

MSM International Limited (Formerly Known as Mann Seng Metal International Limited)
(Co. Regn. No: 200918800R)

FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

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

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Lance Tan, Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore, telephone (65) 6229 8088.

MSM International Limited (Formerly Known as Mann Seng Metal International Limited)
(Co. Regn. No: 200918800R)

FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL YEAR RESULTS

1(a) (i) A consolidated statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group statement of comprehensive income for FY2015 and FY2014.

	Group		
	RM'000		%
	FY2015 (Unaudited)	FY2014 (Audited)	Increase/ (Decrease)
Revenue	82,181	94,809	(13.3%)
Cost of sales	(60,606)	(67,574)	(10.3%)
Gross Profit	21,575	27,235	(20.8%)
Other income – net	2,108	2,618	(19.5%)
Expenses			
- Selling and distribution expenses	(7,292)	(7,634)	(4.5%)
- Administrative expenses	(14,150)	(13,694)	3.3%
- Finance expenses	(2,742)	(2,332)	17.5%
(Loss)/ profit before income tax	(501)	6,193	NM
Income tax expense	(680)	(764)	(11.0%)
Total comprehensive (loss)/ income	(1,181)	5,429	NM
Net (loss)/ profit attributable to:			
Equity holders of the Company	(1,239)	5,516	NM
Non-controlling interest	58	(87)	NM
	(1,181)	5,429	NM

NM: Not meaningful

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Note:

Profit before income tax is arrived at after charging / (crediting) the following:

	Group	
	RM'000	
	FY2015 (Unaudited)	FY2014 (Audited)
Allowance for impairment of trade receivables	480	90
Commission	411	334
Depreciation and amortisation of investment properties	32	59
Depreciation of property, plant and equipment	3,880	3,906
Directors' remuneration	1,609	1,398
Reversal of allowance for impairment of trade receivables	(77)	(32)
Net foreign exchange gain	(238)	(191)
Gain on disposal of property, plant and equipment	(717)	(1,237)
Impairment loss of goodwill	201	-
Interest income	(74)	(41)
Interest expense	2,742	2,332
Inventories written off	-	120
Rental expenses	771	747
Rental income	(593)	(528)
Staff costs	18,896	18,229

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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 31/12/15	As at 31/12/14	As at 31/12/15	As at 31/12/14
	RM'000 (Unaudited)	RM'000 (Audited)	RM'000 (Unaudited)	RM'000 (Audited)
ASSETS				
Current assets				
Cash and bank balances	7,574	8,947	*	*
Trade and other receivables	22,789	27,874	6,500	6,593
Inventories	27,046	29,376	-	-
Other current assets	4,894	4,180	15	15
	62,303	70,377	6,515	6,608
Non-current assets				
Property, plant and equipment	43,457	45,018	-	-
Investment properties	3,688	3,491	-	-
Investment in subsidiary corporations	-	-	19,404	19,622
Goodwill	-	201	-	-
	47,145	48,710	19,404	19,622
Total assets	109,448	119,087	25,919	26,230
LIABILITIES				
Current liabilities				
Trade and other payables	15,876	21,267	3,954	3,202
Borrowings	30,460	30,741	-	-
	46,336	52,008	3,954	3,202
Non-current liabilities				
Borrowings	20,801	23,591	-	-
Deferred income tax liabilities	227	211	-	-
	21,028	23,802	-	-
Total liabilities	67,364	75,810	3,954	3,202
NET ASSETS	42,084	43,277	21,965	23,028
EQUITY				
Capital and reserves distributable to equity holders of the Company				
Share capital	26,862	26,862	26,862	26,862
Currency translation reserves	(61)	-	-	-
Retained earnings / (accumulated losses)	15,263	16,502	(4,897)	(3,834)
	42,064	43,364	21,965	23,028
Non-controlling interests	20	(87)	-	-
Total equity	42,084	43,277	21,965	23,028

* Figures below RM1,000

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

Amount repayable in one year or less, or on demand

	Group	
	RM'000	
	As at 31/12/15 (Unaudited)	As at 31/12/14 (Audited)
Bank overdrafts	8,561	9,609
Bank borrowings	2,271	3,869
Bills payables	16,931	13,648
Finance lease liabilities	2,697	3,615
	30,460	30,741

Amount repayable after one year

	Group	
	RM'000	
	As at 31/12/15 (Unaudited)	As at 31/12/14 (Audited)
Bank borrowings		
- due within two to five years	5,946	6,843
- due after five years	8,973	9,744
Finance lease liabilities		
- due within two to five years	5,662	6,762
- due after five years	220	242
	20,801	23,591

Details of collaterals

All of the above bank borrowings are fully secured. The bank overdrafts, bank borrowings, bills payables and finance lease liabilities are secured on:

- (i) Legal mortgages over the Group's freehold and leasehold land and buildings. As at 31 December 2015, the Group's freehold and leasehold land and buildings with carrying amounts of approximately RM24.7 million were mortgaged for bank borrowings. As at 31 December 2014, the Group's investment properties with carrying amounts of approximately RM3.7 million were mortgaged for bank borrowings;
- (ii) Charged over short-term bank deposits; and
- (iii) Joint and personal guarantee of certain directors and controlling shareholders.

In the case of finance leases in respect of plant and machinery, motor vehicles and computer equipment, the terms of these leases typically provide for the repossession by the finance company of these plant, machinery, motor vehicle and equipment upon a default by the lessee.

FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

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

	Group	
	RM'000	
	FY2015 (Unaudited)	FY2014 (Audited)
Cash flows from operating activities		
(Loss) / profit for the year	(1,181)	5,429
Adjustments for:		
Tax expense	680	764
Depreciation for property, plant and equipment	3,880	3,906
Depreciation and amortisation of investment properties	32	59
Gain on sale of property, plant and equipment	(717)	(1,237)
Impairment loss of goodwill	201	-
Interest income	(74)	(41)
Interest expense	2,742	2,332
Unrealised currency translation gain	(71)	-
Changes in working capital:	5,492	11,212
- Trade and other receivables	2,251	(6,122)
- Inventories	2,090	(2,732)
- Other current assets	(714)	(1,167)
- Trade and other payables	(5,194)	3,674
- Bills payables	3,283	2,698
Cash generated from operations	7,208	7,563
Interest paid	(697)	(464)
Interest received	74	41
Tax credit / (paid)	2,170	(2,107)
Net cash generated from operating activities	8,755	5,033
Cash flow from investing activities		
Additions to property, plant and equipment	(330)	(1,097)
Addition to investment properties	(229)	(211)
Proceeds from sale of property, plant and equipment	905	2,245
Net cash generated from investing activities	346	937

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	Group	
	RM'000	
	FY2015 (Unaudited)	FY2014 (Audited)
Cash flow from financing activities		
Proceeds from issuance of subsidiary's shares to non-controlling interest	49	-
Decrease/ (increase) in short-term bank deposits pledged	441	(341)
Proceeds from bank borrowings	263	1,000
Repayment of bank borrowings	(3,529)	(1,474)
Repayment of finance lease liabilities	(4,164)	(3,948)
Interest paid	(2,045)	(1,868)
Net cash used in financing activities	(8,985)	(6,631)
Net increase/ (decrease) in cash and cash equivalents	116	(661)
Cash and cash equivalents		
Beginning of financial year	(2,370)	(1,709)
End of financial year	(2,254)	(2,370)

Note:

For the purpose of presenting the consolidated statements of cash flows, the cash and cash equivalents comprise the following:

	Group	
	RM'000	
	FY2015 (Unaudited)	FY2014 (Audited)
Cash and bank balances	7,574	8,947
Less:		
Short-term bank deposits pledged	(1,267)	(1,708)
Bank overdrafts	(8,561)	(9,609)
Cash and cash equivalents at end of financial year per Statements of Cash Flows	(2,254)	(2,370)

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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	Translation reserve	Retained earnings	Total	Non-controlling Interest	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2015	26,862	-	16,502	43,364	(87)	43,277
Total comprehensive loss for the financial year	-	-	(1,239)	(1,239)	58	(1,181)
Issue of subsidiary's shares to non-controlling interests	-	-	-	-	49	49
Foreign currency translation differences	-	(61)	-	(61)	-	(61)
Balance as at 31 December 2015	26,862	(61)	15,263	42,064	20	42,084
Balance as at 1 January 2014	26,862	-	10,986	37,848	-	37,848
Total comprehensive income for the financial year	-	-	5,516	5,516	(87)	5,429
Balance as at 31 December 2014	26,862	-	16,502	43,364	(87)	43,277

Company	Share capital	Translation reserve	Accumulated losses	Total	Non-controlling Interest	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2015	26,862	-	(3,834)	23,028	-	23,028
Total comprehensive income for the financial year	-	-	(1,063)	(1,063)	-	(1,063)
Balance as at 31 December 2015	26,862	-	(4,897)	21,965	-	21,965
Balance as at 1 January 2014	26,862	-	(3,085)	23,777	-	23,777
Total comprehensive income for the financial year	-	-	(749)	(749)	-	(749)
Balance as at 31 December 2014	26,862	-	(3,834)	23,028	-	23,028

Save for the foregoing, there are no other (i) changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders.

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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 FY2015.

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 are no outstanding convertibles or treasury shares.

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.

	As at 31 December 2015	As at 31 December 2014
Total number of issued shares (excluding treasury shares)	90,000,000	90,000,000

The Company has no treasury shares or convertibles outstanding as at 31 December 2015 and 31 December 2014.

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 nor reviewed by the Company's auditors

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

Not applicable.

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

Save as disclosed in Note 5 below, the Group had consistently applied the same accounting policies and methods of computation in the Group's financial statements for the current financial period as those applied for the most recently audited financial statements for the financial year ended 31 December 2014.

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.

In the current financial period, the Group adopted the new/revised Financial Reporting Standards. In the current financial period, the Group adopted the new/revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 January 2015.

- FRS 27 (Revised 2011) – Separate Financial Statements
- FRS 28 (Revised 2011) – Investment in Associates and Joint Ventures
- Amendments to FRS 32 – Financial Instruments: Offsetting of Financial Liabilities and Assets
- Amendments to FRS 36 – Recoverable Amount Disclosures for Non- Financial Assets
- Amendments to FRS 39 – Novation of Derivatives and Continuation of Hedge Accounting
- FRS 110 – Consolidated Financial Statements
- FRS 111 – Joint Arrangements
- FRS 112 – Disclosure of Interests in Other Entities
- Amendments to FRS 110, FRS 111, FRS 112, FRS 27 (2011) and FRS 28 (2011) – Mandatory Effective Date
- Amendments to FRS 110, FRS 111 and FRS 112 – Transition Guidance
- Amendments to FRS 110, FRS 112 and FRS 27 – Investment Entities

The adoption of the above FRS and INT FRS did not result in any material change to the Group's accounting policies nor had any significant impact on the financial statements.

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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	
	FY2015	FY2014
(Loss)/ earnings attributable to equity holders of the Company, after deducting any provision for preference dividends (RM'000)	(1,239)	5,516
Weighted average number of shares used in computation of basic (loss)/ earning per share	90,000,000	90,000,000
Basic (loss)/ earning per share attributable to equity holders of the Company (Malaysian sen)	(1.38)	6.13
Diluted (loss)/ earning per share attributable to equity holders of the Company (Malaysian sen)	(1.38)	6.13

Basic (loss)/ earning per share is computed by dividing the earnings attributable to the equity holders of the Company in each financial period by the weighted average number of ordinary shares outstanding at the end of the respective financial year.

Fully diluted (loss)/ earning per share is the same as the basic (loss)/ earning per share as the Company does not have any outstanding instruments convertible into, rights to subscribe for and options in respect of its ordinary shares during the respective financial year.

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

	Group		Company	
	As at		As at	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
NAV per ordinary share (Malaysian sen)	46.76	48.08	24.41	25.59
Number of shares used in computation of NAV per share	90,000,000	90,000,000	90,000,000	90,000,000

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.**

Commentary on Financial Results

Revenue

Revenue decreased by approximately RM12.6 million or 13.3% from approximately RM94.8 million in FY2014 to RM82.2 million in FY2015. This was mainly due to decrease in oil and gas segment and OEM contract manufacturing segment amounting to RM12.0 million and RM2.3 million respectively offset by the increase in cleanroom and laboratories and kitchen appliances, equipment and related services segments amounting to RM0.3 million and RM1.4 million respectively. The decrease in revenue for the OEM contract manufacturing segment oil and gas segments was mainly due to decrease in demand by customers.

Cost of sales and gross profit

Cost of sales decreased by approximately RM7.0 million or 10.3% from approximately RM67.6 million in FY2014 to approximately RM60.6 million in FY2015 corresponding with the decrease in revenue. The gross profit margin decreased by 2.5% compared to FY2014 mainly due to increase in sub-contract cost and increase in depreciation of property, plant and equipment.

Other income

Other income decreased by approximately RM0.5 million or 19.5% in FY2015 from approximately RM2.6 million in FY2014 to approximately RM2.1 million in FY2015. This was mainly due to lower gain on disposal of property, plant and equipment in FY2015 of approximately RM0.5 million.

Selling and distribution expenses

Selling and distribution expenses decreased by approximately RM0.3 million or 4.5% from approximately RM7.6 million in FY2014 to approximately RM7.3 million in FY2015. This was mainly due to the decrease in transportation expenses of approximately RM0.7 million as a result of reduction in export sales for oil and gas customers.

Administrative expenses

Administrative expenses increased by approximately RM0.5 million or 3.3% from approximately RM13.7 million in FY2014 to approximately RM14.2 million in FY2015. This was mainly due to the increase in staff cost of approximately RM0.6 million arising from annual salaries adjustment and promotions.

Finance expenses

Finance expenses increased by approximately RM0.4 million or 17.5% from approximately RM2.3 million in FY2014 to approximately RM2.7 million in FY2015. This was mainly due to the increase in bank overdraft and bills payable interest payments by RM0.3 million arising from higher utilisation of these facilities for payment to suppliers and working capital purposes.

Income tax expense

Income tax expense decreased by approximately RM0.1 million or 11.0% from approximately RM0.8 million in FY2014 to approximately RM0.7 million in FY2015. The decrease in income tax expense was due to the decrease in profit before income tax. The Group's effective tax rate is higher than the corporate tax rate of 25% as the Group was unable to effectively utilise the losses of certain subsidiaries to offset the tax liabilities.

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Commentary on Financial Position

Assets

Cash and bank balances decreased by approximately RM1.3 million from approximately RM8.9 million as at 31 December 2014 to approximately RM7.6 million as at 31 December 2015. The decrease in cash and bank balances was mainly due to net cash used for working capital purposes.

Trade and other receivables decreased by approximately RM5.1 million from RM27.9 million as at 31 December 2014 to approximately RM22.8 million as at 31 December 2015. Below is the breakdown of the trade and other receivables.

	Group RM'000	
	31 December 2015 (Unaudited)	31 December 2014 (Audited)
Trade receivables	21,363	24,337
Other receivables	1,222	499
Tax recoverable	204	3,038
	22,789	27,874

Trade receivables decreased by approximately RM2.9 million from RM24.3 million as at 31 December 2014 to approximately RM21.4 million as at 31 December 2015 in line with the decrease in revenue.

Inventories decreased by approximately RM2.4 million from approximately RM29.4 million as at 31 December 2014 to approximately RM27.0 million as at 31 December 2015 due to decrease in stock holding to serve the reduced demand of the customer from oil and gas and OEM contract manufacturing segments.

Other current assets increased by approximately RM0.7 million from approximately RM4.2 million as at 31 December 2014 to RM4.9 million as at 31 December 2015. The increase was mainly due to prepayment for the purchase of goods from oversea supplier and prepayment for exhibitions which amounted to approximately RM0.6 million and RM0.1 million respectively.

Property, plant and equipment decreased by approximately RM1.5 million from approximately RM45.0 million as at 31 December 2014 to approximately RM43.5 million as at 31 December 2015, mainly due to the purchase of property, plant and equipment of approximately RM2.2 million offset by the depreciation of property, plant and equipment of approximately RM3.9 million and disposal of property, plant and equipment of approximately RM0.2 million.

Liabilities

Trade and other payables decreased by approximately RM5.4 million from approximately RM21.3 million as at 31 December 2014 to approximately RM15.9 million as at 31 December 2015. This was mainly due to decrease in trade purchases of approximately RM14.2 million, in line with the decrease in revenue.

Total borrowings decreased by approximately RM3.0 million from approximately RM54.3 million as at 31 December 2014 to approximately RM51.3 million as at 31 December 2015. This was mainly due to net repayment of bank overdraft, bank loans and finance lease liabilities which amounted to approximately RM6.3 million respectively offset by the increase in utilisation of bills payables of approximately RM3.3 million.

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Commentary on Financial Cash Flow

The Group's cash and cash equivalents improved by approximately RM0.1 million for FY2015.

The Group generated a net cash inflow from operating activities of approximately RM8.8 million. This was derived from operating profit before working capital changes of approximately RM5.5 million, adjusted by net working capital inflow of approximately RM1.7 million, net interest paid of approximately RM0.7 million and income tax refunded of approximately RM2.2 million. The net working capital inflow was mainly due to:

- (a) Decrease in trade and other receivables of approximately RM2.2 million due to decrease in sales.
- (b) Decrease in inventories of approximately RM2.1 million due to reduce in stock holding.
- (c) Increase in utilisation of bills payable of approximately RM3.3 million for the payment to suppliers for purchase of materials.

Partially off-set by:

- (d) Increase in other current assets of approximately RM0.7 million mainly due to deposit paid for purchase of goods from oversea supplier.
- (e) Decrease in trade and other payables of approximately RM5.2 million corresponding to the decrease in purchases.

Net cash generated from investing activities amounting to approximately RM0.3 million mainly due to proceeds from sale of property, plant and equipment of approximately RM0.9 million offset by the purchase of property, plant and equipment of approximately RM0.6 million.

Net cash used in financing activities amounting to approximately RM9.0 million mainly due to net repayment of term loans and finance lease liabilities as well as interest payment.

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

Not applicable. No forecast or prospect statement has been previously disclosed to the 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.

Out of the four segments, kitchen appliances, equipment and related services and cleanroom and laboratories segments remained well in FY2015 despite the current challenging economic conditions. OEM contract manufacturing segment performed moderately whereas demand in oil and gas segment fell significantly due to global reduction in oil price. The Board of Directors believe that the outlook continues to be challenging for the next 12 months. The Group will continue to explore strategic opportunities for the expansion of its sales and marketing reach locally and abroad, new product developments for all four segments and viable investments and acquisitions to enhance the Group's revenue stream.

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11. Dividend

(a) Current financial period reported on

Any dividend declared for the current financial period reported on?

No

(b) Corresponding period of the immediately preceding financial year

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

No

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

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

No dividend has been declared / recommended for the financial year ended 31 December 2015.

13. Interested person transaction voluntary disclosure

The Group does not have a general mandate from shareholders for interested person transactions. By way of disclosure, the Company wishes to inform that there have been transactions with Welch (M) Sdn Bhd, Globalink Metal Sdn Bhd, Eminent Food Industries Sdn Bhd, Chan Strategy Sdn Bhd, Mr Chan Kee Sieng, and Mr Chan Kit Moi during FY2015.

Mr Chan Kee Sieng (Controlling Shareholder and Executive Chairman), Mr Chan Kit Moi (Controlling Shareholder and Executive Director), and Mr Chan Wen Chau (Executive Director and Chief Executive Officer) are each regarded as an "interested person" under the provisions of Chapter 9 of the SGX-ST Listing Manual Section B: Catalyst Rules (the "Catalist Rules")

Welch (M) Sdn Bhd is regarded as an "interested person" under the provisions of Chapter 9 of the Catalyst Rules because it is associated to Mr Chan Kee Sieng and Mr Chan Wen Chau.

Globalink Metal Sdn Bhd is regarded as an "interested person" under the Catalyst Rules because it is associated to Mr Chan Kee Sieng, Mr Chan Kit Moi and Mr Chan Wen Chau.

Globalink Metal Stamping Sdn Bhd is regarded as an "interested person" under the Catalyst Rules because it is associated to Mr Chan Kee Sieng, Mr Chan Kit Moi and Mr Chan Wen Chau.

Eminent Food Industries Sdn Bhd is regarded as an "interested person" under Catalyst Rules because it is associated to Mr Chan Kee Sieng, Mr Chan Kit Moi.

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Chan Strategy Sdn Bhd is regarded as an “interested person” under the Catalist Rules because it is associated to Mr Chan Kee Sieng and Mr Chan Kit Moi.

None of these transactions (i) (individually) were of a value that exceeded S\$100,000; and (ii) may be regarded as a part of a series of transactions. Set out below is information concerning these transactions in FY2015.

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (including transactions less than S\$100,000 and excluding transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (including transactions less than S\$100,000)
	RM'000	RM'000
Sales of goods to:		
Eminent Food Industries Sdn Bhd	1	-
Globalink Metal Sdn Bhd	6	-
Glabalink Metal Stamping Sdn Bhd	16	-
Welch (M) Sdn Bhd	444	-
Purchase of material from:		
Globalink Metal Sdn Bhd	86	-
Service charges charged to:		
Eminent Food Industries Sdn Bhd	22	-
Rental expenses paid to:		
Mr Chan Kee Sieng and Mr Chan Kit Moi in respect of the premises No. 3 Taman Kencana, Selangor, Malaysia.	83	-
Chan Strategy Sdn Bhd in respect of the premises No. 11, Taman Taming Jaya, Selangor, Malaysia.	14	-
Subcontract charges from:		
Globalink Metal Sdn Bhd	2	
Glabalink Metal Stamping Sdn Bhd	1	

FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

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.

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions.

The Board of Directors comprises three independent directors and three non-independent directors. The Board of Directors considers the business from both a geographic and business segment perspective. Geographically, management manages and monitors the business in the four primary geographic areas: Malaysia, United States of America, Singapore and Indonesia. All geographic locations are engaged in the OEM contract manufacturing, oil and gas, cleanroom and laboratories and kitchen appliances, equipment and related services.

The information for the reportable segments is as follows:

For the financial year ended 31 December 2015

	OEM contract manufacturing RM'000	Oil & Gas RM'000	Cleanroom & laboratories RM'000	Kitchen appliances, equipment and related services RM'000	Total RM'000
Revenue					
- Sales to external parties	23,866	10,382	10,262	37,671	82,181
Adjusted EBITDA	822	1,986	1,207	2,265	6,280
Depreciation of property, plant and equipment	2,053	954	99	774	3,880
Goodwill impairment	201	-	-	-	201
Finance expense	1,496	864	44	338	2,742

For the financial year ended 31 December 2014

	OEM contract manufacturing RM'000	Oil & Gas RM'000	Cleanroom & laboratories RM'000	Kitchen appliances, equipment and related services RM'000	Total RM'000
Revenue					
- Sales to external parties	26,179	22,393	9,927	36,310	94,809
Adjusted EBITDA	4,771	4,307	1,279	2,092	12,449
Depreciation of property, plant and equipment	2,047	854	51	954	3,906
Finance expense	1,182	848	10	292	2,332

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There are no inter-business segment sales. The revenue from external parties reported to the Board of Directors is measured in a manner consistent with that in the consolidated statement of comprehensive income.

The Board of Directors assesses the performance of the operating segments based on measure of Earnings before interest, tax, depreciation and amortisation (“adjusted EBITDA”). Interest income and finance expenses are not allocated to segments, as this type of activity is driven by the Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), which manages the cash position of the Group.

A reconciliation of adjusted EBITDA to profit before tax is provided as follows:

	Group	
	FY2015 RM'000	FY2014 RM'000
Adjusted EBITDA for reportable segments	6,280	12,449
Depreciation of property, plant and equipment	(3,880)	(3,906)
Depreciation and amortisation of investment properties	(32)	(59)
Impairment loss of goodwill	(201)	-
Finance expense	(2,742)	(2,332)
Interest income	74	41
(Loss)/ profit before income tax	(501)	6,193

BREAKDOWN OF GROUP REVENUE BY PRODUCT SEGMENTS

Revenue

Revenue from external customers are derived mainly from the sale of OEM contract manufacturing, oil & gas, cleanroom and securities and kitchen appliances, equipment and related services. Breakdown of revenue is as follows:

	FY2015		FY2014	
	RM'000	%	RM'000	%
OEM contract manufacturing	23,866	29.1	26,179	27.6
Oil & gas	10,382	12.6	22,393	23.6
Cleanroom and laboratories	10,262	12.5	9,927	10.5
Kitchen appliances, equipment and related services	37,671	45.8	36,310	38.3
Total	82,181	100.0	94,809	100.0

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BREAKDOWN OF GROUP REVENUE BY GEOGRAPHICAL REGIONS

	FY2015		FY2014	
	RM'000	%	RM'000	%
Malaysia	76,161	92.7	84,527	89.2
United States of America	2,277	2.8	7,935	8.4
Singapore	1,000	1.2	16	0.0
Indonesia	492	0.6	1,718	1.8
Others	2,251	2.7	613	0.6
Total	82,181	100.0	94,809	100.00

The Group's four business segments are headquartered and operated mainly in Malaysia. The operations in this area are principally in the manufacturing and sales of OEM contract manufacturing products, oil & gas, cleanroom and laboratories and kitchen appliances, equipment and related services.

In United States of America, the operations consist sale of oil and gas product only.

In Singapore and Indonesia, the major operations is kitchen appliances, equipment and related services whereas OEM contract manufacturing products is minor operation only.

In other countries, the operations include the sale of OEM contract manufacturing products in New Zealand, Germany and France, the sale of kitchen appliances and equipment in Vietnam, India, Thailand and Cambodia, and the sale of cleanroom and laboratories in Philippines.

Revenues of approximately RM10.3 million and RM22.2 million in FY2015 and FY2014 respectively are derived from a single external customer attributable to the oil and gas products.

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.

Please refer to the section on "Review of Results of Operations" paragraph 8 of this announcement for details.

FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

16. A breakdown of sales.

	FY2015	FY2014	Change
	RM'000	RM'000	%
(a) Sales reported for first six months to 30 June	39,781	48,108	(17.3)
(b) Net profit after tax before deducting minority interests for first six months to 30 June	1,135	1,648	(31.1)
(c) Sales reported for the period from 1 July to 31 December (six months)	42,400	46,701	(9.2)
(d) Net (loss)/profit after tax before deducting minority interests for the period from 1 July to 31 December (six months)	(2,316)	3,781	NM
Total sales for the year	82,181	94,809	(13.3)
Total net (loss)/ profit for the year	(1,181)	5,429	NM

NM: Not meaningful

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

	FY2015	FY2014
	(RM'000)	(RM'000)
Ordinary	-	-

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is relative of a director or chief executive officer or substantial shareholder of the issuer

Pursuant to Rule 704(10) of the Listing Manual of Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, MSM International Limited (formerly known as Mann Seng Metal International Limited) ("the Company") wishes to provide the following information on persons occupying managerial positions in the Company or any of its principal subsidiaries who are related to a Director, Chief Executive Officer or Substantial Shareholder of the Company:

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FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

Name	Age	Family Relationship with any Director, Chief Executive Officer and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Chan Kee Sieng	63	Brother of Chan Kit Moi (Director and controlling shareholder) Father of Chan Wen Chau (Chief Executive Officer)	Executive Chairman (since 30 October 2009) Duties: Charting the business direction, corporate planning and strategic developments of the Group.	N.A.
Chan Kit Moi	62	Brother of Chan Kee Sieng,(Executive Chairman and controlling shareholder) Uncle of Chan Wen Chau (Chief Executive Officer)	Executive Director (since 30 October 2009) Duties: Responsible for corporate planning and strategic development of the Group.	N.A.
Chan Wen Chau	41	Son of Chan Kee Sieng (Executive Chairman and Controlling Shareholder) Nephew of Chan Kit Moi (Director and controlling shareholder)	Executive Director and Chief Executive Officer (since 8 October 2009) Duties: In charge of overall business and strategic development, corporate planning, operations and management of the Group.	N.A.
Chan Wen Yee	32	Son of Chan Kit Moi (Director and substantial shareholder) Nephew of Chan Kee Sieng (Executive Chairman and controlling shareholder) Cousin of Chan Wen Chau (Chief Executive Officer)	General Manager (since 1st May 2010) Duties: Responsible for sales, marketing and business development for Toyomi (M) Sdn Bhd.	N.A.

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Chan Siew Ling	31	Daughter of Chan Kit Moi (Director and controlling shareholder) Niece of Chan Kee Sieng (Executive Chairman and controlling shareholder) Cousin of Chan Wen Chau (Chief Executive Officer)	Assistant Operations Manager (since 15 June 2009) Duties: Assist in managing Group's financial and administration matters.	N.A.
Lim Mee Kee	38	Sister in law of Chan Wen Chau (Chief Executive Officer)	Project & Industrial Division Manager (since 1st July 2010) Duties: Responsible for sales, marketing and business development for the Group.	N.A.

BY ORDER OF THE BOARD

Chan Kee Sieng
Chairman
25 February 2016