



PNE INDUSTRIES LTD

(Company registration no. 199905792R)

Full Year Financial Statement And Dividend Announcement

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

- 1(a) 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 FOR THE YEAR ENDED 30 SEPTEMBER

	Group		
	30-9-2015	30-9-2014	+ / (-)
	\$ '000	\$ '000	%
Continuing operations			
Revenue	74,047	72,206	2.5%
Cost of sales	(54,613)	(53,869)	1.4%
Gross profit	19,434	18,337	6.0%
Other operating income	4,124	10,144	-59.3%
Distribution costs	(2,201)	(1,976)	11.4%
Administrative expenses	(9,412)	(9,193)	2.4%
Other operating expenses	(835)	(860)	-2.9%
Share of results of associates	154	(343)	n.m.
Profit before tax	11,264	16,109	-30.1%
Income tax expense	(1,713)	(1,266)	35.3%
Profit for the year from continuing operations	9,551	14,843	-35.7%
Discontinued operations			
Loss for the year from discontinued operations	(2,335)	(6,297)	-62.9%
Profit for the year	7,216	8,546	-15.6%
Other comprehensive income:			
<u>Items that may be reclassified subsequently to profit or loss:</u>			
Disposal of associated company	0	1,487	-100.0%
Exchange difference arising on translation of foreign operations	(2,270)	199	n.m.
Available-for-sale investments	129	(129)	n.m.
Other comprehensive (loss) income for the year, net of tax	(2,141)	1,557	
Total comprehensive income for the year	5,075	10,103	-49.8%

n.m.: Not meaningful

Note:

In addition to the charges and credits disclosed above, the following items have also been credited (charged) to the statement of comprehensive income:

		Group	
		<u>30-9-2015</u>	<u>30-9-2014</u>
		<u>\$ '000</u>	<u>\$ '000</u>
(A)	Investment income	0	0
(B)(i)	Other income - interest income	166	94
(B)(ii)	- gain on disposal of associate	0	9,761
(B)(iii)	- others	217	308
(C)	Interest on borrowings	0	0
(D)	Depreciation and amortisation	(1,038)	(1,515)
(E)	Writeback of (Allowance for) doubtful debts and bad debts written off	131	(2,623)
(F)	Writeback of (Allowance for) inventory obsolescence	167	(644)
(G)	Impairment of available-for-sale investment	(829)	0
(H)	Foreign exchange gain (loss)	3,601	(331)
(I)	Adjustment for over (under) provision of tax in respect of prior years	27	(320)
(J)	Gain on disposal of plant and equipment	180	5
(K)	Impairment loss on plant and equipment	(2)	(2,094)

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	
	<u>30-9-2015</u>	<u>30-9-2014</u>	<u>30-9-2015</u>	<u>30-9-2014</u>
	<u>\$ '000</u>	<u>\$ '000</u>	<u>\$ '000</u>	<u>\$ '000</u>
ASSETS				
Current assets:				
Cash and bank balances	28,188	19,390	904	6,699
Trade receivables	27,764	27,162	109	122
Other receivables and prepayments	1,063	1,591	11,710	5,118
Inventories	13,381	19,847	0	0
Assets classified as held for sale	4,900	0	11,396	0
Total current assets	75,296	67,990	24,119	11,939
Non-current assets:				
Property, plant and equipment	6,118	9,662	0	0
Goodwill on consolidation	0	0	0	0
Investment in subsidiaries	0	0	19,514	31,542
Investment in associates	568	556	0	0
Available-for-sale investments	3,086	3,786	3,086	3,786
Deferred tax assets	331	396	0	0
Total non-current assets	10,103	14,400	22,600	35,328
Total assets	85,399	82,390	46,719	47,267
LIABILITIES AND EQUITY				
Current liabilities:				
Trade payables	10,681	7,647	44	24
Other payables	2,346	2,871	580	599
Income tax payable	990	793	14	12
Liabilities associated with assets classified as held for sale	257	0	0	0
Total current liabilities	14,274	11,311	638	635
Non-current liability:				
Deferred tax liabilities	13	7	0	0
Total non-current liabilities	13	7	0	0
Capital and reserves:				
Share capital	36,991	36,991	36,991	36,991
Currency translation deficit	(5,977)	(3,707)	0	0
Capital reserve	115	115	0	0
Investment revaluation reserve	0	(129)	0	(129)
Accumulated profits	39,983	37,802	9,090	9,770
Equity attributable to equity holders of the Company, representing total equity	71,112	71,072	46,081	46,632
Total liabilities and equity	85,399	82,390	46,719	47,267

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

Amount repayable in one year or less, or on demand

As at September 30, 2015		As at September 30, 2014	
Secured	Unsecured	Secured	Unsecured
Nil	Nil	Nil	Nil

Amount repayable after one year

As at September 30, 2015		As at September 30, 2014	
Secured	Unsecured	Secured	Unsecured
Nil	Nil	Nil	Nil

Details of any collateral

Approximately \$258,000 (2014: \$332,000) of the Group's fixed deposits is pledged to a bank in return for bank guarantees issued to third parties.

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

Year ended:	<u>30-9-2015</u> <u>\$' 000</u>	<u>30-9-2014</u> <u>\$' 000</u>
Operating activities:		
Profit before income tax:		
Profit before tax from continuing operations	11,264	16,109
Loss before tax from discontinued operations	(2,335)	(5,324)
Adjustments for:		
Share of results of associates	(154)	343
Depreciation expense	1,038	1,515
Impairment loss on property, plant and equipment	2	2,094
Interest income	(166)	(94)
Gain on disposal of property, plant and equipment	(180)	(5)
Property, plant and equipment written off	44	9
Impairment of available-for-sale investment	829	0
Gain on disposal of associate	0	(9,761)
(Writeback of) Allowance for doubtful trade receivables	(131)	2,623
(Writeback of) Allowance for inventory obsolescence	(167)	644
Operating profit before movements in working capital	10,044	8,153
Trade receivables	(778)	(2,245)
Other receivables and prepayments	567	(55)
Inventories	4,842	2,308
Trade payables	3,379	(920)
Other payables	(556)	156
Cash generated from operations	17,498	7,397
Interest received	166	94
Income tax paid	(1,325)	(1,613)
Net cash from operating activities	16,339	5,878

CONSOLIDATED STATEMENT OF CASH FLOWS
(continued)

Year ended:	<u>30-9-2015</u>	<u>30-9-2014</u>
	<u>\$' 000</u>	<u>\$' 000</u>
Investing activities:		
Proceeds from disposal of associate	-	8,213
Proceeds from disposal of property, plant and equipment	205	44
Purchase of property, plant and equipment	(1,123)	(616)
Dividends received from associates	121	86
Net cash used in investing activities	<u>(797)</u>	<u>7,727</u>
Financing activities:		
Fixed deposits and bank balances pledged	74	(209)
Dividends paid	(5,035)	(9,734)
Net cash used in financing activities	<u>(4,961)</u>	<u>(9,943)</u>
Net increase in cash and cash equivalents	10,581	3,662
Cash and cash equivalents at beginning of year	19,058	15,204
Net effect of foreign exchange rate changes	(392)	192
Cash and cash equivalents at end of year	<u><u>29,247</u></u>	<u><u>19,058</u></u>
Cash and cash equivalents represent:		
Cash and bank balance*	8,046	10,766
Fixed deposits	21,459	8,624
	<u>29,505</u>	<u>19,390</u>
Less: Fixed deposits and bank balances pledged	<u>(258)</u>	<u>(332)</u>
	<u><u>29,247</u></u>	<u><u>19,058</u></u>

* Note: Includes cash and bank balance classified as assets held for sale of \$1,317,000.

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

STATEMENTS OF CHANGES IN EQUITY

	<u>Share capital</u>	<u>Currency translation deficit</u>	<u>Capital reserve</u>	<u>Investment revaluation reserve</u>	<u>Accumulated profits</u>	<u>Total attributable to equity holders of the Company</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
GROUP						
Balance at October 1, 2013	36,991	(5,393)	115	0	38,990	70,703
Total comprehensive income for the year:						
Profit for the year	0	0	0	0	8,546	8,546
Other comprehensive income for the year	0	1,686	0	(129)	0	1,557
Total	0	1,686	0	(129)	8,546	10,103
Dividends paid, representing transactions with owners, recognised directly in equity	0	0	0	0	(9,734)	(9,734)
Balance at September 30, 2014	36,991	(3,707)	115	(129)	37,802	71,072
Total comprehensive income for the year:						
Profit for the year	0	0	0	0	7,216	7,216
Other comprehensive income for the year	0	(2,270)	0	129	0	(2,141)
Total	0	(2,270)	0	129	7,216	5,075
Dividends paid, representing transactions with owners, recognised directly in equity	0	0	0	0	(5,035)	(5,035)
Balance at September 30, 2015	36,991	(5,977)	115	0	39,983	71,112

	<u>Share capital</u>	<u>Investment revaluation reserve</u>	<u>Accumulated profits</u>	<u>Total</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
COMPANY				
Balance at October 1, 2013	36,991	0	4,837	41,828
Total comprehensive income for the year:				
Profit for the year	0	0	14,667	14,667
Other comprehensive income for the year	0	(129)	0	(129)
Total	0	(129)	14,667	14,538
Dividends paid, representing transactions with owners, recognised directly in equity	0	0	(9,734)	(9,734)
Balance at September 30, 2014	36,991	(129)	9,770	46,632
Total comprehensive income for the year:				
Profit for the year	0	0	4,355	4,355
Other comprehensive income for the year	0	129	0	129
Total	0	129	4,355	4,484
Dividends paid, representing transactions with owners, recognised directly in equity	0	0	(5,035)	(5,035)
Balance at September 30, 2015	36,991	0	9,090	46,081

- 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 of the issuer, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

There were no changes in the Company's share capital since the end of the previous period reported on. However, on August 6, 2015 during the current financial year, the Company completed a share consolidation exercise such that every four issued shares were consolidated into one share. As a result of the share consolidation, the number of issued shares of the Company reduced from 335,667,050 to 83,916,757. There is no change in share capital as a result of the share consolidation exercise.

There are no outstanding convertibles or treasury shares 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.

	As at September 30, 2015	As at September 30, 2014
Number of issued shares excluding treasury shares	83,916,757*	335,667,050

***Note:**

The reduction in the number of issued shares is due to the share consolidation exercise as explained above.

- 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 financial year**

	As at September 30, 2015	As at September 30, 2014
Number of issued shares excluding treasury shares	83,916,757*	335,667,050

***Note:**

The reduction in the number of issued shares is due to the share consolidation exercise as explained in paragraph 1(d)(ii).

The Company did not have any treasury shares as at the end of the current financial period and as at the end of the immediately preceding financial year.

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

The Company did not have any treasury shares during or at the end of 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 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 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

Save 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 period reported on as those used in the most recently audited financial statements for the financial year ended September 30, 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 has adopted the applicable revisions to various existing Financial Reporting Standards ("FRS"), the new FRS and Interpretations of FRS ("INT FRS") that are mandatory on the Group for its financial year commenced on October 1, 2014. The adoption of these various revised FRS, new FRS and INT FRS effective for the Group's financial year commenced on October 1, 2014 does not have a material financial effect on the Group and the Company.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	Year ended September 30, 2015	Year ended September 30, 2014
Profit per ordinary share of the Group after deducting any provision for preference dividends:		
(a) Based on number of ordinary shares on issue		
- From continuing and discontinued operations	8.6 cents	10.2 cents*
- From continuing operations	11.4 cents	17.7 cents*
Number of ordinary shares	83,916,757	83,916,757*
(b) On a fully diluted basis		
- From continuing and discontinued operations	8.6 cents	10.2 cents*
- From continuing operations	11.4 cents	17.7 cents*
Adjusted number of ordinary shares	83,916,757	83,916,757*

***Note:**

On August 6, 2015, the Company completed a share consolidation exercise such that every four issued shares were consolidated into one share. The comparative figures for the prior financial year have been adjusted assuming that the share consolidation was completed on September 30, 2014.

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

	Group	Company
Net asset value per ordinary share based on issued share capital as at the end of the:		
(a) Current period reported on (September 30, 2015)	84.7 cents	53.9 cents
(b) Immediately preceding financial year (September 30, 2014)	84.6 cents*	55.6 cents*

***Note:**

On August 6, 2015, the Company completed a share consolidation exercise such that every four issued shares were consolidated into one share. The comparative figures for the prior financial year have been adjusted assuming that the share consolidation was completed on September 30, 2014.

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

For the financial year ended September 30, 2015 ("FY15"), the Group recorded revenue, profit before tax, and profit after tax from continuing operations of \$74.0m, \$11.3m, and \$9.6m respectively. However, the Group also incurred a loss of \$2.3m from discontinued operations in FY15. As such, the Group ended the year with a profit of \$7.2m.

Revenue from continuing operations rose by \$1.8m or 2.5% in FY15 compared to the previous financial year ("FY14") due mainly to higher sales of the Group's lighting products under its Trading segment because of increased orders from customers. Gross profit increased due mainly to the higher sales.

Other operating income declined due mainly to the absence this year of a one-off \$9.8m gain recorded in FY14 upon the disposal of interest in the Group's associated company. This is offset partially by \$3.6m of foreign exchange gains this year.

Distribution costs increased due to higher sales commissions.

Administrative expenses increased due mainly to higher staff costs as staff salaries rose because of inflationary pressures.

Included in other operating expenses in FY15 is a \$0.8m impairment charge on available-for-sale investment. In FY14, other operating expenses comprise mainly of impairment on trade receivables and inventories instead.

Depreciation declined \$0.5m in FY15 due to lower carrying amount of plant and equipment this year.

The Group's share of results of associate is a profit of \$0.2m this year, compared to a loss of \$0.3m last year. A loss was incurred last year due to the losses recorded by one of the Group's two associates then. During FY14, the Group disposed part of its interest in the loss-making associate, with the remaining interest reclassified as an available-for-sale investment instead of an associate.

The Group's share of results of associates in FY14 included its share of results of this loss-making associate up to the date of disposal of its interest in this associate. In FY15, the Group's share of results of associate reflects the results of its remaining associate only.

In FY15, the Group initiated plans for the disposal of its interest in a subsidiary. As such, the results of this subsidiary had been presented as discontinued operations in FY15, with reclassifications made accordingly for FY14. The loss from discontinued operations is lower at \$2.3m in FY15 due to the scaling down of this business during the year.

Statement of Financial Position

Cash and bank balances rose by \$8.8m compared to last year due mainly to lower working capital requirements, leading to higher cash generated from operations. Working capital requirements are lower due to the scaling down of the printing materials business and because of longer credit terms from suppliers.

Inventories declined \$6.5m as the inventories held last year included those under the printing materials business which had been scaled down this year.

Assets classified as held for sale pertain to those of the subsidiary which the Group intends to divest as stated above.

Property, plant and equipment declined due to reclassifications of property, plant and equipment to assets classified as held for sale.

Available-for-sale investment declined \$0.7m because of impairment on this investment in view of the decline in its value due to a severe weakening of the Malaysian Ringgit.

Trade payables increased \$3.0m due to longer credit terms from suppliers.

Currency translation deficit increased \$2.3m due mainly to deficits arising from the translation of the Group's operations in Malaysia, because of the severe weakening of the Malaysian Ringgit.

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

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

About half of the Group's sales in FY15 were to Europe. Economic conditions in Europe have remained uncertain since the European debt crisis. Although this has not had severe impact on the Group, such uncertainty may affect the Group's future sales.

The Group faces intense pressures from customers for lower pricing on its products. On the other hand, it also has to manage rising costs in the Singapore, Malaysia, and China, where its operations are located in. Minimum wages in Shenzhen, where one of the Group's factories is located at, had increased again this year. The Group is continuously monitoring its activities to enforce stringent control of its costs and to seek opportunities to further streamline operations.

Foreign exchange rates also remain highly volatile. As the Group has sales denominated in the United States Dollar, any weakening of the United States Dollar will have an adverse impact on the Group to the extent that the revenue is not matched by costs denominated in the United States Dollar.

Subsequent to the scaling down of the printing materials business in November 2014, the Group had continued to experience challenging conditions for this business, leading to continued losses

being suffered by this business this year. The operating environment for this business is also expected to remain difficult, and is aggravated by weak economic sentiments. Thus, to reduce further losses, the Group had entered into an agreement on November 13, 2015, for the sale of this business via the disposal of its interest in the subsidiary through which this business is mainly held. Further announcements will be made in due course to update shareholders on the progress of this disposal.

11. If a decision regarding dividend has been made:-

- (a) Whether an interim (final) ordinary dividend has been declared (recommended); and**
- (b) (i) Amount per share cents**
- (b) (ii) Previous corresponding period cents**
- (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived (if the dividend is not taxable in the hands of shareholders, this must be stated).**

The directors are pleased to recommend a final one-tier tax-exempt dividend of 2.0 cents per share for the current financial year ended September 30, 2015. This is equivalent to the final one-tier tax-exempt dividend of 0.5 cents per share recommended in the previous corresponding period, as the shares of the Company were consolidated during the current period, such that every four issued shares were consolidated into one share.

(d) The date the dividend is payable

To be announced at later date.

(e) The date on which Registrable Transfers received by the company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

To be announced at later date.

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

Not applicable.

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.

No IPT mandate has been obtained.

14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company has obtained undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1).

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

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**

ANALYSIS BY BUSINESS SEGMENT

- (i) Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segment:

	<u>Revenue</u>		<u>Profit/(loss)</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	<u>\$' 000</u>	<u>\$' 000</u>	<u>\$' 000</u>	<u>\$' 000</u>
Continuing operations				
Contract manufacturing	62,616	62,215	8,756	6,005
Trading	11,431	9,991	2,316	605
Printed circuit boards	0	0	0	(478)
Others	0	0	26	9,883
Total	74,047	72,206	11,098	16,015
Interest income			166	94
Profit before tax			11,264	16,109
Income tax			(1,713)	(1,266)
Profit for the year from continuing operations			9,551	14,843
Discontinued operations				
Trading			(2,335)	(6,297)
Profit for the year			7,216	8,546

- (ii) Segment assets and liabilities

	<u>2015</u>	<u>2014</u>
	<u>\$' 000</u>	<u>\$' 000</u>
<u>Segment assets</u>		
Contract manufacturing	43,277	41,465
Trading	8,610	16,775
Printed circuit boards	3,086	3,786
Others	590	578
Total segment assets	55,563	62,604
Unallocated	29,836	19,786
Consolidated assets	85,399	82,390
<u>Segment liabilities</u>		
Contract manufacturing	10,567	8,729
Trading	2,091	1,164
Others	626	625
Total segment liabilities	13,284	10,518
Unallocated	1,003	800
Consolidated liabilities	14,287	11,318

(iii) Other segment information

	<u>Depreciation and amortisation</u>		<u>Additions to non-current assets</u>		<u>Investment in associates and other investments</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	<u>\$' 000</u>	<u>\$' 000</u>	<u>\$' 000</u>	<u>\$' 000</u>	<u>\$' 000</u>	<u>\$' 000</u>
Contract manufacturing	734	740	1,068	376	0	0
Trading	304	775	55	240	0	0
Printed circuit boards	0	0	0	0	3,086	3,786
Others	0	0	0	0	568	556
	<u>1,038</u>	<u>1,515</u>	<u>1,123</u>	<u>616</u>	<u>3,654</u>	<u>4,342</u>

ANALYSIS BY GEOGRAPHICAL SEGMENT

	<u>Revenue from external customers</u>		<u>Non-current assets</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	<u>\$ '000</u>	<u>\$ '000</u>	<u>\$ '000</u>	<u>\$ '000</u>
Poland	21,795	19,618	0	0
Europe (excluding Poland)	15,889	16,149	568	556
People's Republic of China	11,028	11,358	519	2,793
Indonesia	8,171	11,238	0	0
Malaysia	8,405	6,033	8,990	10,989
Singapore	4,745	4,487	26	62
Others	4,014	3,323	0	0
	<u>74,047</u>	<u>72,206</u>	<u>10,103</u>	<u>14,400</u>

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

Review of Business Segment Performance

The profit recorded by the Contract Manufacturing segment increased due mainly to higher foreign exchange gains.

The Trading segment recorded higher profit this year due to higher sales.

The profit of \$9.9m recorded by the "Others" segment in FY14 included a non-recurring \$9.8m gain on disposal of interest in associate during FY14. For FY15, the results of this segment included the \$0.8m impairment charge on available-for-sale investment, but this was mostly offset by higher foreign exchange gains.

The reduction in segment assets of the Trading segment is in line with the scaling down of the Group's printing materials business.

Review of Geographical Segment Performance

The reduction in non-current assets based in China was due mainly to reclassification of certain property, plant and equipment to assets classified as held for sale, while the reduction in Malaysia was due mainly to the depreciation of the Malaysian Ringgit.

17. A breakdown of sales

		Latest financial year \$ '000	Previous financial year \$ '000	% increase / (decrease)
(a)	Sales reported for first half year	37,928	40,816	(7.1)%
(b)	Operating profit after tax before deducting minority interests reported for first half year	3,687	3,034	21.5%
(c)	Sales reported for second half year	36,119	31,390	15.1%
(d)	Operating profit after tax before deducting minority interests reported for second half year	3,529	5,512	(36.0)%

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

	Latest Full Year ended September 30, 2015 (One-tier tax exempt dividend*)	Previous Full Year end September 30, 2014 (One-tier tax exempt dividend*)
Ordinary	\$5,035,006	\$10,070,012
Preference	0	0
Total:	\$5,035,006	\$10,070,012

* Includes interim dividends declared and paid during the financial year, as well as final dividend recommended in respect of that financial year, but payable/paid in the following financial year.

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

Name	Age	Family relationship	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Tan Bee Foon	55	Sister of all directors (except independent directors)	General Manager in Human Resource and Administration - in charge of human resource management and general admin matters. - Position held since 1 st Jan 2000	No changes
Eugene Tan Wei Kang	44	Son of substantial shareholder, Mr Tan Kong Hock, and nephew of all other directors (except independent directors)	Senior Manager – Business Development of PNE Appliance Controls Pte Ltd. - in charge of developing new business for the company - Position held since 1 st Jul 2006	No changes
Tan Meng Siew	43	Daughter of chairman, Mr Tan Kong Heng, niece of all other directors (except independent directors)	Financial Controller - in charge of finance and accounting functions - Position first held in 1999 Also appointed as Company Secretary on 31 st Dec 2004	No changes

BY ORDER OF THE BOARD

Ms Tan Meng Siew
Company Secretary
November 27, 2015