



Full Year Financial Statements And Dividend Announcement for the Year Ended 31 March 2015

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

In connection with the Restructuring Exercise which was completed on 6 April 2015 as announced, Stratech Systems Limited was delisted and became an indirect wholly-owned subsidiary of The Stratech Group Limited. The Stratech Group Limited was listed on the Mainboard of the SGX-ST effective thereon.

As the Restructuring Exercise was completed subsequent to the financial year ended 31 March 2015, accordingly, the reporting of the full year results announcement comprise the results of Stratech Systems Limited (the "Company") and its subsidiaries (the "Group") for the financial year then ended.

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

**Unaudited Consolidated Statement of Comprehensive Income
For the financial year ended 31 March 2015 ("FY2015")**

	Group		Change Increase / (Decrease) %
	FY2015 S\$'000	FY2014 S\$'000	
Revenue	16,505	11,130	48.29
Cost of goods and services sold	(6,862)	(1,863)	268.34
Gross profit	9,643	9,267	4.06
Other operating income	692	1,220	(43.30)
Selling and distribution expenses	(1,192)	(1,056)	12.93
Administrative expenses	(5,732)	(4,484)	27.83
Other operating expenses	(2,304)	(2,874)	(19.84)
Finance costs	(375)	(613)	(38.82)
Operating expenses, net	(8,911)	(7,807)	14.14
Net profit before income tax	732	1,460	(49.88)
Income tax	-	-	-
Net profit for the year	732	1,460	(49.88)
Other comprehensive income:			
Currency translation differences arising from consolidation	(179)	(17)	NM
Total comprehensive income for the year	553	1,443	(61.70)
Net profit attributable to shareholders of the Company	732	1,460	
Total comprehensive income attributable to shareholders of the Company	553	1,443	

1(a)(ii). The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year.

Note (i) - Net profit for the year

This is determined after charging / (crediting) the following:

	Group		
	FY2015	FY2014	Change
	Dr/(Cr)	Dr/(Cr)	Increase /
	S\$'000	S\$'000	(Decrease)
			%
Amortisation of intangible assets	2,074	2,709	(23.44)
Depreciation of plant and equipment	212	150	41.21
Employee share option expense	73	73	-
Interest expense	375	613	(38.82)
Interest income	(6)	(28)	(78.75)
Exchange gain, net	(239)	(49)	387.76

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.

Unaudited Statements of Financial Position
As at 31 March 2015 ("FY2015")

	Note	Group S\$'000		Company S\$'000	
		FY2015	FY2014	FY2015	FY2014
Assets					
Non-current assets					
Plant and equipment		571	467	571	467
Investments in subsidiaries		-	-	876	876
Intangible assets		3,022	4,243	3,022	4,243
		<u>3,593</u>	<u>4,710</u>	<u>4,469</u>	<u>5,586</u>
Current assets					
Inventories		355	1,219	355	1,219
Trade and other receivables	1	8,098	7,208	7,724	6,287
Fixed deposits		4,092	4,086	4,092	4,086
Cash and bank balances		149	1,989	79	1,808
		<u>12,694</u>	<u>14,502</u>	<u>12,250</u>	<u>13,400</u>
Total assets		<u>16,287</u>	<u>19,212</u>	<u>16,719</u>	<u>18,986</u>
Equity and liabilities					
Current liabilities					
Bank borrowings		1,749	-	1,749	-
Finance lease liabilities		86	33	86	33
Trade and other payables	2	5,436	10,033	4,861	9,716
Provisions	3	2,281	3,089	2,279	3,089
		<u>9,552</u>	<u>13,155</u>	<u>8,975</u>	<u>12,838</u>
Net current assets		3,142	1,347	3,275	562
Non-current liabilities					
Finance lease liabilities		166	114	166	114
Net assets		6,569	5,943	7,578	6,034
Equity attributable to equity holders of the Company					
Share capital		112,709	112,709	112,709	112,709
Share option reserve		347	485	347	485
Translation reserve		65	244	-	-
Accumulated losses		(106,552)	(107,495)	(105,478)	(107,160)
Total equity		<u>6,569</u>	<u>5,943</u>	<u>7,578</u>	<u>6,034</u>
Total equity and liabilities		<u>16,287</u>	<u>19,212</u>	<u>16,719</u>	<u>18,986</u>

Note 1: Trade and other receivables

	Group S\$'000		Company S\$'000	
	FY2015	FY2014	FY2015	FY2014
Trade receivables	2,995	3,365	2,177	2,626
Allowance for doubtful debts on trade receivables	(1,120)	(1,004)	(1,120)	(1,004)
<i>Net trade receivables</i>	1,875	2,361	1,057	1,622
Accrued revenue	4,422	2,605	4,422	2,605
Allowance for impairment	(343)	(343)	(343)	(343)
	4,079	2,262	4,079	2,262
Other receivables	1,136	1,530	1,133	1,527
Allowance for doubtful debts on other receivables	(556)	(509)	(556)	(509)
<i>Net other receivables</i>	580	1,021	577	1,018
Amount due from subsidiaries	-	-	2,011	1,385
Receivable in respect of a guarantee from a director-cum-shareholder	1,564	1,564	-	-
<i>Total trade and other receivables</i>	8,098	7,208	7,724	6,287

Note 2: Trade and other payables

	Group S\$'000		Company S\$'000	
	FY2015	FY2014	FY2015	FY2014
Trade payables	729	1,797	729	1,797
Accruals	1,144	1,117	757	828
Deferred income	348	4,154	348	4,148
Due to directors-cum-shareholders	1,840	2,345	1,823	2,330
Other payables	1,375	620	1,204	613
	5,436	10,033	4,861	9,716

Included in other payables is a loan of S\$ 0.5 million (FY2014: S\$0.25 million) from a third party, who is not a related party of the Group. The loan is unsecured, bears interest of 18% per annum (FY2014: 18%) and has been fully repaid subsequent to FY2015. The 18% interest charged is due to the relatively short-term and unsecured nature of the loan.

Note 3: Provisions

	Group S\$'000		Company S\$'000	
	FY2015	FY2014	FY2015	FY2014
Litigation	416	1,259	416	1,259
Foreseeable project loss	1,275	1,275	1,275	1,275
Unutilised leaves	590	555	588	555
	2,281	3,089	2,279	3,089

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

Amount repayable in one year or less, or on demand

FY2015		FY2014	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
1,835	-	33	-

Amount repayable after one year

FY2015		FY2014	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
166	-	114	-

At the end of the financial year, the secured borrowings comprise : (1) a hire purchase arrangement for an asset and (2) bank borrowings secured by fixed deposits.

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

	Group	
	FY2015	FY2014
	S\$'000	S\$'000
Cash flows from operating activities		
Profit before income tax	732	1,460
Adjustments for:		
Amortisation of intangible assets	2,074	2,709
Depreciation of plant and equipment	212	150
Equity-settled share option expenses granted to directors and employees	89	160
Reversal of equity-settled share option expenses granted to directors and employees	(16)	(87)
Reversal of provision for litigation costs	-	(766)
Plant and equipment written off	-	1
Patents and trademarks written off	-	16
Interest income	(6)	(28)
Finance costs	375	613
Operating cash flow before working capital changes	3,460	4,228
Trade and other receivables	(884)	(1,290)
Trade and other payables and provisions	(3,648)	4,582
Inventories	864	(1,130)
Currency translation differences	(179)	(17)
Cash (used in)/ generated from operations	(387)	6,373
Interest paid	(375)	(613)
Interest received	6	25
Net cash (used in)/ generated from operating activities	(756)	5,785
Cash flows from investing activities		
Additions to intangible assets	(853)	(975)
Purchases of plant and equipment	(158)	(2)
Net cash used in investing activities	(1,011)	(977)

Consolidated Statement of Cash Flows (Cont'd)

	Group	
	S\$'000	
	FY2015	FY2014
	S\$'000	S\$'000
Cash flows from financing activities		
Repayment of obligations under finance leases	(54)	(31)
Proceeds from issuance of shares	-	1,175
Repayment of loan from financial institution	-	(10,570)
Proceeds from short-term loans	1,250	-
Repayment of short-term loans	(1,005)	-
Decrease on amount due to a director-cum-shareholder	(251)	(90)
Share issue expenses	-	(213)
Fixed deposit pledged as security for banking facilities	(6)	7,650
Redemption of convertible bonds	-	(759)
Net cash used in financing activities	(66)	(2,838)
Effects of exchange rate changes on cash and cash equivalents	(7)	(18)
Net (decrease) / increase in cash and cash equivalents	(1,833)	1,970
Cash and cash equivalents at beginning of the year	1,989	37
Cash and cash equivalents at end of the year	149	1,989
Cash and cash equivalents		
Short-term bank fixed deposits ⁱ	4,092	4,086
Cash and bank balances	149	1,989
Bank overdraft	(1,749)	-
Less: Fixed deposit pledged, excluding pledged for overdraft	(2,343)	(4,086)
	149	1,989

* denote less than S\$1000

- i. Short-term bank fixed deposit pledged in relation to the security grant for certain bank borrowings. It was readily available to reduce those bank borrowings.

Non-cash transaction:-

During the current financial year, the Group acquired certain plant and equipment totalling to approximately S\$0.32 million, of which S\$0.16 million were acquired through a finance lease arrangement.

1(d)(i). A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Share capital	Share option reserve	Translation reserve	Accumulated losses	Total
FY2015	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 April 2014	112,709	485	244	(107,495)	5,943
Total comprehensive loss for the year	-	-	(179)	732	553
Reversal of equity-settled share options		(211)	-	211	-
Employee share option expense	-	73	-	-	73
As at 31 March 2015	112,709	347	65	(106,552)	6,569

Group	Share capital	Share option reserve	Translation reserve	Accumulated losses	Total
FY2014	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 April 2013	109,184	520	261	(108,850)	1,115
Total comprehensive loss for the year	-	-	(17)	1,460	1,443
Issuance of new shares	3,525	-	-	-	3,525
Share issue expenses	-	-	-	(213)	(213)
Reversal of equity-settled share options		(108)		108	-
Employee share option expense	-	73	-	-	73
As at 31 March 2014	112,709	485	244	(107,495)	5,943

Company	Share capital	Share option reserve	Accumulated losses	Total
FY2015	S\$'000	S\$'000	S\$'000	S\$'000
At 1 April 2014	112,709	485	(107,160)	6,034
Total comprehensive profit for the year	-	-	1,471	1,471
Reversal of equity-settled share options	-	(211)	211	-
Employee share option expense	-	73	-	73
As at 31 March 2015	112,709	347	(105,478)	7,578

Company	Share capital	Share option reserve	Accumulated losses	Total
FY2014	S\$'000	S\$'000	S\$'000	S\$'000
At 1 April 2013	109,184	520	(108,900)	804
Total comprehensive loss for the year			1,632	1,632
Issuance of new shares	3,525	-	-	3,525
Reversal of equity-settled share options	-	(108)	108	-
Employee share option expense	-	73	-	73
As at 31 March 2014	112,709	485	(107,160)	6,034

* denote less than S\$1000

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.

	<u>No. of ordinary shares</u>	<u>Share capital</u> S\$'000
At beginning and end of the year	1,567,183,371	112,709

1(d)(iii). To show the total number of issued shares excluding treasury shares as at the end of the current financial year and as at the end of the immediately preceding financial year.

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

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

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

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

The figures have not been audited or reviewed by the Company's appointed external auditors.

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

Not applicable.

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

The same accounting policies and methods of computation in the financial statements have been consistently applied by the Group for the year presented.

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.

Not applicable.

6. Earnings/(loss) 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.

	FY2015	FY2014
Consolidated net profit attributable to the equity holders of the Company (S\$'000)	732	1,460
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share (million)	1,567	1,565
Earnings per share - basic and diluted (cents)	0.05	0.09

The basic and fully diluted earnings per ordinary share are the same as the Group did not have any potentially dilutive effects on its ordinary shares outstanding at the end of the year.

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 current financial period reported on, and immediately preceding financial year.

	Group		Company	
	FY2015	FY2014	FY2015	FY2014
Net assets (S\$'000)	6,569	5,943	7,578	6,034
Number of shares outstanding (million)	1,567	1,567	1,567	1,567
Net asset value per ordinary share based on issued share capital at end of the year (cents)	0.42	0.38	0.48	0.39

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

Revenue and Gross Earnings Analysis

The Group recorded revenue of S\$16.50 million for FY2015 compared with S\$11.13 million recorded in FY2014. The revenue in FY2015 was generated from projects, maintenance contracts and sales of products. The increase was attributed mainly to higher level of activity during the year arising from work done for newly secured contracts in addition to existing contracts.

Gross profit margin for FY2015 is 58.42%, compared with 83.26% for FY2014, because the revenue in FY2015 comprised a higher percentage of third party components.

Other Operating Income

Other operating income in FY2015 was lower by S\$0.52 million as compared to FY2014 mainly because of a write-back of certain provisions of S\$0.77 million in FY2014. Such decrease was partially offset by write-back of trade and other payables of S\$0.18 million in FY2015 (FY2014: NIL).

Administrative Expenses

Administrative expenses increased from S\$4.48 million in FY2014 to S\$5.73 million in FY2015, mainly attributed to professional fees, including, among others, the one-off fees and related costs in relation to the recently concluded Group Restructuring exercise amounting to about S\$0.60 million and staff costs of S\$0.32 million in line with higher level of business activities during the year.

Other Operating Expenses

Other operating expenses reduced by S\$0.57 million from S\$2.87 million in FY2014 to S\$2.30 million in FY2015 mainly due to reduction of amortisation expenses by S\$0.64 million as certain intangible assets have since been fully amortised in FY2014. Such reduction was partially offset by increase in depreciation by S\$0.06 million due to plant and equipment acquired in FY2015.

Finance Costs

Finance costs reduced from S\$0.61 million in FY2014 to S\$0.38 million in FY2015. The reduction was mainly due to lower interest expense incurred in FY2015.

Net Profit

The Group recorded a net profit after tax of S\$0.73 million for FY2015, compared with a net profit after tax of S\$1.46 million for FY2014. This is partly due to non-recurring administrative expenses of approximately S\$0.60 million as explained above.

STATEMENTS OF FINANCIAL POSITION

Non-current assets

Non-current assets reduced by S\$1.12 million from S\$4.71 million in FY2014 to S\$3.59 million in FY2015 mainly due to amortisation of intangible assets and depreciation of plant and equipment of S\$2.07 million and S\$0.21 million respectively, offset by respective additions to intangible assets and plant and equipment of S\$0.85 million and S\$0.32 million in FY2015.

Current assets

Current assets of the Group totalled S\$12.69 million as at FY2015, comparatively lower by S\$1.81 million as compared to S\$14.50 million as at FY2014. The decrease was mainly due to reduction in inventories and cash and bank balances by S\$0.86 million and \$1.84 million respectively, offset by an increase in trade and other receivables of S\$0.89 million.

Non-current liabilities

Non-current liabilities of the Group represent non-current portion of the existing finance lease.

Current liabilities

The Group reported current liabilities of S\$9.55 million as at FY2015, a decrease of S\$3.60 million from S\$13.16 million as at FY2014. The decrease was mainly due to repayment of trade and other payables of S\$0.80 million, settlement of provision for litigation of around S\$0.84 million and reduction in deferred income of \$3.80 million, partially offset by utilization of banking facilities of S\$1.75 million in FY2015.

CASH FLOWS

Cash used in operating activities was S\$0.76 million in FY2015 as compared to net cash of S\$5.79 million generated in FY2014. Cash used in operating activities was mainly due to higher expenses and payments made in line with the higher level of activities and contractual delivery milestones.

Net cash used in investing activities remained at S\$1.01 million in FY2015 (FY2014: S\$0.98 million).

Net cash used in financing activities was S\$0.07 million in FY2015, mainly due to repayment of finance lease obligations. Net cash of S\$2.84 million used in FY2014 was mainly due to repayment of bank borrowings and redemption of convertible bonds of S\$10.57 million and S\$0.76 million respectively, offset by net proceeds from issuance of shares of S\$0.96 million, and fixed deposits drawn down to pay off the bank borrowings.

UPDATE PURSUANT WITH LISTING RULE 1313(2) FOR THE QUARTER ENDED 31 MARCH 2015 ("4Q2015")

The Company was included in the watch-list pursuant to Rule 1311 of the Listing Manual with effect from 5 June 2013.

In accordance with Listing Rule 1313(2) of the Listing Manual of the Singapore Exchange Limited ("SGX-ST"), the Board of Directors of the Company wishes to provide the following updates.

(i) Financial update

For 4Q2015, the Group recorded revenue of S\$6.01 million and net profit of S\$2.42 million, against revenue of S\$1.32 million and net loss of S\$1.82 million for the quarter ended 31 December 2014 ("3Q2015"). The increase in revenue was in line with the delivery milestones of existing contracts and newly secured contracts during the period.

The administrative expenses of S\$2.06 million were incurred for 4Q2015 as compared with S\$1.27 million recorded for 3Q2015, mainly due to non-recurring professional fees in relation to the recently concluded Group Restructuring exercise, and staff costs in line with higher level of business activities during the period.

The other operating expenses of S\$0.53 million recorded for 4Q2015 continued to show a reducing trend, compared with FY2014 on a pro-rated basis (other operating expenses were S\$2.87 million for FY2014). This was mainly due to reduction of amortisation expenses.

The Group's net assets stood at S\$6.57 million as at 31 March 2015.

On 19 May 2015, the Group announced that pursuant to the Company's application made on 13 April 2015 to SGX-ST for an extension of 12 month from 4 June 2015 for removal from the Watch-list, it received a notification from the SGX-ST that it has no objection to granting the Company an extension of time of up to 12 months to 4 June 2016 to meet the requirements for removal from the Watch-list, subject to conditions described in the said announcement.

The directors confirm that, to the best of their knowledge, nothing has come to the attention of the board of directors which may render the interim financial results to be false or misleading, in any material aspect.

(ii) Business update

Please refer to paragraph 10 for the business update.

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

Save for the announcements made on 24 February 2015 and 21 April 2015, the Company did not make any forecast or a prospect statement to shareholders.

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

The Group succeeded in securing several new contracts in FY2015, which included the contract to deploy its iFerret™ system at Hong Kong International Airport, and the contract to upgrade the existing iFerret™ system at Singapore Changi Airport.

The recently concluded restructuring and relisting of the Group as The Stratech Group Limited will enable it to, inter alia:

- (i) streamline the existing group structure and operations to provide leverage for it to expand its business globally across the numerous products and capabilities;
- (ii) achieve ease and flexibility for it to acquire new businesses, as well as expand and/ or divest existing business segments as and when opportunities arise; and
- (iii) ring-fence the listed entity from its operating entities and direct operating risks (including any possible claims and litigation arising in connection with the operations and business).

Going forward, the Group will continue to engage potential customers such as airports of various countries, where discussions are on-going to grow its market reach globally for all of the Group's products and capabilities. The Group is currently in negotiations to, among others, install the iFerret™ at a major international airport and securing orders for its other products and capabilities, such as its intelligent vehicle access control system, iVACS™, and its advanced weapons scoring system, Super BullsEye™ II.

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

No dividend has been declared or recommended for the current financial year or the immediately preceding financial year.

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 financial year.

The Group's operations are organised into two core business activities.

The first is the e-Systems projects and services division comprising:

- expertise and activities as a systems and technology developer in developing, hosting and operating IT e-business projects; and
- expertise and activities in developing and providing e-business applications, services and infrastructure.

The second is the Technology-intensive IT division comprising:

- expertise and activities in computer vision systems; and
- expertise and activities in intelligent transport systems.

Some e-Business projects and services incorporate or integrate with computer vision and intelligent transport systems.

The Group's diversified business segments and related information are as follows:

(a) By business segments

Segment revenue and expense: These are the operating revenue and expense reported in the Group's income statement that are directly attributable to a segment and the relevant portions of such revenue and expense, where applicable, are allocated to that segment on a reasonable and consistent basis.

Segment assets and liabilities: Segment assets include all operating assets used by a segment and consist principally of receivables, inventories and plant and equipment, net of allowances and provisions. Capital expenditure includes the total costs incurred to acquire assets expected to have future benefits over more than one reporting period which are directly attributable to the segment, such as, plant and equipment and intangible assets. Segment liabilities include all operating liabilities of the segment and consist principally of trade payables and accrued expenses.

FY2015	(\$'000)	<u>E-Business</u>	<u>Technology - Intensive IT</u>	<u>Group</u>
Revenue		<u>833</u>	<u>15,673</u>	<u>16,505</u>
Segmented results		<u>517</u>	<u>9,126</u>	9,643
Other operating income				692
Selling and distribution expenses				(1,192)
Administrative expenses				(5,732)
Other operating expenses				(2,304)
Finance costs				(375)
Profit before taxation				<u>732</u>
Income tax				-
Net profit for the year				<u>732</u>
Assets		4	8,744	8,748
Unallocated assets				7,539
Consolidated total assets				<u>16,287</u>
Liabilities				
Liabilities		-	2,175	2,175
Unallocated liabilities				7,543
Consolidated total liabilities				<u>9,718</u>
Other information				
Capital expenditure (unallocated)		-	-	316
				<u>316</u>
Intangible assets		5	848	853
Intangible assets (unallocated)				-
				<u>853</u>
Depreciation		-	-	-
Depreciation (unallocated)				212
				<u>212</u>
Amortisation		41	2,034	2,074
Amortisation (unallocated)				-
				<u>2,074</u>

denote less than S\$1000

13. Segment Information (cont'd)

(a) By business segments (cont'd)

FY2014	(\$'000)	<u>E-Business</u>	<u>Technology - Intensive IT</u>	<u>Group</u>
Revenue		<u>1,470</u>	<u>9,660</u>	<u>11,130</u>
Segmented results		<u>991</u>	<u>8,276</u>	9,267
Other operating income				1,220
Selling and distribution expenses				(1,056)
Administrative expenses				(4,484)
Other operating expenses				(2,874)
Finance costs				(613)
Profit before taxation				<u>1,460</u>
Income tax				-
Net profit for the year				<u>1,460</u>
Assets		152	9,901	10,053
Unallocated assets				9,159
Consolidated total assets				<u>19,212</u>
Liabilities				
Liabilities		3	6,701	6,704
Unallocated liabilities				6,565
Consolidated total liabilities				<u>13,269</u>
Other information				
Capital expenditure (unallocated)				<u>2</u>
				<u>2</u>
Intangible assets		-	975	975
Intangible assets (unallocated)				-
				<u>975</u>
Depreciation		- #	- #	- #
Depreciation (unallocated)				150
				<u>150</u>
Amortisation		67	2,642	2,709
Amortisation (unallocated)				-
				<u>2,709</u>

denote less than S\$1000

(b) By Geographical segments

The following table provides an analysis of the Group's revenue by geographical market, irrespective of the origin of the goods/services:

	Group	
	FY2015 S\$'000	FY2014 S\$'000
Singapore	1,917	2,684
South East Asia	4,759	-
USA	1,082	5,054
Middle East	8,735	3,392
Others	12	-
	16,505	11,130

The following is an analysis of the carrying amounts of segment assets and additions to capital expenditure analysed by the geographical areas in which the assets were located :

	Carrying amounts of segment assets		Additions to plant and equipment and intangible assets	
	FY2015 S\$'000	FY2014 S\$'000	FY2015 S\$'000	FY2014 S\$'000
Singapore	16,231	19,039	1,169	977
USA	56	173	-	-
	16,287	19,212	1,169	977

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.

Please refer to item 8 & 10.

15. A breakdown of sales is as follows:-

	FY2015 S\$'000	FY2014 S\$'000	Change %
(a) Revenue reported for the first half-year	9,174	1,276	618.97
(b) Operating profit/ (loss) reported for first half-year	125	(3,527)	NM
(c) Revenue reported for the second half-year	7,331	9,854	(25.60)
(d) Operating profit after tax reported for the second half-year	607	4,987	(87.83)

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

None.

17. Interested Person Transactions ("IPT")

(a) (i) A receivable in respect of a personal guarantee from Dr. David K.M. Chew ("Dr. Chew"), (ii) and Dr. Chew's continuing guarantee for the recovery of an outstanding debt from an external party.

(b) During the financial year, Mr. Lim Kim Choon, a director of the Company and a subsidiary of the Company has rendered consultancy service to the subsidiary with a fee of S\$99,600 (FY2014: S\$99,600).

In accordance with Rule 907 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "Listing Manual"):

Name of interested person	Aggregate value of IPT in the year S\$	Aggregate value of IPT conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual
Dr. David K.M. Chew (Para 17(a))	2,383,363	Nil
Lim Kim Choon (Para 17 (b))	99,600	Nil

Other than those disclosed above, there are no IPT under shareholders' mandate or IPT disclosable under Chapter 9 of the Listing Manual.

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

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	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
David Chew Khien Meow	57	Leong Sook Ching (spouse of David Chew Khien Meow)	Executive Chairman (2000)	Nil
Leong Sook Ching	49	David Chew Khien Meow (spouse of Leong Sook Ching)	Executive Director (2000), Chief Corporate Officer (2008)	Nil
Kennedy Chew Khien Mien	53	Brother of David Chew Khien Meow and brother-in-law of Leong Sook Ching	Technical Fellow (2004)	Nil

Dr. David K.M. Chew
Executive Chairman

Ms. Leong Sook Ching
Executive Director

27 May 2015