



**FUYU CORPORATION LIMITED
AND SUBSIDIARY COMPANIES**

**SGX APPENDIX 7.2 ANNOUNCEMENT
UNAUDITED FINANCIAL CONDITION, RESULTS OF OPERATIONS AND
CASH FLOWS FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED
31 DECEMBER 2015**

Full Year Financial Statement And Dividend Announcement

PART I – INFORMATIONS REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR ANNOUNCEMENTS

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

The Board of Directors of Fu Yu Corporation Ltd wishes to announce the unaudited results of the Group for the fourth quarter ended 31 December 2015.

| GROUP | Quarter Ended 31-Dec | | | Year Ended 31-Dec | | |
|---|-------------------------|------------------------|---------------|------------------------|----------------------|-------------|
| | 2015 | 2014 | Change % | 2015 | 2014 | Change % |
| | S\$'000 (unaudited) | S\$'000 (unaudited) | | S\$'000 (unaudited) | S\$'000 (audited) | |
| Revenue | 50,277 | 67,458 | (25.5) | 222,465 | 254,434 | (12.6) |
| Cost of sales | (40,384) | (59,096) | (31.7) | (186,992) | (223,360) | (16.3) |
| Gross profit | 9,893 | 8,362 | 18.3 | 35,473 | 31,074 | 14.2 |
| Other income | 2,588 | 3,362 | (23.0) | 9,628 | 10,604 | (9.2) |
| Selling and administrative expenses | (6,041) | (6,211) | (2.7) | (29,488) | (29,193) | 1.0 |
| Other operating (expenses)/income | (1,919) | 1,761 | NM | 2,403 | 1,490 | 61.3 |
| Results from operating activities | 4,521 | 7,274 | (37.8) | 18,016 | 13,975 | 28.9 |
| Finance costs | - | (28) | (100.0) | (11) | (153) | (92.8) |
| Share of (loss)/profit of joint venture (net of tax) | (172) | (378) | (54.5) | 432 | (405) | NM |
| Profit before income tax | 4,349 | 6,868 | (36.7) | 18,437 | 13,417 | 37.4 |
| Income tax credit/(expenses) | 464 | (808) | NM | (1,755) | (2,179) | (19.5) |
| Profit for the quarter/year | 4,813 | 6,060 | (20.6) | 16,682 | 11,238 | 48.4 |
| Attributable to: | | | | | | |
| Owners of the Company | 3,869 | 5,406 | (28.4) | 14,070 | 9,951 | 41.4 |
| Non-controlling interests | 944 | 654 | 44.3 | 2,612 | 1,287 | NM |
| Profit for the quarter/year | 4,813 | 6,060 | (20.6) | 16,682 | 11,238 | 48.4 |
| Earnings per share | | | | | | |
| - basic earnings per share (cents) | 0.51 | 0.74 | (31.1) | 1.87 | 1.35 | 38.5 |
| - diluted earnings per share (cents) | 0.51 | 0.74 | (31.1) | 1.87 | 1.35 | 38.5 |
| N.M denotes Not Meaningful | | | | | | |

Consolidated Statement of Comprehensive Income

| GROUP | Quarter Ended 31-Dec | | Change % | Year Ended 31-Dec | | Change % |
|---|--------------------------------|--------------------------------|---------------|--------------------------------|------------------------------|--------------|
| | 2015 S\$'000 (unaudited) | 2014 S\$'000 (unaudited) | | 2015 S\$'000 (unaudited) | 2014 S\$'000 (audited) | |
| Profit for the quarter/year | 4,813 | 6,060 | (20.6) | 16,682 | 11,238 | 48.4 |
| Other comprehensive income items that are or may be reclassified subsequently to profit or loss: | | | | | | |
| Foreign currency translation differences for foreign operations | 1,083 | (799) | NM | (6,220) | (393) | NM |
| Total other comprehensive income for the period (net of tax) | 1,083 | (799) | NM | (6,220) | (393) | NM |
| Total comprehensive income for the quarter/year | 5,896 | 5,261 | 12.1 | 10,462 | 10,845 | (3.5) |
| Total comprehensive income attributable to: | | | | | | |
| Owners of the Company | 4,483 | 5,202 | (13.8) | 10,681 | 9,969 | 7.1 |
| Non-controlling interests | 1,413 | 59 | NM | (219) | 876 | NM |
| Total comprehensive income for the quarter/year | 5,896 | 5,261 | 12.1 | 10,462 | 10,845 | (3.5) |

N.M denotes Not Meaningful

1(a) (ii) Notes to Consolidated Income Statement

| GROUP | Quarter Ended 31-Dec | | Change % | Year Ended 31-Dec | | Change % |
|---|--------------------------------|--------------------------------|-------------|--------------------------------|------------------------------|-------------|
| | 2015 S\$'000 (unaudited) | 2014 S\$'000 (unaudited) | | 2015 S\$'000 (unaudited) | 2014 S\$'000 (audited) | |
| Profit before income tax is arrived at after charging/(crediting) the following: | | | | | | |
| Interest and investment income | (550) | (364) | 51.1 | (1,805) | (1,352) | 33.5 |
| Gain on disposal of property, plant and equipment | (176) | (18) | NM | (483) | (821) | (41.2) |
| Foreign exchange loss/(gain), net | 1,680 | (2,702) | NM | (2,710) | (2,536) | 6.9 |
| Property, plant and equipment written off | 106 | 231 | (54.1) | 157 | 279 | (43.7) |
| Allowance made for/(write-back of) doubtful trade and other receivables | 132 | (9) | NM | 149 | 267 | (44.2) |
| Net impairment on property, plant and equipment | - | 719 | (100.0) | - | 500 | (100.0) |
| Depreciation and amortisation | 3,213 | 5,645 | (43.1) | 13,769 | 17,930 | (23.2) |
| Allowance made for/(write-back of) inventory obsolescence and inventories written off | 187 | (231) | NM | 365 | (292) | NM |
| Adjustments for under/(over) provision for tax in respects of the prior years | | | | | | |
| - Income tax | 66 | (51) | NM | 2 | (215) | NM |
| - Deferred tax | 267 | (412) | NM | (45) | (412) | (89.1) |
| Gain on liquidation of subsidiary | (2) | - | 100.0 | (393) | - | 100.0 |

1(b)(i) 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 Dec 15 S\$'000 (unaudited) | As at 31 Dec 14 S\$'000 (audited) | As at 31 Dec 15 S\$'000 (unaudited) | As at 31 Dec 14 S\$'000 (audited) |
| Non-current assets | | | | |
| Property, plant and equipment | 52,399 | 61,394 | 12,069 | 12,684 |
| Investment property | 8,585 | 10,085 | - | - |
| Subsidiaries | - | - | 65,593 | 69,402 |
| Joint venture | 2,484 | 3,106 | - | - |
| Deferred tax assets | 2,464 | 1,280 | - | - |
| | 65,932 | 75,865 | 77,662 | 82,086 |
| Current assets | | | | |
| Inventories | 15,017 | 17,120 | 2,517 | 2,242 |
| Trade and other receivables | 61,291 | 79,704 | 10,034 | 11,510 |
| Tax recoverable | 70 | 5 | - | - |
| Amount due from subsidiary companies | - | - | 3,977 | 5,351 |
| Short term investments | 3,637 | 6,052 | - | - |
| Cash and cash equivalents | 102,940 | 83,329 | 29,962 | 18,051 |
| | 182,955 | 186,210 | 46,490 | 37,154 |
| Total assets | 248,887 | 262,075 | 124,152 | 119,240 |
| Equity attributable to equity holders of the Company | | | | |
| Share capital | 102,158 | 121,176 | 102,158 | 121,176 |
| Reserves | 75,909 | 53,740 | 10,817 | (13,311) |
| | 178,067 | 174,916 | 112,975 | 107,865 |
| Non-controlling interests | 19,677 | 20,244 | - | - |
| Total equity | 197,744 | 195,160 | 112,975 | 107,865 |
| Non-current liabilities | | | | |
| Trade and other payables | 112 | 787 | 112 | 787 |
| Financial liabilities | - | 12 | - | - |
| Deferred tax liabilities | 909 | 370 | 647 | 82 |
| | 1,021 | 1,169 | 759 | 869 |
| Current liabilities | | | | |
| Trade and other payables | 47,316 | 62,385 | 7,770 | 7,593 |
| Amounts due to subsidiary companies | - | - | 2,648 | 2,913 |
| Financial liabilities | - | 1,365 | - | - |
| Tax payable | 2,806 | 1,996 | - | - |
| | 50,122 | 65,746 | 10,418 | 10,506 |
| Total liabilities | 51,143 | 66,915 | 11,177 | 11,375 |
| Total equity and liabilities | 248,887 | 262,075 | 124,152 | 119,240 |

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

Amount repayable in one year or less, or on demand

| GROUP | 31 Dec 2015 S\$'000 (unaudited) | 31 Dec 2014 S\$'000 (audited) |
|-----------------------------------|---------------------------------------|-------------------------------------|
| Secured bank loans | - | 1,361 |
| Finance lease liabilities-secured | - | 4 |
| | - | 1,365 |

Amount repayable after one year

| GROUP | 31 Dec 2015 S\$'000 (unaudited) | 31 Dec 2014 S\$'000 (audited) |
|-----------------------------------|---------------------------------------|-------------------------------------|
| Finance lease liabilities-secured | - | 12 |

Details of any collateral

In 2014, the secured bank loans were secured by the Company's subsidiary, Fu Yu Moulding & Tooling (Chongqing) Co., Ltd's trade receivables.

The finance lease liabilities as at 31 December 2014 were secured by the leased assets.

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

| GROUP | Quarter Ended | | Year Ended | |
|---|----------------|----------------|----------------|-----------------|
| | 31-Dec | | 31-Dec | |
| | 2015 | 2014 | 2015 | 2014 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| | (unaudited) | (unaudited) | (unaudited) | (audited) |
| Cash flows from operating activities | | | | |
| Profit before income tax | 4,349 | 6,868 | 18,437 | 13,417 |
| Adjustments for: | | | | |
| Depreciation of property, plant and equipment and investment property | 3,213 | 5,645 | 13,769 | 17,930 |
| Net impairment on property, plant and equipment | - | 719 | - | 500 |
| Gain on liquidation of subsidiary | (2) | - | (393) | - |
| Gain on disposal of property, plant and equipment | (176) | (18) | (483) | (821) |
| Property, plant and equipment written off | 106 | 231 | 157 | 279 |
| Interest and investment income | (550) | (364) | (1,805) | (1,352) |
| Finance costs | - | 28 | 11 | 153 |
| Share of loss/(profit) of joint venture (net of tax) | 172 | 378 | (432) | 405 |
| Unrealised exchange loss/(gain) | 1,979 | (1,233) | 1,702 | (748) |
| | 4,742 | 5,386 | 12,526 | 16,346 |
| | 9,091 | 12,254 | 30,963 | 29,763 |
| Changes in working capital: | | | | |
| Inventories | 110 | 1,045 | 1,815 | 1,510 |
| Trade and other receivables | 7,696 | (3,012) | 18,412 | (664) |
| Trade and other payables | (6,819) | (1,002) | (14,009) | (6,171) |
| Cash from operating activities | 10,078 | 9,285 | 37,181 | 24,438 |
| Tax paid | (794) | (475) | (3,002) | (1,057) |
| Net cash from operating activities | 9,284 | 8,810 | 34,179 | 23,381 |
| Cash flows from investing activities | | | | |
| Purchase of property, plant and equipment | (972) | (5,313) | (6,327) | (14,499) |
| Proceeds from disposal of property, plant and equipment | 204 | 28 | 545 | 1,833 |
| Dividends from joint venture | (15) | - | 667 | 496 |
| Withdrawal/(placement) of short-term investments | 92 | (198) | 1,743 | (2,299) |
| Interest income received | 550 | 364 | 1,805 | 1,352 |
| Net cash used in investing activities | (141) | (5,119) | (1,567) | (13,117) |
| Cash flows from financing activities | | | | |
| Proceeds from short term borrowings and financial lease liabilities | 2 | 3,201 | 1,106 | 12,270 |
| Repayment of short term borrowings and financial lease liabilities | (4) | (4,191) | (2,520) | (14,305) |
| Dividends paid to non-controlling interests of a subsidiary company | (179) | - | (348) | - |
| Dividends paid to shareholders of the company | (1,883) | - | (3,765) | - |
| Capital reduction | - | - | (3,765) | - |
| Finance costs paid | - | (28) | (11) | (153) |
| Deposits discharged/(pledged) | (23) | 289 | (27) | 586 |
| Proceeds from issue of share capital | - | 1,629 | - | 1,814 |
| Net cash (used in)/from financing activities | (2,087) | 900 | (9,330) | 212 |
| Net increase in cash and cash equivalents | 7,056 | 4,591 | 23,282 | 10,476 |
| Cash and cash equivalents at beginning of financial quarter/year | 93,239 | 75,242 | 79,921 | 69,115 |
| Effects of exchange rate fluctuations on cash held | (356) | 88 | (3,264) | 330 |
| Cash and cash equivalents at end of financial quarter/year | 99,939 | 79,921 | 99,939 | 79,921 |

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

| Group | As at 31 Dec | |
|---|-----------------|-----------------|
| | 2015 S\$'000 | 2014 S\$'000 |
| Cash at bank and in hand | 45,729 | 43,441 |
| Deposits with banks | 57,211 | 39,888 |
| Cash and cash equivalents in the statements of financial position | 102,940 | 83,329 |
| Deposits pledged | (3,001) | (3,408) |
| Cash and cash equivalents in the consolidated statement of cash flows | 99,939 | 79,921 |

**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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year
For the Quarter Ended 31 Dec (Group)**

| Group - 2015 | Attributable to equity holders of the Company | | | | | | | | Non-controlling interests S\$'000 | Total equity S\$'000 |
|--|---|----------------------------|------------------------------|--------------------------------|---|---------------------------------|------------------------------|--|--------------------------------------|-------------------------|
| | Share capital S\$'000 | Capital reserve S\$'000 | Statutory reserve S\$'000 | Revaluation reserve S\$'000 | Foreign currency translation reserve S\$'000 | Share option reserve S\$'000 | Retained earnings S\$'000 | Total attributable to equity holders of the Company S\$'000 | | |
| At 1 Oct 2015 | 102,158 | 140 | 5,754 | 789 | (10,519) | - | 77,145 | 175,467 | 18,443 | 193,910 |
| Other comprehensive income for the quarter | - | - | - | - | 614 | - | - | 614 | 469 | 1,083 |
| - Foreign currency translation differences | - | - | - | - | - | - | 3,869 | 3,869 | 944 | 4,813 |
| Profit for the quarter | - | - | - | - | 614 | - | 3,869 | 4,483 | 1,413 | 5,896 |
| Total comprehensive income for the quarter | - | - | - | - | 614 | - | 3,869 | 4,483 | 1,413 | 5,896 |
| Dividend paid to shareholders of the company | - | - | - | - | - | - | (1,883) | (1,883) | - | (1,883) |
| Dividend paid to non-controlling interests | - | - | - | - | - | - | - | - | (179) | (179) |
| Transfer of reserves | - | - | 807 | - | - | - | (807) | - | - | - |
| Capital reduction | - | - | - | - | - | - | - | - | - | - |
| At 31 Dec 2015 | 102,158 | 140 | 6,561 | 789 | (9,905) | - | 78,324 | 178,067 | 19,677 | 197,744 |

| Group - 2014 | Attributable to equity holders of the Company | | | | | | | | Non-interests S\$'000 | Total equity S\$'000 |
|--|---|----------------------------|------------------------------|--------------------------------|---|---------------------------------|------------------------------|--|--------------------------|-------------------------|
| | Share capital S\$'000 | Capital reserve S\$'000 | Statutory reserve S\$'000 | Revaluation reserve S\$'000 | Foreign currency translation reserve S\$'000 | Share option reserve S\$'000 | Retained earnings S\$'000 | Total attributable to equity holders of the Company S\$'000 | | |
| At 1 Oct 2014 | 119,547 | 140 | 9,891 | 789 | (6,312) | 1,627 | 42,403 | 168,085 | 20,185 | 188,270 |
| Other comprehensive income for the quarter | - | - | - | - | (204) | - | - | (204) | (595) | (799) |
| Foreign currencies translation differences | - | - | - | - | - | - | 5,406 | 5,406 | 654 | 6,060 |
| Profit for the quarter | - | - | - | - | (204) | - | 5,406 | 5,202 | 59 | 5,261 |
| Total comprehensive income for the quarter | 1,629 | - | - | - | - | - | - | 1,629 | - | 1,629 |
| Share options exercised | - | - | (3,818) | - | - | - | 3,818 | - | - | - |
| Transfer to statutory reserve | - | - | - | - | - | - | - | - | - | - |
| At 31 Dec 2014 | 121,176 | 140 | 6,073 | 789 | (6,516) | 1,627 | 51,627 | 174,916 | 20,244 | 195,160 |

For the Year Ended (Group)

| Group - 2015 | Attributable to equity holders of the Company | | | | | | | | Non-controlling interests S\$'000 | Total equity S\$'000 |
|--|---|----------------------------|------------------------------|--------------------------------|---|---------------------------------|------------------------------|--|--------------------------------------|-------------------------|
| | Share capital S\$'000 | Capital reserve S\$'000 | Statutory reserve S\$'000 | Revaluation reserve S\$'000 | Foreign currency translation reserve S\$'000 | Share option reserve S\$'000 | Retained earnings S\$'000 | Total attributable to equity holders of the Company S\$'000 | | |
| At 1 Jan 2015 | 121,176 | 140 | 6,073 | 789 | (6,516) | 1,627 | 51,627 | 174,916 | 20,244 | 195,160 |
| Other comprehensive income for the year - Foreign currencies translation differences | - | - | - | - | (3,389) | - | - | (3,389) | (2,831) | (6,220) |
| Profit for the year | - | - | - | - | - | - | 14,070 | 14,070 | 2,612 | 16,682 |
| Total comprehensive income for the year | - | - | - | - | (3,389) | - | 14,070 | 10,681 | (219) | 10,462 |
| Dividend paid to shareholders of the company | - | - | - | - | - | - | (3,765) | (3,765) | - | (3,765) |
| Dividend paid to non-controlling interests | - | - | - | - | - | - | - | - | (348) | (348) |
| Transfer of reserves | - | - | 488 | - | - | (1,627) | 1,139 | - | - | - |
| Capital reduction | (19,018) | - | - | - | - | - | 15,253 | (3,765) | - | (3,765) |
| At 31 Dec 2015 | 102,158 | 140 | 6,561 | 789 | (9,905) | - | 78,324 | 178,067 | 19,677 | 197,744 |

| Group - 2014 | Attributable to equity holders of the Company | | | | | | | | Non-controlling interests S\$'000 | Total equity S\$'000 |
|--|---|----------------------------|------------------------------|--------------------------------|---|---------------------------------|------------------------------|--|--------------------------------------|-------------------------|
| | Share capital S\$'000 | Capital reserve S\$'000 | Statutory reserve S\$'000 | Revaluation reserve S\$'000 | Foreign currency translation reserve S\$'000 | Share option reserve S\$'000 | Retained earnings S\$'000 | Total attributable to equity holders of the Company S\$'000 | | |
| At 1 Jan 2014 | 119,362 | 140 | 9,891 | 789 | (6,534) | 1,627 | 37,858 | 163,133 | 19,368 | 182,501 |
| Other comprehensive income for the year - Foreign currencies translation differences | - | - | - | - | 18 | - | - | 18 | (411) | (393) |
| Profit for the year | - | - | - | - | - | - | 9,951 | 9,951 | 1,287 | 11,238 |
| Total comprehensive income for the year | - | - | - | - | 18 | - | 9,951 | 9,969 | 876 | 10,845 |
| Share options exercised | 1,814 | - | - | - | - | - | - | 1,814 | - | 1,814 |
| Transfer from statutory reserve | - | - | (3,818) | - | - | - | 3,818 | - | - | - |
| At 31 Dec 2014 | 121,176 | 140 | 6,073 | 789 | (6,516) | 1,627 | 51,627 | 174,916 | 20,244 | 195,160 |

For the Quarter Ended 31 Dec (Company)

| Company - 2015 | Share capital S\$'000 | Revaluation reserve S\$'000 | Share option reserve S\$'000 | Retained earnings S\$'000 | Total equity S\$'000 |
|---|----------------------------------|--|---|--------------------------------------|---------------------------------|
| At 1 Oct 2015 | 102,158 | 789 | - | 12,360 | 115,307 |
| Loss for the quarter | - | - | - | (449) | (449) |
| Total comprehensive income for the quarter | - | - | - | (449) | (449) |
| Dividends paid to shareholders of the company | - | - | - | (1,883) | (1,883) |
| At 31 Dec 2015 | 102,158 | 789 | - | 10,028 | 112,975 |

| Company - 2014 | Share capital S\$'000 | Revaluation reserve S\$'000 | Share option reserve S\$'000 | Accumulated losses S\$'000 | Total equity S\$'000 |
|--|----------------------------------|--|---|---------------------------------------|---------------------------------|
| At 1 Oct 2014 | 119,547 | 789 | 1,153 | (13,127) | 108,362 |
| Loss for the quarter | - | - | - | (2,126) | (2,126) |
| Total comprehensive income for the quarter | - | - | - | (2,126) | (2,126) |
| Share options exercised | 1,629 | - | - | - | 1,629 |
| At 31 Dec 2014 | 121,176 | 789 | 1,153 | (15,253) | 107,865 |

For the Year Ended 31 Dec (Company)

| Company - 2015 | Share capital S\$'000 | Revaluation reserve S\$'000 | Share option reserve S\$'000 | (Accumulated losses) /retained earnings S\$'000 | Total equity S\$'000 |
|---|----------------------------------|--|---|--|---------------------------------|
| At 1 Jan 2015 | 121,176 | 789 | 1,153 | (15,253) | 107,865 |
| Profit for the year | - | - | - | 12,640 | 12,640 |
| Total comprehensive income for the year | - | - | - | 12,640 | 12,640 |
| Dividends paid to shareholders of the company | - | - | - | (3,765) | (3,765) |
| Capital reduction | (19,018) | - | - | 15,253 | (3,765) |
| Transfer of reserve | - | - | (1,153) | 1,153 | - |
| At 31 Dec 2015 | 102,158 | 789 | - | 10,028 | 112,975 |

| Company - 2014 | Share capital S\$'000 | Revaluation reserve S\$'000 | Share option reserve S\$'000 | Accumulated losses S\$'000 | Total equity S\$'000 |
|---|----------------------------------|--|---|---------------------------------------|---------------------------------|
| At 1 Jan 2014 | 119,362 | 789 | 1,153 | (15,412) | 105,892 |
| Profit for the year | - | - | - | 159 | 159 |
| Total comprehensive income for the year | - | - | - | 159 | 159 |
| Share options exercised | 1,814 | - | - | - | 1,814 |
| At 31 Dec 2014 | 121,176 | 789 | 1,153 | (15,253) | 107,865 |

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buybacks, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or 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 issuers, 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**

| Group | Share Options* | | Ordinary Shares | |
|--|-------------------------------|-----------------------------|-------------------------------|-----------------------------|
| | Year Ended 31 Dec | | Year Ended 31 Dec | |
| | 2015 ('000) (unaudited) | 2014 ('000) (audited) | 2015 ('000) (unaudited) | 2014 ('000) (audited) |
| As at 1 Jan | - | 34,060 | 752,995 | 732,835 |
| Exercised during the financial period (\$0.09) | - | (20,160) | - | 20,160 |
| Forfeited during the financial period (\$0.09) | - | (13,900) | - | - |
| As at 31 Dec | - | - | 752,995 | 752,995 |

* Includes replacement options in respect of 3,000,000 shares granted to certain non-executive directors as detailed in the circular dated 1 October 2014.

The Fu Yu Employees Share Option Scheme expired on 31 December 2014.

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

The total number of issued ordinary shares excluding treasury shares as at 31 December 2015 was 752,994,775 (31 December 2014: 752,994,775).

- 1(d)(iv) A statement showing all sales, transfer, 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.**

These figures have not been audited or reviewed.

- 3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of 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 as compared with the audited financial statements for the year ended 31 December 2014.

However, the Group adopted the new and revised Financial Reporting Standards and interpretations that are mandatory and relevant to the Group for the financial year beginning on or after 1 January 2015. These are assessed to have no material impact to the Group's financial statements.

Except as otherwise indicated below, those new standards, amendments to standards, and interpretations are not expected to have a significant effect on the financial statements of the Group. The Group does not plan to adopt these standards early.

- FRS 115 *Revenue from Contracts with Customers*

FRS 115 *Revenue from Contracts with Customers* will replace FRS 18 *Revenue*, FRS 11 *Construction Contracts* and related interpretations. The standard establishes the principle for companies to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration to which the company expects to be entitled to in exchange for those goods or services. The new standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed (e.g. service revenue and contract modifications) and improved guidance for multi-element arrangements. The Group is currently assessing the impact upon adoption of this standard in financial year ending 31 December 2018.

- FRS 109: *Financial Instruments*

The standard replaces FRS 39 *Financial Instruments: Recognition and Measurement*. The standard sets out the requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. The Group is currently assessing the impact on adoption of this standard in financial year ending 31 December 2018.

During the quarter and year under review, the Group made the following changes to its comparative figures to be consistent with current year classification:

Reclassification of rental income

Rental income of S\$0.8 million and S\$2.9 million for the quarter and year ended 31 December 2014 which were netted off against rental expenses in Selling and Administrative Expenses have been reclassified to Other Income to be consistent with the current quarter's and current year's classification.

Reclassification of foreign exchange gain

Foreign exchange gain of S\$2.7 million and S\$2.5 million for the quarter and year ended 31 December 2014 was reclassified from Other Income to Other Operating Income/Expenses to be consistent with current quarter's and year's classification.

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.

Not applicable.

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 | Quarter Ended As at 31 Dec | | Year Ended As at 31 Dec | |
|---------------------------|-------------------------------|---------------------|----------------------------|-------------------|
| | 2015 (unaudited) | 2014 (unaudited) | 2015 (unaudited) | 2014 (audited) |
| <u>Earnings per share</u> | | | | |
| - basic (cents) | 0.51 | 0.74 | 1.87 | 1.35 |
| - diluted (cents) | 0.51 | 0.74 | 1.87 | 1.35 |

Earnings per ordinary share on existing issued share capital is computed based on the weighted average number of shares in issue during the year of 752,994,775 (2014: 734,616,830).

There was no diluted earnings per share for the quarter and year ended 31 December 2015 and 31 December 2014 as the Employees Share Options Scheme expired on 31 December 2014.

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 period reported on and (b) immediately preceding financial year**

| | Group As at | | Company As at | |
|--|--------------------------|------------------------|--------------------------|------------------------|
| | 31 Dec 15 (unaudited) | 31 Dec 14 (audited) | 31 Dec 15 (unaudited) | 31 Dec 14 (audited) |
| Net asset value (S\$'000) | 178,067 | 174,916 | 112,975 | 107,865 |
| Issued capital at the end of the period ('000) | 752,995 | 752,995 | 752,995 | 752,995 |
| Net asset value per Ordinary Share (cents) | 23.65 | 23.23 | 15.00 | 14.32 |

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

Overview

The Group is in the business of manufacturing and sub-assembly of precision plastic parts and components, fabrication of precision moulds and dies and investment holding. The Group has integrated manufacturing facilities in Singapore, Malaysia and China.

Revenue

The Group's revenue decreased by S\$17.2 million or 25.5% from S\$67.5 million in Q4 2014 to S\$50.3 million in the current quarter under review. The decrease was mainly from China segment where we saw significant decrease in orders and demand from certain customers in Q4 2015 as compared to Q4 2014.

For the year ended 31 December 2015, the Group's revenue decreased by S\$31.9 million or 12.6% from S\$254.4 million in the last corresponding year to S\$222.5 million in the current year under review. While majority of the decrease in revenue came from China segment, Malaysia segment too recorded a drop in revenue for the year 2015 as a result of decrease in orders and depreciation of Malaysia Ringgit against Singapore Dollar. The decrease in revenue in China and Malaysia segments was partially offset by the increase in revenue in Singapore segment.

Profitability

Cost of sales

Cost of sales decreased by S\$18.7 million or 31.7% from S\$59.1 million in Q4 2014 to S\$40.4 million in Q4 2015. For the year ended 31 December 2015, cost of sales decreased by S\$36.4 million or 16.3% from S\$223.4 million in the last corresponding year to S\$187.0 million in the current year under review. Other than decrease in revenue, right-sizing exercises that were carried out in some of the Group's operations drove the cost of production down. In addition, fixed costs such as depreciation decreased as certain property, plant and equipment were fully depreciated during the year.

Gross profit

Gross profit increased by S\$1.5 million or 18.3% from S\$8.4 million in Q4 2014 to S\$9.9 million in the current quarter under review. The Group achieved gross profit margin of 19.7% in Q4 2015, which is 7.3% higher than that of 12.4% in Q4 2014. The improvement in gross profit margin despite the decrease in revenue was due to (i) decrease in depreciation charge (ii) reversal of provision of relocation expenses no longer required (iii) appreciation of US dollars against the Singapore dollars, Malaysia Ringgit and Chinese Renminbi (iv) better cost management and utilization of facilities.

Gross profit for year ended 31 December 2015 increased by S\$4.4 million or 14.2% from S\$31.1 million in the last corresponding year to S\$35.5 million in the current year under review. Gross profit margin was 15.9% for year ended 31 December 2015 as compared to 12.2% in the last corresponding year.

The Group's gross profit margin improved in current year ended 31 December 2015 despite the decrease in revenue was partly attributed to better cost management and better utilization of facilities by right-sizing some of its operations and carrying out lean manufacturing activities. The better gross profit margin was also contributed by the appreciation of US dollars against Singapore dollars, Malaysia Ringgit and Chinese Renminbi, which are the local currencies where the Group operates in. In addition, fixed costs such as depreciation decreased as certain property, plant and equipment were fully depreciated in the current quarter and current year under review.

Other income

Other income decreased by S\$0.8 million or 23.0% from S\$3.4 million in Q4 2014 to S\$2.6 million in Q4 2015. The higher other income in Q4 2014 was mainly attributed to the government grant received by one of the subsidiaries in China. However, the Group recorded increase in interest and investment income in current quarter under review.

Other operating (expenses)/income

Other operating expenses increased by S\$3.7 million, from other operating income of S\$1.8 million in Q4 2014 to other operating expenses of S\$1.9 million in Q4 2015. This was mainly due to foreign exchange loss of S\$1.7 million recorded in the current quarter under review, as opposed to a foreign exchange gain of S\$2.7 million in the last corresponding quarter. The increase in other operating expenses resulted from foreign exchange loss was partially off-set by nil impairment on property, plant and equipment in current quarter under review as compared to a net impairment of property, plant and equipment of S\$0.7 million in last corresponding quarter.

For the year ended 31 December 2015, other operating income increased by S\$0.9 million from S\$1.5 million in the last corresponding year to S\$2.4 million in current year under review. The increase was mainly attributed to no impairment loss on property, plant and equipment in current year under review, compared to a net impairment of property, plant and equipment of S\$0.5 million in last corresponding year. In addition, the increase was partly contributed by the increase in foreign exchange gain by S\$0.2 million from S\$2.5 million in last corresponding year to S\$2.7 million in current year under review.

The Group's foreign exchange gain in the current year under review was resulted from the translation of receivables, cash, payables and borrowings denominated in foreign currencies to the functional currencies of the respective companies in the Group. The strengthening of USD against the Singapore Dollar, Malaysia Ringgit and Chinese Renminbi had contributed to the foreign exchange gain in the current year under review as the Group is at net USD assets position.

Finance costs

Finance costs decreased in the current quarter and current year under review as compared to last year. This was due to full repayment of bank borrowings in Q1 2015.

Share of (loss)/profit of joint venture (net of tax)

The share of loss of joint venture decreased by S\$0.2 million from S\$0.4 million in Q4 2014 to S\$0.2 million in current quarter under review. The loss in joint venture was mainly due to impairment of property, plant and equipment charged during the quarter under review.

For the year ended 31 December 2015, the share of profit of joint venture amounted to S\$0.4 million as compared to share of loss of S\$0.4 million in the last corresponding year. The improvement in profitability of the joint venture company was due to increase in its business activities and increase in foreign exchange gain recorded during the year.

Profit before income tax

The Group's profit before income tax decreased by S\$2.6 million from S\$6.9 million in Q4 2014 to S\$4.3 million in Q4 2015. The decrease was largely due to foreign exchange loss of S\$1.7 million in the current quarter under review as compared to foreign exchange gain of S\$2.7 million in Q4 2014. The loss in foreign exchange impact was partly offset by the better gross profit achieved.

The Group recorded a profit before income tax of S\$18.4 million for the year ended 31 December 2015 as compared to S\$13.4 million for the last corresponding year, an increase of S\$5.0 million or 37.4%. The increase in profit before income tax was mainly attributed to (i) improvement in gross profit by S\$4.4 million, (ii) nil impairment on property, plant and equipment in current year as compared to net impairment on property, plant and equipment of S\$0.5 million and (iii) increase in foreign exchange gain by S\$0.2 million in the current year.

Income tax credit/(expenses)

Income tax was a credit of S\$0.5 million in Q4 2015 and an expense of S\$1.8 million in the current year under review. The effective tax rate for Q4 2015 is -9.2% and 9.2% for year ended 31 December 2015.

The low effective tax rate for the quarter and current year under review was mainly due to the recognition and utilisation of deferred tax assets not recognised in prior years. The impact of the recognition and utilisation of deferred tax assets was offset by the income tax expenses from the profit-making China subsidiaries, reclassification of withholding taxes from selling and administrative expenses to income tax expense of S\$0.5 million and recognition of deferred tax liabilities by the holding company.

Cash Flow

The Group's cash and cash equivalents (excluding cash deposits pledged) stood at S\$99.9 million as at 31 December 2015, an increase of S\$23.3 million (including effects of exchange rates fluctuations on cash held) from cash and cash equivalents as at 31 December 2014.

The increase in cash and cash equivalents was mainly attributed to net cash generated from operating activities of S\$34.2 million, offset by payments for purchase of property, plant and equipment of S\$6.3 million, cash distribution to shareholders through capital reduction of S\$3.8 million, dividends payment to shareholders of the Company of S\$3.8 million, and net repayment of short term borrowings and financial lease liabilities of S\$1.4 million.

Statement of financial position

Investment property

Investment property decreased by S\$1.5 million or 14.8% from S\$10.1 million as at 31 December 2014 to S\$8.6 million as at 31 December 2015. The decrease in investment property was mainly due to movement in foreign currency translation arising from depreciation of Malaysia Ringgit against Singapore dollar.

Inventories

Inventories decreased by S\$2.1 million or 12.3% from S\$17.1 million as at 31 December 2014 to S\$15.0 million as at 31 December 2015. The decrease in inventories was in line with the decrease in revenue in Q4 2015.

Short-term investments

Short-term investments decreased by S\$2.5 million or 39.9% from S\$6.1 million as at 31 December 2014 to S\$3.6 million as at 31 December 2015. The decrease was mainly due to withdrawal of short-term investments for payment of purchase of property, plant and equipment.

Trade and other receivables

Trade and other receivables decreased by S\$18.4 million or 23.1% from S\$79.7 million as at 31 December 2014 to S\$61.3 million as at 31 December 2015. The decrease in trade and other receivables was in line with the decrease in revenue in Q4 2015 as compared to Q4 2014's revenue.

Trade and other payables

Trade and other payables decreased by S\$15.8 million or 24.9% from S\$63.2 million as at 31 December 2014 to S\$47.4 million as at 31 December 2015. The decrease in trade and other payables was in line with the decrease in cost of sales in Q4 2015 as compared to Q4 2014. The decrease in other payables was partly due to the payment of accrued incentive bonus.

Financial liabilities

Financial liabilities decreased by S\$1.4 million. This was due to repayment of bank borrowings in Q1 2015.

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

The industry in which the Group operates in has become more challenging with the uncertain global economic outlook, while the price pressure from customers continued to be a challenge the Group has to deal with. On the foreign currency front, the movement of USD will impact the Group's performance as the Group is at net USD assets position. Despite the challenges ahead, we will continue to improve operational efficiency and remain cautious in our costs management to stay competitive in this industry.

11. Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? Yes

| | |
|------------------|-----------------------------|
| Name of Dividend | Final Dividend |
| Dividend Type | Cash |
| Dividend Rate | 1.0 cent per ordinary share |
| Tax rate | One-tier tax exempt |

(b) Corresponding Period of the Immediately Preceding Financial Year

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

No dividends were recommended or declared for the same quarter of last year.

(c) Date payable

Subject to shareholders' approval at the Annual General Meeting to be held on 26 April 2016.

(d) Books closure date

To be announced.

12. If the group has obtained a general mandate from shareholders for 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.

There is no general mandate obtained from shareholders for IPTs.

There were no IPTs for the period ended 31 December 2015.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

Geographical segments

| | Singapore | | China | | Malaysia | | Total operations before adjustment | | Group adjustment and elimination | | Consolidated | |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---------------------------------------|-----------------|-------------------------------------|-----------------|-----------------|-----------------|
| | 2015 S\$'000 | 2014 S\$'000 | 2015 S\$'000 | 2014 S\$'000 | 2015 S\$'000 | 2014 S\$'000 | 2015 S\$'000 | 2014 S\$'000 | 2015 S\$'000 | 2014 S\$'000 | 2015 S\$'000 | 2014 S\$'000 |
| Revenue and expenses | | | | | | | | | | | | |
| Total external revenue | 44,999 | 42,841 | 136,686 | 164,713 | 40,780 | 46,880 | 222,465 | 254,434 | - | - | 222,465 | 254,434 |
| Inter-segment revenue | - | 113 | 3 | - | 1,454 | 1,931 | 1,457 | 2,044 | (1,457) | (2,044) | - | - |
| Profit before income tax * | 15,443 | 4,893 | 12,806 | 18,555 | 8,487 | 6,388 | 36,736 | 29,836 | (7,661) | 33 | 29,075 | 29,869 |
| Depreciation of property, plant and equipment, and investment property | (2,282) | (3,422) | (9,767) | (12,750) | (1,838) | (1,665) | (13,887) | (17,837) | 118 | (93) | (13,769) | (17,930) |
| Net (impairment)/reversal of property, plant and equipment | - | (721) | - | 204 | - | 17 | - | (500) | - | - | - | (500) |
| Finance cost | - | (8) | (11) | (144) | - | (1) | (11) | (153) | - | - | (11) | (153) |
| Foreign exchange gain | 3,304 | 1,875 | 810 | 410 | 1,438 | 473 | 5,552 | 2,758 | (2,842) | (222) | 2,710 | 2,536 |
| Share of profit/(loss) of joint venture (net of tax) | - | - | - | - | 432 | (405) | 432 | (405) | - | - | 432 | (405) |
| Profit before income tax | | | | | | | | | | | 18,437 | 13,417 |
| Tax expense | | | | | | | | | | | (1,755) | (2,179) |
| Net profit for the year | | | | | | | | | | | 16,682 | 11,238 |
| Other segment information | | | | | | | | | | | | |
| Non-current assets | 75,166 | 79,341 | 23,594 | 30,954 | 26,063 | 28,368 | 124,823 | 138,663 | (61,355) | (64,078) | 63,468 | 74,585 |
| Unallocated assets | | | | | | | | | | | 2,464 | 1,280 |
| Total non-current assets | | | | | | | | | | | 65,932 | 75,865 |
| Capital expenditure | 828 | 1,846 | 1,689 | 2,638 | 3,690 | 10,277 | 6,207 | 14,761 | - | - | 6,207 | 14,761 |
| Interest income | 353 | 59 | 525 | 279 | 1,130 | 1,014 | 2,008 | 1,352 | (203) | - | 1,805 | 1,352 |
| Segment reporting assets | 131,943 | 121,989 | 111,942 | 129,326 | 76,017 | 81,709 | 319,902 | 333,024 | (73,549) | (72,229) | 246,353 | 260,795 |
| Unallocated assets | | | | | | | | | | | 2,534 | 1,280 |
| | | | | | | | | | | | 248,887 | 262,075 |
| Segment reporting liabilities | 9,411 | 10,121 | 40,165 | 51,012 | 9,249 | 11,768 | 58,825 | 72,901 | (11,397) | (8,352) | 47,428 | 64,549 |
| Unallocated liabilities | | | | | | | | | | | 3,715 | 2,366 |
| | | | | | | | | | | | 51,143 | 66,915 |

* Excluding the effect of share of profit/(loss) of joint venture, foreign exchange gain (net), finance cost, depreciation and net (impairment)/reversal of property, plant and equipment.

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

Singapore

Singapore segment's revenue increased by S\$2.2 million or 5.0% from S\$42.8 million in the last corresponding year to S\$45.0 million in the current year. The increase was mainly due to increase in demand for moulding business, medical and green products in this segment. Singapore segment contributed 20.2% to the Group's 2015 revenue.

Excluding the dividend income of S\$7.3 million from profitable Malaysia and China subsidiaries and interest income of S\$0.2 million from China subsidiaries, year 2015 would have recorded a segment profit of S\$9.0 million.

Segment profit increased by S\$6.3 million from S\$2.6 million in the last corresponding year to S\$9.0 million in the current year under review. This was attributed to increase in sale of better margin products, improvement in operational efficiency, better cost management and decreased in depreciation as certain property, plant and equipment were fully depreciated in current year under review and there was an impairment loss of property, plant and equipment of S\$0.7 million recorded in last corresponding year. Appreciation of USD against Singapore Dollar had also contributed to the better profitability of Singapore segments.

China

China segment recorded a significant revenue decrease of S\$28.0 million or 17.0% from S\$164.7 million in the last corresponding year to S\$136.7 million in the current year due to decrease in sales order. China segment contributed 61.4% to the Group's 2015 revenue.

Segment profit decreased by S\$2.5 million from S\$6.3 million in the last corresponding year to S\$3.8 million in the current year under review. The decrease in segment profit was due to decrease in revenue, certain China subsidiaries are yet to operate at its optimal efficiency. The decrease in profit was moderated by the decrease in depreciation as certain property, plant and equipment were fully depreciated in current year under review.

Malaysia

Malaysia segment saw a revenue decrease of S\$6.1 million or 13.0% from S\$46.9 million in the last corresponding year to S\$40.8 million in the current year due mainly to reduction in orders as well as the impact of depreciation of Malaysia Ringgit against Singapore Dollar. Malaysia segment contributed 18.4% to the Group's 2015 revenue.

Segment profit increased by S\$2.9 million or 55.2% from S\$5.2 million in year 2014 to S\$8.1 million in year 2015. The improvement in profitability of Malaysia segment despite decrease in revenue was attributed to improvement in production efficiency, better costs management by right-sizing its operations, focus on higher margin projects and reduce in low margin projects and appreciation of USD against Malaysia Ringgit. The increase in segment profit was partly contributed by the increase in foreign exchange gain by S\$1.0 million.

15. A breakdown of sales as follows:-

| Group | Year Ended 31-Dec | | Change % |
|---|--------------------------------|--------------------------------|-------------|
| | 2015 S\$'000 (unaudited) | 2014 S\$'000 (unaudited) | |
| Sales reported for the first half year | 116,541 | 122,403 | (4.8) |
| Profit after tax before deducting non-controlling interests reported for the first half year | 6,381 | 695 | NM |
| Sales reported for the second half year | 105,924 | 132,031 | (19.8) |
| Profit after tax before deducting non-controlling interests reported for the second half year | 10,301 | 10,543 | (2.3) |

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

| | 2015 S\$ | 2014 S\$ |
|---|---------------------|-------------|
| Declared and paid during the financial year: | | |
| - An interim tax exempt dividend of 0.25 cent per share paid on 16 September 2015 | 1,882,496.63 | - |
| - Second interim tax exempt dividend of 0.25 cent per share paid on 8 December 2015 | 1,882,496.60 | - |
| Total | <u>3,764,993.23</u> | |
| Proposed but not recognized as a liability as at 26 February 2016: | | |
| Dividends on ordinary shares, subject to shareholders' approval at the AGM: | | |
| - A final tax exempt dividend of 1.0 cent per share | <u>7,529,947.75</u> | - |

17. 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 (13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(13) of the listing manual of the Singapore Exchange Securities Trading, the Company confirms that there is no person occupying a managerial position in the Company or any of its subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Teo Meng Keong
Company Secretary
Singapore, 26 February 2016