



Financial Statements And Related Announcement  
For Financial Year Ended 28 February 2015

**CHEUNG WOHO 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 2015.

**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**

	GROUP			GROUP			
	Notes	4QFY15 S\$'000	4QFY14 S\$'000	Increase/ (decrease) %	For the year ended		Increase/ (decrease) %
					2015 S\$'000	2014 S\$'000	
Turnover		27,248	13,064	108.6	91,945	59,329	55.0
Cost of sales		(20,859)	(11,571)	80.3	(71,599)	(52,989)	35.1
Gross profit		6,389	1,493	327.9	20,346	6,340	220.9
Other operating income	a	1,081	834	29.6	4,551	3,958	15.0
Distribution and selling expenses		(714)	(634)	12.6	(3,030)	(2,465)	22.9
General and administrative expenses		(2,305)	(2,394)	(3.7)	(9,047)	(9,315)	(2.9)
Other expenses	b	-	-	n.m.	(738)	-	n.m.
Finance costs		(41)	(33)	24.2	(161)	(189)	(14.8)
Share of results of associate companies		(821)	256	n.m.	930	2,843	(67.3)
Profit/(loss) before taxation	c	3,589	(478)	n.m.	12,851	1,172	996.5
Income tax expense	d	(284)	(186)	52.7	(239)	(174)	37.4
Profit/(loss) for the financial year		3,305	(664)	n.m.	12,612	998	1,163.7
Other comprehensive income:							
Foreign currency translation gain		3,094	744		5,696	2,384	
Total comprehensive income for the financial year		6,399	80		18,308	3,382	
Profit/(loss) attributable to:							
Equity owners of the Company		3,306	(646)		12,639	1,050	
Non-controlling interests		(1)	(18)		(27)	(52)	
		3,305	(664)		12,612	998	
Total comprehensive income attributable to:							
Equity owners of the Company		6,603	(986)		18,347	2,338	
Non-controlling interests		(204)	1,066		(39)	1,044	
		6,399	80		18,308	3,382	
Earnings per share (cents)							
Basic and diluted		1.09	(0.21)		4.18	0.35	

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)**

Notes	GROUP		GROUP		
	4QFY15 S\$'000	4QFY14 S\$'000	For the year ended		
			2015 S\$'000	2014 S\$'000	
a	The Group's other operating income included the following:				
	Sales of scrap metal	865	652	3,479	3,073
	Sundry income	13	126	222	426
	Rental income	150	30	561	45
	Gain on disposal of property, plant and equipment	33	21	-	368
	Interest income	12	5	35	46
	Income from insurance claim	8	-	254	-
b	Other expenses represent loss on capital reduction of a subsidiary of the Company.				
c	The Group's profit/(loss) before taxation is arrived at after charging/(crediting):				
	Amortisation and depreciation	1,900	1,830	7,533	7,301
	Foreign exchange loss	887	422	1,223	1,862
	Allowance for/(write-back of) inventories obsolescence	96	103	89	(49)
	Interest expense on interest-bearing loans and borrowings	41	33	161	189
	Write-off of property, plant and equipment	-	28	-	28
	Write down of inventories	-	9	-	28
	Social insurance and housing fund	315	177	972	711
	(Write-back of)/allowance for impairment on trade receivables	-	(36)	47	(36)
	Loss on disposal of property, plant and equipment	-	-	78	-
	Retrenchment benefits	-	-	-	731
d	The Group's income tax expense have been adjusted for:				
	Under/(over) provision in respect of prior years	-	-	8	(4)

**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	
	2015	2014	2015	2014
	S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	55,131	50,701	1,741	3,286
Investment property	2,722	1,294	2,722	1,294
Intangible assets	74	79	64	69
Investments in subsidiary companies	-	-	42,924	46,005
Investments in associate companies	16,491	16,886	15,662	15,662
Investment in a quoted equity	1	1	-	-
Deferred tax assets	266	-	-	-
	<b>74,685</b>	<b>68,961</b>	<b>63,113</b>	<b>66,316</b>
<b>Current assets</b>				
Inventories	13,357	12,608	-	441
Trade receivables	20,412	11,144	-	1,831
Amount due from an associate company	2	322	-	320
Other receivables	2,401	1,442	2,520	4,225
Prepayments	5,287	953	62	58
Cash and bank balances	16,545	10,872	7,623	1,974
	<b>58,004</b>	<b>37,341</b>	<b>10,205</b>	<b>8,849</b>
<b>Total assets</b>	<b>132,689</b>	<b>106,302</b>	<b>73,318</b>	<b>75,165</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Current liabilities</b>				
Trade payables	8,236	5,075	-	2,105
Other payables	7,915	3,703	820	523
Amount due to an associate company	283	437	-	-
Interest-bearing loans and borrowings	4,632	2,902	2,727	-
Income tax payable	334	20	-	-
	<b>21,400</b>	<b>12,137</b>	<b>3,547</b>	<b>2,628</b>
<b>Net current assets</b>	<b>36,604</b>	<b>25,204</b>	<b>6,658</b>	<b>6,221</b>
<b>Non-current liabilities</b>				
Interest-bearing loans and borrowings	1,834	-	-	-
Deferred tax liabilities	2,661	2,752	-	-
	<b>4,495</b>	<b>2,752</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>25,895</b>	<b>14,889</b>	<b>3,547</b>	<b>2,628</b>
<b>Net assets</b>	<b>106,794</b>	<b>91,413</b>	<b>69,771</b>	<b>72,537</b>
<b>Equity attributable to owners of the Company</b>				
Share capital	50,200	50,200	50,200	50,200
Treasury shares	(1,923)	(1,923)	(1,923)	(1,923)
Revenue reserve	57,878	47,618	21,494	24,260
Statutory reserve	1,123	859	-	-
Foreign currency translation reserve	(488)	(6,196)	-	-
	<b>106,790</b>	<b>90,558</b>	<b>69,771</b>	<b>72,537</b>
<b>Non-controlling interests</b>	<b>4</b>	<b>855</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>106,794</b>	<b>91,413</b>	<b>69,771</b>	<b>72,537</b>
<b>Total equity and liabilities</b>	<b>132,689</b>	<b>106,302</b>	<b>73,318</b>	<b>75,165</b>

**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 28.02.2015		As at 28.02.2014	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
4,632	-	2,902	-

B) Amount repayable after one year

As at 28.02.2015		As at 28.02.2014	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
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 a legal mortgage over the subsidiary companies' properties, a 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	
	4QFY15	4QFY14	For the year ended	
	S\$'000	S\$'000	2015	2014
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Cash flows from operating activities</b>				
Profit/(loss) before taxation	3,589	(478)	12,851	1,172
Adjustments for:				
Amortisation and depreciation	1,900	1,830	7,533	7,301
Allowance for/(write-back of) inventories obsolescence	96	103	89	(49)
Interest expense	41	33	161	189
Write down of inventories	-	9	-	28
Unrealised exchange (gain)/loss	(46)	(884)	52	19
Share of results of associate companies	821	(256)	(930)	(2,843)
(Gain)/loss on disposal of property, plant and equipment	(33)	(21)	78	(368)
Write-off of property, plant and equipment	-	28	-	28
Interest income	(12)	(5)	(35)	(46)
(Write-back of)/allowance for impairment on trade receivables	-	(36)	47	(36)
<b>Operating cash flows before changes in working capital</b>	<b>6,356</b>	<b>323</b>	<b>19,846</b>	<b>5,395</b>
(Increase)/decrease in:				
Inventories	(255)	(2,423)	(836)	(3,985)
Trade receivables	125	1,578	(9,441)	(567)
Amount due from an associate company	93	5,335	320	4,133
Other receivables and prepayments	2,217	2,639	(1,810)	(84)
(Decrease)/increase in:				
Trade payables	700	129	3,103	1,754
Other payables	1,727	(75)	4,213	729
Amount due to an associate company	37	203	(155)	270
Exchange differences arising from consolidation	2,974	1,513	4,850	1,696
<b>Cash flow generated from operations</b>	<b>13,974</b>	<b>9,222</b>	<b>20,090</b>	<b>9,341</b>
Interest received	12	5	35	46
Interest paid	(41)	(33)	(161)	(189)
Income tax paid	(145)	(432)	(204)	(467)
<b>Net cash flow generated from operating activities</b>	<b>13,800</b>	<b>8,762</b>	<b>19,760</b>	<b>8,731</b>

**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	
	4QFY15	4QFY14	For the year ended	
	S\$'000	S\$'000	2015	2014
			S\$'000	S\$'000
<b>Cash flow from investing activities</b>				
Purchase of property, plant and equipment	(3,407)	(4,118)	(11,919)	(8,190)
Proceeds from disposal of property, plant and equipment	37	61	387	553
Investment in an associate company	-	(1,151)	-	(1,163)
Increase in prepayments	(3,574)	-	(3,574)	-
<b>Net cash flow used in investing activities</b>	<b>(6,944)</b>	<b>(5,208)</b>	<b>(15,106)</b>	<b>(8,800)</b>
<b>Cash flow from financing activities</b>				
Repayment of interest-bearing loans and borrowings	(930)	(853)	(4,334)	(5,210)
Decrease/(increase) in cash and cash equivalents subject to restrictions	8	4	3	(8)
Dividends paid on ordinary shares	-	-	(2,115)	-
Dividends paid to non-controlling interests	-	(258)	-	(258)
Proceeds from interest-bearing loans and borrowings	2,885	-	7,663	-
Capital reduction	-	-	(812)	-
Shares purchased and held as treasury shares	-	-	-	(27)
<b>Net cash flow generated from/(used in) financing activities</b>	<b>1,963</b>	<b>(1,107)</b>	<b>405</b>	<b>(5,503)</b>
Net increase/(decrease) in cash and cash equivalents	8,819	2,447	5,059	(5,572)
Cash and cash equivalents at beginning of financial period/year	7,216	8,230	10,720	16,213
Effect of exchange rate changes on cash and cash equivalents	365	43	621	79
<b>Cash and cash equivalents at end of financial period/year</b>	<b>16,400</b>	<b>10,720</b>	<b>16,400</b>	<b>10,720</b>

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

	GROUP	
	2015	2014
	S\$'000	S\$'000
Cash and bank balances	16,400	10,720
Fixed deposits	145	152
	<u>16,545</u>	<u>10,872</u>
Less:		
Cash and cash equivalents subject to restriction *	(145)	(152)
Cash and cash equivalents at end of financial period	<u>16,400</u>	<u>10,720</u>

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

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						Total equity attributable to equity owners of the Company	Non-controlling interests	Total equity
	Share capital	Treasury shares	Revenue reserve	Statutory reserve	Foreign currency translation reserve	Total other reserves			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>GROUP</b>									
<b>Balance as at 28.02.2014</b>	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)
<b>Balance as at 28.02.2015</b>	50,200	(1,923)	57,878	1,123	(488)	635	106,790	4	106,794
<b>Balance as at 28.02.2013</b>	50,200	(1,896)	46,720	707	(7,484)	(6,777)	88,247	69	88,316
Total comprehensive income for the financial year	-	-	1,050	-	1,288	1,288	2,338	1,044	3,382
Transfer from revenue reserve to statutory reserve	-	-	(152)	152	-	152	-	-	-
Purchase of treasury shares	-	(27)	-	-	-	-	(27)	-	(27)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(258)	(258)
<b>Balance as at 28.02.2014</b>	50,200	(1,923)	47,618	859	(6,196)	(5,337)	90,558	855	91,413



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
<b>COMPANY</b>				
<b>Balance as at 28.02.2014</b>	50,200	(1,923)	24,260	72,537
Total comprehensive income for the financial year	-	-	(651)	(651)
Dividends	-	-	(2,115)	(2,115)
<b>Balance as at 28.02.2015</b>	<b>50,200</b>	<b>(1,923)</b>	<b>21,494</b>	<b>69,771</b>
<b>Balance as at 28.02.2013</b>				
<b>Balance as at 28.02.2013</b>	50,200	(1,896)	18,097	66,401
Total comprehensive income for the financial year	-	-	6,163	6,163
Purchase of treasury shares	-	(27)	-	(27)
<b>Balance as at 28.02.2014</b>	<b>50,200</b>	<b>(1,923)</b>	<b>24,260</b>	<b>72,537</b>

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>	
	2015 and 2014	
	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 2014 to 28 February 2015.

As at 28 February 2015, the Company held 10,873,000 of its issued shares as Treasury Shares (28 February 2014: 10,873,000).

The Company does not have any outstanding options or convertibles as at 28 February 2015 (28 February 2014: 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.**

	28.02.2015	28.02.2014
	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**

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting year as those adopted in the most recently audited financial statements for the financial year ended 28 February 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 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 2014 or 1 March 2014. The adoption of the FRSs and INT FRSs will have no significant impact on the financial statements of the Group in the period of initial application.

**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			
	4QFY15	4QFY14	2015	2014
Profit/(loss) attributable to shareholders (\$'000)	3,306	(646)	12,639	1,050
Weighted average number of shares used to compute basic and diluted earnings per share ('000)	302,212	302,245	302,212	302,245
Earnings per share (cents) - basic and diluted	1.09	(0.21)	4.18	0.35

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	
	2015	2014	2015	2014
Net asset value per ordinary share based on share capital at the end of the period (cents)	35.34	29.97	23.09	24.00

The calculation of the net asset value per ordinary share was based on total number of 302,212,000 (28.02.2014: 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 2015 (FY2015), the Group's turnover increased by 55.0% (approximately \$32.6 million) as compared to previous financial year (FY2014). The increase was mainly contributed by higher sales in HDD components segment. Turnover in 4QFY15 was 108.6% (approximately \$14.2 million) higher than 4QFY14, contributed mainly by better customers' demands in HDD components segment.

The cost of sales (COS) of the Group in FY2015 increased by 35.1% (approximately \$18.6 million) as compared to FY2014. The gross profit margin improved year-on-year. The COS in 4QFY15 increased by 80.3% (approximately \$9.3 million) as compared to 4QFY14. The gross profit margin improved quarter-on-quarter. The improvement in gross profit margin year-on-year and quarter-on-quarter was attributable to lower fixed cost per unit due to higher volume of production in HDD components segment. The appreciation of United States Dollar (USD) against Singapore Dollar (SGD) has also contributed to better gross profit margin as HDD components segment sales are denominated in USD. However, this effect has partially been offset by the depreciation of Ringgit Malaysia (RM) and Euro which the Precision Metal Stamping components segment sales are denominated in.

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

**Consolidated statement of comprehensive income (cont'd)**

Other operating income in FY2015 was 15.0% (approximately \$0.6 million) higher as compared to FY2014. The increase was mainly due to higher sales of scrap metal, rental income and income from insurance claimed during the year. The increase was partially offset by decreases in interest income, sundry income and gain on disposal of property, plant and equipment.

Distribution and selling expenses (D&S expenses) increased by 22.9% (approximately \$0.6 million) as compared to FY2014. The increase was mainly due to increase in sales activities during the year. The D&S expenses in 4QFY15 increased by 12.6% (approximately \$80,000) as compared to 4QFY14 due to the same reason.

General and administrative expenses (G&A expenses) decreased by 2.9% (approximately \$0.3 million) as compared to FY2014. The decrease was mainly attributable to decreases in foreign exchange loss, write-off of property, plant and equipment and write-down of inventories. Besides that, there was a one-time retrenchment benefits incurred in FY2014. The decreases were partially offset by increases in amortisation and depreciation expenses, loss on disposal of property, plant and equipment, allowance for impairment on trade receivables and social insurance fund. The G&A expenses in 4QFY15 decreased by 3.7% (approximately \$89,000) as compared to 4QFY14 mainly due to decreases in write-off of property, plant and equipment, write-down of inventories and allowance for inventories obsolescence.

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 decreased by 14.8% (approximately \$28,000) in FY2015 mainly attributable to lower interest-bearing loans and borrowing balances during the year as compared to FY2014.

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 67.3% (approximately \$1.9 million) mainly due to lower profits generated by Jiangsu Tysan Precision Engineering Co., Ltd. (TP). The decrease in profits generated by TP was mainly due to the disruption to the operation during shifting of the plant and machineries to new production plant and higher social security contribution incurred during the year.

**Statement of financial position**

The Group's non-current assets increased by 8.3% (approximately \$5.7 million) as compared to 28 February 2014 (FY2014) mainly contributed by increase in property, plant and equipment and deferred tax assets recognised during the year. The increase in property, plant and equipment was partially offset by depreciation expenses charged during the year and reclassification of leasehold land and property to investment property. The reclassification was made in accordance to FRS 40 Investment Property after the Company sublet part of the leasehold building. The Company's property, plant and equipment decreased by 47.0% (approximately \$1.5 million) mainly due to reclassification of leasehold land and property to investment property and depreciation expenses charged during the year. The Company's investments in subsidiary companies decreased by 6.7% (approximately \$3.1 million) due to capital reduction carried out by a subsidiary during the year.

The Group's current assets increased by 55.3% (approximately \$20.7 million) mainly due to increases in inventories, trade and other receivables, prepayments and cash and bank balances. Inventories increased by 5.9% (approximately \$0.7 million) mainly due to higher demand forecast from customers. Trade receivables increased by 83.2% (approximately \$9.3 million) mainly due to higher sales generated towards the year end. Other receivables increased by 66.5% (approximately \$1.0 million) mainly due to higher amount owing by scrap collectors as a result of higher sales of scrap metal towards financial period end and increase in tax recoverable in subsidiaries from tax

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

**Statement of financial position (cont'd)**

authorities in China. Prepayments increased substantially (approximately \$4.3 million) mainly due to amounts prepaid for the purchases of factories by subsidiaries in Malaysia (approximately \$3.6 million) and machineries by subsidiaries in China. These increases in current assets were partially offset by decreases in amounts due from an associate company and cash and bank balances. The Company does not have any inventory nor trade receivables due to the completion of its relocation of manufacturing activities to Malaysia. Other receivables of the Company decreased by 40.4% (approximately \$1.7 million) mainly due to decrease in inter-companies receivables.

The Group's current liabilities increased by 76.3% (approximately \$9.3 million) as compared to FY2014. The increase was mainly due to increases in trade and other payables, interest-bearing loans and borrowings and income tax payables. Trade payables increased by 62.3% (approximately \$3.2 million) mainly due to increase in purchases as a result of higher production activities during the year. Other payables increased substantially (approximately \$4.2 million) mainly due to higher accrued personnel expenses and tooling deposits received from customers. Interest-bearing loans and borrowings (current portion) increased by 59.6% (approximately \$1.7 million) arising from loans obtained to finance purchases of plant and machineries and factory in subsidiary companies. Higher income tax payable (approximately \$0.3 million) was mainly due to higher profits generated in subsidiary companies during the year. The Company does not have any trade payables as a result of cessation of manufacturing activities in Singapore. The Company's other payables increased by 56.8% (approximately \$0.3 million) mainly due to higher accrued personnel expenses.

The Group's non-current liabilities increased by 63.3% (approximately \$1.7 million) as compared to FY2014 mainly due to non-current portion of loans obtained to finance purchases of plant and machineries and factory in subsidiary companies.

**Consolidated statement of cash flows**

During FY2015, the Group has net cash flows generated from operations of \$19.8 million as compared to \$8.7 million in FY2014. The net cash flows generated during the year was mainly contributed by higher operating cash flows before changes in working capital, increases in trade and other payables and decrease in amount due from an associate company. This was partially offset by increases in inventories, trade receivables, other receivables and prepayments.

In investing activities, the Group used \$15.1 million during FY2015 as compared to \$8.8 million in FY2014. The net cash used in FY2015 was mainly for the purchases of property, plant and equipment and increase in prepayments for amounts prepaid for the purchases of factories in Malaysia. It was partially offset by proceeds from disposal of property, plant and equipment during the year.

During FY2015, the Group has net cash flows generated from financing activities of \$0.4 million as compared to \$5.5 million used in FY2014. 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, dividends paid on ordinary shares and capital reduction paid to non-controlling interests.

**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 2014.

**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**

Both the HDD components and Precision Metal Stamping components segment are expected to do well.

Barring any unforeseen circumstances, the Board of Directors expects the Group to be profitable.

**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	1.0 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	0.2 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.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

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

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

(a) Business segments

	HDD Components		Precision Metal Stamping Components		Adjustments and Eliminations		Note	Consolidated financial statements	
	2015	2014	2015	2014	2015	2014		2015	2014
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		S\$'000	S\$'000
<b>Turnover:</b>									
External sales	74,321	43,123	17,624	16,206	-	-		91,945	59,329
	<u>74,321</u>	<u>43,123</u>	<u>17,624</u>	<u>16,206</u>	<u>-</u>	<u>-</u>		<u>91,945</u>	<u>59,329</u>
<b>Results:</b>									
Interest income	20	33	15	13	-	-		35	46
Interest expense	(161)	(189)	-	-	-	-		(161)	(189)
Amortisation and depreciation	(7,210)	(6,998)	(323)	(303)	-	-		(7,533)	(7,301)
(Allowance for)/write-back of impairment on trade receivables	(47)	-	-	36	-	-		(47)	36
Write-off of property, plant and equipment	-	28	-	-	-	-		-	28
(Allowance for)/write-back of inventories obsolescence	(48)	77	(41)	(98)	-	-		(89)	(21)
Other non-cash (income)/expenses	(79)	(349)	1	(19)	-	-	a	(78)	(368)
Segment profit/(loss) before taxation	<u>9,800</u>	<u>(5,227)</u>	<u>2,697</u>	<u>4,003</u>	<u>354</u>	<u>2,396</u>	b	<u>12,851</u>	<u>1,172</u>
<b>Assets:</b>									
Additions to non-current assets	10,440	4,507	1,814	2,475	698	1,208	c	12,952	8,190
Segment assets	<u>154,728</u>	<u>143,508</u>	<u>14,690</u>	<u>13,843</u>	<u>(36,729)</u>	<u>(51,049)</u>	d	<u>132,689</u>	<u>106,302</u>
<b>Segment liabilities</b>	<u>49,424</u>	<u>55,606</u>	<u>10,967</u>	<u>10,738</u>	<u>(34,496)</u>	<u>(51,455)</u>	e	<u>25,895</u>	<u>14,889</u>

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

(a) Business segments (cont'd)

Notes:

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

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

	2015	2014
	\$'000	\$'000
Share of results of associate companies	930	2,843
Withholding tax paid by the Company	-	(248)
Others	162	(199)
Loss on capital reduction of a subsidiary of the Company	(738)	-
	<u>354</u>	<u>2,396</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:

	2015	2014
	\$'000	\$'000
Investments in associate companies	16,491	16,886
Inter-segment assets	(53,220)	(67,935)
	<u>(36,729)</u>	<u>(51,049)</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:

	2015	2014
	\$'000	\$'000
Deferred tax liabilities	2,661	2,752
Inter-segment liabilities	(37,157)	(54,207)
	<u>(34,496)</u>	<u>(51,455)</u>



**13 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year (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	
	2015	2014	2015	2014
	S\$'000	S\$'000	S\$'000	S\$'000
Malaysia	35,971	27,742	17,326	19,685
Thailand	41,684	22,115	-	-
Philippines	1,722	3,496	-	-
Portugal	2,722	2,907	-	-
United States	6,120	1,031	-	-
People's Republic of China	1,316	967	52,823	44,624
Singapore	116	15	4,528	4,650
Others	2,294	1,056	8	2
	<u>91,945</u>	<u>59,329</u>	<u>74,685</u>	<u>68,961</u>

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

Sales in HDD components segment have increased by 72.3% (approximately \$31.1 million) as compared to the previous financial year. The increase was attributable mainly to higher customers' demand. Besides that, as the sales are denominated in USD, the appreciation of USD against SGD has contributed to the higher sales during the year.

Higher volume of production in HDD components segment has led to lower fixed cost per unit. Together with the effect of appreciation of USD against SGD, this segment recorded a profit as compared to a loss in FY2014.

Sales in Precision Metal Stamping components segment have increased by 8.7% (approximately \$1.4 million) as compared to the previous financial year. The increase was attributable to higher customers' demand during the year. However, as the sales are mainly denominated in RM and Euro, the depreciation of RM and Euro against SGD has partially offset the effect of increase in customers' demand.

Profit in Precision Metal Stamping components segment decreased as compared to FY2014. The decrease was mainly due to foreign exchange losses recorded during FY2015 arising from depreciation of RM against USD as the intercompany payables are mainly denominated in USD.

**15 A breakdown of sales**

	<b>GROUP</b>		
	2015 S\$'000	2014 S\$'000	Increase %
Sales reported for the first half of the year	40,315	30,141	33.8
Operating profit after taxation before non-controlling interests reported for the first half year	5,363	120	4,369.2
Sales reported for the second half of the year	51,630	29,188	76.9
Operating profit after taxation before non-controlling interests reported for the second half year	7,249	878	725.6

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

	2015 S\$'000	2014 S\$'000
<b>Declared and paid during the financial year:</b>		
- 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	-
Total	2,115	-
<b>Proposed but not recognised as a liability as at 28 February:</b>		
Dividends on ordinary shares, subject to shareholders' approval at the AGM:		
- A final tax exempt dividend of 1.0 cent per share (2014: 0.2 cent per share)	3,022	604

**17 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.

- 18 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (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	57	<ol style="list-style-type: none"> <li>1. Brother of Law Kung Ming and Law Yu Chui, Directors and Substantial Shareholders of Cheung Woh Technologies Ltd; and</li> <li>2. Son of Lee Hang Ngok, a Substantial Shareholder of Cheung Woh Technologies Ltd.</li> </ol>	He is the Chairman and Managing Director and he is overall responsible for the strategic development of the Group.	No change.
Law Kung Ming	59	<ol style="list-style-type: none"> <li>1. Brother of Law Kung Ying and Law Yu Chui, Directors and Substantial Shareholders of Cheung Woh Technologies Ltd; and</li> <li>2. Son of Lee Hang Ngok, a Substantial Shareholder of Cheung Woh Technologies Ltd.</li> </ol>	He is the Managing Director of Cheung Woh Technologies (Malaysia) Sdn. Bhd. He is responsible for the sales and marketing efforts and the overall operation of Cheung Woh Technologies (Malaysia) Sdn. Bhd.	No change.
Law Yu Chui	55	<ol style="list-style-type: none"> <li>1. Sister of Law Kung Ying and Law Kung Ming, Directors and Substantial Shareholders of Cheung Woh Technologies Ltd; and</li> <li>2. Daughter of Lee Hang Ngok, a Substantial Shareholder of Cheung Woh Technologies Ltd.</li> </ol>	She is the Finance and Administrative Director and she is overall responsible for the Group's finance and administrative matters.	No change.

**18. 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	31	<ol style="list-style-type: none"> <li>1. Son of Mr Law Kung Ying, Managing Director and Substantial Shareholder of the Company.</li> <li>2. Nephew of Mr Law Kung Ming, Executive Director and Substantial Shareholder of the Company.</li> <li>3. Nephew of Ms Law Yu Chui, Finance and Administrative Director and Substantial Shareholder of the Company.</li> <li>4. Grandson of Mdm Lee Hang Ngok, a Substantial Shareholder of the Company.</li> </ol>	<p>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.</p>	<p>He was previously an Assistant General Manager of Cheung Woh Precision (Zhuhai) Co., Ltd. (CWI), a wholly-owned subsidiary of the Company. He oversaw the management information system, sales and finance functions in CWI since 2010.</p>
Tan Hai Ting	29	<ol style="list-style-type: none"> <li>1. Daughter of Ms Law Yu Chui, Finance and Administrative Director and Substantial Shareholder of the Company.</li> <li>2. Niece of Mr Law Kung Ying, Managing Director and Substantial Shareholder of the Company.</li> <li>3. Niece of Mr Law Kung Ming, Executive Director and Substantial Shareholder of the Company.</li> <li>4. Granddaughter of Mdm Lee Hang Ngok, a Substantial Shareholder of the Company.</li> </ol>	<p>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.</p>	<p>No change.</p>

BY ORDER OF THE BOARD

Law Yu Chui  
 Director  
 20 April 2015