
Unaudited Full Year Financial Statement and Dividend Announcement for the Financial Year ended 31 March 2015

This announcement has been prepared by New Wave Holdings Ltd. (the “Company”) and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”), for compliance with the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.

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PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS
1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

| | Group Year ended 31 March | | Increase/ (Decrease) % |
|--|--------------------------------|------------------------------|----------------------------------|
| | 2015 (Unaudited) S\$'000 | 2014 (Audited) S\$'000 | |
| Revenue | 24,495 | 21,661 | 13.1 |
| Cost of sales | (19,856) | (17,383) | 14.2 |
| Gross profit | 4,639 | 4,278 | 8.4 |
| Other income | 522 | 296 | 76.4 |
| Distribution costs | (686) | (546) | 25.6 |
| Administrative expenses | (4,199) | (3,918) | 7.2 |
| Other expenses | (639) | (524) | 21.9 |
| Finance costs | (158) | (118) | 33.9 |
| Loss before income tax | (521) | (532) | (2.1) |
| Income tax expense | (200) | (269) | (25.7) |
| Loss for the financial year attributable to owners of the parent | (721) | (801) | (10.0) |
| Other comprehensive income for the financial year: <i>Items that may subsequently be reclassified to profit or loss:</i> | | | |
| Foreign currency translation | (128) | (167) | (23.4) |
| Total comprehensive income for the financial year, attributable to owners of the parent | (849) | (968) | (12.3) |

1(a)(ii) Notes to consolidated statement of comprehensive income

| The loss before income tax is arrived at | Group Year ended 31 March | | Increase/ (Decrease) |
|---|------------------------------|-------------------|-------------------------|
| | 2015 (Unaudited) | 2014 (Audited) | |
| | S\$'000 | S\$'000 | % |
| After charging: | | | |
| Depreciation of property, plant and equipment | 299 | 268 | 11.6 |
| Allowance for impairment of trade receivables | 43 | 11 | 290.9 |
| Bad trade receivables written off | 1 | 2 | (50.0) |
| Write-down and impairment of inventories | 145 | 67 | 116.4 |
| Amortisation of intangible asset | 152 | 152 | - |
| Interest expense | 158 | 118 | 33.9 |
| Foreign exchange loss, net | - | 25 | NM |
| and crediting: | | | |
| Interest income | 13 | 13 | - |
| Write back of allowance for impairment of trade receivables | 1 | 28 | (96.4) |
| Rental income | 63 | 62 | 1.6 |
| Fair value gain on derivative financial instrument | - | 32 | NM |
| Foreign exchange gain, net | 318 | - | NM |
| Gain on disposal of plant and equipment | 1 | 4 | (75.0) |

NM = Not Meaningful

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

| | Group | | Company | |
|---|---|---|---|---|
| | As at 31/03/2015 (Unaudited) S\$'000 | As at 31/03/2014 (Audited) S\$'000 | As at 31/03/2015 (Unaudited) S\$'000 | As at 31/03/2014 (Audited) S\$'000 |
| Non-current assets | | | | |
| Property, plant and equipment | 2,909 | 3,192 | 2 | 3 |
| Investment properties | 2,815 | 2,815 | - | - |
| Intangible assets | 1,270 | 1,422 | - | - |
| Investments in subsidiaries | - | - | 19,838 | 14,838 |
| Deferred tax asset | 72 | 72 | - | - |
| | <u>7,066</u> | <u>7,501</u> | <u>19,840</u> | <u>14,841</u> |
| Current assets | | | | |
| Inventories | 12,815 | 11,214 | - | - |
| Trade and other receivables | 6,629 | 5,922 | 6,598 | 6,646 |
| Prepayments | 157 | 153 | 11 | 10 |
| Income tax recoverable | 7 | 7 | - | - |
| Cash and cash equivalents | 4,031 | 4,448 | 1,399 | 2,300 |
| | <u>23,639</u> | <u>21,744</u> | <u>8,008</u> | <u>8,956</u> |
| Less:- | | | | |
| Current liabilities | | | | |
| Trade and other payables | 3,253 | 3,312 | 2,955 | 2,965 |
| Interest-bearing liabilities | 5,459 | 3,032 | - | - |
| Current income tax payable | 20 | 27 | - | - |
| | <u>8,732</u> | <u>6,371</u> | <u>2,955</u> | <u>2,965</u> |
| Net current assets | <u>14,907</u> | <u>15,373</u> | <u>5,053</u> | <u>5,991</u> |
| Non-current liabilities | | | | |
| Interest-bearing liabilities | 1,198 | 1,230 | - | - |
| Deferred tax liabilities | 145 | 165 | - | - |
| | <u>1,343</u> | <u>1,395</u> | <u>-</u> | <u>-</u> |
| Net assets | <u>20,630</u> | <u>21,479</u> | <u>24,893</u> | <u>20,832</u> |
| Capital and reserves | | | | |
| Share capital | 24,752 | 24,752 | 24,752 | 24,752 |
| Asset revaluation reserve | 315 | 315 | - | - |
| Share-based payment reserve | 31 | 31 | 31 | 31 |
| Foreign currency translation reserve | (281) | (153) | - | - |
| Accumulated (losses)/profits | <u>(4,187)</u> | <u>(3,466)</u> | <u>110</u> | <u>(3,951)</u> |
| Equity attributable to owners of the parent | <u>20,630</u> | <u>21,479</u> | <u>24,893</u> | <u>20,832</u> |

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

| As at 31/03/2015 | | As at 31/03/2014 | |
|------------------|-----------|------------------|-----------|
| Secured | Unsecured | Secured | Unsecured |
| S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| 62 | 5,397 | 117 | 2,915 |

Amount repayable after one year

| As at 31/03/2015 | | As at 31/03/2014 | |
|------------------|-----------|------------------|-----------|
| Secured | Unsecured | Secured | Unsecured |
| S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| 1,198 | - | 1,230 | - |

Details of any collateral

Amounts due to finance lease creditors (included in interest-bearing liabilities) are secured by plant and equipment acquired under finance lease contracts.

Term loan (included in interest-bearing liabilities) to finance the purchase of the Malaysian factory is secured by a legal charge against the property as well as a corporate guarantee provided by the Company.

Trust receipts of the subsidiaries (included in interest-bearing liabilities) are secured by corporate guarantees provided by the Company.

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

| | Year ended | |
|---|--------------------------------------|------------------------------------|
| | 31/03/2015 (Unaudited) S\$'000 | 31/03/2014 (Audited) S\$'000 |
| Cash flows from operating activities | | |
| Loss before income tax | (521) | (532) |
| Adjustments for:- | | |
| Allowance for impairment of trade receivables | 44 | 11 |
| Amortisation of intangible asset | 152 | 152 |
| Bad trade receivables written off | - | 2 |
| Depreciation of property, plant and equipment | 299 | 268 |
| Fair value gain of derivative financial instruments | - | (32) |
| Gain on disposal of plant and equipment | (1) | (4) |
| Interest expense | 158 | 118 |
| Interest income | (13) | (13) |
| Write down and impairment of inventories | 145 | 67 |
| Write back of allowance for impairment of trade receivables no longer required | (1) | (28) |
| Operating cash flows before working capital changes | 262 | 9 |
| Working capital changes:- | | |
| Inventories | (1,368) | (946) |
| Trade and other receivables | (699) | (794) |
| Trade and other payables | (19) | 507 |
| Prepayments | 3 | (25) |
| Cash used in operations | (1,821) | (1,249) |
| Interest received | 13 | 13 |
| Interest paid | (158) | (118) |
| Income taxes paid, net | (226) | (37) |
| Net cash used in operating activities | (2,192) | (1,391) |
| Cash flows from investing activities | | |
| Proceeds from disposal of plant and equipment | 4 | 4 |
| Purchase of property, plant and equipment (Note B) | (44) | (895) |
| Net cash used in investing activities | (40) | (891) |
| Cash flows from financing activities | | |
| Proceeds from trust receipts | 13,771 | 11,226 |
| Repayments of trust receipts | (11,279) | (12,157) |
| Repayments of term loan | (40) | (6) |
| Repayments of finance lease obligations | (22) | (21) |
| Net cash generated from/(used in) financing activities | 2,430 | (958) |
| Net change in cash and cash equivalents | 198 | (3,240) |
| Cash and cash equivalents at the beginning of the financial year | 4,448 | 7,779 |
| Effect of currency translation on cash and cash equivalents | (615) | (91) |
| Cash and cash equivalents at the end of the financial year (Note A) | 4,031 | 4,448 |

Note A:

Cash and cash equivalents comprise fixed deposits and cash and bank balances:

| | As at 31/03/2015 | As at 31/03/2014 |
|---------------------------|---------------------|---------------------|
| | S\$'000 | S\$'000 |
| Fixed deposits with banks | 1,704 | 1,818 |
| Cash and bank balances | <u>2,327</u> | <u>2,630</u> |
| | <u>4,031</u> | <u>4,448</u> |

Note B:

Additions to property, plant and equipment comprised the following:

| | As at 31/03/2015 | As at 31/03/2014 |
|--|---------------------|---------------------|
| | S\$'000 | S\$'000 |
| Additions to property, plant and equipment | 74 | 2,282 |
| Acquired under finance lease agreements | (30) | (44) |
| Financed by term loan from bank | <u>-</u> | <u>(1,343)</u> |
| | <u>44</u> | <u>895</u> |

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

| | Equity attributable to owners of the parent | | | | | |
|--|---|---|--|--|----------------------------------|------------------|
| | Share capital S\$'000 | Asset revaluation reserve S\$'000 | Share-based payment reserve S\$'000 | Foreign currency translation reserve S\$'000 | Accumulated losses S\$'000 | Total S\$'000 |
| The Group | | | | | | |
| Balance at 1 April 2014 | 24,752 | 315 | 31 | (153) | (3,466) | 21,479 |
| Loss for the financial year | - | - | - | - | (721) | (721) |
| Other comprehensive income for the financial year | | | | | | |
| Exchange differences on translating foreign operations | - | - | - | (128) | - | (128) |
| Total comprehensive income for the financial year | - | - | - | (128) | (721) | (849) |
| Balance at 31 March 2015 | 24,752 | 315 | 31 | (281) | (4,187) | 20,630 |
| Balance at 1 April 2013 | 24,752 | 315 | 31 | 14 | (2,665) | 22,447 |
| Loss for the financial year | - | - | - | - | (801) | (801) |
| Other comprehensive income for the financial year | | | | | | |
| Exchange differences on translating foreign operations | - | - | - | (167) | - | (167) |
| Total comprehensive income for the financial year | - | - | - | (167) | (801) | (968) |
| Balance at 31 March 2014 | 24,752 | 315 | 31 | (153) | (3,466) | 21,479 |

| The Company | Share capital S\$'000 | Share-based payment reserve S\$'000 | Accumulated (losses)/profits S\$'000 | Total S\$'000 |
|---|--------------------------|--|--|------------------|
| Balance at 1 April 2014 | 24,752 | 31 | (3,951) | 20,832 |
| Profit for the financial year, representing total comprehensive income for the financial year | - | - | 4,061 | 4,061 |
| Balance at 31 March 2015 | 24,752 | 31 | 110 | 24,832 |
| Balance at 1 April 2013 | 24,752 | 31 | (3,110) | 21,673 |
| Loss for the financial year, representing total comprehensive income for the financial year | - | - | (841) | (841) |
| Balance at 31 March 2014 | 24,752 | 31 | (3,951) | 20,832 |

1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total issued shares (excluding treasury shares) as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

The share capital of the Company was S\$24,752,128 with 1,457,469,695 shares, as at 30 September 2014 and 31 March 2015. There was no change in the Company's share capital from 30 September 2014 up to 31 March 2015.

There were no outstanding convertible securities or treasury shares as at 31 March 2015 and 31 March 2014.

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

The total number of issued shares as at 31 March 2015 and 31 March 2014 was 1,457,469,695 shares.

The Company did not have treasury shares as at 31 March 2015 and 31 March 2014.

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

Not applicable as the Company did not have any treasury shares during and as at the end of the current financial year reported on.

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

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

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied.**

Save as disclosed in paragraph 5 below, the accounting policies and methods of computation applied by the Group are consistent with those used in its most recently audited financial statements for the financial year ended 31 March 2014 ("FY2014").

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

On 1 April 2014, the Group adopted the new or revised Singapore Financial Reporting Standards ("FRS") and Interpretations to FRS ("INT FRS") that are relevant to its operations and were effective in the financial year ended 31 March 2015 ("FY2015"). The adoption of these new or revised FRS and INT FRS where relevant has no material impact on the Group's accounting policies or the financial statements for the current financial year reported on.

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

| | Group | |
|--|------------|------------|
| | 31/03/2015 | 31/03/2014 |
| Loss attributable to equity holders of the parent (SGD'000) | (721) | (801) |
| Loss per ordinary share:- | | |
| (a) Based on the weighted average number of ordinary shares in issue (SGD cents) | (0.05) | (0.05) |
| (b) On a fully diluted basis (SGD cents) | (0.05) | (0.05) |

Loss per ordinary share for FY2015 and FY2014 in Item 6(a) are computed based on the net loss attributable to the owners of the parent divided by the weighted average number of ordinary shares in issue of 1,457,469,695 shares for FY2015 and FY2014.

Loss per ordinary share on a fully diluted basis for FY2015 and FY2014 in Item 6(b) are the same as the basic loss per share because the Company did not have any potentially dilutive securities during and as at the end of FY2015 and FY2014.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year.**

| | Group | | Company | |
|--|--------------|------------|----------------|------------|
| | 31/03/2015 | 31/03/2014 | 31/03/2015 | 31/03/2014 |
| Net asset value per ordinary share based on issued share capital (SGD cents) | 1.42 | 1.47 | 1.71 | 1.43 |

Net asset value per ordinary share of the Group and the Company are computed based on the net assets of the Group and the Company respectively, divided by the number of issued ordinary shares of 1,457,469,695 shares as at 31 March 2015 and 31 March 2014.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, asset or liabilities of the group during the current financial period reported on.**

Review of the Financial Performance of the Group (FY2015 vs. FY2014)

Turnover

Group revenue increased by 13.1% from S\$21.66 million in FY2014 to S\$24.49 million in FY2015.

The aluminium products distribution division showed an increase in revenue of 19.0%, contributed from the Malaysian and PRC subsidiaries. As reflected in the geographical segment breakdown, sales in the Malaysia and the PRC segments increased by 27.7% and 20.9% respectively. The division has in the past year gradually expanded its product range so as to cater for expanding customer base, especially in Malaysia and the PRC.

The components distribution division showed a decrease in revenue of 11.9% partly due to a slowdown in demand for cabling products in line with lesser upgrading projects. In general, the electronic components industry faces keen competition and the challenges of eroding margins and rapid technology changes. Overall, the Singapore segment showed a decrease in revenue of 3.7%, as both the components and aluminium products distribution divisions recorded decreased sales in this segment for FY2015.

Loss Before Income Tax

The gross profit margin for FY2015 is 18.9%, lower than the 19.7% margin recorded in FY2014. As much of the Group's purchases are denominated in US Dollars, the sharp increase in US Dollar rates against the Singapore Dollar and the Malaysian Ringgit especially in the last quarter of the year had affected our margins. Nevertheless, this impact should be temporary, as measures were taken to re-align our pricing structure. The increased sales volume however has helped gross profit for FY2015 to improve by 8.4% to S\$4.64 million, as compared to S\$4.28 million for FY2014.

Other income increased by 76.4% from \$0.30 million in FY2014 to S\$0.52 million in FY2015. This was mainly due to a net foreign exchange gain of S\$0.32 million recorded in FY2015, whereas in FY2014, there was a net loss of S\$0.03 million.

Distribution costs increased by 25.6% from S\$0.55 million in FY2014 to S\$0.69 million in FY2015 in line with the increase in sales. Freight costs in particular recorded an increase of 39.0% in FY2015 when compared with the costs incurred in FY2014.

Administrative expenses increased by 7.2% from S\$3.92 million in FY2014 to S\$4.20 million in FY2015. All categories of expenses including employment costs, professional fees, bank charges, repairs and maintenance expenses, increased in tandem with increase in sales and the consequent increased operational activities. The only exception was a decrease in rentals of about 7.7% as, since January 2014, all operations in Malaysia were housed in the factory bought during FY2014.

Total other expenses increased by 21.9% from S\$0.52 million in FY2014 to S\$0.64 million in FY2015. Depreciation charge increased by 11.6% from S\$0.27 million in FY2014 to S\$0.30 million in FY2015 as the charge included the first full year's depreciation on the Malaysian factory bought during the second half of FY2014. Other increases recorded in FY2015 included impairment and write-down of inventories of S\$0.15 million, and an impairment of trade receivables of S\$0.04 million, as compared with S\$0.07 million and S\$0.01 million respectively, recorded in FY2014.

Finance costs increased by 33.9% from S\$0.12 million FY2014 to S\$0.16 million in FY2015. Finance costs comprised finance lease interests and bank interests on trust receipts and a term loan. Interest on trust receipts used to finance trade purchases increased as a result of the higher purchase volume during the current financial year, while interests on the term loan increased threefold as a full year's interest was charged for FY2015, compared to 4 months' interest recorded in FY2014.

As a result of the above, the Group recorded a loss before income tax of S\$0.52 million in FY2015, as compared to a loss before income tax of S\$0.53 million in FY2014.

Assets and Liabilities

Additions to plant and equipment totalled S\$0.07 million, the main purchase of which was a forklift, bought with a finance lease, for the aluminium distribution business in Malaysia. Other purchases included warehouse rackings and sundry computer equipment for the various offices. The additions to property, plant and equipment were more than offset by a depreciation charge of S\$0.30 million incurred for FY2015, so that the balance as at 31 March 2015 was S\$2.91 million, compared with S\$3.19 million as at 31 March 2014.

Based on the valuation reports done by an independent professional valuer, there was no change in the fair value of the investment properties which totalled S\$2.82 million as at 31 March 2015 and 31 March 2014.

Intangible assets decreased by an amortisation charge of S\$0.15 million to S\$1.27 million as at 31 March 2015.

Inventories increased at both the Malaysian and the PRC subsidiaries to support their increases in sales for this financial year. Total inventories for the Group increased from S\$11.21 million as at end of FY2014 to S\$12.82 million as at the end of FY2015.

Trade and other receivables increased from S\$5.92 million as at 31 March 2014 to S\$6.63 million as at 31 March 2015. Trade receivables increased fairly proportionately with the increase in sales. Likewise, other receivables which comprised largely the value-added tax

recoverable for the PRC subsidiary also increased in tandem with the higher prepaid taxes for their imports made to support the increased sales.

Current interest-bearing liabilities, which comprised mainly bank trust receipts, increased from S\$3.03 million as at the end of FY2014 to S\$5.46 million as at the end of FY2015. In FY2014, usage of trust receipts was skewed towards the earlier months of the financial year as the Group set out to expand its product range, necessitating higher purchases then, so that by the end of FY2014, many of these were already repaid, hence the lower balance at the end of FY2014. Coupled with increased sales in FY2015, resulting in even higher usage of trust receipts, the balance of interest-bearing liabilities therefore reflected quite a major increase when comparing the two financial years.

Non-current interest-bearing liabilities, which comprised finance leases and a term loan, decreased from S\$1.23 million as at 31 March 2014 to S\$1.20 million as at 31 March 2015. The decrease mainly reflected the instalments of the term loan paid during FY2015.

The Group had a positive working capital of S\$14.91 million as at the end of FY2015.

Cash Flow and Working Capital

Cash and cash equivalents decreased from S\$4.45 million as at the end of FY2014 to S\$4.03 million as at the end of FY2015.

Net cash used in operating activities amounted to S\$2.19 million for FY2015 and was mainly due to the increase in inventories and trade and other receivables of S\$1.37 million and S\$0.70 million respectively. Both the Malaysian and the PRC subsidiaries were holding higher inventory levels to support the increase in sales during FY2015. These locations also recorded higher trade receivables during the year, due to the increased sales.

Net cash used in investing activities of S\$0.04 million was mainly incurred for the acquisition of plant and equipment.

Net cash generated from financing activities amounted to S\$2.43 million in FY2015 and was mainly from proceeds of trust receipts used to finance purchases.

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

Not applicable as no forecast or prospect statement has been disclosed previously to shareholders.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

We observed lower profit margins brought about by stiff competition and elevated operating costs in the Singapore segment. However, we expect that the Malaysia and China segments will continue to grow with our present products portfolio. We will monitor our inventory and logistics management with vigilance and will not lose sight of credit controls. Optimization of the China facility will be our top priority for the improvement in profitability.

11. Dividend

(a) *Current Financial Period Reported On*

Any dividend declared for the current period?

None.

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

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

None.

(c) *Date payable*

Not Applicable

(d) *Books closure date*

Not Applicable

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

No dividend has been declared or recommended for FY2015.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

Business segments

2015

| | Components Distribution S\$'000 | Aluminium Products Distribution S\$'000 | Unallocated S\$'000 | Consolidated S\$'000 |
|---|---------------------------------------|--|------------------------|-------------------------|
| Revenue | | | | |
| External revenue | 3,641 | 20,854 | - | 24,495 |
| Results | | | | |
| Segment results | (172) | 1,186 | (939) | 75 |
| Interest income | - | 10 | 3 | 13 |
| Finance costs | - | (158) | - | (158) |
| Amortisation of intangible assets | - | (152) | - | (152) |
| Depreciation expense | (72) | (225) | (2) | (299) |
| Profit/(Loss) before income tax | (244) | 661 | (938) | (521) |
| Income tax expense | - | (200) | - | (200) |
| Profit/(Loss) after income tax | (244) | 461 | (938) | (721) |
| Capital expenditure | | | | |
| - Property, plant and equipment | 3 | 71 | - | 74 |
| Assets and Liabilities | | | | |
| Segment assets | 5,740 | 23,474 | 1,412 | 30,626 |
| Current income tax recoverable and deferred tax asset | 72 | 7 | - | 79 |
| Total assets | 5,812 | 23,481 | 1,412 | 30,705 |
| Segment liabilities | 605 | 9,095 | 210 | 9,910 |
| Current income tax payable and deferred tax liabilities | - | 165 | - | 165 |
| Total liabilities | 605 | 9,260 | 210 | 10,075 |

Business segments

2014

| | Components Distribution S\$'000 | Aluminium Products Distribution S\$'000 | Unallocated S\$'000 | Consolidated S\$'000 |
|---|---------------------------------------|--|------------------------|-------------------------|
| Revenue | | | | |
| External revenue | 4,133 | 17,528 | - | 21,661 |
| Results | | | | |
| Segment results | 126 | 711 | (844) | (7) |
| Interest income | - | 8 | 5 | 13 |
| Finance costs | - | (118) | - | (118) |
| Amortisation of intangible assets | - | (152) | - | (152) |
| Depreciation expense | (68) | (198) | (2) | (268) |
| Profit/(Loss) before income tax | 58 | 251 | (841) | (532) |
| Income tax expense | (110) | (159) | - | (269) |
| Profit/(Loss) after income tax | (52) | 92 | (841) | (801) |
| Capital expenditure | | | | |
| - Property, plant and equipment | 116 | 2,163 | 3 | 2,282 |
| Assets and Liabilities | | | | |
| Segment assets | 5,692 | 21,160 | 2,314 | 29,166 |
| Income tax recoverable and deferred tax asset | 72 | 7 | - | 79 |
| Total assets | 5,764 | 21,167 | 2,314 | 29,245 |
| Segment liabilities | 617 | 6,754 | 203 | 7,574 |
| Income tax payable and deferred tax liabilities | - | 192 | - | 192 |
| Total liabilities | 617 | 6,946 | 203 | 7,766 |

Geographical segments

| | Singapore S\$'000 | Malaysia S\$'000 | PRC S\$'000 | Others S\$'000 | Consolidated S\$'000 |
|---------------------------------------|----------------------|---------------------|----------------|-------------------|-------------------------|
| 2015 | | | | | |
| Total revenue from external customers | 8,151 | 10,282 | 5,459 | 603 | 24,495 |
| Non-current assets | 4,982 | 1,777 | 235 | - | 6,994 |
| 2014 | | | | | |
| Total revenue from external customers | 8,465 | 8,050 | 4,517 | 629 | 21,661 |
| Non-current assets | 5,303 | 1,870 | 256 | - | 7,429 |

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

See Paragraph 8 above.

15. A breakdown of sales as follows:

| | Group S\$'000 | | % |
|---|--------------------------|----------------------------|-------------------------|
| | Latest Financial Year | Previous Financial Year | Increase/ (Decrease) |
| (a) Sales reported for first half year | 12,332 | 11,416 | 8.0 |
| (b) Operating (loss)/profit after income tax reported for first half year | (238) | 21 | NM |
| (c) Sales reported for second half year | 12,163 | 10,245 | 18.7 |
| (d) Operating loss after income tax reported for second half year | (483) | (822) | (41.2) |

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-

Not applicable. No dividend has been declared or recommended for FY2015 and FY2014.

17. If the Group has obtained a general mandate from shareholders for interested person transactions (“IPT”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate for interested person transactions. There was no interested person transaction with value more than S\$100,000 during FY2015.

18. Update on Use of Rights Issue Proceeds

On 18 December 2009, the Company completed a rights issue and raised gross proceeds amounting to approximately S\$8.46 million (the “**Rights Issue Proceeds**”). The following table shows the use of the Rights Issue Proceeds as at the date of this announcement:

| Intended Use | S\$ million | | |
|--|------------------------------|------------------------|------------------|
| | Approximate Amount Allocated | Amount Used To-Date | Amount Remaining |
| General working capital | 2.49 | 4.86 ⁽¹⁾⁽²⁾ | - |
| Support business development, and provide liquidity for business expansion through acquisitions, joint ventures and collaborations | 5.81 | 3.44 ⁽²⁾ | - |
| Expenses incurred in connection with the Rights Issue | 0.16 | 0.16 | - |
| Total | 8.46 | 8.46 | - |

Notes:

(1) Mainly used for the purchase of inventories.

(2) In view that the remaining proceeds have been unutilised for several years and the Company does not foresee plans for business development in the immediate future, the Company has re-allocated and utilised S\$2.37 million for the purchase of inventories under general working capital.

As at the date of this announcement, the Company has utilised all of the Rights Issue Proceeds.

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

| Name | Age | Family relationship with any director and/or substantial shareholder | Current position and duties, and the year the position was first held | Details of changes in duties and position held, if any, during the year |
|----------------------------|-----|--|---|---|
| Tan Yeat Cheong (“Mr Tan”) | 31 | Mr Tan is the son of Mdm Choo Tung Kheng, Non-Executive Director and substantial shareholder of the Company. | Business Development Manager. Mr Tan was appointed on 18 January 2012, and is responsible for the development of aluminium products distribution business in Malaysia and China. | Not applicable. |

BY ORDER OF THE BOARD

Ong Kian Soon
Chief Executive Officer
28 May 2015