耀傑集团

Regal International Group

Unaudited Financial Statements and Related Announcement for the Full Year Ended 31 Dec 2014

27 February 2015, Singapore – Regal International Group Ltd. (formerly known as HISAKA Holdings Ltd.) (the "Company" and together with its subsidiaries, the "Group") would have presented its shareholders with a net operating profit after tax of RM21.2 million, should the one-off Reverse Takeover ("RTO") expenses and impairment of goodwill of the precision business be excluded.

Despite challenges envisaged in FY2015, the Group remains positive and determined to create sustainable revenue streams for its shareholders for the coming year.

Unaudited Financial Statements and Related Announcement for the Full Year Ended 31 Dec 2014

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

Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings ascribed to them in the Company's circular to Shareholders dated 24 September 2014 (the "Circular").

On 24 September 2014, the Company had obtained shareholders' approval on resolutions relating to the Proposed Acquisition. On 29 October 2014, the Company announced that the Proposed Acquisition has been completed.

Upon the completion of the Reverse Takeover ("RTO"), the enlarged group comprised of the property business arm ("Regal Group") and the precision business arm ("Hisaka Group") (collectively, the "Enlarged Group").

BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

At Group Level

The Acquisition has been accounted as a RTO in accordance with FRS 103 Business Combinations and the legal subsidiary, Regal International Holdings Pte. Ltd., is regarded as the acquirer and the Company, previously known as HISAKA Holdings Ltd ("HISAKA") before completion on 29 October 2014, as the acquiree, for accounting purposes. As such, the consolidated financial statements have been prepared and presented as a continuation of Regal International Holdings Pte.Ltd. and its subsidiaries ("Regal Group" or "Group").

The above accounting treatment is only applied to the consolidated financial statements of the Group. At the Company level, the investment in Regal International Holdings Pte. Ltd. is accounted for as an investment in a subsidiary.

Accordingly, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity and consolidated statement of cash flows for the twelve months period ended 31 December 2014 have been presented as a continuation of the Regal Group's financial results and operations.

Since such consolidated financial statements represent a continuation of the Regal Group:

(a) the assets and liabilities of the Regal Group are recognised and measured in the consolidated statement of financial position at their pre-combination carrying amounts;
(b) the assets and liabilitiesof HISAKA, the acquiree, are recognised and measured in accordance with FRS103;
(c) the retained earnings and other equity balances recognised in the consolidated financial statements are the retained earnings and other equity balances of the Regal Group immediately before the business combination;
(d) the amount recognised as issued equity interest in the consolidated financial statements is determined by adding to the issued equity of Regal Group immediately before the business combination the fair value of HISAKA. However, the equity structure appearing in the consolidated financial statements (i.e. the number and type of equity instruments issued) shall reflect the equity structure of the legal parent (i.e. the Company), including the equity instruments issued by the legal parent (i.e. the Company) to effect the combination; and
(e) the comparative figures presented in these consolidated financial statements are that of consolidated financial statements of the Regal Group.

Consolidated financial statements prepared following a reverse acquisition shall reflect the fair values of the assets, liabilities and contingent liabilities of the legal parent (i.e. the acquiree for accounting purposes). Therefore, the cost of the business combination for the acquisition is allocated to the identifiable assets, liabilities and contingent liabilities of the legal parent that satisfy the recognition criteria at their fair values at 29 October 2014.

At Company Level

Reverse acquisition accounting applies only to the consolidated financial statements at the Group level. Therefore, in the Company's separate financial statements, the investment in the legal subsidiaries ("Regal Group") is accounted for at cost less accumulated impairment losses, if any.

Notes:

- The Group's consolidated statement of comprehensive income, consolidated statement of cashflows and consolidated statement of changes in equity for the financial year ended 31 December 2014 refer to the Enlarged Group which included the results of Regal Group from 1 January 2014 to 31 December 2014 and the results of the Hisaka Group for the period from 30 October 2014 to 31 December 2014.
- The Group's consolidated statement of comprehensive income, consolidated statement of cashflows and consolidated statement of changes in equity for the financial year ended 31 December 2013 refer to the results of Regal Group from 1 January 2013 to 31 December 2013.
- The Group's consolidated statement of financial position as at 31 December 2014 refers to the Enlarged Group which consists of the assets and liabilities of the Regal Group and the Hisaka Group as at 31 December 2014.
- The Group's consolidated statement of financial position as at 31 December 2013 refers to the consolidated statement of financial position of the Regal Group.
- The Company's statement of financial position as at 31 December 2014 and the statement of changes in equity for the financial year ended 31 December 2014 refer to that of Regal International Group Limited.

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

Statement of Comprehensive Income	**Group**		
	FY2014 RM'000	**FY2013 RM'000**	**Change %**
Revenue	95,139	125,733	-24.3%
Cost of Sales	(63,094)	(85,927)	-26.6%
Gross Profit	32,045	39,806	-19.5%
Other Items of Income			
Interest Income	29	18	61.1%
Other Credits	2,847	1,408	102.2%
Other Items of Expense			
Marketing and Distribution Costs	(1,093)	-	N.M.
Administrative Expenses	(18,464)	(8,905)	107.3%
Other Charges	(6,298)	(315)	1899.4%
Finance Costs	(785)	(796)	-1.4%
Reverse Takeover Related Expenses	(30,061)	-	N.M.
Share of (Loss) Profit from Equity-Accounted Associates	8,876	(428)	N.M.
(Loss) Profit Before Tax	(12,904)	30,788	-141.9%
Income Tax Expense	(4,965)	(8,450)	-41.2%
(Loss) Profit, Net of Tax	(17,869)	22,338	-180.0%
Other Comprehensive Income (Loss)			
Exchange Differences on Translating Foreign Operations, Net of Tax	1,865	-	N.M.
Total Comprehensive (Loss) Income for the Year	**(16,004)**	**22,338**	-171.6%
(Loss)Profit Attributable to Equity Holders of Parent, Net of Tax	(17,865)	22,339	N.M.
(Loss) Profit Attributable to Non-Controlling Interest, Net of Tax	(4)	(1)	300.0%
(Loss)Profit, Net of Tax	**(17,869)**	**22,338**	N.M.
Total Comprehensive (Loss) Income Attributable to Equity Holders of the Parent	(16,000)	22,339	-171.6%
Total Comprehensive Loss Attributable to Non-Controlling Interests	(4)	(1)	300.0%
Total Comprehensive (Loss) Income for the Year	**(16,004)**	**22,338**	N.M.

Breakdown of Other Charges	**FY2014 RM'000**	**FY2013 RM'000**	**% Change**
Impairment of goodwill	(4,000)	–	N.M.
Allowance for impairment of :			
- Trade receivables	(1,000)	(36)	2677.8%
- Other receivables	(460)	(147)	212.9%
Allowance for impairment of inventories	(713)	–	N.M.
Loss on disposal of plant and equipment	–	(92)	N.M.
Plant and equipment written off	(122)	–	N.M.
Allowance for impairment on investment in associates	–	(25)	N.M.
Preliminary expenses written off	(3)	(15)	-80.0%
	(6,298)	(315)	1899.4%

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

Loss (Profit) before tax is stated after (charging)/crediting:

	Group		
	FY2014 RM'000	FY2013 RM'000	Change %
Depreciation of property, plant and equipment	(1,592)	(711)	123.9%
Interest income	29	18	61.1%
Interest expense	(785)	(796)	-1.4%
Allowance for impairment on inventories	(713)	-	N.M.
Gain on disposal of investment in associates	-	3	N.M.
Allowance for impairment of other receivables	(460)	(147)	212.9%
Allowance for impairment of trade receivables	(1,000)	(36)	2677.8%
Foreign exchange adjustment net gain	117	-	N.M.
Gain on disposal of property, plant and equipment	-	22	N.M.
Impairment on goodwill	(4,000)	-	N.M.
Reversal/(Allowance) for impairment in investment in associates	64	(25)	N.M.
Gain on disposal of invesment in subsidiary	-	1,221	N.M.
Plant and equipment written off	(122)	-	N.M.

N.M. = Not Meaningful

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

Statements of Financial Position	Group		Company	
	As at 31.12.2014	As at 31.12.2013	As at 31.12.2014	As at 30.09.2013
ASSETS	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Non-Current Assets				
Property, Plant and Equipment	16,567	2,789	-	-
Intangible Asset	39,330	2	-	-
Investment in Subsidiaries	-	-	343,671	17,278
Other Assets, Non-Current	9,387	5,374	-	-
Investment in Associates	13,190	1,036	4,967	4,209
Deferred Tax Assets	1,065	10	-	-
Total Non-Current Assets	**79,539**	**9,211**	**348,638**	**21,487**
Current Assets				
Development Properties	50,068	19,499	-	-
Inventories	30,299	18,957	-	-
Trade and Other Receivables	73,270	52,811	6,971	9,696
Other Assets, Current	9,709	6,228	24	64
Cash and Cash Equivalents	27,696	1,326	7,710	52,018
Total Current Assets	**191,042**	**98,821**	**14,705**	**61,778**
Total Assets	**270,581**	**108,032**	**363,343**	**83,265**
EQUITY AND LIABILITIES				
Equity				
Share Capital	133,052	25	369,552	69,524
Retained Earnings	5,521	23,386	(15,857)	12,123
Other Reserves, total	5,043	6,078	(88)	-
Equity, Attributable to Equity Holders of Parent, Total	**143,616**	**29,489**	**353,607**	**81,647**
Non-Controlling Interests	134	39	-	-
Total Equity	**143,750**	**29,528**	**353,607**	**81,647**
Non-Current Liabilities				
Deferred Tax Liabilities	1,392	27	-	54
Other Financial Liabilities, Non-Current	13,654	2,008	-	-
Total Non-Current Liabilities	**15,046**	**2,035**	**-**	**54**
Current Liabilities				
Income Tax Payable	15,431	8,477	86	-
Trade and Other Payables	54,972	46,415	9,650	1,564
Other Liabilities	2,392	6,500	-	-
Other Financial Liabilities, Current	16,456	2,207	-	-
Progress Billings Received and Receivables	22,534	12,870	-	-
Total Current Liabilities	**111,785**	**76,469**	**9,736**	**1,564**
Total Liabilities	**126,831**	**78,504**	**9,736**	**1,618**
Total Equity and Liabilities	**270,581**	**108,032**	**363,343**	**83,265**

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year.

BORROWING AND DEBT SECURITIES	Group	
	As at 31 Dec 2014 RM'000	As at 31 Dec 2013 RM'000
Amount repayable in one year or less, or on demand		
- secured	16,456	2,207
- unsecured	-	-
	16,456	**2,207**
Amount repayable after one year		
- secured	13,654	2,008
- unsecured	-	-
	13,654	**2,008**

Details of any collateral

The banking facilities of the Enlarged Group comprisedof bank overdraft, term loans, finance leases and trade lines.

The bank overdrafts are covered by:

(i) Pledge of certainsubsidiaries' fixed deposits with licensed banks; and/or
(ii) Joint and several guarantees of certain directors of the Company.

The term loans are covered by:
(i) Upfront fixed deposit of RM260,000 and interest to be capitalised;
(ii) Joint and several guarantee by certain directors of the Company;
(iii) Joint and several guarantee by ex-director of one of the subsidiaries of the Company;
(iv) Corporate guarantees provided by certain subsidiaries of the Company;
(v) First party charge and first/second legal chargeson some of the subsidiaries projects land and building; and/or
(vi) Corporate guarantees provided by the Company.

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

Consolidated Statement of Cash Flows	FY2014 RM'000	FY2013 RM'000
Cash Flows From Operating Activities		
(Loss) Profit Before Tax	(12,904)	30,788
Adjustments for:		
Depreciation of Property, Plant and Equipment	1,592	847
Interest Expense	785	796
Interest Income	(29)	(18)
Gain on Disposal of Investment in Subsidiaries	–	(1,221)
Gain on Disposal of Investment in Associates	–	(3)
Plant and Equipment Written Off	122	–
Gain on Disposal of Plant and Equipment	–	(22)
Provision for Impairment in Value of Shares in Associates	–	25
Impairment of Goodwill	4,000	–
Goodwill Written Off	2	–
RTO Expenses - Arranger Shares	24,799	–
Share of (Profit)Loss of Associates	(8,876)	428
Net Effect of Exchange Rate Changes in Consolidating Foreign Operations	1,642	–
Operating Cash Flows before Changes in Working Capital	**11,133**	**31,620**
Inventories	4,670	(17,251)
Trade and Other Receivables	7,302	46,396
Other Assets, Current	(2,741)	(6,227)
Development Properties	(30,568)	22,740
Progress Billings Received and Receivables	9,664	(30,618)
Trade and Other Payables	(3,578)	(13,600)
Other Liabilities	(4,108)	(24,059)
Net Cash Flows (Used In) From Operations Before Tax	**(8,226)**	**9,001**
Income Tax Refund (Paid)	19	(585)
Net Cash Flows (Used In) From Operating Activities	**(8,207)**	**8,416**
Cash Flows From Investing Activities		
Purchase of Property, Plant and Equipment	(1,360)	(1,084)
Disposal of Property, Plant and Equipment	–	914
Other Assets, Non-Current	(4,172)	(5,003)
Additional NCI on increase in share of a subsidiary company	99	–
Increase in Investment in Associates	–	(75)
Disposal of Subsidiary, Net of Cash Disposed	–	(105)
Completion of RTO, Net of Cash Acquired	26,275	–
Interest Received	29	18
Net Cash Flows From (Used in) Investing Activities	**20,871**	**(5,335)**
Cash Flows From Financing Activities		
Increase (Decrease) in Other Financial Liabilities	(2,438)	(253)
Proceeds from borrowings	22,435	–
Repayment of borrowings	(8,278)	(25)
Cash Restricted in Use	(9)	269
Interest Paid	(784)	(796)
Net Cash Flows From (Used in) Financing Activities	**10,926**	**(805)**
Net Increase in Cash and Cash Equivalents	**23,590**	**2,276**
Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance	(669)	(2,945)
Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance	**22,921**	**(669)**
Cash and cash equivalents comprised of :		
Cash and bank balances	27,696	1,326
Bank overdraft	(4,481)	(1,710)
Cash restricted in use	(294)	(285)
	22,921	**(669)**

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.

Note : The Statutory Reserves and Foreign Currency Translation Reserves are not available for distribution as cash dividends.

Statements of Changes in Equity	**Total Equity**	**Attributable to parent sub- total**	**Share capital**	**Retained earnings**	**Foreign Exchange Reserve**	**Other Reserves**	**Non-controlling interests**
Group	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Current year:							
Opening balance at 1 January 2014	**29,528**	**29,489**	**25**	**23,386**	**-**	**6,078**	**39**
Total comprehensive (loss) income for the year	(16,004)	(16,000)	-	(17,865)	1,865	-	(4)
Adjustment arising from merger reserve	(2,900)	(2,900)	-	-	-	(2,900)	-
Additional NCI on increase in share of a subsidiary company	99	-	-	-	-	-	99
Increase in share capital arising from reverse acquisition							
- Consideration shares	108,920	108,920	108,920	-	-	-	-
- Arranger shares	24,762	24,762	24,762	-	-	-	-
Share issuance cost	(655)	(655)	(655)	-	-	-	-
Closing balance at 31 December 2014	**143,750**	**143,616**	**133,052**	**5,521**	**1,865**	**3,178**	**134**
Previous year:							
Opening balance at 1 January 2013	**4,403**	**4,363**	**25**	**1,047**	**-**	**3,291**	**40**
Total comprehensive income (loss) for the year	22,338	22,339	-	22,339	-	-	(1)
Increase in share capital in subsidiaries before common control transactions	2,787	2,787	-	-	-	2,787	-
Closing balance at 31 December 2013	**29,528**	**29,489**	**25**	**23,386**	**-**	**6,078**	**39**

Note : The Statutory Reserves and Foreign Currency Translation Reserves are not available for distribution as cash dividends.

	Total Equity	Share Capital	Treasury Shares	Foreign Exchange Reserve	Retained Earnings
Company	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Current year:					
Opening balance at 1 October 2013	**81,647**	**69,524**	**-**	**-**	**12,123**
Total comprehensive loss for the year	(20,162)	-	-	(88)	(20,074)
Increase in share capital arising from reverse acquisition					
- Consideration shares	275,920	275,920	-	-	-
- Arranger shares	24,763	24,763	-	-	-
Share issuance cost	(655)	(655)			
Dividend	(7,906)	-	-	-	(7,906)
Closing balance at 31 December 2014	**353,607**	**369,552**	**-**	**(88)**	**(15,857)**
Previous year:					
Opening balance at 1 October 2012	**77,898**	**87,087**	**(17,563)**	**-**	**8,374**
Total comprehensive income for the year	8,258	-	-	-	8,258
Dividend	(4,509)	-	-	-	(4,509)
Cancellation of treasury shares	-	(17,563)	17,563	-	-
Closing balance at 30 September 2013	**81,647**	**69,524**	**-**	**-**	**12,123**

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.

Details of the changes in issued capital and paid up capital of the Company from 1 Oct 2013 to 31 Dec 2014 are as follows: -

CHANGES IN ISSUED AND PAID UP CAPITAL	**Number of shares**	**RM'000**
Issued and paid up capital		
Balance as at 1 October 2013	**175,343,026**	**69,524**
After share consolidation of every three shares into one consolidated share	58,447,392	69,524
Issuance of shares pursuant to RTO	130,000,000	275,920
Issuance of arranger shares	11,666,667	24,763
Share issuance cost		(655)
Balance as at 31 December 2014	200,114,059	369,552
Total shares excluding treasury shares as at 31 December 2014	**200,114,059**	**369,552**

The total number of issued shares excluding treasury shares as at 31 December2014 was 200,114,059 (30 Sep 2013: 175,343,026).

As at 31 December 2014, the Company did not hold any treasury shares (30 Sep 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.

	As at 31 Dec 2014	**As at 30 Sep 2013**
Total number of issued shares excluding treasury shares	**200,114,059**	**175,343,026**

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 are no treasury shares as at the end of the current financial period reported on (2013 : Nil).

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

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

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as compared to its audited financial statements as at 31 December 2013, except for the adoption of Financial Reporting Standards ("FRSs") which are relevant to the Group's operations and took effect from 1 January 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.

The Company and its subsidiaries, upon the completion of the RTO changed its presentation currency from Singapore Dollar ("S$") to Malaysian Ringgit ("RM"). The presentation currencies of the entities in the Group are determined based on management's assessment of the economic environment in which the entities operate. The reason for the change is to measure its transactions using currency of the primary economic environment where majority of the sales prices and costs for goods and services of the Group are transacted in RM. Accordingly, the Company changed its presentation currency from S$ to RM and this change has been applied prospectively.

The comparative figures of the Company's previous financial statement for the corresponding period of the immediate preceding financial year were measured using S$ which was the presentation currency then, and represented in the current financial statements in RM.

The adoption of the certain revised FRS, new FRS and INT FRS effective for the Company's financial year commenced on 1 January 2014 do not have a material financial effect on the Group and the Company except as discussed below:

(a) FRS 110 and FRS 27 (Revised)

FRS 110 replaces the control assessment criteria and consolidation requirements currently in FRS 27 Consolidated and Separate Financial Statements and INT FRS 12 Consolidation - Special Purpose Entities. FRS 110 defines the principle of control and establishes control as the basis for determining which entities are consolidated in the consolidated financial statements. It also provides more extensive application guidance on assessing control based on voting rights or other contractual rights. Under FRS 110, control assessment will be based on whether an investor has (i) power over the investee; (ii) exposure, or rights, to variable returns from its involvement with the investee; and (iii) the ability to use its power over the investee to affect the amount of the returns. FRS 27 (Revised) remains as a standard applicable only to separate financial statements.

The directors of the Company made an assessment as at the date of initial application of FRS 110 (i.e. 1 January 2014) as to whether or not the Group has control over Arena WiramajuSdnBhd("Arena") and Kota SarjanaSdnBhd ("Kota')in accordance with the new definition of control and the related guidance set out in FRS 110.

The directors of the Company concluded that the Group has control over Arena and Kota on the basis of the Group's effective beneficial interest of 100% in Arena and 80% in Kota. Therefore, in accordance with the requirements of FRS 110, Arena and Kota has been accounted for as subsidiaries of the Company in reporting year 2014 with its financial statements consolidated with those of the Group. Prior to the adoption of FRS 110, Arena and Kota has been treated as associates of the Group and accounted for using the equity method of accounting.

With the adoption of FRS 110, the effects of the change in accounting treatment of Arena and Kota are to be applied retrospectively. However, with regards to Kota, as the effect of the adoption is not material to the comparative figures, the restatement of comparative figures did not include Kota's numbers. The effects of the change in accounting treatment of Arena is as follows:

	Group
	FY2013 Increase / (Decrease)
	RM
Balance sheet as at 31 December	
Property development costs	7,260,357
Trade receivables	926,150
Other receivables & deposits	150,445
Amount owing by associated company	(4,911,945)
Cash and bank balances	249,453
Total Assets	**3,674,460**
Other payables and accruals	1,774,457
Progress billings	2,089,900
Total liabilities	**3,864,357**
Total equity	**(189,897)**

The adoption of FRS 110 has no significant effect on (i) the Group's profit attributable to the equity holders of the Company; (ii) the amount of equity attributable to the equity holders of the Company at 31 December 2014; and (iii) the earnings per share of the Group for the reporting period 31 December 2014.

Other than the above, the adoption of the new and revised FRSs had no material effect on the Group's accounting policies and hadno significant impact on the Group's financial statements.

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.

(a) Based on the weighted average number of ordinary shares on issue;

EARNINGS PER SHARE (EPS)	Group	
	FY2014	FY2013
(Loss)/ Profit attributable to the equity holders of the parent during the financial period (RM'000)	(17,865)	22,339
Weighted average number of ordinary shares on issue	142,135,126	130,000,000
Basic (loss) earnings per share for profit attributable to equity holders of the parent during the financial period (RM cents)	**(12.57)**	**17.18**

(b) On a fully diluted basis (detailing any adjustments made to the earnings).

Diluted earnings per share is not presented as there is no potential dilutive ordinary share existing during the relevant financial periods presented.

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.

NET ASSET VALUE	**Group**		**Company**	
	As at 31 Dec 2014	**As at 31 Dec 2013**	**As at 31 Dec 2014**	**As at 30 Sept 2013**
Net asset value (RM'000)	143,616	29,489	353,607	81,647
Number of issued shares excluding treasury shares	200,114,059	130,000,000	200,114,059	175,343,026
Net asset value per ordinary share (RM)	**0.72**	**0.23**	**1.77**	**0.47**

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 Comprehensive Income

The Group'srevenue decreased by RM30.6 million or 24.3% fromRM125.7million in FY13 to RM95.1 million in FY14.

The decrease in revenue is due to the decrease in the sale of development properties by RM29.4 million or 30.3% from RM97.0 million in FY2013 to RM67.6 million in FY2014due to fewer projects being completed during FY2014 compared to FY2013.The decrease was also contributed by the fall in revenue in the Group's building construction revenue by RM13.5 million or 61.4% from RM22.5 million in FY2013 to RM9.0 million in FY2014due to the completion of smaller projects in FY2014 compared to FY2013.

The gross profit margin of the Group for FY 2013 and FY2014 is 31.7% and 33.7% respectively. There was no material difference in the gross profit margin between FY2013 and FY2014.

The decrease in the property business revenue was partially offset by the contribution of the precision business revenue amounting to RM12.5 million subsequent to the completion of the reverse takeover by the Regal Group.

The Group's marketing and distribution costs in FY2014 were contributed solely by the precision business arm.

The Group's administrative expenses increased by RM9.6 million or 107.9% to RM18.5 million in FY2014mainly due to higheremployee benefits expenses, depreciation charges and legal and professional fees. The increase is also due to the inclusion of the precision business' administrative expenses upon completion of the RTO on 29 October 2014. The increase in depreciation arose from higher purchases of property, plant and equipment by the property arm during the current financial year.

The reverse takeover related expenses comprised legal and professional fees incurred on the acquisition of Regal Group and professional fees of the arranger amounting to RM5.3 million and RM24.8 million (non-cash item), respectively.

Other creditsincreased from RM1.4 million in FY2013 to RM2.8 million in FY2014, mainly due to management fee income earned by one of the Group's subsidiary companies amounting to RM2.2 million.

Other charges increased from RM0.3 million in FY2013 to RM6.3 million in FY2014, mainly attributable to a one-off, non-cash goodwill impairment loss of RM4 millionarising from an impairment assessmentperformed on the goodwill of the precision business. The increase was also due to an allowance for impairment of inventories of RM0.7 million in FY2014 as well as higher allowance for impairment of trade and other receivables of RM1.5 million in FY2014 compared to RM0.2 million in FY2013.

There was a share of profit from equity-accounted associates mainly due to the recognition of profits in Regal's investment in TiyaDevelopment SdnBhd ("Tiya"). The share of loss from equity-accounted associates in FY2013 arose mainly from Tiya as the project was still ongoing in FY2013.

The Group recorded a net loss after tax of RM17.9 million in FY2014 compared to a profit after tax of RM30.8 million in FY2013 mainly due to the one-off RTO expenses and impairment of goodwill of the precision business. Without the one-off RTO expenses and impairment of goodwill, the Group would have recorded a net operating profit after tax of RM21.2 million.

Statement of Financial Position

Group

Non-current assets of the Group increased by RM70.3 million from RM9.2 million as at FY2013 to RM79.5 million as at FY2014.The increase is mainly due to the inclusion of the precision business segment's non-current assets amounting to approximately RM15.8 million and goodwill amounting to RM39.3 million, arising from the reverse acquisition of Hisaka Group. The goodwill is currently recognised on a provisional basis, subject to the completion of the purchase price allocation exercise to be conducted before the end ofFY2015. The increase is also due to the increase in investment in associates mainly arising from the share of profits from Tiya.

Current assets of the Group increased by RM92.2 million from RM98.8 million as at FY 2013 to RM191.0 million as at FY2014.The increase is mainly due to the inclusion of the precision business segment's current assets amounting to approximately RM64.3 million, increase in development properties by RM30.6 million, increase in other assets, current, mainly due to higher accrued progress billings, and an increase in cash and cash equivalents by RM26.4 million.

The increase in current assets is partially offset by the decrease in inventories by RM3.3 million due to sale of units of the Group's completed projects and a decrease in trade and other receivables by RM6.7 million.

Non-current liabilities increased by RM13.0 million from RM2.0 million as at FY2013 to RM15.0 million as at FY2014.The increase is due mainly due to the increase in term loans and bank overdrafts by the property group for its property development activities.

Current liabilities of the Group increased by RM35.3 million from RM76.5 million as at FY2013 to RM111.8 million as at FY2014.The increase is mainly due to the inclusion of the precision business segment's current liabilities amounting to approximately RM13.3 million, increase in progress billings received and receivable on the Group's projects as well as an increase in other financial liabilities by RM10.8 million mainly due to higher term loans by the property group for its property development activities.

Company

Investment in subsidiaries increased from RM17.2 million as at 30 Sep 2013 to RM343.7million as at 31 Dec 2014 mainly due to the Company's RTO investment of RM327.3 million in Regal International Holdings Pte Ltd and its subsidiaries.

Cash and cash equivalents decreased from RM52 million to RM7.7 million. This is mainly due to payment of purchase consideration of RM 52.9 million for the acquisition of Regal International Holdings Pte Ltd.

Trade and other payables increased from RM1.6 million as at 30 Sep 2013 to RM9.7million as at 31Dec 2014 mainly due to additional loan of RM8.7 million from the Company's subsidiaries.

Statement of Cash flows

Netcash and cash equivalents held by the Group increased from an overdraft of RM0.7million as at FY 2013to a positive cash position of RM22.9 million as at FY2014. The increase was mainly due to net cash inflow frominvesting and financing activities amounting to RM20.9 million and RM10.9 million respectively. The net cash inflow from investing activities arose mainly from the reverse acquisition of Hisaka Group, with a net cash acquired of RM26.3 million. The net cash inflow from financing activities arose mainly from increase in term loans.The net cash used in operating activities in FY2014 arose mainly from the increase in the development properties of the property division.

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 have been previously disclosed.

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.

After completion of the RTO, the Group now comprises of both property and precision business divisions.

For the property division, with the proposed introduction of the Goods & Services Tax (GST) expected to be implemented during the first half of FY2015 in Malaysia as well as increased competition from other property players in East Malaysia, the Board envisages that FY2015 will be a challenging year for the Group.

The Group however will prudently continue to strive for growth in a sustainable and competitive manner. In 2015, the Group will focus to be more competitive and to charter synergistic growth.

The Group will continue to seek to lower our cost of production where possible and to explore further opportunities of joint venture companies such as HJ Lai Concrete & Cement Sdn. Bhd. to engage in the business of cement ready mix. On this principle, to make it more sustainable and innovative, the Group will charter growth based on careful matching of pragmatic strategies to match the current market.

The Group incorporated Regal Hospitalities SdnBhd to undertake the estate/property management of our completed “resort homes” product series. The Group views innovation as key to more competitive merchandising of our products and services.

2015 will see the Group continue to build on its fundamentals and explore its edge to generate growth and good business for its shareholders and to charter a sustainable long term growth.

For the precision business, its’ operating environment continues to be challenging and volatile.

The Board will keep shareholders updated as and when new developments arise.

11 Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

The Board recommended and paid out the special interim dividend on 1 September 2014 prior to the completion of the RTO as follows:

Name of Dividend	Interim
Dividend Type	Cash
Special Dividend Amount per Share (in SGD cents)	0.75 cent per ordinary share
Tax Rate	Not applicable, under the exempt-1-tier system

There are no final dividends proposed for the current financial year.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend	Proposed final
Dividend Type	Cash
Dividend Amount per Share (in SGD cents)	0.75 cent per ordinary share
Special Dividend Amount per Share (in SGD cents)	0.25 cent per ordinary share
Tax Rate	1-tier tax-exempt

(c) Date Payable

Not applicable.

(d) Books Closure Date

Not applicable.

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

No further dividend has been declared or recommended.

13 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.

The Group has not obtained a general mandate from shareholders for Interested Person Transactions.

14 Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results)

Not applicable.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

15 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.

(a) Business Segment

For management purposes the Group is organised into the following major strategic operating segments that offer different products and services: (1) Precision business and (2) Property development. Such a structural organisation is determined by the nature of risks and returns associated with each business segment and defines the management structure as well as the internal reporting system. It represents the basis on which the management reports the primary segment information. They are managed separately because each business requires different strategies.

The segments and the types of products and services are as follows:

1. The precision business segment is the mechanical motion components management and the metallic precision manufacturing and mechatronics integration with capabilities in designing, integration and commissioning of systems; and
2. The property development segment is in the business of developing and sale of residential and commercial properties.

Inter-segment sales are measured on the basis that the entity actually used to price the transfers. Internal transfer pricing policies of the Enlarged Group are as far as practicable based on market prices. The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies.

The management reporting system evaluates performances based on a number of factors. However the primary profitability measurement to evaluate segment's operating results comprises one major financial indicators: earnings from operations before depreciation, interests and income taxes (called "Recurring EBITDA").

31-Dec-14	Precision business RM'000	Property development RM'000	Total RM'000
Revenue			
External revenue	12,539	82,600	95,139
Recurring EBITDA	(1,336)	15,994	14,658
Depreciation	(132)	(1,460)	(1,592)
Finance costs	(19)	(766)	(785)
Impairment of goodwill	(4,000)	-	(4,000)
RTO expenses	(24,799)	(5,262)	(30,061)
Share of (loss) profit from equity-accounted associates	(17)	8,893	8,876
Loss before tax from continuing operations			**(12,904)**
Income tax expense			(4,965)
Loss for the year			**(17,869)**

For the financial year ended 31 December 2013, there is only one major strategic operating segment – development and sale of properties. All revenue and substantially all the expenses incurred as well as the assets and liabilities are directly or indirectly attributable to this segment.

(b) Geographical Segment

31-Dec-14	Singapore RM'000	Malaysia RM'000	People's Republic of China RM'000	Others RM'000	Total RM'000
Total revenue	2,488	83,230	8,769	652	95,139
Other geographical information:					
Addition of capital expenditure	5	3,793	-	-	3,798
Depreciation	128	1,460	4	-	1,592
Impairment losses (reversal)	4,729	1,461	(16)	-	6,174

The Group operates in four geographical regions namely Singapore, Malaysia, People's Republic of China and Others. Other countries comprise mainly Australia, Switzerland and USA.

For the financial year ended 31 December 2013, the Group's combined results are generated in Malaysia. The Group's assets and liabilities for the financial year ended 31 December 2013 are located in Malaysia. There are no non-current assets located outside Malaysia for the financial year ended 31 December 2013.

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

The contribution by the precision segment relates mainly to Singapore and the People's Republic of China. Majority of the revenue reported for Malaysia in FY2014 is contributed by the property segment.

17 A breakdown of sales.

BREAKDOWN OF SALES	FY2014 RM'000	FY2013 RM'000	% Increase / (Decrease)
(a) Sales reported for first half year	30,054	9,004	233.8%
(b) Operating (loss)/profit after tax before deducting non-controlling interests reported for first half year	(3,349)	290	N.M.
(c) Sales reported for second half year	65,085	116,729	-44.2%
(d) Operating (loss)/profit after tax before deducting non-controlling interests reported for second half year	(14,520)	22,048	N.M.

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

TOTAL ANNUAL DIVIDEND	FY2014 RM'000	FY2013 RM'000
Final paid in respect of the previous financial year	4,509	4,509
Interim paid in respect of the current financial year	3,397	-
Total	7,906	4,509

19 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13). If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Serena Su Chung Wen	40	Sister of substantial shareholder and CEO,Su Chung Jye.	Director of Operations and Human Resources of the Regal Group. Position held since Oct 2013. She is in charge of the operations and HR matters of the Property division.	Nil
Lim Jin Wei	39	Brother-in-law of Executive Director, Wong Pak Kiong	CFO of the Regal Group. Position held since May 2013. He is in charge of the financial matters of the Property Division.	Nil

PART III – ADDITIONAL INFORMATION PURSUANT TO LISTING MANUAL

20 Use of IPO Proceeds

	S$'000
Net proceeds from IPO	12,570
Expand manufacturing facilities	(1,000)
Expand sales and marketing team and establish a research and development team	(2,500)
Enter into potential strategic acquisitions or joint ventures to expand our existing product and service range and to acquire new technologies	(2,500)
Working capital	(6,570)
Balance as at 31 Dec 2014	**-**

Breakdown of IPO proceeds used for working capital

	S$'000
Administrative expense of the company	1,673
Operating expenses of subsidiaries	3,949
Sales and marketing expense of subsidiaries	948
	6,570

Use of TDR Proceeds

	S$'000
Proceeds from TDR	10,171
Set up facility for the manufacturing of portable blood bag warmer system	(149)
Working capital for the manufacturing of portable blood bag warmer system	(10,022)
Balance as at 31 Dec 2014	**-**

Breakdown of TDR proceeds used for working capital

	S$'000
Portable blood bag warmer system	
Research and development expenses	2,669
Testing and certification	320
Marketing and promotion	64
Semiconductor and automation business and all medical devices	
Administrative expense of the company	265
Operatinf expenses of subsidiaries	6,704
	10,022

All IPO and TDR proceeds have been fully utilised as at 31 December 2014 (30 September 2013 : SGD70,000 and SGD234,000 unutilised respectively).

BY ORDER OF THE BOARD
Su Chung Jye
Chief Executive Officer
27 February 2015