented in paragraph 10 of the unaudited results announcement dated 13 August 2015.

### **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.**

At the date of this announcement, the Group has approximately S\$37.5 million worth of contracts on hand with completion dates ranging from financial years 2016 to 2021. However, given the current negative economic climate, the Group expects FY2016 to be challenging.

### **11. Dividend**

#### **(a) Any dividend declared for the current financial year reported on?**

Yes.

The Directors have recommended to the Company to pay a first and final dividend in respect of the financial year ended 31 December 2015.

Name of dividend	First & Final
Dividend type	Cash
Dividend amount per share	S\$0.0015 per ordinary share
Tax rate	Tax-exempt (1-tier)

#### **(b) Any dividend declared for the corresponding period of the immediately preceding financial year?**

Yes.

	First & Final
Name of dividend	
Dividend type	Cash
Dividend amount per share	S\$0.002 per ordinary share
Tax rate	Tax-exempt (1-tier)

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

To be announced at a later date.

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

To be announced at a later date.

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

Not Applicable.

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

**13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

**Business Segments  
(31 Dec 2015)**

**Revenue**

External revenue

Segment result

Other Income

Finance expenses

Unallocated expenses

Profit before income tax

Income tax expense

Net Profit for the year

Mechanical Engineering	Electrical Engineering	Facilities Management	Supply of Construction Materials	Total
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
7,492	5	7,144	0	14,641
2,778	1	2,165	0	4,944
				251
				0
				(3,984)
				1,211
				(127)
				1,084

**Business Segments  
(31 Dec 2014)**

**Revenue**

External revenue

Segment result

Other Income

Finance expenses

Unallocated expenses

Profit before income tax

Income tax expense

Net Profit for the year

Mechanical Engineering	Electrical Engineering	Facilities Management	Supply of Construction Materials	Total
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
11,479	6	7,009	1,827	20,321
4,439	(4)	808	120	5,363
				166
				(1)
				(3,463)
				2,065
				(154)
				1,911

Geographically, all the Group's operations are located in Singapore.

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

Please refer to paragraph 8 above.



**15. A breakdown of sales:**

The Group	Twelve Months Ended		
	31-Dec-15	31-Dec-14	%
	S\$'000	S\$'000	Increase/ (Decrease)
Sales reported for first half year	6,515	8,126	(19.8%)
Operating profit after income tax before deducting non-controlling interests reported for first half year	775	1,203	(35.6%)
Sales reported for second half year	8,126	12,195	(33.4%)
Operating profit after income tax before deducting non-controlling interests reported for second half year	309	708	(56.4%)

**16. 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 proposed	2015 <sup>*,#</sup> (S\$'000)	2014 (S\$'000)
Ordinary shares	287	382
Preference shares	-	-
<b>Total</b>	<b>287</b>	<b>382</b>

\* Please refer to Para 11.

# Subject to the approval of shareholders of the Company at the forthcoming Annual General Meeting.

**17. Interested Person Transactions**

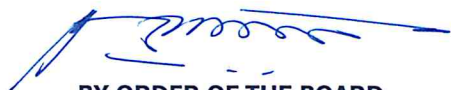
There were no Interested Party Transactions that were S\$ 100,000 and above during the year and the Company does not have a general IPT mandate.

**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
Dalat Kositanon	64	<p>(1) Spouse of Foo Chek Heng, Managing Director and substantial shareholder of Koyo International.</p> <p>(2) Daughter-in-law of Heng Jee Moi who owns 100% of Salix Capital Pte Ltd, a substantial shareholder of Koyo International.</p> <p>(3) Mother of Foo Suay Wei, Executive Director of Koyo International.</p>	Manager/Administration & Human Resources since 1994 for Koyo Engineering and since 21 January 2009 for Koyo International. Oversees the administrative and human resource functions of the Group.	Nil.

On behalf of the board of directors

**Lee Chen Chong**  
Director



**BY ORDER OF THE BOARD**  
**Mr. Foo Chek Heng**  
Managing Director  
27 February 2016



**Foo Chek Heng**  
Director

This announcement has been prepared by the Company and reviewed by PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGXST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr. Lance Tan, Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.