



Financial Statements And Related Announcement
For Financial Year Ended 28 February 2016

CLARIFICATION TO PROFIT GUIDANCE RELEASED ON 21 APRIL 2016

The Board of Directors (the "Board") of Cheung Woh Technologies Ltd (the "Company", together with its subsidiaries, collectively the "Group") refers to the profit guidance announcement released on 21 April 2016 wherein the Company had mentioned that the Group expects to report a loss for 4QFY2016 following the realisation of foreign currency translation differences on the striking-off of a subsidiary based on preliminary review of the Group's unaudited financial results for 4QFY2016.

The Company would like to clarify that, after further review, the amount of foreign currency translation reserve to be realised in the income statement for 4QFY2016 is substantially lower than the initial computation on 21 April 2016. As a result, the Group is profitable for 4QFY2016 based on the Group's unaudited financial results for 4QFY2016.

The Group is profitable for Financial Year 2016.

CHEUNG WOH TECHNOLOGIES LTD

Co. Reg. No. 197201205Z

Full Year Financial Statements And Related Announcement

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

The Directors of Cheung Woh Technologies Ltd advise the following unaudited results of the Group for the financial year ended 28 February 2016.

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

Consolidated Statement of Comprehensive Income

	Notes	GROUP			GROUP		
		4QFY16	4QFY15	Increase/ (decrease)	For the year ended		Increase/ (decrease)
		S\$'000	S\$'000	%	2016	2015	%
					S\$'000	S\$'000	
Turnover		25,201	27,248	(7.5)	93,189	91,945	1.4
Cost of sales		(20,322)	(20,859)	(2.6)	(73,121)	(71,599)	2.1
Gross profit		4,879	6,389	(23.6)	20,068	20,346	(1.4)
Other operating income	a	781	1,081	(27.8)	4,342	4,551	(4.6)
Distribution and selling expenses		(890)	(714)	24.6	(3,205)	(3,030)	5.8
General and administrative expenses		(2,788)	(2,305)	21.0	(11,698)	(9,047)	29.3
Other expenses	b	-	-		-	(738)	n.m.
Finance costs		(61)	(41)	48.8	(230)	(161)	42.9
Share of results of associate companies		(309)	(821)	(62.4)	196	930	(78.9)
Profit before taxation	c	1,612	3,589	(55.1)	9,473	12,851	(26.3)
Income tax credit/(expense)	d	990	(284)	n.m.	736	(239)	n.m.
Profit for the financial year		2,602	3,305	(21.3)	10,209	12,612	(19.1)
Other comprehensive income:							
Foreign currency translation (loss)/gain		(1,544)	3,094		(1,214)	5,696	
Total comprehensive income for the financial year		1,058	6,399		8,995	18,308	
Profit attributable to:							
Equity owners of the Company		2,602	3,306		10,213	12,639	
Non-controlling interests		-	(1)		(4)	(27)	
		2,602	3,305		10,209	12,612	
Total comprehensive income attributable to:							
Equity owners of the Company		1,058	6,603		8,999	18,347	
Non-controlling interests		-	(204)		(4)	(39)	
		1,058	6,399		8,995	18,308	
Earnings per share (cents)							
Basic and diluted		0.86	1.09		3.38	4.18	

n.m. - not meaningful

1(a) A consolidated statement of comprehensive income for the Group together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd)

<u>Notes</u>	GROUP		GROUP		
	4QFY16	4QFY15	For the year ended		
	S\$'000	S\$'000	2016	2015	
			S\$'000	S\$'000	
a	The Group's other operating income included the following:				
	Sales of scrap metal	622	865	3,438	3,479
	Sundry income	5	13	255	222
	Rental income	152	150	604	561
	Gain on disposal of property, plant and equipment	-	33	-	-
	Interest income	2	12	31	35
	Income from insurance claim	-	8	14	254
b	Other expenses of S\$0.7 million incurred in FY2015 represented loss on capital reduction of a subsidiary of the Company.				
c	The Group's profit before taxation is arrived at after charging/(crediting):				
	Amortisation and depreciation	2,116	1,900	8,338	7,533
	Foreign exchange loss	886	887	2,779	1,223
	Allowance for inventories obsolescence	127	96	145	89
	Interest expense on interest-bearing loans and borrowings	61	41	230	161
	Social insurance and housing fund	415	315	1,715	972
	Allowance for impairment on trade receivables	-	-	-	47
	Loss on disposal of property, plant and equipment	59	-	430	78
d	The Group's income tax expense have been adjusted for:				
	Under provision in respect of prior years	-	-	-	8

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	
	2016	2015	2016	2015
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	62,609	55,131	1,703	1,741
Investment property	2,656	2,722	2,656	2,722
Intangible assets	68	74	59	64
Investments in subsidiary companies	-	-	44,397	42,924
Investments in associate companies	16,688	16,491	15,662	15,662
Investment in a quoted equity	1	1	-	-
Deferred tax assets	419	266	163	-
	82,441	74,685	64,640	63,113
Current assets				
Inventories	12,002	13,357	-	-
Trade receivables	21,131	20,412	-	-
Amount due from an associate company	5	2	-	-
Other receivables	2,505	2,401	7,597	2,520
Prepayments	5,357	5,287	166	62
Cash and bank balances	14,631	16,545	4,815	7,623
	55,631	58,004	12,578	10,205
Total assets	138,072	132,689	77,218	73,318
EQUITY AND LIABILITIES				
Current liabilities				
Trade payables	6,683	8,236	69	-
Other payables	6,668	7,915	2,728	820
Amount due to an associate company	414	283	-	-
Interest-bearing loans and borrowings	10,531	4,632	6,999	2,727
Income tax payable	8	334	-	-
	24,304	21,400	9,796	3,547
Net current assets	31,327	36,604	2,782	6,658
Non-current liabilities				
Interest-bearing loans and borrowings	632	1,834	-	-
Deferred tax liabilities	1,880	2,661	-	-
	2,512	4,495	-	-
Total liabilities	26,816	25,895	9,796	3,547
Net assets	111,256	106,794	67,422	69,771
Equity attributable to owners of the Company				
Share capital	50,200	50,200	50,200	50,200
Treasury shares	(1,923)	(1,923)	(1,923)	(1,923)
Revenue reserve	63,511	57,878	19,145	21,494
Statutory reserve	1,170	1,123	-	-
Foreign currency translation reserve	(1,702)	(488)	-	-
	111,256	106,790	67,422	69,771
Non-controlling interests	-	4	-	-
Total equity	111,256	106,794	67,422	69,771
Total equity and liabilities	138,072	132,689	77,218	73,318

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

A) Amount repayable in one year or less, or on demand

As at 28.02.2016		As at 28.02.2015	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
3,532	6,999	4,632	-

B) Amount repayable after one year

As at 28.02.2016		As at 28.02.2015	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
632	-	1,834	-

C) Details of any collateral

- i) Certain bank borrowings of the Group and the Company are secured; and
- ii) The bank borrowings of certain subsidiary companies are secured by legal mortgage over the subsidiary companies' properties, fixed charge over certain of its machineries and corporate guarantee from the Company.

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

	GROUP		GROUP	
	4QFY16	4QFY15	For the year ended	
	S\$'000	S\$'000	2016	2015
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Profit before taxation	1,612	3,589	9,473	12,851
Adjustments for:				
Amortisation and depreciation	2,116	1,900	8,338	7,533
Allowance for inventories obsolescence	127	96	145	89
Interest expense	61	41	230	161
Unrealised exchange loss/(gain)	197	(46)	12	52
Share of results of associate companies	309	821	(196)	(930)
Loss/(gain) on disposal of property, plant and equipment	59	(33)	430	78
Loss on struck off of a subsidiary company	12	-	12	-
Interest income	(2)	(12)	(31)	(35)
Allowance for impairment on trade receivable	-	-	-	47
Operating cash flows before changes in working capital	4,491	6,356	18,413	19,846
(Increase)/decrease in:				
Inventories	2,349	(41)	522	(453)
Trade receivables	(1,078)	2,499	(970)	(5,730)
Amount due from an associate company	200	87	(3)	320
Other receivables and prepayments	274	2,950	(240)	300
(Decrease)/increase in:				
Trade payables	(750)	203	(99)	2,284
Other payables	(264)	1,905	1,102	4,132
Amount due to an associate company	343	15	154	(171)
Cash flow generated from operations #	5,565	13,974	18,879	20,528
Interest received	2	12	31	35
Interest paid	(61)	(41)	(230)	(161)
Income tax paid	(54)	(145)	(482)	(204)
Net cash flow generated from operating activities	5,452	13,800	18,198	20,198

The comparative figures have been reclassified to conform to the current period/year's presentation and to better reflect their classification in consolidated statement of cash flows.

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

	GROUP		GROUP	
	4QFY16	4QFY15	For the year ended	
	S\$'000	S\$'000	2016	2015
			S\$'000	S\$'000
Cash flow from investing activities				
Purchase of property, plant and equipment	(4,467)	(3,407)	(19,893)	(11,919)
Proceeds from disposal of property, plant and equipment	22	37	138	387
Loss on struck off of a subsidiary company	(12)	-	(12)	-
Increase in advance payments to suppliers of property, plant and equipment	(1,246)	(3,574)	(242)	(4,012)
Net cash flow used in investing activities	(5,703)	(6,944)	(20,009)	(15,544)
Cash flow from financing activities				
Repayment of interest-bearing loans and borrowings	(3,100)	(930)	(4,699)	(4,334)
Decrease/(increase) in cash and cash equivalents subject to restrictions	-	8	(4)	3
Dividends paid on ordinary shares	-	-	(4,533)	(2,115)
Proceeds from interest-bearing loans and borrowings	4,288	2,885	9,361	7,663
Capital reduction	-	-	-	(812)
Net cash flow generated from financing activities	1,188	1,963	125	405
Net increase/(decrease) in cash and cash equivalents	937	8,819	(1,686)	5,059
Cash and cash equivalents at beginning of financial period/year	13,817	7,216	16,400	10,720
Effect of exchange rate changes on cash and cash equivalents	(255)	365	(215)	621
Cash and cash equivalents at end of financial period/year	14,499	16,400	14,499	16,400

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following:

	GROUP	
	2016	2015
	S\$'000	S\$'000
Cash and bank balances	14,499	16,400
Fixed deposits	132	145
	<u>14,631</u>	<u>16,545</u>
Less:		
Cash and cash equivalents subject to restriction *	(132)	(145)
Cash and cash equivalents at end of financial period	<u>14,499</u>	<u>16,400</u>

* This relates to fixed deposits pledged for banker's facilities granted to a subsidiary company.

The following table summarises the reclassification made in the comparative figures.

	GROUP			
	4QFY15		For the year ended 2015	
	As announced S\$'000	As restated S\$'000	As announced S\$'000	As restated S\$'000
Operating cash flows before changes in working capital	6,356	6,356	19,846	19,846
(Increase)/decrease in:				
Inventories	(255)	(41)	(836)	(453)
Trade receivables	125	2,499	(9,441)	(5,730)
Amount due from an associate company	93	87	320	320
Other receivables and prepayments	2,217	2,950	(1,372)	300
(Decrease)/increase in:				
Trade payables	700	203	3,103	2,284
Other payables	1,727	1,905	4,213	4,132
Amount due to an associate company	37	15	(155)	(171)
Exchange differences arising from consolidation	2,974	-	4,850	-
Cash flow generated from operations	13,974	13,974	20,528	20,528

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

	Attributable to equity owners of the Company								
	Share capital S\$'000	Treasury shares S\$'000	Revenue reserve S\$'000	Statutory reserve S\$'000	Foreign currency translation reserve S\$'000	Total other reserves S\$'000	Total equity attributable to equity owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
GROUP									
Balance as at 28.02.2015	50,200	(1,923)	57,878	1,123	(488)	635	106,790	4	106,794
Total comprehensive income for the financial year	-	-	10,213	-	(1,214)	(1,214)	8,999	(4)	8,995
Transfer from revenue reserve to statutory reserve	-	-	(47)	47	-	47	-	-	-
Dividends paid on ordinary shares	-	-	(4,533)	-	-	-	(4,533)	-	(4,533)
Balance as at 28.02.2016	50,200	(1,923)	63,511	1,170	(1,702)	(532)	111,256	-	111,256
Balance as at 28.02.2014	50,200	(1,923)	47,618	859	(6,196)	(5,337)	90,558	855	91,413
Total comprehensive income for the financial year	-	-	12,639	-	5,708	5,708	18,347	(39)	18,308
Transfer from revenue reserve to statutory reserve	-	-	(264)	264	-	264	-	-	-
Capital reduction	-	-	-	-	-	-	-	(812)	(812)
Dividends paid on ordinary shares	-	-	(2,115)	-	-	-	(2,115)	-	(2,115)
Balance as at 28.02.2015	50,200	(1,923)	57,878	1,123	(488)	635	106,790	4	106,794

- 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 (cont'd)

	Share capital S\$'000	Treasury shares S\$'000	Revenue reserve S\$'000	Total equity S\$'000
COMPANY				
Balance as at 28.02.2015	50,200	(1,923)	21,494	69,771
Total comprehensive income for the financial year	-	-	2,184	2,184
Dividends paid on ordinary shares	-	-	(4,533)	(4,533)
Balance as at 28.02.2016	50,200	(1,923)	19,145	67,422
Balance as at 28.02.2014				
Balance as at 28.02.2014	50,200	(1,923)	24,260	72,537
Total comprehensive income for the financial year	-	-	(651)	(651)
Dividends paid on ordinary shares	-	-	(2,115)	(2,115)
Balance as at 28.02.2015	50,200	(1,923)	21,494	69,771

- 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

Share Capital

	<u>Group and Company</u>	
	2016 and 2015	
	No. of shares (‘000)	(S\$'000)
Ordinary shares - Issued and fully paid		
Balance as at 28 February	<u>313,085</u>	<u>50,200</u>

There was no change in the Company's share capital from 28 February 2015 to 28 February 2016.

As at 28 February 2016, the Company held 10,873,000 of its issued shares as Treasury Shares (28 February 2015: 10,873,000).

The Company does not have any outstanding options or convertibles as at 28 February 2016 (28 February 2015: 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.

	28.02.2016	28.02.2015
	Number of shares	Number of shares
	('000)	('000)
Total number of shares issued	313,085	313,085
Less: Treasury shares	<u>(10,873)</u>	<u>(10,873)</u>
Issued shares excluding treasury shares	<u><u>302,212</u></u>	<u><u>302,212</u></u>

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

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the current financial period reported on.

2 Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures in this announcement have not been audited or reviewed by the Company's auditors.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of the 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 accounting policies and methods of computation adopted in the financial statements for the current reporting period are consistent with those disclosed in the audited financial statements as at 28 February 2015 except that the Group has adopted new Financial Reporting Standards ("FRS") which became effective for periods beginning on or after 1 January 2015/1 March 2015.

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 adoption of the standards and interpretations highlighted in paragraph 4 above did not have any effect on the financial performance or position of the Group presented in this announcement.

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			
	4QFY16	4QFY15	2016	2015
Profit attributable to shareholders (\$'000)	2,602	3,306	10,213	12,639
Weighted average number of shares used to compute basic and diluted earnings per share ('000)	302,212	302,212	302,212	302,212
Earnings per share (cents) - basic and diluted	0.86	1.09	3.38	4.18

Note a: The weighted average number of shares was computed after adjusting for the effect of treasury shares held by the Company.

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

	GROUP		COMPANY	
	2016	2015	2016	2015
Net asset value per ordinary share based on share capital at the end of the period (cents)	36.81	35.34	22.31	23.09

The calculation of the net asset value per ordinary share was based on total number of 302,212,000 (28.02.2015: 302,212,000) ordinary shares (excluding treasury shares).

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:
(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Consolidated statement of comprehensive income

During the financial year ended 28 February 2016 (FY2016), the Group's turnover increased by 1.4% (approximately \$1.2 million) as compared to previous financial year (FY2015). The increase was mainly contributed by higher sales in HDD components segment. Turnover in 4QFY16 was 7.5% (approximately \$2.0 million) lower than 4QFY15, attributable mainly to decrease in sales in Precision Metal Stamping (PMS) components segment.

The cost of sales (COS) of the Group in FY2016 increased by 2.1% (approximately \$1.5 million) as compared to FY2015. The gross profit margin decreased slightly year-on-year. The COS in 4QFY16 decreased by 2.6% (approximately \$0.5 million) as compared to 4QFY15. The gross profit margin dropped quarter-on-quarter. The decline in gross profit margin year-on-year and quarter-on-quarter was attributable mainly to higher overhead costs incurred in subsidiaries in China.

Other operating income in FY2016 was 4.6% (approximately \$0.2 million) lower as compared to FY2015. The decrease was mainly due to lower insurance claimed during the year. On quarter-on-quarter comparison, the other operating income decreased by 27.8% (approximately \$0.3 million) mainly due to lower sales of scrap metal.

8 A review of the performance of the group (cont'd)

Consolidated statement of comprehensive income (cont'd)

Distribution and selling expenses (D&S expenses) increased by 5.8% (approximately \$0.2 million) as compared to FY2015. The increase was mainly due to increase in marketing promotional expenses incurred during 4QFY16. The D&S expenses in 4QFY16 increased by 24.6% (approximately \$0.2 million) as compared to 4QFY15 mainly due to the same reason.

General and administrative expenses (G&A expenses) increased by 29.3% (approximately \$2.7 million) as compared to FY2015. The increase was mainly attributable to increases in foreign exchange loss (approximately \$1.6 million), social insurance and housing fund (approximately \$0.7 million) and loss on disposal of property, plant and equipment (approximately \$0.4 million). The G&A expenses in 4QFY16 increased by 21.0% (approximately \$0.5 million) as compared to 4QFY15 mainly attributable to increases in social insurance and housing fund contribution, loss on disposal of property, plant and equipment and irrecoverable tax incurred for exportation of used machineries from subsidiary in China to subsidiary in Malaysia.

Other expenses of \$0.7 million incurred by the Group in FY2015 was loss arising from capital reduction of a subsidiary of the Company.

Finance costs increased by 42.9% (approximately \$69,000) in FY2016 mainly attributable to additional interest-bearing loans and borrowing obtained during the year. Finance costs in 4QFY16 increased by 48.8% (approximately \$20,000) as compared to 4QFY15 due to the same reason.

Share of results of associate companies represents the Group's interest in the profit after taxation of the associate companies. The share of results of associate companies decreased by 78.9% (approximately \$0.7 million) mainly due to lower profits generated by Jiangsu Tysan Precision Engineering Co., Ltd.

During the year, the Group has income tax credit of \$0.7 million mainly due to recognition of deferred tax assets and reversal of deferred tax liabilities during the year.

Statement of financial position

The Group's non-current assets increased by 10.4% (approximately \$7.8 million) as compared to 28 February 2015 (FY2015) mainly contributed by increase in property, plant and equipment of approximately \$7.5 million. The Company's non-current assets increased by 2.4% (approximately \$1.5 million) mainly due to increase in investments in subsidiary companies. During the year, the Company has increased its paid-up share capital in a subsidiary in Malaysia.

The Group's current assets decreased by 4.1% (approximately \$2.4 million) mainly due to decreases in inventories and cash and bank balances. Inventories decreased by 10.1% (approximately \$1.4 million) as compared to FY2015. The decrease in current assets was partially offset by increase in trade receivables. Trade receivables increased by 3.5% (approximately \$0.7 million) mainly due to slower repayment by certain trade debtors. Other receivables of the Company increased substantially (approximately \$5.1 million) mainly due to increase in receivables from subsidiary companies.

The Group's current liabilities increased by 13.6% (approximately \$2.9 million) as compared to FY2015. The increase was mainly due to increase in interest-bearing loans and borrowings. Interest-bearing loans and borrowings (current portion) increased substantially (approximately \$5.9 million) arising from loans obtained to finance purchases of plant and machineries and factory in subsidiary companies. The increase was partially offset by decreases in trade payables, other payables and income tax payable. Trade payables decreased by 18.9% (approximately \$1.6

8 A review of the performance of the group (cont'd)

Statement of financial position (cont'd)

million) mainly due to lesser purchases made towards the year end. Other payables decreased by 15.8% (approximately \$1.2 million) mainly due to decrease in advanced billings upon completion of toolings. Income tax payable decreased by approximately \$0.3 million mainly due to payments made to income tax authorities during the year. The Company's other payables increased substantially (approximately \$1.9 million) mainly due to increase in payables to subsidiary companies.

The Group's non-current liabilities decreased by 44.1% (approximately \$2.0 million) as compared to FY2015 mainly due to decreases in non-current portion of interest-bearing loans and borrowings and deferred tax liabilities.

Consolidated statement of cash flows

During FY2016, the Group has net cash flows generated from operations of \$18.2 million as compared to \$20.2 million in FY2015. The lower net cash flows generated during the year was mainly due to lower operating cash flows before changes in working capital and increases in trade receivables and other receivables and prepayments. This was partially offset by decrease in inventories and increase in other payables.

In investing activities, the Group used \$20.0 million during FY2016 as compared to \$15.5 million in FY2015. The net cash used in FY2016 was mainly for the purchases of property, plant and equipment. It was partially offset by proceeds from disposal of property, plant and equipment during the year.

During FY2016, the Group has net cash flows generated from financing activities of \$0.1 million as compared to \$0.4 million in FY2015. The net cash flows generated was mainly contributed by proceeds from interest-bearing loans and borrowings. This was partially offset by cash used in repayment of interest-bearing loans and borrowings and dividends paid on ordinary shares.

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

There is no variance from the previous financial results announcement for third quarter financial period ended 30 November 2015.

Contrary to the Profit Guidance announcement dated 21 April 2016, the realisation of foreign currency translation reserve on the striking off of a subsidiary company did not result in a loss in 4QFY16.

10 A commentary at the date of the announcement of the significant trends or 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

High capacity HDD will continue to be the choice of storage medium for data centers. Majority of the Company's HDD components are used in high capacity HDD. The demand for HDD used in notebook and desktop PC is expected to decline.

PMS component segment is expected to do well.

The Group views that the unclear global financial conditions and volatility in foreign exchange may pose some uncertainties to our business.

11 Dividend

(a) Current Financial Period Reported On

Any interim (final) dividend declared (recommended) for the current financial period reported on?

Yes.

Name of dividend	Final (Recommended)
Dividend Type	Cash
Dividend Rate	0.75 cent per ordinary share
Tax Rate	Tax Exempt (One-tier)

(b) Corresponding Period of the Immediately Preceding Financial Year

Yes.

Name of dividend	Final (Recommended)
Dividend Type	Cash
Dividend Rate	1.0 cents per ordinary share
Tax Rate	Tax Exempt (One-tier)

(c) Date payable

The proposed dividend will be paid at a date to be announced.

(d) Books closure date

Notice will be given at a later date on the closure of the Share Transfer Books and the Register of Members to determine the shareholders' entitlements to the proposed dividend.

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

Not applicable.

13 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in the Appendix 7H) under Rule 720(1).

The Company has procured undertakings from all its directors and executive officer.

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

(a) Business segments

	HDD Components		Precision Metal Stamping Components		Adjustments and Eliminations		Note	Consolidated financial statements	
	2016	2015	2016	2015	2016	2015		2016	2015
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		S\$'000	S\$'000
Turnover:									
External sales	79,060	74,321	14,129	17,624	-	-		93,189	91,945
	<u>79,060</u>	<u>74,321</u>	<u>14,129</u>	<u>17,624</u>	<u>-</u>	<u>-</u>		<u>93,189</u>	<u>91,945</u>
Results:									
Interest income	24	20	7	15	-	-		31	35
Interest expense	(230)	(161)	-	-	-	-		(230)	(161)
Amortisation and depreciation	(7,946)	(7,210)	(392)	(323)	-	-		(8,338)	(7,533)
Allowance for impairment on trade receivables	-	(47)	-	-	-	-		-	(47)
Allowance for inventories obsolescence	(84)	(48)	(61)	(41)	-	-		(145)	(89)
Other non-cash income/(expenses)	337	(79)	(5)	1	(762)	-	a	(430)	(78)
Segment profit before taxation	<u>7,005</u>	<u>9,800</u>	<u>2,272</u>	<u>2,697</u>	<u>196</u>	<u>354</u>	b	<u>9,473</u>	<u>12,851</u>
Assets:									
Additions to non-current assets	9,821	10,440	3,703	1,814	6,369	698	c	19,893	11,919
Segment assets	<u>172,707</u>	<u>154,728</u>	<u>16,641</u>	<u>14,690</u>	<u>(51,276)</u>	<u>(36,729)</u>	d	<u>138,072</u>	<u>132,689</u>
Segment liabilities	<u>62,851</u>	<u>49,424</u>	<u>12,670</u>	<u>10,967</u>	<u>(48,705)</u>	<u>(34,496)</u>	e	<u>26,816</u>	<u>25,895</u>

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 (cont'd)

(a) Business segments (cont'd)

Notes:

a Other non-cash income/(expenses) consist gain/(loss) on disposal of property, plant and equipment.

b The following items are added to/(deducted from) segment profit to arrive at 'profit before taxation' presented in the consolidated statement of comprehensive income:

	2016	2015
	\$'000	\$'000
Share of results of associate companies	196	930
Others	-	162
Loss on capital reduction of a subsidiary of the Company	-	(738)
	<u>196</u>	<u>354</u>

c Additions to non-current assets consist of additions to property, plant and equipment.

d The following items are added to/(deducted from) segment assets to arrive at total assets reported in the consolidated statement of financial position:

	2016	2015
	\$'000	\$'000
Investments in associate companies	16,688	16,491
Deferred tax assets	419	266
Inter-segment assets	(68,383)	(53,486)
	<u>(51,276)</u>	<u>(36,729)</u>

e The following items are added to/(deducted from) segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:

	2016	2015
	\$'000	\$'000
Deferred tax liabilities	1,880	2,661
Inter-segment liabilities	(50,585)	(37,157)
	<u>(48,705)</u>	<u>(34,496)</u>

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 (cont'd)

(b) Geographical segments

Revenue and non-current assets information based on the location of customers and assets respectively as follows:

	Turnover		Non-current assets	
	2016	2015	2016	2015
	S\$'000	S\$'000	S\$'000	S\$'000
Malaysia	28,320	35,971	23,590	17,326
Thailand	53,878	41,684	-	-
Philippines	4,450	1,722	-	-
Portugal	3,209	2,722	-	-
United States	335	6,120	-	-
People's Republic of China	1,473	1,316	54,264	52,823
Singapore	49	116	4,582	4,528
Germany	1,329	155	-	-
Others	146	2,139	5	8
	<u>93,189</u>	<u>91,945</u>	<u>82,441</u>	<u>74,685</u>

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

Sales in HDD components segment have increased by 6.4% (approximately \$4.7 million) as compared to the previous financial year. The increase was attributable mainly to the appreciation of United States Dollar (USD) against Singapore Dollar (SGD) as the sales are denominated in USD.

Profit in HDD components segment decreased by 28.5% (approximately \$2.8 million) mainly due to higher overhead costs incurred in subsidiaries in China.

Sales in Precision Metal Stamping components segment decreased by 19.8% (approximately \$3.5 million) as compared to the previous financial year. The decrease was attributable mainly to decrease in customers' demand and depreciation of Malaysia Ringgit (RM) against SGD as the sales in Precision Metal Stamping components segment are mainly denominated in RM.

Profit in Precision Metal Stamping components segment decreased by 15.8% (approximately \$0.4 million) as compared to FY2015. The decrease was mainly due to decrease in sales generated during the year and depreciation of RM against SGD.

16 A breakdown of sales

	GROUP		
	2016 S\$'000	2015 S\$'000	Increase/ (Decrease) %
Sales reported for the first half of the year	42,972	40,315	6.6
Operating profit after taxation before non-controlling interests reported for the first half year	6,039	5,363	12.6
Sales reported for the second half of the year	50,217	51,630	(2.7)
Operating profit after taxation before non-controlling interests reported for the second half year	4,170	7,249	(42.5)

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

Declared and paid during the financial year:

- A final tax exempt dividend of 0.2 cent per share paid in respect of FY2014	-	604
- An interim tax exempt dividend of 0.5 cent per share paid in respect of FY2015	-	1,511
- A final tax exempt dividend of 1.0 cent per share paid in respect of FY2015	3,022	-
- An interim tax exempt dividend of 0.5 cent per share paid in respect of FY2016	1,511	-
Total	4,533	2,115

Proposed but not recognised as a liability as at 28 February:

Dividends on ordinary shares, subject to shareholders' approval at the AGM:

- A final tax exempt dividend of 1.0 cent per share in respect of FY2015	-	3,022
- A final tax exempt dividend of 0.75 cent per share in respect of FY2016	2,267	-
Total	2,267	3,022

18 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, statement to that effect.

The Group does not have a general mandate from its shareholders for interested person transactions.

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

Name	Age	Family Relationship with any director and/or CEO 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
Law Kung Ying	58	<ol style="list-style-type: none"> 1. Brother of Law Kung Ming and Law Yu Chui, Directors and Substantial Shareholders of Cheung Woh Technologies Ltd; and 2. Son of Lee Hang Ngok, a Substantial Shareholder of Cheung Woh Technologies Ltd. 	He is the Chairman and Managing Director and he is overall responsible for the strategic development of the Group.	No change.
Law Kung Ming	60	<ol style="list-style-type: none"> 1. Brother of Law Kung Ying and Law Yu Chui, Directors and Substantial Shareholders of Cheung Woh Technologies Ltd; and 2. Son of Lee Hang Ngok, a Substantial Shareholder of Cheung Woh Technologies Ltd. 	He is the Managing Director of Cheung Woh Technologies (Malaysia) Sdn. Bhd. (CWM), a wholly-owned subsidiary of the Company. He is responsible for the sales and marketing efforts and the overall operation of CWM.	No change.
Law Yu Chui	56	<ol style="list-style-type: none"> 1. Sister of Law Kung Ying and Law Kung Ming, Directors and Substantial Shareholders of Cheung Woh Technologies Ltd; and 2. Daughter of Lee Hang Ngok, a Substantial Shareholder of Cheung Woh Technologies Ltd. 	She is the Finance and Administrative Director and she is overall responsible for the Group's finance and administrative matters.	No change.

19. Disclosure of person occupying a managerial position (cont'd)

Name	Age	Family Relationship with any director and/or CEO 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
Law Tak Heem	32	<ol style="list-style-type: none"> 1. Son of Mr Law Kung Ying, Managing Director and Substantial Shareholder of the Company. 2. Nephew of Mr Law Kung Ming, Executive Director and Substantial Shareholder of the Company. 3. Nephew of Ms Law Yu Chui, Finance and Administrative Director and Substantial Shareholder of the Company. 4. Grandson of Mdm Lee Hang Ngok, a Substantial Shareholder of the Company. 	He is an Assistant General Manager of Cheung Woh Technologies Sdn Bhd (CWJ), a wholly-owned subsidiary of the Company. He oversees the entire operations of CWJ since 2014.	No change.
Tan Hai Ting	30	<ol style="list-style-type: none"> 1. Daughter of Ms Law Yu Chui, Finance and Administrative Director and Substantial Shareholder of the Company. 2. Niece of Mr Law Kung Ying, Managing Director and Substantial Shareholder of the Company. 3. Niece of Mr Law Kung Ming, Executive Director and Substantial Shareholder of the Company. 4. Granddaughter of Mdm Lee Hang Ngok, a Substantial Shareholder of the Company. 	She is Finance and Administrative Manager of Cheung Woh Technologies (Johor) Sdn Bhd (CWJ), a wholly-owned subsidiary of the Company. She oversees the accounting and administrative functions of CWJ since 2011.	No change.

19. Disclosure of person occupying a managerial position (cont'd)

Name	Age	Family Relationship with any director and/or CEO 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
Tan Hai Yin	27	<ol style="list-style-type: none"> 1. Son of Ms Law Yu Chui, Finance and Administrative Director and Substantial Shareholder of the Company. 2. Nephew of Mr Law Kung Ying, Managing Director and Substantial Shareholder of the Company. 3. Nephew of Mr Law Kung Ming, Executive Director and Substantial Shareholder of the Company. 4. Grandson of Mdm Lee Hang Ngok, a Substantial Shareholder of the Company. 	He is a Quality Manager of Cheung Woh Precision (Zhuhai) Co., Ltd. (CWI), a wholly-owned subsidiary of the Company. He oversees the quality function of CWI since 2015.	No change.

For and On behalf of the Board of Directors

Law Kung Ying
 Director

Law Yu Chui
 Director

25 April 2016