2015 ANNUAL REPORT

SIN GHEE HUAT CORPORATION

A World Stronger

COMPANY PROFILE

A MAJOR "ONE-STOP" DISTRIBUTOR OF STAINLESS STEEL PRODUCTS

Sin Ghee Huat Corporation Ltd is a public company listed on the mainboard of Singapore Exchange Securities Trading Limited. We have a track record of more than 20 years in the sales and distribution of stainless steel products and have grown to be a major stockist and "one-stop" distributor of 304/304L and 316/316L grades of austenitic stainless steel as well as duplex steel products and specialty metals. These include pipes, fittings, plates, bars, tubes and flanges which we source from reputable suppliers in China, Europe, Japan, South Korea and Taiwan.

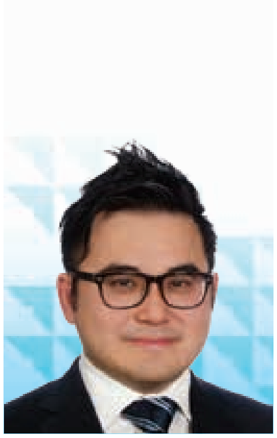
Our main warehouse facilities in Singapore are located at 62 Tuas Basin Link Singapore 638776 and 32 Gul Crescent Singapore 629537. Our warehouse facility in China is located at Suzhou Industrial Park, PRC.

CONTENTS

BOARD OF DIRECTORS

MR GOH CHEE WEE, 69, was first appointed an Independent Director and Non- Executive Chairman of the Company on 28 October 2009, and was last re-elected a Director on 24 October 2012. He is currently also a director of Beng Kuang Marine Ltd, Chailease Holding Company Ltd, Chip Eng Seng Corporation Ltd, King Wan Corporation Ltd, Sinotel Technologies Ltd and Stamford Tyres Corporation Ltd, all of which are listed companies.

Mr Goh was formerly a Member of Parliament and Minister of State for Trade & Industry, Labour and Communications. He holds a Bachelor of Science (First Class Honours) degree and a Diploma in Business Administration from the then University of Singapore, and a Master of Science (Engineering) degree from the University of Wisconsin, USA.



MR KUA GHIM SIONG, 37, our Chief Executive Officer ("CEO"), was appointed an Executive Director of the Company on 25 October 2012. He was appointed Interim CEO of the Company on 1 September 2012 and subsequently appointed CEO of the Company on 1 August 2013. He is responsible for corporate strategic direction and general management of the Group, and concurrently oversees the purchasing functions. He joined the Company as Sales Executive in April 2004 after graduation, and assumed the role of Assistant Purchasing Manager in October 2006. Ghim Siong was promoted to Purchasing and Logistics Manager on 1 August 2010 and was Senior Manager, Purchasing & Logistics/China Operations from 1 August 2011 to 24 October 2012. He was also Alternate Director to Kua Eng Wah from 1 December 2011 to 24 October 2012. He holds a Bachelor of Commerce from the University of Western Australia.

TAN LYE HENG PAUL, 49, was appointed an Independent Director of the Company on 1 March 2007, and was last re-elected a Director on 24 October 2013. He is a practising public accountant and a Director of CA TRUST PAC. He has over 20 years of auditing experience working as an auditor in public accounting firms and a 2-year stint as the internal auditor of a large Singapore public listed company before starting his own public accounting practice. He is an accredited Quality Assessor of Internal Audit Activity. Paul holds a Master Degree in Business Administration (MBA) from the University of Birmingham, United Kingdom. He is a Fellow of the Association of Chartered Certified Accountants, United Kingdom, and a Fellow of the Institute of Singapore Chartered Accountants.

Paul currently is also an Independent Director of China Sunsine Chemicals Holdings Ltd and Serial System Ltd, the shares of which are traded on the Singapore Exchange. He was formerly an Independent Director of Second Chance Properties Ltd, also a listed company, until 2012.

BOARD OF DIRECTORS

MR HOON TAI MENG, 63, was appointed an Independent Director of the Company on 1 March 2007, and was last re-elected a Director on 24 October 2012. He is currently an Executive Director of Chip Eng Seng Corporation Ltd and an Independent Director of Pavillon Holdings Ltd. He was formerly a partner with M/s KhattarWong until 2011.

Besides having around 15 years of experience in legal practice, Tai Meng also has approximately 20 years of experience in financial planning and management, audit and tax functions. He has a Bachelor of Commerce degree in accountancy from the then Nanyang University and a LLB (Honours) degree from the University of London. Tai Meng is a Fellow of the Chartered Institute of Management Accountants (United Kingdom), a Fellow of the Association of Chartered Certified Accountants (United Kingdom), a Fellow member of the Institute of Singapore Chartered Accountants and a Barrister-at-Law (Middle Temple, United Kingdom).

MR KUA CHEE SENG, 65, our Business Development Director, was appointed a Director of the Company on 11 July 1979, and was last re-elected a Director on 24 October 2013. He is responsible for development of new business opportunities of the Company. Since the establishment of our Company in 1977, he had been involved in various aspects of our operations. Chee Seng holds a Bachelor of Commerce degree from the then Nanyang University.

MR KUA PENG CHUAN, 32, our Market Development Director, was appointed Director of the Company on 25 October 2011, and was last re-elected a Director on 24 October 2012. He was Alternate Director to Kua Chee Hong from 11 December 2009 to 25 October 2011. Peng Chuan manages sales operations and market development. He joined the Company as Sales Executive in October 2004 after completing his National Service. He assumed the role of Sales & Marketing Manager cum Head of Market Development on 1 August 2010, and was promoted to Senior Manager, Sales & Marketing/Head of Market Development on 1 August 2011. He holds a diploma in Chemical Engineering from Temasek Polytechnic.

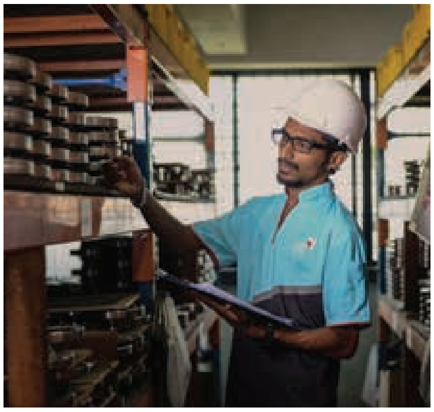
KEY EXECUTIVES

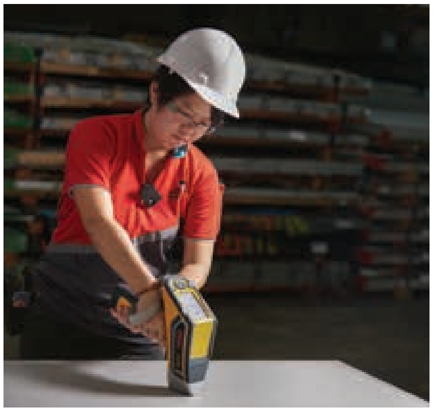
CHIA HUA MENG, 64, is our Chief Financial Officer. He is responsible for financial management and oversees administration functions, risk management and investor relations. Hua Meng has around 30 years of experience in financial management, accounting and general administration. Prior to joining the Company on 3 February 2010, he was Financial Controller and Secretary of another company listed on Singapore Exchange. He is a Fellow of the Association of Chartered Certified Accountants, United Kingdom and a non-practising member of the Institute of Singapore Chartered Accountants.

KUA ENG BEE, 63, is our Senior Manager for Sales and Marketing. He is responsible for the sale of our products in Singapore. He has been involved in sales and marketing since joining us in 1980. Prior to joining us, Eng Bee was with Sembawang Shipyard and Sembawang Engineering, working on-board ships and taking on a variety of responsibilities relevant to the fabrication of oil and gas offshore structures. Eng Bee completed his GCE ‘O’ levels at Upper Thomson Secondary School.

KUA CHEE KOK, 54, is our Senior Manager for Warehouse. He is responsible for the management of our warehouse operations. Prior to the establishment of our Company in 1977, Chee Kok had worked in the Kua family business, which was involved in the supply of general hardware items in Singapore. He did his secondary education at Thomson Secondary School. He was appointed to head our warehouse operations in 2000.

LETTER TO SHAREHOLDERS





DEAR SHAREHOLDERS,

On behalf of the Board of Directors (the "Board") of Sin Ghee Huat Corporation Ltd (the "Company") and its subsidiaries (together the "Group"), we are pleased to present the annual report of the Group for the financial year ended 30 June 2015 ("FY2015").

It was a challenging year for the Group as it strived to maintain a positive result for the year in the face of sluggish economies worldwide. A revenue of $58.95 million was posted, 6% lower than the $63.03 million recorded for the preceding year ended 30 June 2014 ("FY2014").

Gross profit margin remained relatively stable, averaging 21% compared with 20% for FY2014. Net profit achieved was $3.54 million, marginally lower than the $3.68 million reported for the year before.

These results translated to 1.60 cents in earnings per share for FY2015, slightly lower than the 1.66 cents per share earned in the preceding year. Net asset value stood at $89.11 million (FY2014: $87.83 million), equivalent to 40.1 cents per share compared with 39.56 cents a share for FY2014.

The upbeat sentiments that prevailed in the market a year ago of an increase in oil and gas exploration activities were short-lived. Growth momentum subsided along with the tumbling oil prices which remained persistently low as supply continued to outpace demand. Spending and budget cuts among major oil and gas companies ensued, prompting scale-down in oil related activities and project delays around the globe.

Competition posed another challenge whilst the falling nickel price offered little help when demand for stainless steel products remained low.

Against this backdrop, our customers, many of whom are based in Singapore, in the "marine and shipbuilding" industry took a beating. Those engaged in trading and supplying materials to the oil related industries were no better as orders shrank. This in turn led to a decline in revenue for the Group and its Singapore segment for FY2015.

Hard-pressed for revenue growth, our Suzhou subsidiary continued to be in the red. Exacerbated by the slowing economy in China, business recovery was again retarded. In the short term, the Group would strive to restore confidence among the stakeholders as a positive outlook still holds for the future.

Over the year, the Group geared up efforts and readiness to be part of the supply chain for specialty metals for the offshore, subsea and oilfield segments of the oil and gas industry. Even so, progress was held back in light of the plunging oil prices. We are not deterred by this initial setback and will stand ready to ride on the waves of recovery when the market rebounds.

On a positive note, our New Zealand joint venture, established in February 2015 for the supply of stainless steel products into this new market, had an encouraging start during the year. Prospects of the joint venture look promising in the coming years.

DIVIDEND

The Board has proposed the payment of a Final dividend of 1.5 cents per share for the financial year ended 30 June 2015. The proposed dividend will be paid on 13 November 2015 if approved by the shareholders at the forthcoming Annual General Meeting scheduled to be held on 21 October 2015.

The proposed dividend payout would amount to $3.33 million representing 94% of the net profit for the year.

LETTER TO SHAREHOLDERS

The current dividend policy of the Company is to distribute not less than 50% of its net profit after tax as dividends, subject to factors such as projected capital expenditure requirements, investment plans, cash balance and financial performance of the Company.

THE FUTURE

The Group is in the midst of working towards and putting in place an environmental, health and safety ("EHS") management system. Through this EHS management system, we will enhance the culture of occupational health and safety at the workplace. It will also help foster a sense of responsibility towards environmental sustainability even as we pursue business growth.

Plans are also underway to enhance operational capabilities and upgrade existing warehouse facilities. These measures will ensure that we are able to support our growth strategies. This will entail deployment of cash and other resources in the next few years.

Over the last few decades, Sin Ghee Huat has grown to be a long-time distributor of stainless steel products in Singapore and the neighbouring region. In recent years, we have begun venturing into new markets. We will continue to push for growth in these new markets.

Taking lessons from the volatility of the oil and gas industry, we are accelerating our plans to supply into other industries to have a more diversified portfolio of customers.

The corporate branding programme rolled out during the year will complement our growth strategies going forward. We believe this will augur well for the Group as we take on a fresh dimension of corporate identity to compete, thrive and grow in an uncertain and dynamic market environment whilst preserving the values and heritage ingrained in Sin Ghee Huat's DNA. As we consolidate and build on our strengths, we will strive to become even stronger.

APPRECIATION

We thank our valued customers wherever they are for their support and patronage. We also thank all our valued shareholders, suppliers and business associates for their confidence and support. Our appreciation also extends to our fellow directors and employees in the Group for their hard work, dedication and contribution over the year.

Goh Chee Wee
Chairman

Kua Ghim Siong
Chief Executive Officer

OPERATING AND FINANCIAL REVIEW

MARKETS AND REVENUE

The Group closed the financial year ended 30 June 2015 ("FY2015") with a revenue of $58.95 million, 6% lower than the $63.03 million posted in FY2014, the preceding financial year ended 30 June 2014.

Revenue posted in terms of the industries in which the Group's customers operate is presented as follows:

	FY2015	FY2014	Increase/ (decrease)	
	$'000	$'000	$'000	%
Marine and shipbuilding	**9,032**	11,391	(2,359)	(21)
Oil & gas and petrochemical	**6,480**	6,080	400	7
Building and construction	**2,341**	2,816	(475)	(17)
Machining and processing	**17,801**	17,178	623	4
Trading and others	**23,293**	25,562	(2,269)	(9)
Total	**58,947**	63,027	(4,080)	(6)

The plunging crude oil prices, plagued by a supply glut, stayed persistently low, hitting the global oil industry over the year. The Group's customers operating in the marine and offshore sector and other oil-related industries were adversely affected as production and business activities slowed.

The "marine and shipbuilding" industry, directly dragged down by the depressed market, registered a 21% drop in revenue to $9.03 million (FY2014: $11.39 million).

Revenue from the "trading and others" industry declined by 9% to $23.29 million (FY2014: $25.56 million) depicting similar downbeat sentiments in the market. The "trading and others" industry comprises mainly trading companies which purchase our products and supply to their customers who could be in any industries.

Revenue from the "oil & gas and petrochemical" industry increased modestly to $6.48 million (FY2014: $6.08 million) largely attributed to a new revenue stream in the supply of specialty metals.

Many of our customers in the "marine and shipbuilding" industry are based in Singapore. This largely accounted for the 10% drop in revenue to $33.66 million (FY2014: $37.43 million) for the Singapore segment.

	FY2015	FY2014	Increase/ (decrease)	
	$'000	$'000	$'000	%
Singapore	**33,664**	37,428	(3,764)	(10)
ASEAN	**20,431**	21,406	(975)	(5)
Others	**4,852**	4,193	659	16
Total	**58,947**	63,027	(4,080)	(6)

For the ASEAN segment, the Group encountered a drop in revenue from across the causeway whilst seeing a steady revenue stream from Indonesia.

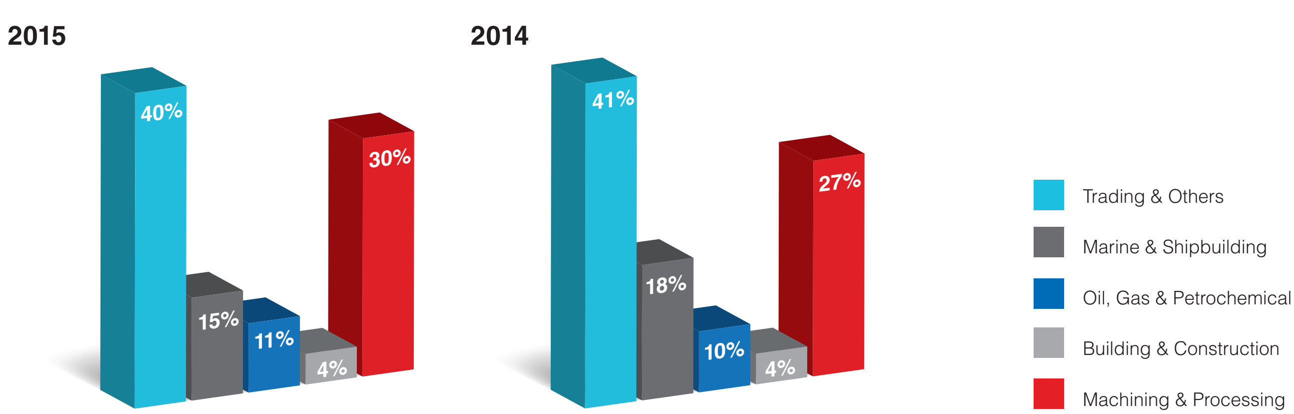
Outside the Singapore and ASEAN markets, revenue increased slightly to $4.85 million (FY2014: $4.19 million) mainly attributed to increased orders secured from New Zealand and Australia.

Nickel price declined drastically during FY2015, reversing the upward slope displayed in the preceding financial year. However, dipped in a sluggish economy, low nickel prices hardly benefited the Group as demand for stainless steel products generally remained weak.

GROSS PROFIT

Gross profit for FY2015 of $12.57 million was close to the previous year's $12.69 million. Gross profit margin remained relatively stable, averaging 21% and 20% for FY2015 and FY2014 respectively for a fair mixed of products.

REVENUE BREAKDOWN BY INDUSTRIES



OPERATING AND FINANCIAL REVIEW

DISTRIBUTION COSTS AND ADMINISTRATIVE EXPENSES

Distribution costs increased by 9% to $6.03 million (FY2014: $5.51 million) whilst administrative expenses increased by 4% to $3.27 million (FY2014: $3.16 million). The higher costs and expenses were largely due to additional manpower and facilities costs pertaining to SG Specialty Metals Pte Ltd ("SGSM"). SGSM was in operation only for a short period towards the later part of FY2014, and was in full operation during FY2015, and hence the costs and expenses between the two financial years would not be on comparable basis.

OTHER INCOME AND EXPENSES

Other operating income for FY2015 was higher at $813,000 (FY2014: $172,000) largely due to foreign currency exchange gain of $497,000 (FY2014: exchange loss of $52,000), gain on disposal of plant and equipment of $63,000 (FY2014: loss of $1,000) as well as grants and subsidies received from the government. The grants and subsidies mainly pertained to Special Employee Credit Scheme and corporate branding programme.

Other operating expenses for the year increased to $224,000 (FY2014: $53,000) mainly due to provision for doubtful debts of $203,000 (FY2014: write-back of $5,000).

Net finance income for FY2015 was lower at $257,000 (FY2014: $287,000) mainly because interest-bearing assets decreased as more cash resources were utilised for purchase of inventories during the year.

PROFIT AND TAX

Net profit achieved for FY2015 was $3.54 million, 4% lower than the previous year's $3.68 million. The lower profit was mainly attributed to increased distribution costs and administrative expenses as offset by foreign currency exchange gain outlined above.

Tax expense was lower mainly due to lower pre-tax profit for FY2015 and an overprovision of $111,000 in prior years.

WORKING CAPITAL

The Group's inventories increased by $6.52 million during the year to $44.75 million (FY2014: $38.23 million). The increase was largely attributed to additions of new products for SG Specialty Metals Pte Ltd. This pushed up the inventory turnover to 327 days (FY2014: 271 days).

Trade and other receivables were lower at $18.48 million (FY2014: $22.16 million) mainly due to lower revenue and higher receivables collections. Turnover for receivables was lower at 98 days (FY2014: 112 days) calculated on ending balance basis. Doubtful debts amounting to $203,000 were provided for as collectability on certain trade receivables was uncertain whilst efforts to pursue recovery of the debts continue.

Net cash from operating activities rose to $1.31 million (FY2014: $226,000) mainly due to higher collections of trade receivables, as offset by an increased cash outflow for the purchase of inventories.

Short-term trade financing of $548,000 (FY2014: nil) was arranged for a subsidiary for purchases of inventories.

Cash and cash equivalents decreased to $16.87 million (FY2014: $18.68 million) largely due to increased utilisation of cash resources for inventory purchases.

EQUITY

The Group's net asset value, equivalent to equity, stood at $89.11 million (FY2014: $87.83 million) representing 40.1 cents per share (FY2014: 39.6 cents per share).

Revaluation reserve rose to $2.85 million (FY2014: $1.86 million) arising from revaluation of the freehold premises located at 32 Penhas Road, Singapore.

SUBSIDIARIES AND JOINT VENTURE

SG Specialty Metals Pte Ltd was set up to target the offshore, subsea and oilfield sectors of the oil and gas industry. It was all set and ready for full-swing business activities but for the market taking a downturn after oil price fell during the year. The relentless fall in crude oil prices took its toll amid a persistent supply glut which led to a reduction in oilfield activities and business in this sector. However, oil markets are cyclical in nature and we are poised to take advantage when recovery occurs. In the meantime, the subsidiary is also looking into other sectors for supply of its products.

Our Suzhou subsidiary, SG Metals (Suzhou) Ltd, made little headway to improve its results, incurring a loss for the year. The new customers held back on orders amid economic slowdown in China and a fall in oil price. Action plans and efforts to secure new orders from targeted customers and provide new services will intensify over the next two years.

The Group established a joint venture company, First Break SG Metals 2015 Limited ("FBSGM"), in New Zealand on 2 February 2015. The Group holds a 50% equity interest in FBSGM. The joint venture arrangement will pave the way for the Group to expand into the New Zealand market. In its first five months of operations, FBSGM contributed positively to the Group's revenue and profit, albeit small in amounts. Our efforts continue to expand our customer base.

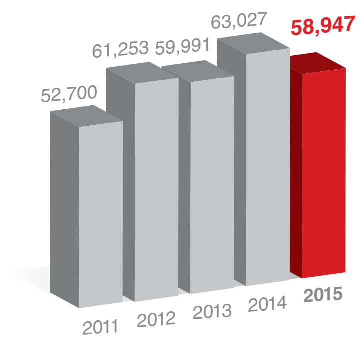
FINANCIAL HIGHLIGHTS

	FY2011	FY2012	FY2013	FY2014	FY2015
Income Statement ($'000)					
Sales revenue	52,700	61,253	59,991	63,027	**58,947**
Profit before tax	6,305	6,634	5,298	4,427	**4,134**
Profit after tax	5,326	5,553	4,292	3,676	**3,543**
Balance Sheet and Cash Flow ($'000)					
Inventories	30,880	31,666	36,415	38,231	**44,749**
Cash and cash equivalents	36,356	32,569	23,048	18,677	**16,870**
Current assets	82,854	84,317	79,088	79,064	**80,102**
Investments in bonds	–	–	5,191	5,135	**5,095**
Total assets	91,788	93,204	92,560	92,473	**94,177**
Current liabilities	4,687	4,911	4,384	4,566	**5,023**
Total liabilities	4,687	4,911	4,384	4,640	**5,066**
Total equity	87,101	88,293	88,176	87,833	**89,111**
Net cash from operations	2,721	2,146	1,280	1,046	**1,912**
Financial Statistics					
Gross profit margin (%)	25.2%	22.5%	21.2%	20.1%	**21.3%**
Net profit margin (%)	10.1%	9.1%	7.2%	5.8%	**6.0%**
Return on assets (%)[1]	5.9%	6.0%	4.6%	4.0%	**3.8%**
Return on equity (%)[1]	6.1%	6.3%	4.9%	4.2%	**4.0%**
Earnings per share (cents)	2.40	2.50	1.93	1.66	**1.60**
Net tangible assets per share (cents)	39.23	39.77	39.72	39.56	**40.14**
Dividends declared per share (cents)	2.00	2.00	1.80	1.50	**1.50**
Current ratio (times)	17.7	17.2	18.0	17.3	**15.9**
Inventory turnover (days)[1]	274	240	263	271	**327**
Receivables turnover (days)[2]	104	107	103	112	**98**
Payables turnover (days)[2]	24	21	18	20	**19**

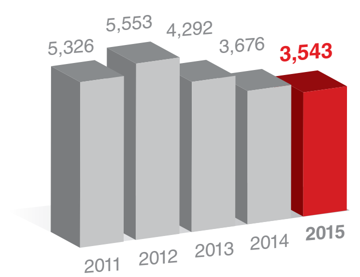
(1) average basis
(2) ending balance basis, trade

FINANCIAL HIGHLIGHTS

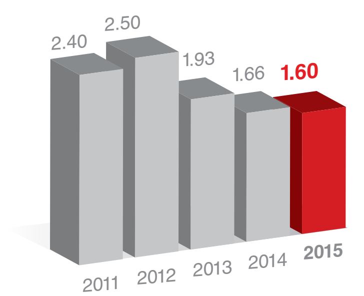
SALES REVENUE (S$'000)



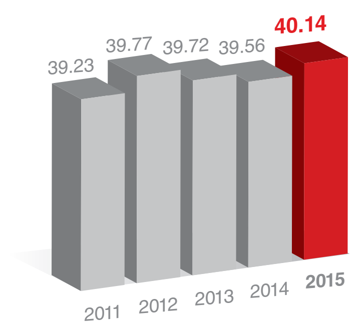
PROFIT AFTER TAX (S$'000)



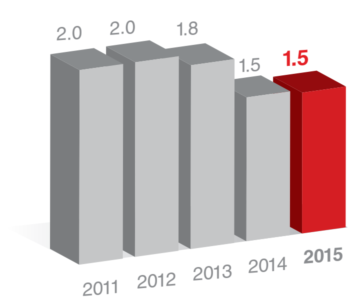
EARNINGS PER SHARE (CENTS)



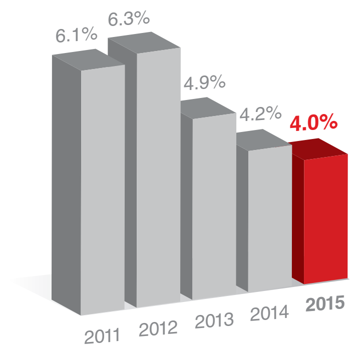
NET TANGIBLE ASSETS PER SHARE (CENTS)



DIVIDENDS DECLARED PER SHARE (CENTS)



RETURN ON EQUITY (%)



CORPORATE INFORMATION

BOARD OF DIRECTORS

Goh Chee Wee
Non-Executive Chairman and Independent Director

Kua Ghim Siong
Chief Executive Officer and Executive Director

Kua Chee Seng
Executive Director

Kua Peng Chuan
Executive Director

Hoon Tai Meng
Non-Executive and Independent Director

Tan Lye Heng Paul
Non-Executive and Independent Director

AUDIT COMMITTEE

Tan Lye Heng Paul (Chairman)
Hoon Tai Meng
Goh Chee Wee

NOMINATING COMMITTEE

Hoon Tai Meng (Chairman)
Tan Lye Heng Paul
Goh Chee Wee

REMUNERATION COMMITTEE

Goh Chee Wee (Chairman)
Hoon Tai Meng
Tan Lye Heng Paul

COMPANY SECRETARIES

Joanna Lim Lan Sim
Lotus Isabella Lim Mei Hua

SHARE REGISTRAR AND SHARE TRANSFER OFFICE

Tricor Barbinder Share Registration Services
(A division of Tricor Singapore Pte. Ltd.)
80 Robinson Road #02-00
Singapore 068898

REGISTERED OFFICE

32 Penhas Road #01-01
Singapore 208191
Tel: 6398 1118
Fax: 6398 1119
Email: enquiries@singheehuat.com.sg
Website: www.singheehuat.com.sg

AUDITORS

KPMG LLP
16 Raffles Quay #22-00
Hong Leong Building
Singapore 048581

Audit Partner: Lee Jee Cheng Philip
(Appointed since financial year 2011)

PRINCIPAL BANKERS

Oversea-Chinese Banking Corporation Limited
65 Chulia Street
OCBC Centre
Singapore 049513

United Overseas Bank Limited
80 Raffles Place
UOB Plaza
Singapore 048624

Australia and New Zealand Banking Group Limited
10 Collyer Quay #20-00
Ocean Financial Centre
Singapore 049315

Bank of China
Suzhou Industrial Park Sub-Branch
8 Su Hua Road
Suzhou
People's Republic of China 215021

DBS Bank Limited
12 Marina Boulevard
Level 6 DBS Asia Central
@ Marina Bay Financial Central Tower 3
Singapore 018982

FINANCIAL CONTENTS

CORPORATE GOVERNANCE STATEMENT

The Board of Directors (the "Board" or the "Directors") of Sin Ghee Huat Corporation Ltd. (the "Company") recognises the importance of sound corporate governance in protecting the interests of its shareholders as well as strengthening investors' confidence in its management and financial reporting. The Company, together with its subsidiaries (the "Group"), is committed to maintaining a high standard of corporate governance to enhance corporate accountability and transparency.

This statement describes the Company's corporate governance processes and activities with specific reference to the Code of Corporate Governance 2012 (the "Code"). The Company has complied substantially with the requirements of the Code and will continue to review its practices on an ongoing basis. Where there are deviations from the Code, appropriate explanations are provided in this report or in other sections of this Annual Report. Please read this report in conjunction with the other sections of the Annual Report.

BOARD MATTERS

Principle 1: Board's Conduct of its Affairs

The primary role of the Board is to provide leadership, set strategic objectives and ensure that the necessary financial and human resources are in place for the Group to meet its objectives; establish a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders' interests and the company's assets; review management performance; identify the key stakeholder groups and recognise that their perceptions affect the Group's reputation; set the Group's values and standards (including ethical standards), and ensure that obligations to shareholders and other stakeholders are understood and met; and consider sustainability issues, such as environmental and social factors, as part of its strategic formulation.

All Directors exercise due diligence and independent judgement, and are obliged to act in good faith and in the best interests of the Company.

To facilitate effective management, certain functions have been delegated to the respective board committees, namely the Audit Committee ("AC"), the Nominating Committee ("NC"), the Remuneration Committee ("RC"), each of whose members is drawn from members of the Board (together "Board Committees" and each a "Board Committee"). Each of these Board Committees has its own written terms of reference and its actions are reported to and monitored by the Board. All the Board Committees are actively engaged and play an important role in ensuring good corporate governance in the Company and within the Group.

The day-to-day management of the affairs of the Group is delegated by the Board to the Management team headed by the Chief Executive Officer.

A schedule of all the Board and Board Committee meetings for the calendar year is usually prepared in advance and distributed to the Directors. Besides the scheduled meetings, where circumstances require, ad-hoc meetings are held. All meetings are conducted in Singapore and attendance by the Directors has been regular. The attendances of the Directors at meetings of the Board and Board Committees as well as the number of such meetings during the financial year ended 30 June 2015 ("FY2015") are set out on the next page.

CORPORATE GOVERNANCE STATEMENT

	Board		Audit Committee		Nominating Committee		Remuneration Committee	
Name of Directors	**No. of meetings**	**Attendance**	**No. of meetings**	**Attendance**	**No. of meetings**	**Attendance**	**No. of meetings**	**Attendance**
Goh Chee Wee	4	4	4	4	1	1	2	2
Kua Ghim Siong	4	4	NA	NA	NA	NA	NA	NA
Kua Chee Seng	4	4	NA	NA	NA	NA	NA	NA
Kua Peng Chuan	4	4	NA	NA	NA	NA	NA	NA
Tan Lye Heng Paul	4	4	4	4	1	1	2	2
Hoon Tai Meng	4	4	4	4	1	1	2	2

NA: Not Applicable.

The Company's Articles of Association (the "Articles") allow a Board meeting to be conducted by means of telephone and video conference or similar communications equipment.

The Company has formulated guidelines setting forth matters reserved for the Board's decision. The management of the Company (the "Management") is also given clear directions on matters (including set thresholds for certain operational matters relating to subsidiaries) that require the Board's approval.

Certain material corporate actions that require the Board's approval are as follows:

- Approval of quarterly and full-year financial results announcements;
- Approval of annual reports and financial statements;
- Recommendation of dividends and other returns to shareholders;
- Nomination of directors for appointment to the Board and appointment of key personnel;
- Convening of shareholders' meetings;
- Authorisation of material acquisitions and disposal of assets;
- Authorisation of major transactions; and
- Approval of internal audit report.

The Board likewise reviews and approves all corporate actions for which shareholders' final approval is required.

The directors may attend courses, conferences and seminars and participate in discussion groups, the costs of which will be borne by the Company, to keep abreast of the latest developments which are relevant to their roles. They may also visit the Group's operational facilities and meet with the Management to gain a better understanding of the Group's business operations.

The Directors are updated on key changes in relevant regulatory requirements and financial reporting standards. New releases issued by the Singapore Exchange Securities Trading Limited ("SGX-ST") and Accounting and Corporate Regulatory Authority which are relevant to the Directors are circulated to the Board.

CORPORATE GOVERNANCE STATEMENT

Annually, the external auditors update the AC and the Board on new or revised financial reporting standards, in particular, standards that could have a material impact on the Group's consolidated financial statements.

New directors, upon appointment, will be briefed on the business and organisation structure of the Group to ensure that they are familiar with the Group's structure, businesses and operations. A formal appointment letter would be issued to any new director upon his appointment setting out his duties and obligations as a director.

Principle 2: Board Composition and Guidance

The Board comprises three Executive Directors and three Independent Directors as at the date of this report. Key information regarding the Directors can be found under the "Board of Directors" section of this Annual Report. The independence of each Director is reviewed annually by the NC.

The NC is of the view that the Board, with Independent Directors comprising at least one-third of the Board, has an independent element ensuring objectivity in the exercise of judgement on corporate affairs independently from the Management. The NC is also of the view that no individual or small group of individuals dominates the Board's decision-making process.

The Company has no Independent Director who has served on the Board beyond nine years.

The Directors consider that the Board is of the appropriate size and with the right mix of skills and experience, taking into account the nature and the scope of operations of the Group.

As a group, the Directors bring with them a broad range of expertise and experience in areas such as accounting, law, finance, business and management, industry knowledge, strategic planning and customer-based experience and knowledge. The diversity of the Directors' experience allows for the useful exchange of ideas and views.

The Independent/Non-Executive Directors aim to assist in the development of proposals on strategies by constructively challenging the Management. They also review the performance of Management in meeting agreed goals and objectives and monitor the performance.

Where warranted, the Independent/Non-Executive Directors meet without the presence of Management or the Executive Directors to review any matters that must be raised privately.

Principle 3: Chairman and Chief Executive Officer

The roles of the Chairman and the Chief Executive Officer are separate and their responsibilities are clearly defined to ensure a balance of power, increased accountability and greater capacity of the Board for independent decision making.

The Chairman of the Board is Mr Goh Chee Wee. As Chairman of the Board, Mr Goh Chee Wee leads the Board to ensure its effectiveness on all aspects of its role, including ensuring effective communication with shareholders and facilitating effective contribution of the Independent/Non-Executive Directors.

The Chief Executive Officer ("CEO") of the Company is Mr Kua Ghim Siong. As CEO of the Company, Mr Kua Ghim Siong leads the management team and has full executive responsibilities for the business and operational decisions of the Group.

CORPORATE GOVERNANCE STATEMENT

Principle 4: Board Membership

The NC, regulated by a set of written terms of reference, comprises Mr Hoon Tai Meng, Mr Tan Lye Heng Paul and Mr Goh Chee Wee, all of whom are independent. Mr Hoon Tai Meng, an Independent Director, is the Chairman of the NC.

The principal functions of the NC stipulated in its terms of reference are summarised as follows:

(a) Reviews and makes recommendations to the Board on relevant matters relating to: (i) all board appointments; (ii) board succession plans for directors, the Chairman and the CEO; (iii) process for board performance evaluation; and (iv) board training and professional development programs;

(b) Reviews the Board structure, size and composition and makes recommendations to the Board with regards to any adjustments that are deemed necessary;

(c) Reviews and determines the independence of the Board;

(d) Makes recommendations to the Board for the continuation of services of any executive director who has reached the age of 70 or otherwise;

(e) Assesses the effectiveness of the Board and the academic and professional qualifications of each individual director; and

(f) Reviews and recommends directors retiring by rotation for re-election at each Annual General Meeting ("AGM").

In accordance with Article 107 of the Company's Articles of Association, all Directors (except for the Chief Executive Officer of the Company, which is equivalent to the position of Managing Director) shall retire from office at least once every three years by rotation and all newly appointed directors will have to retire at the next AGM following their appointments. The retiring directors are eligible to offer themselves for re-election.

Mr Kua Chee Seng and Mr Goh Chee Wee would be retiring by rotation under Article 107 at the forthcoming AGM and be eligible for re-election under Article 109.

The NC has nominated the retiring directors, Mr Kua Chee Seng and Mr Goh Chee Wee, for re-election at the forthcoming AGM. In considering the nomination, the NC took into account the contribution of the directors with reference to their attendance and participation at Board meetings (and Board committee meetings, where applicable) as well as proficiency with which they have discharged their responsibilities. A retiring director who is also a member of the NC abstains from nominating himself from re-election. The Board has accepted the NC's recommendation and accordingly, the above-mentioned directors will be offering themselves for re-election at the forthcoming AGM.

The NC determines the independence of each director annually based on the definitions and guidelines of independence set out in the Code. In respect of the financial year ended 30 June 2015, the NC performed a review of the independence of the Directors. The Board, with the concurrence of the NC, concludes that Mr Hoon Tai Meng, Mr Tan Lye Heng Paul and Mr Goh Chee Wee remain independent as they do not have any existing business or professional relationship with the Group or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the Company.

CORPORATE GOVERNANCE STATEMENT

Where a Director has multiple board representations, the NC also considers whether or not the Director is able to and has adequately carried out his duties as a director of the Company. The NC is satisfied that sufficient time and attention are being given by the Directors to the affairs of the Company, notwithstanding that some of the directors have multiple board representations. The Board does not prescribe a maximum number of listed company board representations which any Director with multiple board representations may hold and would review the matter on a case-by-case basis taking into account the ability and performance of each Director in his performance and discharge of duties and responsibilities.

No alternate director was appointed to the Board during the year.

The NC is responsible for identifying and recommending new board members to the Board, after considering the necessary and desirable competencies of the candidates which include (i) academic and professional qualifications; (ii) industry experience; (iii) number of directorships; (iv) relevant experience as a director; and (v) ability and effectiveness in carrying out duties and responsibilities.

The NC leads the process for board appointments and makes recommendations to the Board. The process of appointment includes:

(a) developing a framework on desired competencies and diversity on board;

(b) assessing current competencies and diversity on board;

(c) developing desired profiles of new directors;

(d) initiating search for new directors including external search, if necessary;

(e) shortlisting and interviewing potential candidates;

(f) recommending appointments to and retirements from the board; and

(g) election at general meeting.

The profiles of all Board members are set out in the section entitled “Board of Directors” which includes the date of the directors’ initial appointment and last re-election and their directorships. Except as disclosed therein, there were no other directorships or chairmanships held by the Directors over the preceding three years in other listed companies.

Principle 5: Board Performance

The Board has, through the NC, implemented an annual evaluation process to assess the effectiveness of the Board as a whole and the contribution of each individual Director. The NC is also responsible for deciding how the Board’s performance may be evaluated and proposes objective performance criteria for the Board’s approval and implementing corporate governance measures to achieve good stewardship of the Company.

The NC adopts a formal system of evaluating the Board as a whole annually. The assessment parameters for Board performance evaluation include evaluation of the Board’s composition and conduct, Board processes and procedures, Board accountability, evaluation and succession planning. The annual evaluation exercise provides an opportunity to obtain constructive feedback from each Director on whether the Board’s procedures and processes had allowed him to discharge his duties effectively and to propose changes which may be made to enhance the Board effectiveness as a whole.

CORPORATE GOVERNANCE STATEMENT

The NC has assessed the current Board's performance to-date and is of the view that the performance of the Board as a whole has been satisfactory. Although some of the Directors have other Board representations, the NC is satisfied that these Directors are able to and have effectively carried out their duties as Directors of the Company. The Board has experienced minimal competing time commitments among its members as Board meetings are planned and scheduled well in advance. In fact, the NC has noted that its members have contributed significantly in terms of time, effort and commitments during FY2015.

Taking into account the results of the assessment of the effectiveness of the Board and of the individual Directors and the respective Directors' conduct on the Board, the NC is satisfied that all the Directors have adequately carried out their duties as Directors.

Principle 6: Access to Information

Prior to Board meetings and on timely basis, Management provides the Board with meetings papers and relevant information which are necessary to enable the Board to fulfil their duties and responsibilities. The Company Secretary/Management circulates copies of the minutes of the Board meetings to all members of the Board. The Board is informed of all material events and transactions as and when they occur. These include relevant information and explanatory notes on matters that are presented to the Board, such as budgets, forecasts and business models. In relation to budgets, any material variances between projections and actual results are disclosed and explained. Timely updates on developments in accounting matters, legislation, government policies and regulations affecting the Group's business operations are provided to all directors.

The Board has separate and independent access to the Management of the Company and the Company Secretary at all times.

The Company Secretary prepares meeting agendas, attends and prepares minutes of all Board and Board Committee meetings and is responsible for ensuring that Board procedures are followed and that the Company's Memorandum and Articles of Association and relevant rules and regulations are complied with. Under the direction of the Chairman, the Company Secretary, with the support of the Management, ensures good information flows within the Board and the Board Committees and between the Management and Independent/Non-Executive Directors.

The appointment and replacement of the Company Secretary is a matter for the Board.

The Directors, in fulfilling its responsibilities, will, as a group or individually, when deemed fit, direct the Company to appoint professional advisers to render professional advice. The costs associated with such professional services will be borne by the Company.

REMUNERATION MATTERS

Principle 7: Procedures for Developing Remuneration Policies

The RC, regulated by a set of written terms of reference, comprises Mr Goh Chee Wee, Mr Hoon Tai Meng and Mr Tan Lye Heng Paul, all of whom are Independent/Non-Executive Directors. Mr Goh Chee Wee is the Chairman of the RC.

The principal function of the RC is to ensure that a formal and transparent procedure is in place for fixing the remuneration framework for the Board and key management personnel of the Group.

CORPORATE GOVERNANCE STATEMENT

The RC reviews and recommends to the Board a remuneration framework for the Directors and key management personnel. The RC considers all aspects of remuneration namely salaries, allowances, bonuses and other benefits-in-kind. All remuneration matters relating to the Directors and key management personnel require approval of the Board.

The RC's recommendation for directors' fees had been endorsed by the Board, following which it will be tabled for shareholders' approval at the Company's AGM. No member of the RC or the Board participated in the deliberation of his own remuneration.

The RC would obtain professional advice on remuneration matters when there is a need to do so.

The Executive Directors and key management personnel have entered into service agreements/contracts of service with the Company. The service agreements/contracts of service cover the terms of employment, specifically salary, performance-based incentive/bonus and other benefits. The service agreements of the Executive Directors include terms for termination with a notice period not exceeding six months. The contracts of service of key management personnel include terms for termination with a notice period of two months.

Principle 8: Level and Mix of Remuneration

The remuneration policy of the Group seeks to reward good performance and attract, retain and motivate all employees, including Directors and key management personnel of the Company.

The RC reviews the Service Agreements of the Company's Executive Directors and the Service Contracts of key management personnel periodically, including the compensation commitments and notice period for termination to ensure that they are not excessively long. The Company has entered into separate Service Agreements with the Executive Directors, Mr Kua Ghim Siong, Mr Kua Peng Chuan and Mr Kua Chee Seng.

The Company has a share option scheme known as Sin Ghee Huat Share Option Scheme (the "Scheme"), which is administered by the RC. The Scheme was adopted at the Company's general meeting held on 27 February 2007. Details of the Sin Ghee Huat Share Option Scheme are provided on page 29 of this Annual Report.

During the financial year, no share options were granted to any of the Directors and key management personnel.

The Independent/Non-Executive Directors' are paid Directors' fees of an agreed amount, which are determined by the Board, appropriate to the level of their contributions, taking into account factors such as efforts and time spent and their responsibilities. The fees are subject to shareholders' approval at the AGM. Except as disclosed, the Independent/Non-Executive Directors do not receive any other remuneration from the Company.

The Company has in place a policy, established during the year, which will enable the Company to reclaim incentive components of remuneration from Executive Directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company or fraud by executive directors or key management personnel.

CORPORATE GOVERNANCE STATEMENT

Principle 9: Disclosure on Remuneration

Details of remuneration of the Directors for the financial year ended 30 June 2015 are set out below:

Name of Directors	Fixed Component	Variable Component	Directors' Fee	Total
Below $250,000				
Kua Ghim Siong[(1)]	92%	8%	–	100%
Kua Chee Seng	92%	8%	–	100%
Kua Peng Chuan	92%	8%	–	100%
Goh Chee Wee	–	–	100%	100%
Hoon Tai Meng	–	–	100%	100%
Tan Lye Heng Paul	–	–	100%	100%

(1) The Company has provided Kua Ghim Siong with a car.

Saved as disclosed above, no Director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member or with a company in which he has a substantial financial interest.

Details of remuneration of the key management personnel (who are not directors or the CEO) of the Company for the financial year ended 30 June 2015 are set out below:

Name of Key Management Personnel	Designation	Fixed Component	Variable Component	Total
Below $250,000				
Chia Hua Meng	Chief Financial Officer	94%	6%	100%
Kua Chee Kok[(1)]	Senior Manager (Warehouse)	93%	7%	100%
Kua Eng Bee[(2)]	Senior Manager (Sales and Marketing)	93%	7%	100%

(1) Kua Chee Kok is a sibling of Kua Chee Seng; and an uncle of Kua Ghim Siong and Kua Peng Chuan.

(2) Kua Eng Bee is a cousin of Kua Chee Seng; and an uncle of Kua Ghim Siong and Kua Peng Chuan.

The Board has deliberated as regards the Code's recommendations to fully disclose the remuneration of directors and the top key management personnel (who are not directors or the CEO). The Board is of the opinion that, in view of the confidentiality and sensitivity on remuneration matters, such disclosure would not be in the best commercial interest of the Company.

The employees whose remuneration exceeded $50,000 for the financial year ended 30 June 2015 and who are immediate family members of the Directors or the CEO are as follows:

$50,000 to $150,000
Kua Chee Meng[(1)]
Kua Eng Wah[(2)]
Kua Bee Hong[(3)]

(1) Kua Chee Meng is a brother of Kua Chee Seng; and an uncle of Kua Ghim Siong and Kua Peng Chuan.

(2) Kua Eng Wah is the father of Kua Ghim Siong, a cousin of Kua Chee Seng; and an uncle of Kua Peng Chuan.

(3) Kua Bee Hong is a sister of Kua Chee Seng; and an aunt of Kua Ghim Siong and Kua Peng Chuan.

CORPORATE GOVERNANCE STATEMENT

The Board is of the view that disclosing the names of employees who are immediate family members of the Directors or the CEO in incremental bands of $100,000 would be sufficient to provide an overview of their remuneration.

The RC has reviewed and approved the remuneration packages of the Directors and the key management personnel, having regard to their contributions as well as the financial performance of the Group and has ensured that the Directors and key management personnel are adequately but not excessively remunerated.

ACCOUNTABILITY AND AUDIT

Principle 10: Accountability

The Board is mindful of its obligations to provide shareholders with a balanced assessment of the Company's performance and prospects and ensure timely disclosure of material information in compliance with statutory reporting requirements. Price sensitive information is first publicly released after the review by the Board, either before the Company meets with any group of investors or analysts or simultaneously with such meetings. Financial results and annual reports are announced or issued within legally prescribed periods.

Management provides the Board with management accounts of the Group's performance and prospects regularly and upon request. The Management provides the Board and Board Committees with a continual flow of relevant information on a timely basis in order that it may effectively discharge its duties and responsibilities.

Principle 11: Risk Management and Internal Controls

Management strives to maintain a sound system of internal controls to safeguard shareholders' investment in the Company and the Group's assets. The Board acknowledges that it is responsible for the overall internal control framework, and works with Management to ensure that the system of internal controls maintained by Management is sound, adequate and effective.

A system of internal controls is designed to manage, rather than eliminate, the risk of failure to achieve business objectives. It aims to provide reasonable, rather than absolute, assurance against material misstatement or loss, as no cost-effective internal control system would preclude all errors and irregularities. The Group's system of internal controls includes documented policies and procedures, segregation of duties, approval procedures and authorities, as well as checks-and-balances built into the business and operational processes.

The Board has established a Risk Management Committee ("RMC"), which is a sub-committee of the Audit Committee, during the financial year. The RMC comprises Mr Kua Ghim Siong, Mr Kua Chee Seng, Mr Kua Peng Chuan and Mr Chia Hua Meng. Mr Kua Ghim Siong is the Chairman of the RMC.

CORPORATE GOVERNANCE STATEMENT

The principal functions of the RMC are:

- To review, formulate and make recommendations to the Management on risk matters and risk management;
- To oversee the risk management function and the Enterprise Risk Management framework.

The RMC works closely with the Audit Committee to ensure that an effective internal control and risk management system, encompassing financial, operational, compliance and information technology ("IT") controls within the Group, is in place.

The Group's Enterprise Risk Management Framework ("ERM Framework"), established in 2014, governs the risk management process within the Group. The ERM Framework enables the identification, prioritisation, assessment, management and monitoring of key or significant risks applicable to the Group's business. The risk management process covers, inter alia, financial, operational, IT and compliance risks relevant to the Group.

The AC, with the assistance of the internal and external auditors, reviews the adequacy and effectiveness of the Group's internal control systems including financial, operational, compliance and IT controls and risk management systems.

The process used by the AC to monitor and review the effectiveness of the system of internal controls and risk management includes:

(a) discussions with Management on risks identified;

(b) the audit processes;

(c) the review of internal and external audit plans; and

(d) the review of significant issues, if any, arising from internal and external audits.

The Board has received assurance from the CEO and the CFO that the financial records of the Group have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances as well as the effectiveness of the Company's risk management and internal control systems.

Based on (i) the Group's framework of management control, (ii) the internal control policies and procedures established and maintained by the Group, as well as (iii) the regular audits, monitoring and reviews performed by the internal and external auditors, the Board, with the concurrence of the AC, is of the opinion that the systems of internal controls and risk management within the Group are adequate and effective, including the financial, operational, compliance and information technology controls and risk management which have been maintained by the Group's management and which were in place during the financial year ended 30 June 2015.

Principle 12: Audit Committee

The AC, regulated by a set of written terms of reference, comprises three Independent/Non-Executive Directors, Mr Tan Lye Heng Paul, Mr Hoon Tai Meng and Mr Goh Chee Wee, all of whom have the appropriate accounting experience or related financial management expertise or experience. Mr Tan Lye Heng Paul is the Chairman of the AC.

CORPORATE GOVERNANCE STATEMENT

The AC has explicit authority to investigate any matter within its term of reference, full access to and the co-operation of Management and has full discretion to invite any director or executive officer to attend its meetings, and has been given adequate resources to enable it to discharge its functions.

The AC holds periodic meetings to perform the following functions:

(a) review with the external and internal auditors their audit plans, their evaluation of the system of internal controls, audit report, management letter and management's response;

(b) review the annual and quarterly financial statements of the Company and the Group before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with financial reporting standards as well as compliance with the statutory/regulatory requirements of the SGX-ST, Companies Act of Singapore and such other regulations under the laws of Singapore;

(c) review the internal control and procedures and ensure co-ordination between the external auditors and the Management, review the assistance given by the management to the auditors, and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of the Management where necessary);

(d) review and discuss with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results and/or financial position and the management's response;

(e) consider the appointment or re-appointment of the external auditors and matters relating to resignation or dismissal of the auditors;

(f) review transactions falling within the scope of Chapter 9 and Chapter 10 of the Listing Manual of the Singapore Exchange Securities Trading Limited;

(g) review any potential conflict of interests;

(h) review and approve any procedures for entering into hedging transactions;

(i) undertake such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the AC; and

(j) generally to undertake such other functions and duties as may be required by statute or the SGX-ST Listing Manual, and by such amendments made thereto from time to time.

In the event that a member of the AC is interested in any matter being considered by the AC, he will abstain from reviewing that particular transaction or voting on that particular resolution.

The AC meets with the external auditors and internal auditors, in the absence of Management, at least once a year.

CORPORATE GOVERNANCE STATEMENT

Where the external auditors also supply a substantial volume of non-audit services, the AC will conduct a review to satisfy that the nature and extent of such services do not prejudice the independence and objectivity of the external auditors. The AC will constantly bear in mind the need to maintain a balance between the independence and objectivity of the external auditors and the work carried out by the external auditors based on value-for-money considerations. The external auditors have unrestricted access to the AC.

The AC reviews annually the non-audit services provided by external auditors and determines whether the provision of such services affects their independence. The breakdown of fees (audit and non-audit services) paid to auditors is set out on page 65 of the Financial Statements.

Having reviewed the nature and extent of non-audit services rendered by the external auditors to the Company for the year ended 30 June 2015, the AC is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors. The AC had therefore recommended to the Board the nomination of Messrs KPMG LLP, for re-appointment as external auditors of the Company at the forthcoming AGM. The external auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

In recommending the re-appointment of the external auditors, the Audit Committee considered and reviewed various factors including the adequacy of resources, experience of supervisory and professional staff to be assigned to the audit, the size and complexity of the Group and its businesses and operations.

The Group has in place a whistle-blowing policy which provides a channel for employees of the Group to report and raise, in good faith and in confidence, their concerns, if any, about possible improprieties in financial or other matters. To facilitate independent investigation of such matters and appropriate follow-up actions, the Group's employees may raise their concerns directly to the AC members via email or at their address.

A summary of the AC's activities for the financial year ended 30 June 2015 is as follows:

(a) reviewed the financial statements of the Company and the Group before the announcement of the quarterly and full-year results;

(b) reviewed the key areas of Management judgment applied for adequate provisioning and disclosure, critical accounting policies and any significant changes made that would have a material impact on the financial statements;

(c) reviewed and approved both the Group internal auditors' and external auditors' plans to ensure that the plans covered sufficiently in terms of audit scope in reviewing the significant internal controls comprising financial, operational, information technology and compliance controls of the Group;

(d) reviewed the independence and objectivity of the internal and external auditors through discussions with the internal and external auditors;

(e) reviewed non-audit fees;

(f) reviewed the appointment of different auditors for the Group's subsidiaries;

(g) reviewed the accounting, auditing and financial reporting matters so as to ensure that an effective system of control is maintained in the Group;

(h) reviewed the internal audit functions and discussed accounting implications of major transactions including significant financial reporting issues; and

(i) reviewed interested party transactions.

CORPORATE GOVERNANCE
STATEMENT

The AC and the Board have reviewed the appointment of different auditors for the Group's subsidiaries and are satisfied that the appointment of different auditors would not compromise the standard and effectiveness of the audit of the Company. The AC is satisfied that the Company has complied with the Listing Rules 712 and 716.

No former partner or director of the Company's existing auditing firm is a member of the AC.

Principle 13: Internal Audit

The Group has outsourced its internal audit function to Paul Wan & Co, an external professional firm, to perform the review and test of controls of its processes. The internal auditors report directly to the Chairman of the AC.

The AC approves the appointment, termination, evaluation and compensation of the internal auditors. The internal auditors have unfettered access to the Company's documents, records and personnel.

The AC assesses periodically the adequacy of internal control function in terms of resources needed and its appropriate standing within the Group.

The AC is assured that Paul Wan & Co meets the standards set out by both nationally and internationally recognised professional bodies, and is satisfied that the internal auditors are qualified and experienced personnel.

The internal auditors plan their internal audit work in consultation with the AC. The audit plan is submitted to the AC for approval prior to the commencement of the internal audit work. The internal auditors conducted an annual review of the effectiveness of the Group's systems of internal controls, including financial, operational and compliance risks, and reported their findings to the AC. There was no significant risk or material weakness in internal controls reported by the internal auditors to the AC for the financial year.

SHAREHOLDERS RIGHTS AND RESPONSIBILITIES

Principle 14: Shareholders Rights
Principle 15: Communication with Shareholders
Principle 16: Conduct of Shareholder Meetings

The Board recognises the importance of regular and timely communication with the shareholders.

The Company does not practise selective disclosure. In line with continuous obligations of the Company pursuant to the Listing Manual of the SGX-ST, it is the Board's policy that all shareholders should be equally informed, on a timely basis, of all major developments within the Group. Price-sensitive information and results are released to the public through SGXNET on a timely basis in accordance with the requirements of SGX-ST.

The Company keeps its website updated and maintains an Investor Relations section for shareholders' convenience. Announcements made through SGXNET are also posted on the Company's website.

CORPORATE GOVERNANCE STATEMENT

Shareholders are encouraged to attend the general meetings to stay informed of the Company's strategies and goals and to ensure a high level of accountability by the Management. Notice of general meetings is despatched to shareholders, together with explanatory notes or a circular on items of special business (if necessary), at least 14 days or 21 days, as the case maybe, before the meeting. The Board welcomes questions from shareholders who have an opportunity to raise issues either informally or formally before or at general meetings.

Whilst there is no limit imposed on the number of proxy votes for nominee companies, the Articles allow each shareholder to appoint up to two proxies to attend AGMs and any other general meeting.

The Company's dividend policy seeks to balance return to shareholders with the need for long-term sustainable growth whilst aiming for an efficient capital structure. The current Company's dividend policy is to distribute not less than 50% of its net profit after tax as dividends, subject to factors such as projected capital expenditure requirements, investment plans, cash balance and financial performance of the Company.

At general meetings, shareholders are given the opportunity to communicate their views and direct questions to Directors and Management regarding the Company.

The Chairmen of the Board Committees are present at the AGM and other general meetings of shareholders to assist the Board in addressing shareholders' questions. The external auditors are also present at AGM to assist the Board with enquiries relating to the conduct of the audit and the preparation and content of the auditors' report.

Shareholders have the opportunity to participate effectively and to vote at the AGM either in person or by proxy.

The Company is not implementing absentia voting methods such as voting via mail, e-mail or fax until security, integrity and other issues are satisfactorily resolved. This is also subject to legislative amendment to recognize electronic voting.

Resolutions to be passed at general meetings are always separate and distinct in terms of issue and are consistent with the Code's recommendation that companies avoid 'bundling' resolutions unless the resolutions are interdependent and linked so as to form one significant proposal.

The Board views the AGM as the principal forum for dialogue with shareholders, being an opportunity for shareholders to raise issues pertaining to the proposed resolutions and/or ask the Directors or the Management questions regarding the Company and its operations. The minutes of general meetings are prepared and made available to shareholders upon their request.

To have greater transparency in the voting process, the Company has conducted the voting of all resolutions by poll at all its general meetings. Detailed voting results of each of the resolutions tabled are announced on the same day after the meetings. The total numbers of votes cast for or against the resolutions are also announced after the meetings via SGXNET.

CORPORATE GOVERNANCE STATEMENT

DEALINGS IN SECURITIES

The Company has adopted an internal policy to govern the conduct of securities transactions by its directors and employees. All directors and officers of the Company and its subsidiaries who have access to price sensitive information are required to refrain from dealing in the Company's securities at all times as provided under the provisions of the Securities and Futures Act Chapter 289.

The Company has issued a guideline on share dealings to all Directors and employees setting out the code of conduct on transactions in the Company's shares by these persons, the implications of insider trading and general guidance on the prohibition against such dealings.

The Company issues a notification to all officers and employees of the Group informing them that they should not deal in the securities of the Company during the period commencing two weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year, or one month before the full financial year, as the case may be, and ending on the date of the announcement of the relevant results. To the best of our knowledge, no officer of the Company has dealt in the Company's securities on short-term considerations.

INTERESTED PERSONS TRANSACTIONS

The Company has established procedures to ensure that all transactions with interested persons are reported to the AC and that they are transacted on an arm's length basis, on normal commercial terms and will not be prejudicial to the interests of its minority shareholders.

During the financial year ended 30 June 2015, there were no material transactions entered into with interested persons which required disclosure pursuant to Rule 907 of the SGX-ST Listing Manual.

MATERIAL CONTRACTS

Save for the Service Agreements entered into with Mr Kua Ghim Siong, Mr Kua Chee Seng and Mr Kua Peng Chuan, which are still subsisting as at the end of FY2015, there are no material contracts involving the interests of the CEO, the directors or controlling shareholders entered into by the Group which are still subsisting as at the end of the financial year or entered into during the financial year.

DIRECTORS' REPORT

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended 30 June 2015.

Directors

The directors in office at the date of this report are as follows:

Goh Chee Wee	(Independent Director and Chairman)
Kua Ghim Siong	(Executive Director and Chief Executive Officer)
Kua Chee Seng	(Executive Director)
Kua Peng Chuan	(Executive Director)
Hoon Tai Meng	(Independent Director)
Tan Lye Heng Paul	(Independent Director)

Directors' interests

According to the register kept by the Company for the purposes of Section 164 of the Singapore Companies Act, Chapter 50 (the Act), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and infant children) in shares, debentures, warrants and share options in the Company and in related corporations are as follows:

	Holdings in the name of the director		Holdings in which the director is deemed to have an interest	
	At beginning of financial year	At end of financial year	At beginning of financial year	At end of financial year
The Company Ordinary shares				
Kua Chee Seng	115,238	115,238	165,238	165,238
Hoon Tai Meng	40,000	40,000	–	–
Tan Lye Heng Paul	40,000	40,000	–	–
Kua Peng Chuan	11,102,000	11,102,000	–	–

There were no changes in the above-mentioned interests between the end of the financial year and 21 July 2015.

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning of the financial year or at the end of the financial year.

Neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Except for salaries, bonuses and fees and those benefits that are disclosed in notes 19, 22 and 23 to the financial statements, since the end of the last financial year, no director has received or become entitled to receive, a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

DIRECTORS' REPORT

Share Option Scheme

On 27 February 2007, the shareholders approved an employee share option scheme known as the Sin Ghee Huat Share Option Scheme (the "Scheme") which shall continue to be in force for a maximum of 10 years commencing from the date of adoption. The Scheme is open to confirmed full-time employees and directors of the Company and its subsidiaries.

The Scheme is administered by the Remuneration Committee of the Company.

The Scheme entitles the option holders to exercise their options and subscribe for new ordinary shares in the Company at a fixed price or at a price set at a discount not exceeding 20% of the market price. Where an option is granted at fixed price, the exercise price is fixed to a price equal to the average of the last dealt prices of the shares for the five consecutive market days preceding the grant of the option, and the option may be exercised on the first anniversary from the date of grant of the option. Where exercise price is set at a discount, the option may be exercised on the second anniversary from the date of grant of the option. The total number of shares that may be issued shall not exceed 15% of the issued share capital of the Company.

No share options have been granted since the Scheme was adopted.

During the financial year, no share options were granted to any of the Directors, key management personnel or employees of the Company.

Audit Committee

The Audit Committee comprises three independent and non-executive directors. The members of the Audit Committee at the date of this report are:

Tan Lye Heng Paul (Chairman)
Hoon Tai Meng
Goh Chee Wee

The Audit Committee performs the functions specified in Section 201B of the Act, the SGX Listing Manual and the Code of Corporate Governance.

The Audit Committee has held four meetings since the last directors' report. In performing its functions, the Audit Committee met with the Company's external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Company's internal accounting control system.

The Audit Committee also reviewed the following:

(1) assistance provided by the Company's officers to the internal and external auditors;

(2) quarterly financial information and annual financial statements of the Company and its subsidiaries prior to their submission to the directors of the Company for adoption; and

(3) interested person transactions (as defined in Chapter 9 of the SGX Listing Manual).

DIRECTORS' REPORT

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees.

The Audit Committee is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

The auditors, KPMG LLP, have expressed their willingness to accept re-appointment.

On behalf of the Board of Directors

Kua Ghim Siong
Director

Kua Peng Chuan
Director

14 September 2015

STATEMENT BY DIRECTORS

In our opinion:

(a) the financial statements set out on pages 33 to 81 are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 30 June 2015, and the results, changes in equity and cash flows of the Group for the year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

On behalf of the Board of Directors

Kua Ghim Siong
Director

Kua Peng Chuan
Director

14 September 2015

INDEPENDENT AUDITORS' REPORT

Members of the Company
Sin Ghee Huat Corporation Ltd

Report on the financial statements

We have audited the accompanying financial statements of Sin Ghee Huat Corporation Ltd (the Company) and its subsidiaries (the Group), which comprise the statement of financial position of the Group and the Company as at 30 June 2015, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flow of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 33 to 81.

Management's responsibility for the financial statements

Management is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the Act) and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2015 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
14 September 2015

STATEMENT OF FINANCIAL POSITION

As at 30 June 2015

	Note	Group 2015 $'000	Group 2014 $'000	Company 2015 $'000	Company 2014 $'000
Non-current assets					
Property, plant and equipment	4	**8,912**	8,274	**8,479**	7,924
Investment in subsidiaries	5	**–**	–	**7,464**	7,607
Investment in joint venture	6	**68**	–	**50**	–
Other financial assets	7	**5,095**	5,135	**5,095**	5,135
		14,075	13,409	**21,088**	20,666
Current assets					
Inventories	9	**44,749**	38,231	**33,922**	34,470
Trade and other receivables	10	**18,483**	22,156	**24,391**	22,612
Cash and cash equivalents	11	**16,870**	18,677	**13,957**	15,060
		80,102	79,064	**72,270**	72,142
Total assets		**94,177**	92,473	**93,358**	92,808
Equity attributable to equity holders of the Company					
Share capital	12	**45,750**	45,750	**45,750**	45,750
Reserves	13	**2,962**	1,897	**2,845**	1,860
Retained earnings		**40,399**	40,186	**41,345**	40,777
Total equity		**89,111**	87,833	**89,940**	88,387
Non-current liability					
Deferred tax liabilities	8	**43**	74	**17**	47
Current liabilities					
Trade and other payables	14	**3,742**	3,848	**2,682**	3,680
Trade financing	15	**548**	–	**–**	–
Current tax liabilities		**733**	718	**719**	694
		5,023	4,566	**3,401**	4,374
Total liabilities		**5,066**	4,640	**3,418**	4,421
Total equity and liabilities		**94,177**	92,473	**93,358**	92,808

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED INCOME STATEMENT

Year ended 30 June 2015

	Note	2015 $'000	2014 $'000
Revenue	16	**58,947**	63,027
Cost of sales		**(46,379)**	(50,336)
Gross profit		**12,568**	12,691
Other operating income	17	**813**	172
Distribution costs		**(6,028)**	(5,513)
Administrative expenses		**(3,270)**	(3,157)
Other operating expenses		**(224)**	(53)
Results from operating activities		**3,859**	4,140
Net finance income	18	**257**	287
Share of profit of joint venture		**18**	–
Profit before tax	19	**4,134**	4,427
Tax expense	20	**(591)**	(751)
Profit for the year (attributable to equity holders of the Company)		**3,543**	3,676
Earnings per share	21		
Basic (cents)		**1.60**	1.66
Diluted (cents)		**1.60**	1.66

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 30 June 2015

	2015 $'000	2014 $'000
Profit for the year	**3,543**	3,676
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Revaluation gain on property, plant & equipment	**985**	–
Items that are or may be reclassified subsequently to profit or loss:		
Foreign currency translation differences arising from consolidation, net of tax	**80**	(23)
Total comprehensive income for the year	**4,608**	3,653
Attributable to:		
Equity holders of the Company	**4,608**	3,653
Total comprehensive income for the year	**4,608**	3,653

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 30 June 2015

	Share capital $'000	Revaluation reserve $'000	Currency translation reserve $'000	Retained earnings $'000	Total attributable to equity holders of the Company $'000
Group					
At 1 July 2013	45,750	1,860	60	40,506	88,176
Profit for the year	–	–	–	3,676	3,676
Other comprehensive income					
Foreign currency translation difference	–	–	(23)	–	(23)
Total comprehensive income for the year	–	–	(23)	3,676	3,653
Transactions with owners of the Company, recognised directly in equity					
Dividends paid to owners of the Company	–	–	–	(3,996)	(3,996)
Total transactions with owners of the Company	–	–	–	(3,996)	(3,996)
At 30 June 2014	45,750	1,860	37	40,186	87,833
At 1 July 2014	45,750	1,860	37	40,186	87,833
Profit for the year	–	–	–	3,543	3,543
Other comprehensive income					
Revaluation gain on property, plant & equipment	–	985	–	–	985
Foreign currency translation difference	–	–	80	–	80
Total comprehensive income for the year	–	985	80	3,543	4,608
Transactions with owners of the Company, recognised directly in equity					
Dividends paid to owners of the Company	–	–	–	(3,330)	(3,330)
Total transactions with owners of the Company	–	–	–	(3,330)	(3,330)
At 30 June 2015	45,750	2,845	117	40,399	89,111

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF
CASH FLOW

Year ended 30 June 2015

	2015 **$'000**	2014 $'000
Cash flows from operating activities		
Profit for the year	**3,543**	3,676
Adjustments for:		
Depreciation of property, plant and equipment	**1,047**	922
(Gain)/loss on disposal of property, plant and equipment	**(63)**	1
Net finance income	**(257)**	(287)
Provision for impairment in investment in securities	**20**	–
Share of profit of joint venture	**(18)**	–
Tax expense	**591**	751
	4,863	5,063
Changes in:		
Trade and other receivables	**3,673**	(2,531)
Trade and other payables	**(106)**	330
Inventories	**(6,518)**	(1,816)
Net cash from operations	**1,912**	1,046
Tax paid	**(607)**	(820)
Net cash from operating activities	**1,305**	226
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	**167**	*
Purchase of property, plant and equipment	**(804)**	(921)
Investment in joint venture	**(50)**	–
Interest received	**277**	343
Net cash used in investing activities	**(410)**	(578)
Cash flows from financing activity		
Dividends paid	**(3,330)**	(3,996)
Proceeds from trade financing	**548**	–
Net cash used in financing activity	**(2,782)**	(3,996)
Net decrease in cash and cash equivalents	**(1,887)**	(4,348)
Cash and cash equivalents at beginning of year	**18,677**	23,048
Effect of exchange rates fluctuations	**80**	(23)
Cash and cash equivalents at end of year	**16,870**	18,677
Cash and cash equivalents comprise:		
Cash and bank balances	**11,870**	8,677
Short-term bank deposits	**5,000**	10,000
	16,870	18,677

* *Less than $1,000*

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2015

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 14 September 2015.

1 DOMICILE AND ACTIVITIES

Sin Ghee Huat Corporation Ltd (the "Company") is incorporated in the Republic of Singapore and has its registered office at 32 Penhas Road, #01-01, Singapore 208191.

The principal activities of the Company relate to stockholding and sale of stainless steel products and investment holding. The principal activities of the subsidiaries are disclosed in note 5 to the financial statements.

The consolidated financial statements relate to the Company and its subsidiary corporations (together referred to as the "Group") and the Group's interest in equity-accounted investees.

2 BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements are prepared in accordance with the Singapore Financial Reporting Standards (FRS).

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

2.3 Functional and presentation currency

The financial statements are presented in Singapore dollars which is the Company's functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

2.4 Use of estimates and judgements

The preparation of financial statements in conformity with FRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Note 5 – recoverability of investment in subsidiaries
- Note 9 – net realisable value of inventories
- Note 10 – recoverability of trade receivables

2 BASIS OF PREPARATION (CONTINUED)

2.5 Changes in accounting policies

(i) Subsidiaries

FRS 110 *Consolidated Financial Statements* introduces a new control model that focuses on whether the Group has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns. In accordance with the transitional provisions of FRS 110, the Group reassessed the control conclusion for its investees at 1 July 2014. There is no change to the Group's control conclusion in respect of its investees.

(ii) Joint Arrangements

Under FRS 111 *Joint Arrangements*, the Group classifies its interest in joint arrangements as either joint operations (if the Group has rights to the assets, and obligations for the liabilities, relating to an arrangement) or joint ventures (if the Group has rights only to the net assets of an arrangement). When making this assessment, the Group considered the structure of the arrangements, the legal form of any separate vehicles, the contractual terms of the arrangements and other facts and circumstances. Previously, the structure of the arrangement was the sole focus of classification.

The Group has evaluated its involvement in its only joint arrangement formed during the year and has classified the investment as a joint venture.

(iii) Disclosure of interest in other entities

As a result of the adoption of FRS 112 Disclosure of interest in other entities, the Group has expanded its disclosures about its interest in subsidiaries and joint arrangement. The expanded disclosures are presented in notes 5 and 6.

(iv) Offsetting of financial assets and liabilities

Under the Amendments to FRS 32 *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities*, to qualify for offsetting, the right to set off a financial asset and a financial liability must not be contingent on a future event and must be enforceable both in the normal course of business and in the event of default, insolvency or bankruptcy of the entity and all counterparties. The adoption of the amendments to FRS 32 does not have any significant impact on the financial position or performance of the Group.

NOTES TO THE FINANCIAL STATEMENTS

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by Group entities, except as explained in note 2.5, which addresses changes in accounting policies.

3.1 Basis of consolidation

Business combinations

Business combinations are accounted for using the acquisition method in accordance with FRS 103 Business Combination as at the acquisition date, which is the date on which control is transferred to the Group.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interest (NCI) in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,

over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

NOTES TO THE
FINANCIAL STATEMENTS

Year ended 30 June 2015

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of consolidation (Continued)

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Investments in joint ventures (equity-accounted investees)

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investments in joint ventures are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income (OCI) of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that joint control commences until the date that joint control ceases.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

Transactions eliminated on consolidation

Intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions within equity-accounted investees are eliminated against the investees to the Group's extent of the Group's interest in the investee. Unrealised losses are eliminated the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2015

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of consolidation (Continued)

Subsidiaries and joint ventures in the separate financial statements

Investments in subsidiaries and joint ventures are stated in the Company's statement of financial position at cost less accumulated impairment losses.

3.2 Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date on which the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of monetary items that in substance form part of the Group's net investment in a foreign operation.

Foreign operations

The assets and liabilities of foreign operations are translated to Singapore dollars at exchange rates prevailing at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates prevailing at the dates of the transactions. Goodwill and fair value adjustments arising on the acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of the foreign operation and translated at the closing rate. Foreign currency differences are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity. When a foreign operation is disposed such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation. These are recognised in other comprehensive income, and are presented in the translation reserve in equity.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2015

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments

(i) Non-derivative financial assets

The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group has the following non-derivative financial assets: held-to-maturity financial assets, cash and cash equivalents and loans and receivables.

Held-to-maturity financial assets

If the Group has the positive intent and ability to hold debt securities to maturity, then such financial assets are classified as held-to-maturity. Held-to-maturity financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity financial assets are measured at amortised cost using the effective interest method, less any impairment losses. Any sale or reclassification of a more than an insignificant amount of held-to-maturity investments not close to their maturity would result in the reclassification of all held-to-maturity investments as available-for-sale. It would also prevent the Group from classifying investment securities as held-to-maturity for the current and the following two financial years.

Held-to-maturity financial assets comprise debt securities.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2015

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (Continued)

(i) Non-derivative financial assets (Continued)

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise trade and other receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short term commitments. For the purpose of the statement of cash flows, pledged deposits are excluded whilst bank overdrafts that are repayable on demand and that form an integral part of the Group's cash management are included in cash and cash equivalents.

(ii) Non-derivative financial liabilities

Financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group has the following non-derivative financial liabilities: trade and other payables.

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

NOTES TO THE
FINANCIAL STATEMENTS

Year ended 30 June 2015

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (Continued)

(iii) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

3.4 Property, plant and equipment

Recognition and measurement

Property, plant and equipment are initially recognised at cost. Freehold premises are subsequently carried at the revalued amount less accumulated depreciation and any accumulated impairment losses. All other items of property, plant and equipment are subsequently measured at cost less accumulated depreciation and any accumulated impairment losses.

Freehold premises are revalued at least every 5 years to ensure that their carrying amounts do not differ materially from their fair values as at the end of the reporting period. When an asset is revalued, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset. The net amount is then restated to the revalued amount of the asset.

Increases in carrying amounts arising from revaluation including currency translation differences are recognised in the asset revaluation reserve, unless they offset previous decreases in the carrying amounts of the same asset, in which case, they are recognised in profit or loss. Decreases in carrying amounts that offset previous increases of the same asset are recognised against the asset revaluation reserve. All other decreases in carrying amounts are recognised in the profit or loss.

Components of cost

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The projected cost of dismantlement, removal or restoration is recognised as part of the cost of property, plant and equipment if such obligation is incurred either when the item is acquired or as a consequence of using the asset during a particular year for purposes other than to produce inventories during that year.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2015

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Property, plant and equipment (Continued)

Depreciation

Depreciation is based on the costs of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the leased term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold land is not depreciated.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at the end of each reporting period. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated plant and equipment which are still in use are retained in the financial statements.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate those depreciable amounts over their estimated useful lives as follows:

Freehold premises	40 years
Leasehold properties	18 to 23 years
Furniture, fixture and fittings	5 and 10 years
Motor vehicles	5 years
Plant and machinery	5 years
Office equipment	2 to 10 years

Subsequent expenditure

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

NOTES TO THE FINANCIAL STATEMENTS

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Property, plant and equipment (Continued)

Disposal

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and is recognised net within other income/other expense in profit or loss. When revalued assets are sold, any related amount included in the revaluation reserve is transferred to retained earnings.

3.5 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated selling expenses.

3.6 Impairment

(i) Non-derivative financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the group, economic conditions that correlate with defaults or the disappearance of an active market for a security.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2015

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.6 Impairment (Continued)

(i) Non-derivative financial assets (Continued)

Loans and receivables and held-to-maturity investment securities

The Group considers evidence of impairment for loans and receivables and held-to-maturity investment securities at both a specific asset and collective level. All individually significant loans and receivables and held-to-maturity investment securities are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics.

In assessing collective impairment, the Group uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. Interest on the impaired assets continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2015

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.6 Impairment (Continued)

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit ("CGU") is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a *pro rata* basis.

An impairment loss in respect of assets recognised in prior periods is assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2015

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.7 Employee's benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Obligations for contributions to defined contribution pension plans are recognised as an expense in profit or loss as incurred.

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated liability for leave as a result of services rendered by employees up to the end of the reporting period.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A provision is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.8 Provision

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and where appropriate, the risk specific to the liability.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2015

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.9 Revenue recognition

Sale of goods

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, goods and services taxes or other sales taxes, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.

3.10 Finance income and cost

Finance income comprises interest income on other financial assets and deposits with financial institutions. Interest income is recognised as it accrues, using the effective interest method.

Finance costs comprise amortisation of bond premium.

3.11 Government grants

Government grants are recognised in profit or loss as other income on a systematic basis in the same period in which the expenses are recognised.

3.12 Operating lease

Lease of office equipment and warehouse where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases are recognised in profit or loss on a straight-line basis over the period of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

When an operating lease is terminated before the lease period has expired, any payments required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.13 Tax expense

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such determination is made.

NOTES TO THE
FINANCIAL STATEMENTS

Year ended 30 June 2015

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.14 Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

3.15 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Chief Executive Officer to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Group's Chief Executive Officer include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses, and tax assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2015

4 PROPERTY, PLANT AND EQUIPMENT

	Freehold premises $'000	Leasehold properties $'000	Furniture, fixtures and fittings $'000	Office equipment $'000	Motor vehicles $'000	Plant and machinery $'000	Total $'000
Group							
Cost/Valuation							
At 1 July 2013	4,700	5,635	1,295	598	1,140	803	14,171
Additions	–	–	294	141	–	486	921
Disposals	–	–	(2)	(6)	–	(1)	(9)
At 30 June 2014	4,700	5,635	1,587	733	1,140	1,288	15,083
Revaluation surplus	390	–	–	–	–	–	390
Additions	–	–	61	85	383	275	804
Disposals	–	–	(5)	(56)	(239)	(144)	(444)
At 30 June 2015	5,090	5,635	1,643	762	1,284	1,419	15,833
Accumulated depreciation							
At 1 July 2013	357	3,066	933	416	687	436	5,895
Additions	119	323	107	72	146	155	922
Disposals	–	–	(2)	(5)	–	(1)	(8)
At 30 June 2014	476	3,389	1,038	483	833	590	6,809
Revaluation adjustment	(595)	–	–	–	–	–	(595)
Additions	119	324	98	105	198	203	1,047
Disposals	–	–	(3)	(54)	(199)	(84)	(340)
At 30 June 2015	–	3,713	1,133	534	832	709	6,921
Carrying amounts							
At 1 July 2013	4,343	2,569	362	182	453	367	8,276
At 30 June 2014	4,224	2,246	549	250	307	698	8,274
At 30 June 2015	5,090	1,922	510	228	452	710	8,912

4 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Freehold premises $'000	Leasehold properties $'000	Furniture, fixtures and fittings $'000	Office equipment $'000	Motor vehicles $'000	Plant and machinery $'000	Total $'000
Company							
Cost/Valuation							
At 1 July 2013	4,700	5,635	1,016	560	1,104	676	13,691
Additions	–	–	221	110	–	385	716
Disposals	–	–	(2)	(6)	–	(1)	(9)
At 30 June 2014	4,700	5,635	1,235	664	1,104	1,060	14,398
Revaluation surplus	390	–	–	–	–	–	390
Additions	–	–	43	84	383	101	611
Disposals	–	–	(5)	(55)	(239)	(140)	(439)
At 30 June 2015	5,090	5,635	1,273	693	1,248	1,021	14,960
Accumulated depreciation							
At 1 July 2013	357	3,066	776	392	667	374	5,632
Additions	119	323	77	68	138	125	850
Disposals	–	–	(2)	(5)	–	(1)	(8)
At 30 June 2014	476	3,389	851	455	805	498	6,474
Revaluation adjustment	(595)	–	–	–	–	–	(595)
Additions	119	324	73	97	190	137	940
Disposals	–	–	(3)	(53)	(199)	(83)	(338)
At 30 June 2015	–	3,713	921	499	796	552	6,481
Carrying amounts							
At 1 July 2013	4,343	2,569	240	168	437	302	8,059
At 30 June 2014	4,224	2,246	384	209	299	562	7,924
At 30 June 2015	5,090	1,922	352	194	452	469	8,479

The Company's leasehold properties are located at 62 Tuas Basin Link and 32 Gul Crescent, Singapore.

The Company's freehold premises at 32 Penhas Road, Singapore were last revalued by an independent professional valuer on 30 June 2015 based on the property's open market value using the Comparative Method of Valuation at 30 June 2015. If this asset had been carried at cost less accumulated depreciation, the carrying amount as at the end of the financial year would have been as follows:

	Group and Company	
	2015	2014
	$'000	$'000
Freehold premises	**3,041**	3,130

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2015

5 INVESTMENT IN SUBSIDIARIES

	Company	
	2015	2014
	$'000	$'000
Equity investments at cost	**8,000**	8,000
Allowance for impairment loss	**(536)**	(393)
	7,464	7,607

Details of the subsidiaries are as follows:

Name of subsidiary	Principal activities	Country of incorporation and place of business	Effective equity held by the Group	
			2015	2014
			%	%
Held by the Company				
SG Metals Pte. Ltd[(1)]	Stockholding and sales of stainless steel products	Singapore	**100**	100
SG Specialty Metals Pte. Ltd[(1)]	Stockholding and sales of specialty metal products	Singapore	**100**	100
Held by a Subsidiary				
SG Metals (Suzhou) Ltd[(2)]	Stockholding and sales of stainless steel products	People's Republic of China	**100**	100

(1) Audited by KPMG LLP Singapore.

(2) Audited by Suzhou Tianping C.P.A. Co. Ltd., Certified Public Accountants, PRC.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2015

5 INVESTMENT IN SUBSIDIARIES (CONTINUED)

Impairment of investment in subsidiaries

Significant judgement is required in determining the impairment of these subsidiaries at each reporting date and this requires the management to make estimates and assumptions that affect the financial statements.

Management is required to exercise judgement in determining whether there is objective evidence that an impairment loss has occurred.

Management has performed an impairment review to assess the recoverable amount of the subsidiaries. The estimates of the recoverable amount of the investments have been determined by management based on the net asset value of the subsidiaries as at 30 June 2015, which approximates the recoverable amount of the investment in the subsidiaries. Impairment loss recognised for the year ended 30 June 2015 was $143,000 (30 June 2014: nil).

6 INVESTMENT IN JOINT VENTURE

First Break SG Metals 2015 Limited (FBSGM) is an unlisted joint arrangement in which the Group has joint control via an investors' agreement and 50% (2014: nil) ownership interest. FBSGM was founded by the Group and First Break Metals Holdings Limited and is based in New Zealand, principally engaged in trading of stainless steel products. This entity is structured as a separate vehicle and the Group has residual interest in its net assets. Accordingly, the Group has clarified its interest in this entity as a joint venture which is equity accounted.

	Group	
	2015	2014
	$'000	$'000
Unquoted shares, at cost	**50**	–
Share of profit of joint venture	**18**	–
	68	–

	Company	
	2015	2014
	$'000	$'000
Unquoted shares, at cost	**50**	–

6 INVESTMENT IN JOINT VENTURE (CONTINUED)

Information relating to the joint venture company is set out below:

Name of company	Principle activities (country of incorporation)	% of paid-up capital held 2015 %	2014 %
First Break SG Metals 2015 Limited	Trading of stainless steel products (New Zealand)	**50**	–

7 OTHER FINANCIAL ASSETS

	Group and Company 2015 $'000	2014 $'000
Held-to-maturity		
– Debt securities	**5,095**	5,135

The debt securities bear interests from 3.15% to 4.25% (2014: 3.15% to 4.25%) per annum and mature between 30 October 2019 and 13 September 2022.

The Group's and Company's exposure to interest rate risk and fair value information related to other financial assets are disclosed in notes 26 and 27 respectively.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2015

8 DEFERRED TAX

Movements in deferred tax assets and liabilities (prior to offsetting of balances) during the year are as follows:

	At 1 July 2013 $'000	Recognised in income statement (Note 20) $'000	At 30 June 2014 $'000	Recognised in income statement (Note 20) $'000	At 30 June 2015 $'000
Group					
Deferred tax liabilities					
Property, plant and equipment	(129)	(47)	(176)	(4)	(180)
Deferred tax assets					
Inventories	124	(34)	90	29	119
Provisions	10	2	12	6	18
	5	(79)	(74)	31	(43)
Company					
Deferred tax liabilities					
Property, plant and equipment	(111)	(38)	(149)	(5)	(154)
Deferred tax assets					
Inventories	124	(34)	90	29	119
Provisions	10	2	12	6	18
	23	(70)	(47)	30	(17)

Deferred tax liabilities and assets are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxation authority. The amounts determined after appropriate offsetting are included in the balance sheet as follows:

	Group		Company	
	2015 **$'000**	2014 $'000	**2015** **$'000**	2014 $'000
Deferred tax assets	**137**	102	**137**	102
Deferred tax liabilities	**(180)**	(176)	**(154)**	(149)
Net deferred tax liabilities	**(43)**	(74)	**(17)**	(47)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2015

9 INVENTORIES

	Group		Company	
	2015	2014	**2015**	2014
	$'000	$'000	**$'000**	$'000
Inventories	**43,150**	36,430	**32,718**	32,669
Goods-in-transit	**1,599**	1,801	**1,204**	1,801
	44,749	38,231	**33,922**	34,470

In 2015, the write-down of inventories to net realisable value (NRV) amounted to $243,000 (2014: $36,000) for the Group and the Company. NRV is assessed quarterly for inventories which have not been sold for a period greater than 12 months.

The reversal of write-downs by the Group and the Company during the year amounted to $71,000 (2014: $237,000), mainly due to inventories being sold above the carrying amounts during the year and or having a higher net realisable value.

Inventories amounting to $45,576,000 (2014: $49,896,000) were included in cost of sales.

10 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2015	2014	**2015**	2014
	$'000	$'000	**$'000**	$'000
Trade receivables	**15,551**	19,408	**14,741**	19,061
Impairment losses	**(203)**	–	**(203)**	–
Net receivables	**15,348**	19,408	**14,538**	19,061
Amounts due from subsidiaries:				
– trade	**–**	–	**390**	–
– non-trade	**–**	–	**6,641**	1,100
Amount due from joint venture	**429**	–	**429**	–
Sundry deposits	**254**	117	**158**	22
Other receivables	**269**	253	**58**	116
Loans and receivables	**16,300**	19,778	**22,214**	20,299
Prepayments	**2,183**	2,378	**2,177**	2,313
	18,483	22,156	**24,391**	22,612

10 TRADE AND OTHER RECEIVABLES (CONTINUED)

Amounts due from subsidiaries

Outstanding balances with subsidiaries are unsecured, bear interest at 1% per annum (in respect of loans to subsidiaries) and repayable on demand. There is no allowance for doubtful debts arising from the outstanding balances.

Amounts due from joint venture

Outstanding balances with the joint venture company are unsecured, interest free and repayable on demand. There is no allowance for doubtful debts arising from the outstanding balances.

Exposure to credit risk

The Group's primary exposure to credit risk arises through its trade receivables. The Group's historical experience in the collection of accounts receivable falls within the recorded allowances. Due to these factors, management believes that no additional credit risk beyond the amounts provided for collection losses is inherent in the Group's trade receivables.

The ageing of loans and receivables at the reporting date is:

	Gross 2015 $'000	**Impairment losses 2015 $'000**	Gross 2014 $'000	Impairment losses 2014 $'000
Group				
Not past due	**10,752**	**–**	13,329	–
Past due 0-30 days	**3,319**	**–**	2,915	–
Past due 31-120 days	**1,736**	**–**	2,966	–
Past due 121-365 days	**387**	**–**	410	–
More than one year	**309**	**(203)**	158	–
	16,503	**(203)**	19,778	–
Company				
Not past due	**16,969**	**–**	13,898	–
Past due 0-30 days	**3,253**	**–**	2,867	–
Past due 31-120 days	**1,501**	**–**	2,966	–
Past due 121-365 days	**385**	**–**	410	–
More than one year	**309**	**(203)**	158	–
	22,417	**(203)**	20,299	–

The receivables that are impaired are not secured by any collateral.

10 TRADE AND OTHER RECEIVABLES (CONTINUED)

Exposure to credit risk (Continued)

The change in impairment loss in respect of trade receivables during the year is as follows:

	Group and Company	
	2015	2014
	$'000	$'000
Balance at 1 July	**–**	32
Impairment loss recognised	**203**	–
Reversal of impairment loss during the year	**–**	(5)
Written off during the year	**–**	(27)
Balance at 30 June	**203**	–

11 CASH AND CASH EQUIVALENTS

	Group		Company	
	2015	2014	**2015**	2014
	$'000	$'000	**$'000**	$'000
Cash and bank balances	**11,870**	8,677	**8,957**	5,060
Short-term bank deposits	**5,000**	10,000	**5,000**	10,000
	16,870	18,677	**13,957**	15,060

The effective interest rates of short-term bank deposits and cash at banks as at 30 June 2015 were 0.05% to 1.44% (2014: 0.05% to 1.11%) per annum.

12 SHARE CAPITAL

	Group and Company			
	2015		2014	
	Number of shares	**Amount**	Number of shares	Amount
	'000	**$'000**	'000	$'000
Issued and fully paid ordinary shares	**222,000**	**45,750**	222,000	45,750

The holders of ordinary shares are entitled to receive dividends as declared by the Company from time to time and are entitled to one vote per share at general meetings of the Company. All shares rank equally with regard to the Company's residual assets.

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of share capital and retained earnings of the Group. The Board of Directors monitors the return on capital as well as the level of dividends to ordinary shareholders. The Company is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the year.

13 RESERVES

The reserves of the Group and the Company comprise the following balances:

	Group		Company	
	2015	2014	**2015**	2014
	$'000	$'000	**$'000**	$'000
Revaluation reserve	**2,845**	1,860	**2,845**	1,860
Currency translation reserve	**117**	37	**–**	–
	2,962	1,897	**2,845**	1,860

Revaluation reserve

The revaluation reserve relates to the revaluation of property, plant and equipment.

Currency translation reserve

The translation reserve comprises foreign currency differences arising from the translation of the financial statements of foreign operations.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2015

14 TRADE AND OTHER PAYABLES

	Group		Company	
	2015	2014	**2015**	2014
	$'000	$'000	**$'000**	$'000
Trade payables	**2,735**	2,820	**1,787**	2,740
Accrued expenses	**903**	911	**840**	875
Other payables	**104**	117	**55**	65
	3,742	3,848	**2,682**	3,680

Other payables of the Company include outstanding balances with subsidiaries of $5,000 (2014: $5,000) which are unsecured, interest-free and repayable on demand.

15 TRADE FINANCING

Trade financing comprises a short term invoice financing loan which is unsecured and has an effective interest rate of 2.34% (2014: nil) per annum.

16 REVENUE

Revenue represents the invoiced value of goods sold less returns.

17 OTHER OPERATING INCOME

	Group	
	2015	2014
	$'000	$'000
Gain on disposal of property, plant and equipment	**63**	–
Foreign currency exchange gain, net	**497**	–
Reversal of allowance for doubtful debts – trade	**–**	5
Sundry income	**253**	167
	813	172

Grants related to Special Employee Credit Scheme are included in sundry income.

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FINANCIAL STATEMENTS

Year ended 30 June 2015

18 NET FINANCE INCOME

	Group	
	2015	2014
	$'000	$'000
Interest income:		
– deposits with financial institutions	**87**	112
– other financial assets	**190**	198
Finance income	**277**	310
Amortisation of premium on debt securities	**(20)**	(23)
Finance costs	**(20)**	(23)
Net finance income recognised in profit or loss	**257**	287

19 PROFIT BEFORE TAX

The following items have been included in arriving at profit before tax:

	Group	
	2015	2014
	$'000	$'000
Auditors' remuneration:		
– Auditors of the Company	**(92)**	(79)
– Other auditors	**(1)**	(1)
Non-Audit fees:		
– Auditors of the Company	**(2)**	–
Depreciation of property, plant and equipment	**(1,047)**	(922)
Gain/(Loss) on disposal of property, plant and equipment	**63**	(1)
Foreign exchange gain/(loss)	**497**	(52)
Directors' fees	**(142)**	(142)
Staff costs (note 22)	**(5,492)**	(5,198)
Operating lease expenses in respect of leasehold premises	**(711)**	(435)
Operating lease expenses in respect of office equipment	**(29)**	(29)
(Allowance)/Reversal for doubtful debts – trade, net	**(203)**	5

20 TAX EXPENSE

	Group	
	2015	2014
	$'000	$'000
Current tax expense		
Current year	**733**	672
Overprovision in prior years	**(111)**	*
	622	672
Deferred tax expense		
Movements in temporary differences	**(31)**	79
Tax expense	**591**	751
Reconciliation of effective tax rate		
Profit before tax	**4,134**	4,427
Tax using Singapore tax rate of 17% (2014: 17%)	**703**	753
Effect on different tax rates in foreign jurisdictions	**(20)**	(10)
Non deductible expenses	**117**	211
Non taxable income	**(17)**	–
Tax exempt income	**(48)**	(88)
Tax rebate	**(26)**	(40)
Tax incentives	**(53)**	(134)
Deferred tax not recognised	**107**	59
Overprovision in prior years	**(111)**	*
Others	**(61)**	–
	591	751

* *Less than $1,000*

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2015

20 TAX EXPENSE (CONTINUED)

Unrecognised deferred tax assets

The following temporary differences have not been recognised:

	Group	
	2015	2014
	$'000	$'000
Tax losses	**1,536**	907

As at 30 June 2015, the Group has tax losses which are available for set-off against future profits subject to tax laws and regulations prevailing in the domicile of a subsidiary and agreement by the tax authority. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits.

21 EARNINGS PER SHARE

Basic and diluted earnings per share are calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

	Group	
	2015	2014
Net profit attributable to equity holders of the Company ($'000)	**3,543**	3,676
Weighted average number of ordinary shares in issue ('000)	**222,000**	222,000
Basic and diluted earnings per share (cents)	**1.60**	1.66

There were no dilutive potential ordinary shares in issue during the year.

22 STAFF COSTS

	Group	
	2015	2014
	$'000	$'000
Salaries, bonuses and other costs	**4,901**	4,653
Central Provident Fund and other defined contributions	**591**	545
	5,492	5,198

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2015

23 RELATED PARTY TRANSACTIONS

In addition to the information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

	Group	
	2015	2014
	$'000	$'000
Key management personnel compensation:		
Salaries, bonuses and other short-term employee benefits	**1,015**	976
Central provident fund and other defined contributions	**55**	52
	1,070	1,028
Comprising:		
– Directors of the Company	**555**	519
– Other key management personnel	**515**	509
	1,070	1,028

Key management personnel of the Group are those persons having authority and responsibility for planning, directing and controlling the activities of the Group. The Board of Directors (excluding independent and non-executive directors) and the senior management team of the Group are considered as key management personnel of the Group.

Other than disclosed elsewhere in the financial statements, the transactions with related parties at terms agreed between the parties are as follows:

	Group and Company	
	2015	2014
	$'000	$'000
Immediate family members of the directors or substantial shareholders:		
Salaries, bonuses and other short-term employee benefits	**399**	396
Central provident fund and other defined contributions	**27**	26
	426	422

	Company	
	2015	2014
	$'000	$'000
Sales to subsidiaries	**(602)**	(151)
Purchases from subsidiaries	**4,003**	4,795
Sales to joint venture	**(738)**	–

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2015

24 OPERATING LEASE

The Group's and the Company's non-cancellable operating lease rentals are payable as follows:

	Group		Company	
	2015	2014	**2015**	2014
	$'000	$'000	**$'000**	$'000
Payables:				
Within one year	**530**	703	**272**	259
After one year but not more than five years	**1,049**	1,188	**1,049**	921
After five years	**255**	455	**255**	455
	1,834	2,346	**1,576**	1,635

These lease commitments relate to warehouse premises and office equipment. The terms of the operating lease commitments range from 1 year to 6 years.

25 DIVIDENDS

	Group and Company	
	2015	2014
	$'000	$'000
Final dividend (one-tier tax exempt) paid in respect of prior years	**3,330**	3,996

During the year ended 30 June 2015, the Group declared and paid a Final one-tier tax exempt dividend of 1.5 cents per ordinary share in respect of the year ended 30 June 2014.

Subsequent to the year ended 30 June 2015, the directors proposed a Final one-tier tax exempt dividend of 1.5 cents per ordinary share in respect of the year ended 30 June 2015, amounting to $3,330,000 to be paid to the shareholders of the Company on 13 November 2015, subject to shareholders' approval at the forthcoming Annual General Meeting of the Company. These dividends have not been provided for in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2015

26 FINANCIAL INSTRUMENTS

Overview

The Group has exposure to the following risks from its use of financial instruments:

- foreign currency risk
- interest rate risk
- credit risk
- liquidity risk

The Group has adopted risk management policies that seek to mitigate these risks in a cost-effective manner.

Foreign currency risk

Foreign currency risk arises from a change in foreign currency exchange rate, which is expected to have an adverse effect on the Group in the current and future reporting period.

The Group is exposed to currency risk on sales and purchases that are denominated in a currency other than the functional currency of the Group's entities, primarily the Singapore dollar ("SGD"). The currencies in which these transactions primarily are denominated are SGD, United States dollar ("USD"), Euro ("EUR") and Renminbi ("RMB").

The risk management policy of the Group is to consider hedging for foreign exchange transactions based on the total foreign exchange exposure at the end of each month. The Group also holds cash and cash equivalents denominated in USD for working capital purposes. The Group's assets and liabilities denominated in a currency other than the functional currencies of the Group's entities are as follows:

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2015

26 FINANCIAL INSTRUMENTS (CONTINUED)

Overview (Continued)

Foreign currency risk (Continued)

	Group			Company	
	USD	RMB	EUR	USD	EUR
	$'000	$'000	$'000	$'000	$'000
2015					
Assets					
Cash and cash equivalents	**4,720**	**86**	**44**	**3,128**	**44**
Trade and other receivables	**7,872**	**104**	**–**	**7,421**	**–**
	12,592	**190**	**44**	**10,549**	**44**
Liabilities					
Trade and other payables	**(2,117)**	**(2)**	**(658)**	**(1,180)**	**(658)**
Net currency exposure	**10,475**	**188**	**(614)**	**9,369**	**(614)**
2014					
Assets					
Cash and cash equivalents	979	32	14	646	14
Trade and other receivables	9,131	166	590	8,953	590
	10,110	198	604	9,599	604
Liabilities					
Trade and other payables	(1,811)	(55)	(365)	(1,811)	(365)
Net currency exposure	8,299	143	239	7,788	239

26 FINANCIAL INSTRUMENTS (CONTINUED)

Overview (Continued)

Foreign currency risk (Continued)

Sensitivity analysis

A 10% (2014: 10%) strengthening of the Singapore dollar, as indicated below, against the USD, EUR and RMB at 30 June would have increased/(decreased) equity and profit by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group and the Company considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecasted sales and purchases. The analysis is performed on the same basis for 2014, albeit that the reasonably possible foreign exchange rate variances were different, as indicated below:

	Group		Company	
	Profit/(Loss)	Equity	Profit/(Loss)	Equity
	$'000	$'000	$'000	$'000
30 June 2015				
USD	**(1,048)**	**–**	**(937)**	**–**
EUR	**61**	**–**	**61**	**–**
RMB	**(19)**	**–**	**–**	**–**
30 June 2014				
USD	(830)	–	(779)	–
EUR	(24)	–	(24)	–
RMB	(14)	–	–	–

A weakening of the Singapore dollar against the above currencies at 30 June would have had the equal but opposite effect to the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest rate risk

Interest rate risk is the risk that changes in market interest rates will have an adverse financial effect on the Group's financial conditions and/or results. The Group's exposure to changes in market interest rates relates primarily to its bank deposits and debt securities.

The risk management policy of the Group is to obtain quotations of interest rates for comparison and to select the most favourable interest rates based on the terms and conditions available.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2015

26 FINANCIAL INSTRUMENTS (CONTINUED)

Overview (Continued)

Interest rate risk (Continued)

As at 30 June 2015, the interest rate profile of the Group's interest-bearing financial instruments, as reported to the management, is as follows:

	Group		Company	
	2015	2014	**2015**	2014
	$'000	$'000	**$'000**	$'000
Variable rate instruments				
Assets				
Cash and cash equivalents	**11,870**	8,677	**8,957**	5,060
Fixed rate instruments				
Assets				
Other financial assets	**5,095**	5,135	**5,095**	5,135
Cash and cash equivalents	**5,000**	10,000	**5,000**	10,000
Liabilities				
Trade financing	**548**	–	**–**	–
	10,643	15,135	**10,095**	15,135

Fair value sensitivity analysis for fixed rate instruments

The Group does not designate any fixed rate financial assets or liabilities as at fair value through profit or loss, nor as available-for-sale. Therefore, changes in interest rates of fixed rate instruments would not affect profit or loss and equity.

Cash flow sensitivity analysis for variable rate instruments

As at 30 June 2015, ceteris paribus, an increase/(decrease) in interest rate of 10 basis points would have resulted in an increase/(decrease) in equity and profit or loss by $11,870 (2014: $8,677) per annum for the Group, and $8,957 (2014: $5,060) per annum for the Company.

26 FINANCIAL INSTRUMENTS (CONTINUED)

Overview (Continued)

Credit risk

Credit risk is the risk that companies and other parties will be unable to meet their obligations to the Group resulting in financial loss to the Group. The Group's exposure to credit risk arises mainly from trade receivables, primarily from Singapore and ASEAN.

The objective of the Group is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group manages such risks by dealing with a diversity of creditworthy customers to mitigate any significant concentration of credit risk. Its credit policy includes the evaluation of the credit-worthiness of existing and new customers and the monitoring of credit excesses and overdue accounts.

As at 30 June 2015, the maximum exposure to credit risk in the event that counterparties fail to perform their obligations in relation to each class of financial assets is the carrying amount of these assets in the statements of financial position. There is no other class of financial assets that is past due and/or impaired except for trade receivables.

The maximum exposure to credit risk for trade receivables at the reporting date by types of industries in which the customers operate are as follows:

	Group		Company	
	2015	2014	**2015**	2014
	$'000	$'000	**$'000**	$'000
Marine and shipbuilding	**2,460**	3,749	**2,453**	3,735
Oil, gas and petrochemical	**1,755**	2,428	**1,749**	2,428
Building and construction	**613**	798	**613**	798
Machining and processing	**5,697**	5,036	**4,964**	4,709
Trading and others	**5,252**	7,397	**5,578**	7,391
	15,777	19,408	**15,357**	19,061

The Group's most significant customer, a machining and processing customer, accounts for $2,786,000 (2014: $1,454,000) of the trade receivables at 30 June 2015.

The trade receivables of the Group and the Company that are past due and impaired amounting to $203,000 (2014: nil) had been provided for. The trade receivables of the Group and the Company that are neither past due nor impaired relate substantially to credit-worthy customers amounting to $10,752,000 and $16,969,000 (2014: $13,329,000 and $13,898,000) respectively.

For financial assets such as cash and cash equivalents, the Group minimises credit risk by dealing exclusively with reputable financial institutions.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2015

26 FINANCIAL INSTRUMENTS (CONTINUED)

Overview (Continued)

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group maintains sufficient cash and cash equivalents to fulfil the Group's financial obligations as and when they fall due. As part of its liquidity risk management, the Group aims to maintain sufficient cash for working capital purposes.

The Group has sufficient cash and cash equivalents and adequate credit facilities to ensure necessary liquidity. As at 30 June 2015, the financial liabilities maturing within 12 months are as follows:

	Group		Company	
	2015	2014	**2015**	2014
	$'000	$'000	**$'000**	$'000
Trade payables	**2,735**	2,820	**1,787**	2,740
Accrued expenses and other payables	**1,007**	1,028	**895**	940
Trade financing	**548**	–	**–**	–

As at 30 June 2015, there are no financial liabilities maturing after 12 months.

Estimation of fair value

The carrying amounts of financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values because of the short period to maturity.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2015

27 DETERMINATION OF FAIR VALUES

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Debt securities

The fair values of debt securities are determined by reference to their quoted closing bid price at the measurement date, or if unquoted, determined using a valuation technique. Valuation techniques employed include market multiples and discounted cash flow analysis using expected future cash flows and a market-related discount rate. Subsequent to initial recognition, the fair value of held-to-maturity investments is determined for disclosure purposes only.

Other financial assets and liabilities

The notional amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents and trade and other payables) are assumed to approximate their fair values due to the short-term maturity of these financial instruments. All other financial assets and liabilities are discounted to determine their fair value. This fair value is determined for disclosure purposes.

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
	$'000	$'000	$'000	$'000
Financial assets not carried at fair value but for which fair values are disclosed				
2015				
Held-to-maturity debt securities	**5,095**	**–**	**–**	**5,095**
2014				
Held-to-maturity debt securities	5,135	–	–	5,135

NOTES TO THE
FINANCIAL STATEMENTS

Year ended 30 June 2015

27 DETERMINATION OF FAIR VALUES (CONTINUED)

Accounting classification and fair values

The fair values of financial assets and liabilities, together with the carrying amounts shown in the financial position, are as follows:

	Note	Loans and receivables $'000	Held-to-maturity $'000	Other financial liabilities within scope of FRS 39 $'000	Total carrying amount $'000	Fair value $'000
Group						
30 June 2015						
Assets						
Other financial assets	7	**–**	**5,095**	**–**	**5,095**	**5,095**
Trade and other receivables*	10	**16,300**	**–**	**–**	**16,300**	**16,300**
Cash and cash equivalents	11	**16,870**	**–**	**–**	**16,870**	**16,870**
		33,170	**5,095**	**–**	**38,265**	**38,265**
Liabilities						
Trade and other payables	14	**–**	**–**	**(3,742)**	**(3,742)**	**(3,742)**
Trade financing	15	**–**	**–**	**(548)**	**(548)**	**(548)**
		–	**–**	**(4,290)**	**(4,290)**	**(4,290)**
30 June 2014						
Assets						
Other financial assets		–	5,135	–	5,135	5,136
Trade and other receivables*		19,778	–	–	19,778	19,778
Cash and cash equivalents		18,677	–	–	18,677	18,677
		38,455	5,135	–	43,590	43,591
Liabilities						
Trade and other payables		–	–	(3,848)	(3,848)	(3,848)
Trade financing		–	–	–	–	–
		–	–	(3,848)	(3,848)	(3,848)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2015

27 DETERMINATION OF FAIR VALUES (CONTINUED)

Accounting classification and fair values (Continued)

	Note	Loans and receivables $'000	Held-to-maturity $'000	Other financial liabilities within scope of FRS 39 $'000	Total carrying amount $'000	Fair value $'000
Company						
30 June 2015						
Assets						
Other financial assets	7	**–**	**5,095**	**–**	**5,095**	**5,095**
Trade and other receivables*	10	**22,214**	**–**	**–**	**22,214**	**22,214**
Cash and cash equivalents	11	**13,957**	**–**	**–**	**13,957**	**13,957**
		36,171	**5,095**	**–**	**41,266**	**41,266**
Liabilities						
Trade and other payables	14	**–**	**–**	**(2,682)**	**(2,682)**	**(2,682)**
30 June 2014						
Assets						
Other financial assets		–	5,135	–	5,135	5,136
Trade and other receivables*		20,299	–	–	20,299	20,299
Cash and cash equivalents		15,060	–	–	15,060	15,060
		35,359	5,135	–	40,494	40,495
Liabilities						
Trade and other payables		–	–	(3,680)	(3,680)	(3,680)

* *Excludes prepayment.*

28 SEGMENT INFORMATION

Segment information is presented based on the information reviewed by the Group's Chief Executive Officer (the chief operating decision maker) for performance assessment and resource allocation.

The Group's Chief Executive Officer assesses the Group's financial performance using performance indicators which include revenue, capital expenditure and cash flow of the Group.

The Group essentially has one business or operating segment, which is the trading and sales of stainless steel products where the risks and returns of the products are substantially similar.

These products comprise mainly bars, plates, pipes, flanges, tubes and fittings which are stainless steel materials of varying grades and specifications for use in the respective industries to which the Group sells its products.

Additional financial information relating to the respective industries that the Group's customers operate in is presented as follows:

	Marine and ship-building $'000	Oil, gas and petro-chemical $'000	Building and construction $'000	Machining and processing $'000	Trading and others $'000	Total $'000
Group						
2015						
Revenue	9,032	6,480	2,341	17,801	23,293	58,947
Gross profit	1,152	1,420	526	2,489	6,981	12,568
Unallocated costs						(9,522)
						3,046
Other operating income and net finance income						1,070
Share of profit of joint venture						18
Profit before tax						4,134
Tax expense						(591)
Net profit for the year						3,543
Assets						
Trade receivables	2,460	1,755	613	5,697	5,252	15,777
Others – unallocated						78,400
						94,177
Liabilities – unallocated						5,066
Capital expenditure – unallocated						804
Depreciation of property, plant and equipment						1,047

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2015

28 SEGMENT INFORMATION (CONTINUED)

	Marine and ship-building $'000	Oil, gas and petro-chemical $'000	Building and construction $'000	Machining and processing $'000	Trading and others $'000	Total $'000
Group						
2014						
Revenue	11,391	6,080	2,816	17,178	25,562	63,027
Gross profit	1,740	1,028	677	2,751	6,495	12,691
Unallocated costs						(8,723)
						3,968
Other operating income and net finance income						459
Profit before tax						4,427
Tax expense						(751)
Net profit for the year						3,676
Assets						
Trade receivables	3,749	2,428	798	5,036	7,397	19,408
Others – unallocated						73,065
						92,473
Liabilities – unallocated						4,640
Capital expenditure – unallocated						921
Depreciation of property, plant and equipment						922

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2015

28 SEGMENT INFORMATION (CONTINUED)

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on sales to the respective geographical markets, while segment assets and capital expenditure are based on the geographical location of the assets.

Revenue by geographical markets:

	2015	2014
	$'000	$'000
Singapore	**33,664**	37,428
ASEAN	**20,431**	21,406
Others *	**4,852**	4,193
	58,947	63,027

Assets and capital expenditure by geographical locations:

	Carrying amounts of segment assets		**Capital expenditure**	
	2015	2014	**2015**	2014
Group	**$'000**	$'000	**$'000**	$'000
Singapore	**86,885**	83,824	**1,014**	893
ASEAN	**6,072**	6,279	**–**	–
Others *	**1,220**	2,370	**33**	28
	94,177	92,473	**1,047**	921

* *Others mainly include China, Australia, New Zealand, India, South America and Middle East.*

29 NEW ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2014, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Group and the Company.

STATISTICS OF SHAREHOLDINGS

AS AT 7 SEPTEMBER 2015

SHARE CAPITAL

Issued and Paid-Up Capital	:	$45,749,836.98
Total Number of Shares	:	222,000,000
Class of shares	:	Ordinary shares
Voting Rights	:	One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS BY SIZE OF SHAREHOLDINGS

AS AT 7 SEPTEMBER 2015

Size of Shareholdings	Number of Shareholders	%	Number of Shares	%
1 to 99	–	0.00	–	0.00
100 to 1,000	58	4.76	55,700	0.02
1,001 to 10,000	507	41.62	3,615,300	1.63
10,001 to 1,000,000	636	52.22	43,465,733	19.58
1,000,001 and above	17	1.40	174,863,267	78.77
Total	1,218	100.00	222,000,000	100.00

TWENTY LARGEST SHAREHOLDERS AS AT 7 SEPTEMBER 2015

NO.	SHAREHOLDER'S NAME	NUMBER OF SHARES	% OF SHARES
1	2GS INVESTMENT PTE LTD	56,700,000	25.54
2	KUA GEOK LAY HOLDING PTE LTD	52,635,000	23.71
3	KUA CHEE HONG	13,933,000	6.28
4	KUA PENG CHUAN	11,102,000	5.00
5	KUA PENG KOON	8,278,000	3.73
6	DBS NOMINEES PTE LTD	5,463,000	2.46
7	KUA CHEE KENG	4,451,167	2.01
8	RAFFLES NOMINEES (PTE) LTD	4,111,300	1.85
9	SIM YONG HONG	3,228,800	1.45
10	LER BEE CHIN	2,826,000	1.27
11	DB NOMINEES (S) PTE LTD	2,500,000	1.13
12	KUA CHOO SUAN	2,426,000	1.09
13	KUA CHOO GEOK	2,034,000	0.92
14	LEW WING KIT	1,519,000	0.68
15	UNITED OVERSEAS BANK NOMINEES PTE LTD	1,297,000	0.58
16	LAI WENG KAY	1,227,000	0.55
17	UOB KAY HIAN PTE LTD	1,132,000	0.51
18	CHAI CHONG YII	1,000,000	0.45
19	NG HOCK KON	1,000,000	0.45
20	LIM TIONG KHENG STEVEN	978,000	0.44
	TOTAL	**177,841,267**	**80.10**

STATISTICS OF SHAREHOLDINGS

AS AT 7 SEPTEMBER 2015

PUBLIC SHAREHOLDINGS

Based on the information available to the Company as at 7 September 2015, approximately 28.7% of the issued ordinary shares of the Company is held by the public and therefore, Rule 723 of the Listing Manual issued by the Singapore Exchange Securities Trading Limited has been complied with.

SUBSTANTIAL SHAREHOLDERS AS AT 7 SEPTEMBER 2015

(As recorded in the Register of Substantial Shareholders)

	Direct Interest	%	Deemed Interest	%
2GS Investment Pte. Ltd.	56,700,000	25.54	–	–
Kua Geok Lay Holding Pte. Ltd.	52,635,000	23.71	–	–
Kua Chee Hong (Note 1)	13,933,000	6.28	2,826,000	1.13
Ler Bee Chin (Note 1)	2,826,000	1.13	13,933,000	6.28
Kua Eng Watt (Note 2)	560,000	0.25	56,700,000	25.54
Kua Eng Bee (Note 2)	–	–	56,700,000	25.54
Kua Peng Chuan	11,102,000	5.00	–	–

Notes:

1. Kua Chee Hong and his wife, Ler Bee Chin are deemed interested in the shares held by each other.
2. Kua Eng Watt and Kua Eng Bee, who each owns 33.33% of the shareholding interest in 2GS Investment Pte. Ltd., are interested in the 56,700,000 shares in the Company held by 2GS Investment Pte. Ltd.

NOTICE OF
ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Sin Ghee Huat Corporation Ltd. (the "Company") will be held at 32 Penhas Road, #01-01, Singapore 208191 on Wednesday, 21 October 2015 at 11.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 30 June 2015 and the reports of the Directors and the Auditors thereon. **Resolution 1**

2. To approve the Directors' fees of $151,000 (2015: $142,000) payable quarterly in arrear for the financial year ending 30 June 2016. **Resolution 2**

3. To re-elect the following Directors retiring in accordance with the Company's Articles of Association:

   (a) Mr Kua Chee Seng (retiring under Article 107) **Resolution 3**

   (b) Mr Goh Chee Wee (retiring under Article 107) **Resolution 4**

   Mr Goh Chee Wee will, upon re-election as a Director of the Company, remain as member of the Audit Committee and will be considered independent for purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST").

   [See Explanatory Note (a) and (b)]

4. To declare a Final one-tier tax exempt dividend of 1.5 cents per share for the financial year ended 30 June 2015. **Resolution 5**

5. To re-appoint Messrs KPMG LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 6**

6. To transact such other business which may be properly transacted at an annual general meeting of the Company.

AS SPECIAL BUSINESS

7. To consider and, if thought fit, to pass the following resolution (with or without amendments) as Ordinary Resolution:

   SHARE ISSUE MANDATE

   THAT pursuant to the Listing Rules of the SGX-ST and the Company's Articles of Association, authority be and is hereby given to the Directors to: **Resolution 7**

   (a) issue shares in the capital of the Company whether by way of bonus issue, rights issue or otherwise; and/or

   (b) make or grant offers, agreements or options (collectively "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares; and/or

   (c) issue additional Instruments convertible into shares arising from adjustments made to the number of Instruments

NOTICE OF
ANNUAL GENERAL MEETING

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit; and (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors while this Resolution was in force, provided that:

(i) the aggregate number of shares and convertible securities to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued shares (excluding treasury shares) of the Company, of which the aggregate number of shares and convertible securities (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued other than on a pro-rata basis to shareholders of the Company does not exceed 20% of the total number of issued shares (excluding treasury shares) of the Company, and for the purpose of this Resolution, the issued share capital shall be the issued share capital of the Company at the time this Resolution is passed, after adjusting for:

(aa) new shares arising from the conversion or exercise of convertible securities;

(bb) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this Resolution is passed provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the SGX-ST; and

(cc) any subsequent consolidation or subdivision of shares; and

(ii) such authority shall, unless revoked or varied by the Company at a general meeting, continue to be in force until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of **SIN GHEE HUAT CORPORATION LTD.** will be closed on 30 October 2015 for the preparation of dividend warrants.

Duly completed transfers received by the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road, #02-00, Singapore 068898 up to 5.00 p.m. on 29 October 2015 will be registered to determine shareholders' entitlements to the Final dividend. Shareholders whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 29 October 2015 will be entitled to the proposed dividend.

Payment of the dividend, if approved by the shareholders at the Annual General Meeting to be held on 21 October 2015, will be made on 13 November 2015.

BY ORDER OF THE BOARD

Ms Joanna Lim Lan Sim
Company Secretary

28 September 2015
Singapore

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

(a) In relation to Ordinary Resolution 3 proposed in item 3 above, Mr Kua Chee Seng is uncle of Kua Ghim Siong and Kua Peng Chuan, siblings of Kua Chee Kok and Kua Chee Meng and cousin of Kua Eng Wah, Kua Eng Watt, Kua Eng Bee and Kua Chee Hong. His other detailed information is set out in the Board of Director section of the Company's Annual Report 2015.

(b) In relation to Ordinary Resolution 4 proposed in item 3 above, there are no relationships (including immediate family relationship) between Mr Goh Chee Wee and the other directors of the Company. His other detailed information is set out in the Board of Director section of the Company's Annual Report 2015.

Statement Pursuant to Article 71 of the Company's Articles of Association

The effects of the resolutions under the heading "As Special Business" in this Notice of the Annual General Meeting are:

1. Resolution no. 7, if passed, will authorise the Directors from the date of the above Meeting until the next Annual General Meeting to issue shares and convertible securities in the Company up to an amount not exceeding in aggregate 50% of the total number of issued shares (excluding treasury shares) of the Company of which the total number of shares and convertible securities issued other than on a pro-rata basis to existing shareholders shall not exceed 20% of the total number of issued shares (excluding treasury shares) of the Company. Rule 806(3) of the Listing Rules of the SGX-ST currently provides that the percentage of issued share capital is based on the share capital of the Company at the time the mandate is passed after adjusting for:

   (a) new shares arising from the conversion or exercise of convertible securities;

   (b) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this Resolution is passed provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Rules of the SGX-ST; and

   (c) any subsequent consolidation or subdivision of shares.

   This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company.

Notes:

(1) A shareholder of the Company entitled to attend and vote at a meeting of the Company ("Meeting") is entitled to appoint not more than two proxies and vote in his stead.

(2) A proxy need not be a shareholder of the Company.

(3) If the appointer is a corporation, the proxy must be executed under seal or the hand of its duly authorised officer or attorney.

(4) The instrument appointing a proxy must be deposited at the registered office of the Company at 32 Penhas Road, #01-01, Singapore 208191 not later than 48 hours before the time appointed for the Meeting.

SIN GHEE HUAT CORPORATION LTD.

Registration Number: 197700475Z
(Incorporated in the Republic of Singapore)

IMPORTANT

1. For investors who have used their CPF monies to buy Sin Ghee Huat Corporation Ltd.'s shares, this Annual Report 2015 is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF Investors who wish to vote should contact their CPF Approved Nominees.

PROXY FORM

(Please see notes overleaf before completing this Form)

I/We ______________________________

of ______________________________

being a member/members of Sin Ghee Huat Corporation Ltd. (the "Company"), hereby appoint:–

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete where appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

as my/our proxy/proxies to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at 32 Penhas Road, #01-01, Singapore 208191 on Wednesday, 21 October 2015 at 11.00 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Ordinary Resolutions to be proposed at the Annual General Meeting as indicated with an "X" in the spaces provided hereunder. If no specified directions as to voting are given, the proxy/proxies will vote or abstain from voting at his/their discretion.

Resolution No.	Ordinary Resolution	For	Against
1.	Adoption of Audited Financial Statements for the financial year ended 30 June 2015 and the Reports of the Directors and the Auditors.		
2.	Approval of Directors' Fees for financial year ending 30 June 2016.		
3.	Re-election of Mr Kua Chee Seng as Director of the Company.		
4.	Re-election of Mr Goh Chee Wee as Director of the Company.		
5.	Declaration of Final Dividend for the financial year ended 30 June 2015.		
6.	Re-appointment of KPMG LLP as Auditors of the Company.		
7.	Approval of Share Issue Mandate.		

Dated this ________ day of ____________________ 2015

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

____
Signature(s) of Shareholder(s)/Common Seal of Corporate Shareholder

IMPORTANT: Please read notes overleaf

Notes:–

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
3. Where a member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the Meeting.

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AFFIX
STAMP

The Company Secretary

SIN GHEE HUAT CORPORATION LTD.

32 Penhas Road
#01-01
Singapore 208191

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5. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 32 Penhas Road, #01-01, Singapore 208191 not less than 48 hours before the time appointed for the Meeting.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.
7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

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SIN GHEE HUAT CORPORATION LTD.
(Company registration no.197700475Z)

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Singapore 208191
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Website: www.singheehuat.com.sg