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## **TECHCOMP (HOLDINGS) LIMITED**

**天美（控股）有限公司\***

*(Incorporated in Bermuda with limited liability)*

Hong Kong Stock Code: 1298

Singapore Stock Code: T43

### **2015 THIRD QUARTER RESULTS**

This announcement is published pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

This quarterly report is prepared in accordance with relevant regulations of the Singapore Exchange Securities Trading Limited. The financial information set out in this report has been prepared in accordance with International Financial Reporting Standard and has not been audited nor reviewed by auditors. Shareholders of Techcomp (Holdings) Limited (the "Company") and public investors should exercise caution when trading in the shares of the Company.

By Order of the Board  
**Techcomp (Holdings) Limited**  
**Sin Sheung Nam Gilbert**  
*Company Secretary*

Hong Kong, 13 November 2015

*As at the date of this announcement, the executive directors of the Company are Mr. Lo Yat Keung (President) and Mr. Chan Wai Shing and the independent non-executive directors of the Company are Mr. Seah Kok Khong, Manfred, Mr. Ho Yew Yuen and Mr. Teng Cheong Kwee.*

*\* For identification purpose only*

TECHCOMP (HOLDINGS) LIMITED

Third Quarter Financial Statement for the Period Ended 30/09/2015

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1,Q2 &Q3),  
HALF-YEAR AND FULL YEAR RESULTS

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

	3 months ended 30 September			9 months ended 30 September		
	<u>2015</u> US\$'000	<u>2014</u> US\$'000	<u>Change</u> %	<u>2015</u> US\$'000	<u>2014</u> US\$'000	<u>Change</u> %
<b>Revenue</b>	36,588	35,362	3.5	108,407	103,003	5.2
Cost of sales	<u>(25,623)</u>	<u>(24,435)</u>	4.9	<u>(72,922)</u>	<u>(69,603)</u>	4.8
<b>Gross profit</b>	10,965	10,927	0.3	35,485	33,400	6.2
Other operating income	132	220	(40.0)	1,043	1,019	2.4
Distribution costs	(3,451)	(4,224)	(18.3)	(12,827)	(13,343)	(3.9)
Administrative expenses	(7,246)	(6,228)	16.3	(21,448)	(19,174)	11.9
Finance costs	<u>(366)</u>	<u>(358)</u>	2.2	<u>(1,109)</u>	<u>(1,098)</u>	1.0
<b>Profit before income tax</b>	34	337	(89.9)	1,144	804	42.3
Income tax credit (expense)	<u>9</u>	<u>(43)</u>	N.M.	<u>(199)</u>	<u>(117)</u>	70.1
<b>Profit for the period</b>	<u>43</u>	<u>294</u>	(85.4)	<u>945</u>	<u>687</u>	37.6
<b>Other comprehensive (expense) income</b> - exchange differences arising on translation of foreign operations	<u>(191)</u>	<u>335</u>	N.M.	<u>135</u>	<u>(396)</u>	N.M.
<b>Other comprehensive (expense) income for the period, net of tax</b>	<u>(191)</u>	<u>335</u>	N.M.	<u>135</u>	<u>(396)</u>	N.M.
Total comprehensive (expense) income for the period	<u>(148)</u>	<u>629</u>	N.M.	<u>1,080</u>	<u>291</u>	271.1

	3 months ended 30 September			9 months ended 30 September		
	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>2015</u>	<u>2014</u>	<u>Change</u>
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
<b>Profit (loss) for the period attributable to:</b>						
Owners of the Company	218	283	(23.0)	1,109	1,017	9.0
Non-controlling interests	(175)	11	N.M.	(164)	(330)	(50.3)
	<u>43</u>	<u>294</u>	<u>(85.4)</u>	<u>945</u>	<u>687</u>	<u>37.6</u>
<b>Total comprehensive income (expense) attributable to:</b>						
Owners of the Company	27	620	(95.6)	1,244	667	86.5
Non-controlling interests	(175)	9	N.M.	(164)	(376)	(56.4)
	<u>(148)</u>	<u>629</u>	<u>N.M.</u>	<u>1,080</u>	<u>291</u>	<u>271.1</u>
<b>Earnings per share (US cents)</b>						
- Basic				<u>0.41</u>	<u>0.44</u>	
- Diluted				<u>0.41</u>	<u>0.43</u>	

Note:

Profit for the period is arrived at after charging (crediting) the following:

	3 months ended 30 September			9 months ended 30 September		
	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>2015</u>	<u>2014</u>	<u>Change</u>
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Amortisation of intangible assets (included in administrative expenses)	425	427	(0.5)	1,307	1,301	0.5
Depreciation of properties, plant and equipment	289	250	15.6	872	800	9.0
Net foreign exchange loss (gain)	58	(99)	N.M.	(583)	(723)	(19.4)
Interest income	(31)	(7)	342.9	(53)	(16)	231.3
Finance costs	366	358	2.3	1,109	1,098	1.0
	<u>          </u>	<u>          </u>		<u>          </u>	<u>          </u>	

*N.M.: 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.

	The Company and its subsidiaries (the "Group")		Company	
	30 September 2015 US\$'000	31 December 2014 US\$'000	30 September 2015 US\$'000	31 December 2014 US\$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and bank balances	9,898	16,095	4	4
Trade and other receivables	68,943	83,908	-	-
Inventories	46,366	38,105	-	-
Income tax recoverable	132	68	-	-
<b>Total current assets</b>	<b>125,339</b>	<b>138,176</b>	<b>4</b>	<b>4</b>
<b>Non-current assets</b>				
Properties, plant and equipment	11,486	11,992	-	-
Subsidiaries	-	-	37,047	38,630
Goodwill	3,109	3,109	-	-
Other intangible assets	3,865	4,497	-	-
Available-for-sale investment	944	944	-	-
Deferred tax asset	20	20	-	-
<b>Total non-current assets</b>	<b>19,424</b>	<b>20,562</b>	<b>37,047</b>	<b>38,630</b>
<b>Total assets</b>	<b>144,763</b>	<b>158,738</b>	<b>37,051</b>	<b>38,634</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
<b>Current liabilities</b>				
Bank borrowings and overdrafts	25,112	33,284	-	-
Liabilities for trade bills discounted with recourse	1,462	5,733	-	-
Trade and other payables	26,474	29,389	-	14
Income tax payable	1,833	1,679	-	-
<b>Total current liabilities</b>	<b>54,881</b>	<b>70,085</b>	<b>-</b>	<b>14</b>
<b>Non-current liabilities</b>				
Bank borrowings	7,114	8,175	-	-
Retirement benefit plan liabilities	482	482	-	-
Deferred tax liabilities	167	237	-	-
<b>Total non-current liabilities</b>	<b>7,763</b>	<b>8,894</b>	<b>-</b>	<b>-</b>
<b>Capital, reserves and non-controlling interests</b>				
Share capital	13,772	13,369	13,772	13,369
Reserves	68,753	66,632	23,279	25,251
Equity attributable to Owners of the Company	82,525	80,001	37,051	38,620
Non-controlling interests	(406)	(242)	-	-
<b>Total equity</b>	<b>82,119</b>	<b>79,759</b>	<b>37,051</b>	<b>38,620</b>
<b>Total liabilities and equity</b>	<b>144,763</b>	<b>158,738</b>	<b>37,051</b>	<b>38,634</b>

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

**Amount repayable in one year or less, or on demand**

<b>As at 30 September 2015</b>		<b>As at 31 December 2014</b>	
Secured	Unsecured	Secured	Unsecured
US\$'000	US\$'000	US\$'000	US\$'000
287	24,825	160	33,124

**Amount repayable after one year**

<b>As at 30 September 2015</b>		<b>As at 31 December 2014</b>	
Secured	Unsecured	Secured	Unsecured
US\$'000	US\$'000	US\$'000	US\$'000
2,626	4,488	2,800	5,375

**Details of any collateral**

The Group has pledged its leasehold land and buildings with carrying amount of approximately US\$4,648,000 (31 December 2014: US\$4,699,000) to certain banks to secure bank facilities granted to the Group.

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.**

	9 months ended	
	30 September 2015	30 September 2014
	US\$'000	US\$'000
<b>Operating activities</b>		
Profit before income tax	1,144	804
Adjustments for:		
Depreciation of properties, plant and equipment	872	800
Interest income	(53)	(16)
Finance costs	1,109	1,098
Amortisation of intangible assets	1,307	1,301
Share-based payment expense	42	3
Loss on disposal of property, plant and equipment	1	-
<b>Operating cash flows before movements in working capital</b>	<u>4,422</u>	<u>3,990</u>
Trade and other receivables	15,059	14,993
Inventories	(8,167)	(11,588)
Trade and other payables	(2,920)	(2,777)
Trade bills discounted with recourse	(4,271)	(681)
Amount due from an associate	-	(30)
Cash generated from operations	<u>4,123</u>	<u>3,907</u>
PRC Enterprises Income Tax refund	40	35
Tax refund in other jurisdictions	45	45
<b>Net cash generated from operating activities</b>	<u>4,208</u>	<u>3,987</u>
<b>Investing activities</b>		
Development costs paid	(702)	(524)
Purchase of properties, plant and equipment	(367)	(587)
Deposits paid for acquisition of additional interests in a subsidiary/an associate	-	(636)
Interest income received	<u>53</u>	<u>16</u>
<b>Net cash used in investing activities</b>	<u>(1,016)</u>	<u>(1,731)</u>
<b>Financing activities</b>		
Repayment of bank borrowings	(79,538)	(76,127)
Interest paid	(1,109)	(1,098)
Proceeds from bank borrowings	70,827	69,824
Issue of shares	1,238	-
<b>Net cash used in financing activities</b>	<u>(8,582)</u>	<u>(7,401)</u>
Net decrease in cash and cash equivalents	<u>(5,390)</u>	<u>(5,145)</u>
Cash and cash equivalents at beginning of the period	13,927	12,635
Effect of foreign exchange rate changes	<u>(285)</u>	<u>279</u>
<b>Cash and cash equivalents at end of the period</b>	<u>8,252</u>	<u>7,769</u>
<b>Cash and cash equivalents comprised:</b>		
Cash and bank balances	9,898	9,793
Bank overdrafts	<u>(1,646)</u>	<u>(2,024)</u>
	<u>8,252</u>	<u>7,769</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.**

**Group**

	Share capital	Share premium	Contributed surplus	Merger reserve <sup>(a)</sup>	Currency translation reserve	Legal reserve <sup>(b)</sup>	Capital reserve <sup>(c)</sup>	Equity reserve <sup>(d)</sup>	Share option reserve	Retained earnings	Attributable to owners of the Company	Non-controlling interests	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance at 30 June 2015	13,772	17,861	394	(4,112)	4,076	535	3,003	(2,490)	2,043	47,412	82,494	(231)	82,263
Total comprehensive income (expense) for the period:													
Profit (loss) for the period	-	-	-	-	-	-	-	-	-	218	218	(175)	43
Other comprehensive expense	-	-	-	-	(191)	-	-	-	-	-	(191)	-	(191)
	-	-	-	-	(191)	-	-	-	-	218	27	(175)	(148)
Transactions with owners, recognised directly in equity:													
Share-based payment expenses	-	-	-	-	-	-	-	-	4	-	4	-	4
	-	-	-	-	-	-	-	-	4	-	4	-	4
Balance at 30 September 2015	13,772	17,861	394	(4,112)	3,885	535	3,003	(2,490)	2,047	47,630	82,525	(406)	82,119
Balance at 1 January 2015	13,369	17,026	394	(4,112)	3,750	535	3,003	(2,490)	2,005	46,521	80,001	(242)	79,759
Total comprehensive income (expense) for the period:													
Profit (loss) for the period	-	-	-	-	-	-	-	-	-	1,109	1,109	(164)	945
Other comprehensive income	-	-	-	-	135	-	-	-	-	-	135	-	135
	-	-	-	-	135	-	-	-	-	1,109	1,244	(164)	1,080
Transactions with owners, recognised directly in equity:													
Issue of shares	403	835	-	-	-	-	-	-	-	-	1,238	-	1,238
Share-based payment expenses	-	-	-	-	-	-	-	-	42	-	42	-	42
	403	835	-	-	-	-	-	-	42	-	1,280	-	1,280
Balance at 30 September 2015	13,772	17,861	394	(4,112)	3,885	535	3,003	(2,490)	2,047	47,630	82,525	(406)	82,119

	Share capital	Share premium	Contributed surplus	Merger reserve <sup>(a)</sup>	Currency translation reserve	Legal reserve <sup>(b)</sup>	Capital reserve <sup>(c)</sup>	Warrant reserve	Equity reserve <sup>(d)</sup>	Share option reserve	Retained earnings	Attributable to owners of the Company	Non-controlling interests	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance at 30 June 2014	11,625	8,099	394	(4,112)	3,388	535	3,003	26	(2,037)	2,005	44,303	67,229	1,657	68,886
Total comprehensive income (expense) for the period:														
Profit (loss) for the period	-	-	-	-	-	-	-	-	-	-	283	283	11	294
Other comprehensive income	-	-	-	-	337	-	-	-	-	-	-	337	(2)	335
	-	-	-	-	337	-	-	-	-	-	283	620	9	629
Balance at 30 September 2014	11,625	8,099	394	(4,112)	3,725	535	3,003	26	(2,037)	2,005	44,586	67,849	1,666	69,515
Balance at 1 January 2014	11,625	8,099	394	(4,112)	4,075	535	3,003	26	(2,037)	2,002	43,569	67,179	2,042	69,221
Total comprehensive income (expense) for the period:														
Profit (loss) for the period	-	-	-	-	-	-	-	-	-	-	1,017	1,017	(330)	687
Other comprehensive expense	-	-	-	-	(350)	-	-	-	-	-	-	(350)	(46)	(396)
	-	-	-	-	(350)	-	-	-	-	-	1,017	667	(376)	291
Transactions with owners, recognised directly in equity:														
Share-based payment expenses	-	-	-	-	-	-	-	-	-	3	-	3	-	3
	-	-	-	-	-	-	-	-	-	3	-	3	-	3
Balance at 30 September 2014	11,625	8,099	394	(4,112)	3,725	535	3,003	26	(2,037)	2,005	44,586	67,849	1,666	69,515

*Notes:*

- (a) Merger reserve represents the difference between the combined share capital of the entities in the merged group and the capital of the Company arising from a restructuring exercise undertaken in 2004.
- (b) The legal reserve is non-distributable and represents reserve fund and enterprise expansion fund of a subsidiary in the People's Republic of China ("PRC") that can be used to offset prior years' losses or convert into capital, provided such conversion is approved by a resolution at a shareholders' meeting.
- (c) Capital reserve represents a transfer of retained earnings by a PRC subsidiary in 2004.
- (d) Equity reserve represents effects of changes in ownership interests in subsidiaries when there is no change in control.



**Company**

	Share capital	Share premium	Contributed surplus	Share option reserve	Retained earnings	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 30 June 2015	13,772	17,861	394	2,043	3,263	37,333
Total comprehensive expense for the period	-	-	-	-	(286)	(286)
Transaction with owners, recognised directly in equity: Share-based payment expenses	-	-	-	4	-	4
Balance as at 30 September 2015	<u>13,772</u>	<u>17,861</u>	<u>394</u>	<u>2,047</u>	<u>2,977</u>	<u>37,051</u>
Balance as at 1 January 2015	13,369	17,026	394	2,005	5,826	38,620
Total comprehensive expense for the period	-	-	-	-	(2,849)	(2,849)
Transaction with owners, recognised directly in equity: Issue of shares	403	835	-	-	-	1,238
Share-based payment expenses	-	-	-	42	-	42
Balance as at 30 September 2015	<u>13,772</u>	<u>17,861</u>	<u>394</u>	<u>2,047</u>	<u>2,977</u>	<u>37,051</u>

**Company**

	Share capital	Share premium	Contributed surplus	Share option reserve	Warrant reserve	Retained earnings	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 30 June 2014	11,625	8,099	394	2,005	26	3,822	25,971
Total comprehensive expense for the period	-	-	-	-	-	(82)	(82)
Balance as at 30 September 2014	11,625	8,099	394	2,005	26	3,740	25,889
Balance as at 1 January 2014	11,625	8,099	394	2,002	26	4,177	26,323
Total comprehensive expense for the period	-	-	-	-	-	(437)	(437)
Transaction with owners, recognised directly in equity: Share-based payment expenses	-	-	-	3	-	-	3
Balance as at 30 September 2014	11,625	8,099	394	2,005	26	3,740	25,889

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

The Company has two share option schemes, the details of which are as follows:

#### 2004 Share Option Scheme

On 28 May 2004, the Company adopted a share option scheme (the "2004 Share Option Scheme"). The purpose of the 2004 Share Option Scheme was to provide the eligible participants with an opportunity to have a personal stake in the Company with a view to motivating them to optimize their performance efficiency for the benefit of the Company.

The size of the 2004 Share Option Scheme shall not exceed 15% of the issued ordinary share capital of the Company. The options that are granted under the 2004 Share Option Scheme may have exercise prices that are set at a price equal to the average of the last dealt prices for the shares of the Company ("Shares") determined by reference to the daily official list or other publication published by the Official List of Singapore Exchange Securities Trading Limited ("SGX-ST") for a period of five consecutive market days immediately preceding the relevant date of grant of such options or at a discount to the abovementioned price (subject to a maximum discount of 20%).

Directors (including non-executive directors and independent directors) and employees of the Group are eligible to participate in the 2004 Share Option Scheme. Controlling shareholders and their associates are not eligible to participate in the 2004 Share Option Scheme. Holders of options who are executive directors or employees of any company in the Group will have up to 10 years from the date of grant to exercise their options. Holders of options who are non-executive directors of any company within the Group will have up to 5 years from the relevant date of grant to exercise their options. Offers of options made to grantees, if not accepted within 30 days, will lapse.

The number of Shares comprised in any option to be offered to a participant of the 2004 Share Option Scheme shall be determined by the absolute discretion of the Remuneration Committee.

The Company granted a total of 21,835,000 options under the 2004 Share Option Scheme, of which options to subscribe for 8,062,000 ordinary shares of US\$0.05 each have been exercised. The number of outstanding share options under the 2004 Share Option Scheme as at 30 September 2015 was 13,773,000 (31 December 2014: 21,835,000), representing approximately 5.00% (31 December 2014: 8.17%) of the issued share capital of the Company as at 30 September 2015.

Pursuant to the 2004 Share Option Scheme, 30% of the options shall be vested on the first anniversary of the date of grant. The remaining 70% of the options shall be vested on the third anniversary of the date of grant. Upon acceptance of the option, the grantee shall pay S\$1.00 to the Company by way of consideration for the grant of the option.

When the 2004 Share Option Scheme was adopted on 28 May 2004, the scheme shall be in force up to a maximum period of 10 years from the adoption date. No further option has been granted under the 2004 Share Option Scheme upon the listing of the Company on The Stock Exchange of Hong Kong Limited (the "SEHK") on 21 December 2011 and the 2004 Share Option Scheme was subsequently superseded by the 2011 Share Option Scheme (as defined below), and as such, the total number of securities available for issue under the 2004 Share Option Scheme remains 13,773,000 shares, representing approximately 5.15%, 5.15% and 5.00% of the issued share capital of the Company as at 31 December 2014, 19 March 2015 (i.e. the date of the annual report for the year ended 31 December 2014) and 30 September 2015 respectively.

#### 2011 Share Option Scheme

On 9 June 2011, the Company adopted another share option scheme (the "2011 Share Option Scheme"). The purpose of the 2011 Share Option Scheme was to enable the Company to grant options to eligible participants as incentives or rewards for their contribution to the Group, and to encourage eligible participants to perform their best in achieving goals of the Group.

Directors (including non-executive directors and independent directors) and employees of the Group are eligible to participate in the 2011 Share Option Scheme.

The 2011 Share Option Scheme shall be in force up to a maximum period of 10 years from the date on which the 2011 Share Option Scheme was adopted (i.e. 9 June 2011) and may be continued beyond the stipulated period with the approval of shareholders by way of ordinary resolution in a general meeting and of such relevant authorities which may then be required.

The options that are granted under the 2011 Share Option Scheme may have exercise prices that are the higher of (I) the closing price of the Shares as stated in the daily quotations sheet issued by the SEHK or the SGX-ST (whichever is higher) on the offer date of such options, which must be a business day; and (II) the average closing price of the Shares as stated in the daily quotations sheets issued by the SEHK or the SGX-ST for the five consecutive business days immediately preceding the offer date of such options (whichever is higher).

#### 2011 Share Option Scheme (continued)

Where the options are granted to the controlling shareholders and their associates, (a) the aggregate number of Shares available to the controlling shareholders and their associates shall not exceed 25% of the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2011 Share Option Scheme; (b) the aggregate number of Shares available to each controlling shareholder or his associate shall not exceed 10% of the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2011 Share Option Scheme; (c) separate approval of independent shareholders shall be obtained for each participant in respect of his participation and the number of Shares comprised in the options to be granted to him and the terms.

The number of Shares comprised in any option to be offered to a participant in the 2011 Share Option Scheme shall be determined by the absolute discretion of the Remuneration Committee.

Pursuant to the annual general meeting of the Company on 30 April 2012 (the "2012 AGM") and the approval granted by the Listing Committee of the SEHK, the scheme mandate limit of the 2011 Share Option Scheme was refreshed and the Company might grant options entitling the eligible participants to subscribe for up to a maximum number of 23,250,000 Shares, representing 10% of the issued share capital of the Company as at the date of the 2012 AGM.

On 22 January 2015, the Company granted a total of 2,000,000 options under its 2011 Share Option Scheme for a total of 2,000,000 new ordinary shares of US\$0.05 each in the capital of the Company at the exercise price of HK\$2.00 per Share, of which options to subscribe for 300,000 Shares were cancelled on 23 January 2015 and options to subscribe for 1,700,000 Shares remained outstanding (representing approximately 0.64%, 0.64% and 0.62% of the issued share capital of the Company as at 31 December 2014, 19 March 2015 (i.e. the date of the annual report for the year ended 31 December 2014) and 30 September 2015 respectively).

Pursuant to the 2011 Share Option Scheme, the first tranche of the options (30% of the Share Options) is exercisable from 22 January 2018 to 22 January 2025, the second tranche of the options (30% of the Share Options) is exercisable from 22 January 2019 to 22 January 2025, and the third tranche of the options (40% of the Share Options) is exercisable from 22 January 2020 to 22 January 2025. Upon acceptance of the option, the grantee shall pay S\$1.00 to the Company by way of consideration for the grant of the option.

As of 30 September 2015, the total number of securities available for issue under the 2011 Share Option Scheme was 22,950,000 Shares, being the refreshed mandate limit of 23,250,000 Shares less the cancelled options of 300,000 Shares, representing approximately 8.58%, 8.58% and 8.33% of the issued share capital of the Company as at 31 December 2014, 19 March 2015 (i.e. the date of the annual report for the year ended 31 December 2014) and 30 September 2015 respectively.

**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.**

Total number of issued shares excluding treasury shares was 275,437,000 as at 30 September 2015. (31 December 2014: 267,375,000)

There were no treasury shares as at 31 December 2014 and 30 September 2015.

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

Not applicable.

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

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

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with those of the audited financial statements as at 31 December 2014.

The Group has also adopted the new / revised International Financial Reporting Standards. However, the adoption of these new / revised standards has no material impact on the financial statements of the Group for the period and the comparative period.

**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.**

See item 4 above.

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

	Group			
	3 months ended 30 September		9 months ended 30 September	
	2015	2014	2015	2014
	US cents	US cents	US cents	US cents
(a) Based on the weighted average number of shares	<u>0.08</u>	<u>0.12</u>	<u>0.41</u>	<u>0.44</u>
(b) On a fully diluted basis	<u>0.08</u>	<u>0.12</u>	<u>0.41</u>	<u>0.43</u>

The calculation of basic earnings per Share is based on the Group's net profit for the 3 months ended period of US\$218,000 (30 September 2014: US\$283,000) divided by the weighted average number of ordinary Shares of 275,437,000 (30 September 2014: 232,500,000) in issue during the period.

The calculation of basic earnings per Share is based on the Group's net profit for the 9 months ended period of US\$1,109,000 (30 September 2014: US\$1,017,000) divided by the weighted average number of ordinary Shares of 270,652,956 (30 September 2014: 232,500,000) in issue during the period.

The calculation of fully diluted earnings per Share is computed based on the weighted average number of ordinary shares during the period adjusted to assume conversion of all dilutive ordinary Shares.

7. **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-**

- (a) current financial period reported on; and  
(b) immediately preceding financial year.**

	<u>Group</u>		<u>Company</u>	
	<u>30 September</u> <u>2015</u> <u>US cents</u>	<u>31 December</u> <u>2014</u> <u>US cents</u>	<u>30 September</u> <u>2015</u> <u>US cents</u>	<u>31 December</u> <u>2014</u> <u>US cents</u>
Net asset value per ordinary share capital at the end of the financial period	30.0	29.9	13.5	14.4

The net asset value per Share as at 30 September 2015 is computed using the Shares in issue of 275,437,000 shares (31 December 2014: 267,375,000 Shares).

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and  
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

(1) Revenue

Revenue increased by 3.5% to US\$36,588,000 in 3Q2015 from US\$35,362,000 in 3Q2014. As a result, Group's revenue increased by 5.2% to US\$108,407,000 for the nine months ended 30 September 2015 from US\$103,003,000 for the nine months ended 30 September 2014. Increase in revenue was mainly attributable to the contribution from the new business of Gas Chromatograph and Gas Chromatography Mass Spectrometry which was acquired in last quarter of 2014.

(2) Gross profit and gross profit margin

Gross profit increased by 0.3% to US\$10,965,000 in 3Q2015 and by 6.2% to US\$35,485,000 for the nine months ended 30 September 2015, mainly due to the depreciation of Japanese Yen. The overall gross margin achieved in 3Q2015 was 32.7%, and this was consistent with the 32.4% registered for the 9 months ended 30 September 2014.

(3) Other operating income

Other operating income increased by 2.4% to US\$1,043,000 for the nine months ended 30 September 2015 from US\$1,019,000 for the nine months ended 30 September 2014 primarily due to increase in tax refund by US\$50,000 for the period.

(4) Distribution costs

Distribution costs decreased by 18.3% to US\$3,451,000 in 3Q2015 and 3.9% to US\$12,827,000 for the nine months ended 30 September 2015, primarily due to the rationalization of the sales and service network and the appreciation of USD against EUR and CHF where some of Group's major operations are denominated in.

(5) Administrative expenses

Administrative expenses increased 16.3% to US\$7,246,000 in 3Q2015 and 11.9% to US\$21,448,000 for the nine months ended 30 September 2015, mainly due to the expenditure arising from new business of Gas Chromatograph which was acquired in last quarter of 2014.

(6) Finance expenses

Finance expenses remained stable at US\$1.1 million for the nine months ended 30 September 2015.

## Financial Position

### (7) Inventories

Inventories increased by US\$8,261,000 to US\$46,366,000 as at 30 September 2015 compared to US\$38,105,000 as at 31 December 2014. More inventories were held to meet anticipated increase in business volume in the following quarter due to the seasonal pattern in Group sales.

### (8) Trade and other receivables

Trade and other receivables decreased by US\$14,965,000 to US\$68,943,000 as at 30 September 2015 compared to US\$83,908,000 as at 31 December 2014 owing to the seasonal pattern of the Group's business where a higher portion of sales were traditionally realized in the last quarter of the year.

### (9) Trade and other payables

Trade and other payables decreased by US\$2,915,000 to US\$26,474,000 as at 30 September 2015 compared to US\$29,389,000 as at 31 December 2014.

### (10) Bank borrowings

Bank borrowings decreased by US\$9,233,000 to US\$32,226,000 as at 30 September 2015 compared to US\$41,459,000 as at 31 December 2014 mainly due to the repayment of bank loans during the period.

### (11) Cash flow

The cash generated from operating activities amounted to US\$4,208,000 during the period compared to US\$3,987,000 for the nine months ended 30 September 2014. However, the cash and cash equivalents decreased by US\$5,390,000 for the nine months ended 30 September 2015 mainly attributable to the net cash used in investing activities of US\$1,016,000 and the net cash used in financing activities of US\$8,582,000 during the period.

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

Not applicable.

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

While the private sector demand for Techcomp's products continue to be uncertain due to the recent slowdown of the PRC economy, management envisages overall demand in the PRC market to increase driven by improvement in public sector demand attributed to enhanced investment in research and development, food safety and environmental industries.

Management expects the Asian markets - excluding the PRC, for Techcomp's products to remain stable and its European operations to benefit from continuing operational improvement, productivity measures and marketing activities implemented. The weakened European foreign exchange is likely to further enhance the competitiveness of Techcomp's manufactured products in the global markets.

**11. Dividend**

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

Any dividend declared for the current financial period reported on?

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/recommend, a statement to that effect.**

No dividend has been recommended in the current financial period reported on.

**13. Interested Person Transactions – Pursuant to Rule 920(1)(a)(ii) of the Listing Manual.**

No mandate from shareholders has been obtained for interested person transactions.

**Confirmation by the Board**

The board of directors of the Company confirm to the best of their knowledge that nothing has come to the attention of the board of directors of the Company which may render the unaudited financial information of the Group and Company for the nine months ended 30 September 2015 to be false or misleading in any material aspect.

**BY ORDER OF THE BOARD**

**Sin Sheung Nam Gilbert**  
**Company Secretary**  
**13 November 2015**

*\* For identification purpose only*