



Tai Sin[®]

The Electric Solutions Specialist For Asia Since 1958

SECOND QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 DECEMBER 2014

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

1(a)(i) A statement of profit or loss and other comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	6 months ended 31.12.14 \$'000	6 months ended 31.12.13 \$'000
Revenue	152,538	160,209
Cost of sales	(122,186)	(126,026)
Gross profit	30,352	34,183
Other operating income	598	2,068
Selling and distribution expenses	(8,322)	(8,628)
Administrative expenses	(8,598)	(9,904)
Other operating expenses	(425)	(2,665)
Finance costs	(354)	(467)
Share of profit of associates	166	127
Profit before income tax	13,417	14,714
Income tax expense	(2,309)	(2,526)
Profit after income tax	11,108	12,188
Other comprehensive income :		
<u>Items that may be reclassified subsequently to profit or loss</u>		
Exchange difference on translation of foreign operations	199	180
Changes in share of other comprehensive (loss) income of an associate	(15)	21
Other comprehensive income for the period, net of tax	184	201
Total comprehensive income for the period	11,292	12,389
Profit attributable to:		
Shareholders of the company	10,642	11,625
Non-controlling interests	466	563
	11,108	12,188
Total comprehensive income attributable to :		
Shareholders of the company	10,820	11,747
Non-controlling interests	472	642
	11,292	12,389

1(a)(ii) Notes to the statement of profit or loss (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	6 months ended 31.12.14 \$'000	6 months ended 31.12.13 \$'000
Interest income	20	20
Bad debts written off	(13)	(84)
Write back of (Allowance for) doubtful receivables	72	(612)
Loss on disposal of a subsidiary	-	(1,367)
Fair value loss on derivative financial instruments	-	(31)
Foreign exchange loss	(413)	(548)
Adjustment for (under) over provision of income tax in respect of prior years	(5)	19
Gain on disposal of assets held for sale	-	1,246
Gain on disposal of property, plant and equipment	5	74
Property, plant and equipment written off	-	(22)
Depreciation of property, plant and equipment	(1,891)	(1,778)
Amortisation of intangible assets	(138)	(144)

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 31.12.14 \$'000	As at 30.06.14 \$'000	As at 31.12.14 \$'000	As at 30.06.14 \$'000
ASSETS				
Current assets:				
Cash and bank balances	20,004	22,349	8,586	10,248
Trade receivables	88,662	90,844	48,735	52,450
Other receivables	3,190	3,627	6,194	4,900
Inventories	66,931	65,251	45,000	42,364
	178,787	182,071	108,515	109,962
Assets classified as held for sale	250	-	-	-
Total current assets	179,037	182,071	108,515	109,962
Non-current assets:				
Subsidiaries	-	-	32,914	32,914
Associates	5,004	4,822	-	-
Property, plant and equipment	30,854	23,200	5,134	4,967
Investment properties	1,111	1,131	-	-
Leasehold prepayments	163	158	-	-
Intangible assets	1,520	1,658	-	-
Other receivables	322	323	6,837	-
Deferred tax assets	211	210	-	-
Total non-current assets	39,185	31,502	44,885	37,881
Total assets	218,222	213,573	153,400	147,843
LIABILITIES AND EQUITY				
Current liabilities:				
Bank overdrafts and short-term bank borrowings	33,154	25,593	18,558	12,026
Trade payables	21,768	24,828	9,755	12,248
Other payables	7,524	9,498	2,404	2,895
Current portion of finance leases	228	274	-	17
Income tax payable	4,274	3,545	2,727	2,685
Total current liabilities	66,948	63,738	33,444	29,871
Non-current liabilities:				
Non-current portion of finance leases	175	144	-	-
Other payables	53	53	-	-
Deferred tax liabilities	1,614	1,665	222	222
Total non-current liabilities	1,842	1,862	222	222

	GROUP		COMPANY	
	As at 31.12.14 \$'000	As at 30.06.14 \$'000	As at 31.12.14 \$'000	As at 30.06.14 \$'000
Capital, reserves and non-controlling interests:				
Share capital	56,288	56,288	56,288	56,288
Treasury shares	(950)	(950)	(950)	(950)
Reserves	90,386	86,453	64,396	62,412
Equity attributable to the shareholders of the Company	145,724	141,791	119,734	117,750
Non-controlling interests	3,708	6,182	-	-
Total equity	149,432	147,973	119,734	117,750
Total liabilities and equity	218,222	213,573	153,400	147,843

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

Amount repayable in one year or less, or on demand

As at 31/12/2014		As at 30/06/2014	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
14,824	18,558	13,841	12,026

Amount repayable after one year

As at 31/12/2014		As at 30/06/2014	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
175	-	144	-

Details of any collateral

The bank overdrafts and other bank borrowings of the Group are secured by the following:

- i. negative pledge over all assets of a subsidiary; and
- ii. corporate guarantee by a subsidiary and 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.

Group	6 months ended 31.12.14 \$'000	6 months ended 31.12.13 \$'000
Operating activities		
Profit before income tax	13,417	14,714
Adjustments for:		
Depreciation expense	1,891	1,778
Amortisation expense	138	144
Interest income	(20)	(20)
Interest expense	354	467
Fair value adjustment on derivative financial instruments taken to profit or loss	-	31
Bad debts written off	13	84
(Write back of) allowance for doubtful receivables	(72)	612
Gain on disposal of property, plant and equipment	(5)	(74)
Property, plant and equipment written off	-	22
Gain on disposal of assets held for sale	-	(1,246)
Loss on disposal of a subsidiary	-	1,367
Share of profits of associates	(166)	(127)
Operating cash flows before movement in working capital	15,550	17,752
Trade receivables	2,139	8,902
Other receivables	430	(68)
Inventories	(1,576)	(4,943)
Trade Payables	(3,125)	(2,930)
Other payables	(1,958)	(1,782)
Deferred liabilities	-	(8)
Cash generated from operations	11,460	16,923
Income tax paid	(1,627)	(1,635)
Net cash from operating activities	9,833	15,288
Investing activities		
Buyback of shares from non-controlling interests by a subsidiary	(3,000)	-
Purchase of property, plant and equipment	(9,679)	(3,715)
Proceeds from disposal of property, plant and equipment	49	124
Proceeds from disposal of assets held for sale	-	2,579
Proceeds from disposal of a subsidiary (Note a)	-	1,546
Interest received	20	20
Net cash (used in) from investing activities	(12,610)	554
Financing activities		
Proceeds from short-term bank borrowings	45,151	43,402
Repayment of short-term bank borrowings	(37,197)	(52,662)
Repayment of long-term bank borrowings	-	(51)
Repayment of finance lease obligations	(225)	(358)
Interest paid	(354)	(467)
Dividend paid	(6,533)	(6,533)
Dividend paid to non-controlling interests	(300)	(300)
Net cash from (used in) financing activities	542	(16,969)

Group	6 months ended 31.12.14 \$'000	6 months ended 31.12.13 \$'000
Net decrease in cash and cash equivalents	(2,235)	(1,127)
Cash and cash equivalents at beginning of period	22,232	23,568
Effect of exchange rate changes on the balance of cash held in foreign currencies	7	382
Cash and cash equivalents at end of period (Note b)	20,004	22,823

Notes :

a) Disposal of a subsidiary

	Period ended 31.12.13 \$'000
<u>Book value of net assets over which control was lost</u>	
Cash and bank balances	1,047
Trade and other receivables	2,625
Inventories	3,672
Property, plant and equipment	2,496
Derivative financial instruments	23
Trade and other payables	(3,360)
Income tax payables	(115)
Long-term bank borrowings	(1,130)
Net assets	5,258
Less : Non-controlling interest	(1,217)
Net assets disposed	4,041
Exchange differences in respect of the net assets of the subsidiary reclassified from equity on loss of control of the subsidiary	(81)
Loss on disposal of a subsidiary	(1,367)
Total consideration, satisfied by cash	2,593
Less : Cash and cash equivalent disposed of	(1,047)
Net cash inflows arising from disposal of a subsidiary	1,546

b) The cash and cash equivalents consist of the followings:

	6 months ended 31.12.14 \$'000	6 months ended 31.12.13 \$'000
Cash and bank balances	20,004	22,977
Bank overdrafts	-	(154)
	20,004	22,823

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 \$'000	Treasury shares \$'000	Foreign currency translation reserve \$'000	Other reserve \$'000	Accumulated profits \$'000	Equity attributable to shareholders of the company \$'000	Non-controlling interests \$'000	Total equity \$'000
Balance at 1 July 2014	56,288	(950)	(1,264)	(381)	88,098	141,791	6,182	147,973
Total comprehensive income for the period								
Profit for the period	-	-	-	-	10,642	10,642	466	11,108
Other comprehensive income for the period	-	-	178	-	-	178	6	184
Total	-	-	178	-	10,642	10,820	472	11,292
Transactions with owners, recognized directly in equity								
Buyback of shares from non-controlling interests by a subsidiary ^(a)	-	-	(7)	(347)	-	(354)	(2,646)	(3,000)
Dividend paid to non-controlling interests	-	-	-	-	-	-	(300)	(300)
Final dividend for the previous year paid	-	-	-	-	(6,533)	(6,533)	-	(6,533)
Total	-	-	(7)	(347)	(6,533)	(6,887)	(2,946)	(9,833)
Balance at 31 December 2014	56,288	(950)	(1,093)	(728)	92,207	145,724	3,708	149,432

(a) On October 1, 2014, a subsidiary of the Group completed the purchase of its own ordinary shares from its shareholders. The share buyback resulted in an increase in the Group's equity interest in the subsidiary from 65% to 79.1%. The difference between the amount by which the non-controlling interests were adjusted and the fair value of the consideration paid was recognized directly in equity.

Group	Share capital \$'000	Treasury shares \$'000	Foreign currency translation reserve \$'000	Other reserve \$'000	Accumulated profits \$'000	Equity attributable to shareholders of the company \$'000	Non-controlling interests \$'000	Total equity \$'000
Balance at 1 July 2013	56,288	(950)	(1,565)	(381)	76,201	129,593	7,695	137,288
Total comprehensive income for the period								
Profit for the period	-	-	-	-	11,625	11,625	563	12,188
Other comprehensive income for the period	-	-	122	-	-	122	79	201
Total	-	-	122	-	11,625	11,747	642	12,389
Transactions with owners, recognized directly in equity								
Exercise of personal undertakings from non-controlling interests	-	-	-	-	-	-	(1,370)	(1,370)
Acquisition of additional interests in a Subsidiary	-	-	(6)	-	87	81	(81)	-
Disposal of a subsidiary	-	-	-	-	-	-	(1,217)	(1,217)
Dividend paid to non-controlling interests	-	-	-	-	-	-	(300)	(300)
Final dividend for the previous year paid	-	-	-	-	(6,533)	(6,533)	-	(6,533)
Total	-	-	(6)	-	(6,446)	(6,452)	(2,968)	(9,420)
Balance at 31 December 2013	<u>56,288</u>	<u>(950)</u>	<u>(1,449)</u>	<u>(381)</u>	<u>81,380</u>	<u>134,888</u>	<u>5,369</u>	<u>140,257</u>

Company	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Total equity \$'000
Balance at 1 July 2014	56,288	(950)	62,412	117,750
Profit for the year, representing total comprehensive income for the period	-	-	8,517	8,517
Transactions with owners, recognized directly in equity				
Final dividend for the previous year paid	-	-	(6,533)	(6,533)
Balance at 31 December 2014	56,288	(950)	64,396	119,734

Company	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Total equity \$'000
Balance at 1 July 2013	56,288	(950)	50,440	105,778
Profit for the year, representing total comprehensive income for the period	-	-	11,130	11,130
Transactions with owners, recognized directly in equity				
Final dividend for the previous year paid	-	-	(6,533)	(6,533)
Balance at 31 December 2013	56,288	(950)	55,037	110,375

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

There were no changes in the Company's share capital during the 3 months ended 31 December 2014.

The total number of issued ordinary shares excluding treasury shares as at 31 December 2014 was 435,515,791 (31 December 2013: 435,515,791).

The number of ordinary shares held as treasury shares as at 31 December 2014 was 2,727,000 (31 December 2013: 2,727,000).

As at 31 December 2014, there were no shares that may be issued on conversion of any outstanding convertibles or shares options (31 December 2013: Nil).

- 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 ordinary shares excluding treasury shares as at 31 December 2014 was 435,515,791 (30 June 2014: 435,515,791).

- 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.**

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the current financial period 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 nor reviewed.

- 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.**

Except as disclosed below, the Group and the Company have adopted the same accounting policies and methods of computation in the financial statements for the current reporting year as compared with the audited financial statements as at 30 June 2014.

The Group and Company have adopted the following applicable Singapore Financial Reporting Standards ("FRSs") which became effective for the financial year beginning on or after 1 July 2014:

- FRS 110 *Consolidated Financial Statements*
- Amendments to FRS 32 *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities*
- Amendments to FRS 36 *Impairment of Assets*

The adoption of these FRSs has no material effect on the announcement for the current 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.**

There are no significant changes in the accounting policies adopted by the Group and the company, other than as disclosed in item 4.

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.**

	6 months ended 31.12.14	6 months ended 31.12.13
Earnings per ordinary share for the period after deducting any provision for preference dividends:-		
(i) Based on the weighted average number of ordinary shares in issue; and	2.44 cents	2.67 cents
(ii) On a fully diluted basis	2.44 cents	2.67 cents

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	
	As at 31.12.14	As at 30.06.14	As at 31.12.14	As at 30.06.14
Net asset backing per ordinary share based on existing issued share capital as at the end of the period reported on	33.46 cents	32.56 cents	27.49 cents	27.04 cents

Net asset value per share is calculated based on the existing number of shares in issue of 435,515,791 (30 June 2014: 435,515,791 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.

Statement of profit or loss

The Group's revenue was \$152.54 million for the 6 months ended 31 December 2014, a decline of 4.79% from \$160.21 million in the last corresponding period. The decrease in revenue was mainly from :

- a) the Electrical Material Distribution ("EMD") Segment which decreased by \$13.11 million. This was mainly due to (i) disposal of a subsidiary – Vynco Industries (NZ) Limited in December 2013 which contributed \$10.69 million in last corresponding period; and (ii) restructuring of the EMD business in Vietnam by Lim Kim Hai Electric (VN) Co. Ltd ("LKHAVN") which represents the 3 cable factories. LKHAVN contributed \$5.76 million to the EMD Segment in the last corresponding period. The decrease was however compensated by increase in revenue from the domestic market of the Electrical Material Distribution Segment which benefited from growth in the Electronics Industry in Singapore.
- b) the Switchboard Segment which decreased by \$1.66 million, as a result of completed infrastructure projects in the last financial year.

The decrease in the revenue was offset by the increase in revenue from the Cable & Wire Segment of \$7.49 million, mainly due to restructuring of the business activities of LKHVN into the Cable & Wire Segment.

Other operating income decreased by \$1.47 million primarily due to gain on disposal of assets held for sale amounting to \$1.25 million accounted for in last corresponding period.

Administrative, selling and distribution expenses decreased by 8.70% mainly attributable to the disposal of a subsidiary in December 2013. Without taking the disposal of that subsidiary into consideration, there was an increase in the Group's operating expenses, which moved in tandem with higher business activities during the financial period and higher staff costs were incurred.

Other operating expenses decreased by \$2.24 million due to lower allowance for doubtful receivables provided for long overdue debts as a result of improvement in collection of overdue debts and loss on disposal of a subsidiary accounted for in the last corresponding period.

The Group reported profit before income tax of \$13.42 million for the 6 months ended 31 December 2014, a decline of \$1.30 million (8.81%) compared to the last corresponding period ended 31 December 2013. The Cable & Wire Segment contributed to a decrease of \$2.12 million, the Switchboard Segment which decreased by \$0.20 million followed by an absence of gain on disposal of assets held for sale of \$1.25 million. However, profit before income tax from the EMD Segment increased by \$1.56 million and the Test & Inspection Segment by \$0.64 million.

Statement of financial position

Cash and bank balances decreased by \$2.35 million, due to acquisition of property offset against receipts from customers towards period end.

Trade receivables decreased by \$2.18 million, attributable to lower sales for the quarter ended December 2014 as compared to quarter ended June 2014.

Inventories increased by \$1.68 million. This was mainly the result of lower sales in the Cable & Wire Segment towards period end.

Property, plant and equipment increased by \$7.65 million particularly tied to acquisition of the property at 17 Tuas Avenue 8 Singapore.

Both the current and non-current portion of other receivables of the Company increased, primarily attributable to the loan to a subsidiary for the acquisition of the property.

Bank overdrafts and other bank borrowings increased by \$7.56 million primarily because of :

- i) higher utilization of trust receipts to finance purchase of copper during the period; and
- ii) drawdown of funds to finance buyback of ordinary shares by Cast Laboratories Pte Ltd.

Trade payables decreased by \$3.06 million to \$21.77 million, principally due to lower purchases in the Cable & Wire Segment.

Other payables decreased by \$1.97 million mainly because of bonus payout and lower advances from customers.

Statement of cash flows

The cash and cash equivalent at the end of the period decreased to \$20.00 million compared with \$22.23 million at the end of the preceding period.

The net cash from operating activities of \$9.83 million was mostly due to lower sales, lower purchases, bonus and income tax payout during the period.

The net cash used in investing activities of \$12.61 million was mainly used for purchase of property, plant and equipment, buyback of shares from non-controlling interests by a subsidiary, net of proceeds from disposal of property, plant and equipment and interest received.

The net cash from financing activities of \$0.54 million was largely attributable to proceeds of bank borrowings, net of repayment of bank borrowings, finance leases, dividends and interest paid.

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

No forecast or a prospect statement has been previously disclosed 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.

The Group's performance may be affected by the global economic slowdown.

We expect this to affect the global electronics industry to grow at a slower pace, which might have an impact on the EMD Segment.

This economic slowdown will also affect our Group's businesses as more commercial and industrial developments are delayed or are put on hold.

In Singapore, the effects of the property cooling measures and the current slowing down of the public housing construction will have an impact on the residential building market.

With the substantial decline in oil prices, customers budgets for facilities upgrades may be reduced or shelved. This will have an impact on the Test & Inspection Segment and the EMD Segment.

With the number of large scale projects in the government's infrastructure pipeline that have been introduced, these continue to provide opportunities for our group's business segments locally. However, any delay in these projects execution will affect us going forward.

11. Dividend

(a) Current Financial Period Reported On

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

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.75 cent per ordinary share
Tax Rate	Exempt One-tier

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.75 cent per ordinary share
Tax Rate	Exempt One-tier

(c) Date payable

The Interim Exempt One-tier Dividend of 0.75 cent per ordinary share will be paid on 6 April 2015.

(d) Books closure date

Notice is hereby given that the Share Transfer Books and Register of Members of the Company will be closed on 30 March 2015 for the purpose of preparing dividend warrants.

Duly completed transfers received by the Company's Share Registrars, B.A.C.S. Private Limited of 63 Cantonment Road, Singapore 089758 up to 5.00 p.m. on 27 March 2015 will be registered before entitlements to the Interim Dividend are determined. In respect of shares in securities accounts with The Central Depository (Pte) Limited ("CDP"), the said Interim Dividend will be paid by the Company to CDP which will distribute the dividend to holders of the securities accounts.

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

Not applicable.

13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("IPTs"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

No IPT mandate has been obtained from shareholders.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

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

Not applicable.

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

Not applicable.

16. A breakdown of sales.

Not applicable.

17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable.

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(11) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Not applicable.

BY ORDER OF THE BOARD

Tan Shou Chieh
Secretary

Singapore, 11 February 2015



Tai Sin[®]

The Electric Solutions Specialist For Asia Since 1958

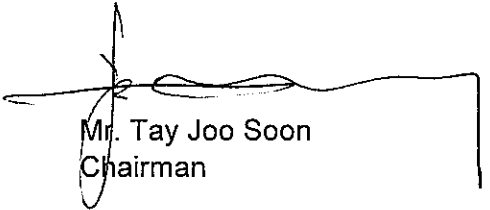


CERT. NO.: 96-2-0545
SS ISO 9001: 2000


**CONFIRMATION BY THE BOARD OF DIRECTORS
PURSUANT TO RULE 705(5) OF THE LISTING MANUAL**

We, the undersigned, being two Directors of Tai Sin Electric Limited (the "Company"), do hereby confirm on behalf of the Directors of the Company that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the interim financial statements for the second quarter ended 31 December 2014 to be false or misleading in any material aspect.

On behalf of the Board of Directors,



Mr. Tay Joo Soon
Chairman



Mr. Lim Boon Hock Bernard
Chief Executive Officer

Singapore, 11 February 2015

Tai Sin Electric Limited

24 Gul Crescent, Jurong Town, Singapore 629531 Tel: (65) 6861 3401 Fax: (65) 6861 4084
Website : www.taisn.com.sg Email : mailbox1@taisn.com.sg Co. Reg. No. : 198000057W