

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.

	Note	Group			Group		
		Second quarter ended 30-06-14 S\$'000	30-06-13 S\$'000	Increase/ (Decrease) %	Year to date 30-06-14 S\$'000	30-06-13 S\$'000	Increase/ (Decrease) %
Revenue		170,261	158,643	7.3	322,926	303,769	6.3
Cost of sales		(155,101)	(146,100)	6.2	(298,766)	(277,218)	7.8
Gross profit		15,160	12,543	20.9	24,160	26,551	(9.0)
Other income	1	1,688	3,509	(51.9)	3,804	6,258	(39.2)
Distribution expenses		(3,945)	(4,060)	(2.8)	(7,798)	(8,155)	(4.4)
Administrative expenses		(8,378)	(6,629)	26.4	(16,214)	(13,105)	23.7
Sales and marketing expenses		(1,824)	(2,204)	(17.2)	(3,904)	(4,684)	(16.7)
Other expenses	2	(472)	(1,088)	(56.6)	(4,671)	(1,847)	152.9
Results from operating activities		2,229	2,071	7.6	(4,623)	5,018	(192.1)
Finance income		169	164	3.0	316	307	2.9
Finance costs		(1,843)	(1,654)	11.4	(3,772)	(3,228)	16.9
Net finance costs		(1,674)	(1,490)	12.3	(3,456)	(2,921)	18.3
Share of profit of associates (net of tax)		74	(6)	n.m.	75	131	(42.7)
Profit/(Loss) before income tax	3	629	575	9.4	(8,004)	2,228	(459.2)
Tax (expense)/credit	4	(286)	(352)	(18.8)	8,625	(1,396)	n.m.
Profit for the period		343	223	53.8	621	832	(25.4)
Profit attributable to :							
Owners of the Company		301	158	90.5	508	675	(24.7)
Non-controlling interests		42	65	(35.4)	113	157	(28.0)
Profit for the period		343	223	53.8	621	832	(25.4)

n.m. - not meaningful

	Group			Group		
	Second quarter ended		Increase/ (Decrease) %	Year to date		Increase/ (Decrease) %
	30-06-14 S\$'000	30-06-13 S\$'000		30-06-14 S\$'000	30-06-13 S\$'000	
Statement of comprehensive income						
Profit for the period	343	223	53.8	621	832	(25.4)
Other comprehensive income :						
Foreign currency translation differences for foreign operations	(1,961)	4,858	n.m.	(4,806)	8,356	n.m.
Change in fair value of cash flow hedges	(332)	(1,037)	(68.0)	(466)	(1,037)	(55.1)
Liquidation of an subsidiary	(393)	-	n.m.	(393)	-	n.m.
Total comprehensive income for the period	(2,343)	4,044	n.m.	(5,044)	8,151	(161.9)
Total comprehensive income attributable to :						
Owners of the Company	(1,982)	3,940	n.m.	(4,694)	7,937	(159.1)
Non-controlling interests	(361)	104	n.m.	(350)	214	n.m.
Total comprehensive income for the period	(2,343)	4,044	n.m.	(5,044)	8,151	(161.9)

	Group			Group		
	Second quarter ended		Increase/ (Decrease) %	Year to date		Increase/ (Decrease) %
	30-06-14 S\$'000	30-06-13 S\$'000		30-06-14 S\$'000	30-06-13 S\$'000	
Notes to Income Statement						
1) Other income						
Foreign exchange gain ^a	219	2,177	(89.9)	-	3,267	(100.0)
Gain on disposal of property, plant & equipment	656	-	n.m.	666	-	n.m.
Gain on disposal of an asset held for sale	-	-	n.m.	1,939	-	n.m.
Proceeds from insurance claims	87	461	(81.1)	87	495	(82.4)
Scrap income	377	354	6.5	656	706	(7.1)
Refund of employer's contributions	-	5	(100.0)	-	829	(100.0)
Others	349	512	(31.8)	456	961	(52.5)
	1,688	3,509	(51.9)	3,804	6,258	(39.2)

2) Other expenses						
Foreign exchange loss ^a	-	-	n.m.	(109)	-	n.m.
Fair value loss on financial derivatives ^{b,c}	(265)	(885)	(70.1)	(4,256)	(827)	n.m.
Impairment losses on loan to investee companies	(45)	(145)	(69.0)	(95)	(266)	(64.3)
Loss on disposal of property, plant & equipment	-	(53)	(100.0)	-	(29)	(100.0)
Allowance for impairment of other receivable	-	(5)	(100.0)	-	(725)	(100.0)
Others	(162)	-	n.m.	(211)	-	n.m.
	(472)	(1,088)	(56.6)	(4,671)	(1,847)	152.9

^a The foreign exchange gain and loss mainly arose from the unrealised gains and losses from the translation of foreign currency-denominated monetary items.

^b The losses in 2Q2013 and 1H2013 were mainly due to the unrealised mark-to-market (MTM) fair value losses related to forward and derivative contracts entered by the Group to manage its net currency exposure for payments denominated in Chinese Renminbi, Japanese Yen and Singapore Dollar, receipts denominated in United States Dollar and net investments in foreign operations, whose functional currencies are different from the Company's functional currency (Singapore Dollar).

^c The losses in 2Q2014 and 1H2014 were mainly due to the unrealised mark-to-market (MTM) fair value losses related to forward and derivative contracts entered by the Group to manage its net currency exposure for payments denominated in Chinese Renminbi and receipts denominated in United States Dollar.

Notes to Income Statement (cont'd)	Group			Group		
	Second quarter ended		Increase/ (Decrease) %	Year to date		Increase/ (Decrease) %
	30-06-14 S\$'000	30-06-13 S\$'000		30-06-14 S\$'000	30-06-13 S\$'000	
3) Profit/(Loss) before income tax included						
Depreciation	(9,984)	(12,326)	(19.0)	(20,003)	(23,345)	(14.3)
Redundancy costs for HDD segment	(688)	-	n.m.	(1,230)	-	n.m.
Other streamlining costs for HDD segment	(67)	-	n.m.	(283)	-	n.m.
Redundancy costs in Chengdu for foam plastics division	(72)	-	n.m.	(201)	-	n.m.
4) Tax (expense)/credit						
Current tax expense	(1,013)	(1,106)	(8.4)	(1,891)	(2,809)	(32.7)
Deferred tax (expense) / credit	(589)	725	(181.2)	(846)	1,432	(159.1)
(Under)/Overprovided in prior years	1,316	29	n.m.	11,362	(19)	n.m.
	(286)	(352)	(18.8)	8,625	(1,396)	n.m.

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Second Quarter Financial Statement Announcement For the Period Ended 30 June 2014

1b(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	
	Note	30-06-14	31-12-13	30-06-14	31-12-13
		S\$'000	S\$'000	S\$'000	S\$'000
Assets					
Property, plant and equipment		198,940	213,316	115	127
Goodwill		59,219	60,052	-	-
Subsidiaries		-	-	152,136	152,136
Associates		1,335	1,368	98	98
Loans to subsidiaries		-	-	278	279
Other investments		1,024	1,024	852	852
Deferred tax assets		13,201	14,283	-	-
Non-current assets		273,719	290,043	153,479	153,492
Loan to an investee company		746	757	746	757
Financial derivatives		91	365	-	-
Inventories		87,638	93,325	-	-
Trade and other receivables		144,950	146,481	4,177	3,719
Cash and cash equivalents		15,739	36,171	149	484
Asset held for sale		-	2,170	-	2,170
Current assets		249,164	279,269	5,072	7,130
Total assets		522,883	569,312	158,551	160,622
Equity					
Share capital		103,444	103,448	103,444	103,448
Reserves	1	(29,031)	(23,825)	505	509
Retained earnings		140,264	139,756	41,915	42,457
Equity attributable to owners of the Company		214,677	219,379	145,864	146,414
Non-controlling interests		1,282	1,632	-	-
Total equity		215,959	221,011	145,864	146,414
Liabilities					
Financial derivatives		2,315	-	-	-
Loans and borrowings		64,509	86,627	-	1,260
Deferred tax liabilities		238	249	-	-
Non-current liabilities		67,062	86,876	-	1,260
Financial derivatives		2,101	-	-	-
Loans and borrowings		95,479	90,815	1,000	2,160
Trade and other payables	2	140,089	155,983	11,671	10,769
Current tax liabilities	3	2,193	14,627	16	19
Current liabilities		239,862	261,425	12,687	12,948
Total liabilities		306,924	348,301	12,687	14,208
Total equity and liabilities		522,883	569,312	158,551	160,622

Notes to Balance Sheet :-

- 1) The reserves comprise reserve for own shares, capital reserve, share option reserve, asset revaluation reserve, translation reserve and hedging reserve. Pages 7, 8 and 9 show the movements of reserves.
- 2) The decrease in the Group's trade and other payables was mainly due to payments to trade and other payables and decrease in payable of property, plant and equipment.
- 3) The lower current tax liabilities mainly due to the reversal of overprovision of income tax for prior years no longer required because of the expiry of the tax liability period.

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

Amount repayable in one year or less, or on demand

As at 30-06-14		As at 31-12-13	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
79,744	15,735	77,601	13,214

Amount repayable after one year

As at 30-06-14		As at 31-12-13	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
64,509	-	86,627	-

Details of any collaterals

Secured bank loans of the Group are secured by legal charges over certain Group's land and buildings and guarantees issued by certain subsidiaries and the Company.

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Second Quarter Financial Statement Announcement For the Period Ended 30 June 2014

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

	Group		Group	
	Second quarter ended		Year to date	
	30-06-14	30-06-13	30-06-14	30-06-13
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Profit/(Loss) before income tax	629	575	(8,004)	2,228
Adjustments for :				
Depreciation of investment properties	-	19	-	37
Depreciation of property, plant and equipment	9,984	12,307	20,003	23,308
Equity-settled share-based payment transactions	(37)	56	(7)	107
Fair value gain on financial derivatives	265	885	4,256	827
(Gain)/Loss on disposal of property, plant and equipment	(656)	53	(666)	29
Gain on disposal of an asset held for sale	-	-	(1,939)	-
Impairment loss on loan to investee companies	45	145	95	266
Allowance for impairment of other receivable	-	5	-	725
Interest expense	1,843	1,654	3,772	3,228
Interest income	(169)	(164)	(316)	(307)
Share of (profit)/loss of associates, net of tax	(74)	6	(75)	(131)
	<u>11,830</u>	<u>15,541</u>	<u>17,119</u>	<u>30,317</u>
Change in inventories	5,006	(1,567)	3,927	978
Change in trade and other receivables	(7,524)	(4,830)	(3,423)	(3,756)
Change in trade and other payables	6,890	6,050	(9,793)	(535)
	<u>16,202</u>	<u>15,194</u>	<u>7,830</u>	<u>27,004</u>
Cash generated from operating activities				
Income tax paid	(751)	(1,880)	(2,871)	(2,651)
	<u>15,451</u>	<u>13,314</u>	<u>4,959</u>	<u>24,353</u>
Net cash from operating activities				
Cash flows from investing activities				
Acquisition of property, plant and equipment	(6,586)	(19,440)	(12,045)	(27,990)
Interest received	102	88	183	164
Proceeds from disposal of property, plant and equipment	855	32	886	84
Proceeds from disposal of the asset held for sale	-	-	4,109	-
	<u>(5,629)</u>	<u>(19,320)</u>	<u>(6,867)</u>	<u>(27,742)</u>
Net cash used in investing activities				
Cash flows from financing activities				
Interest paid	(1,843)	(1,654)	(3,772)	(3,228)
Proceeds from bank borrowings	6,236	63,579	26,804	78,122
Repayments of bank borrowings	(26,708)	(42,615)	(41,226)	(57,368)
	<u>(22,315)</u>	<u>19,310</u>	<u>(18,194)</u>	<u>17,526</u>
Net cash (used in)/from financing activities				
Net (decrease)/increase in cash and cash equivalents	(12,493)	13,304	(20,102)	14,137
Cash and cash equivalents at beginning of period	28,487	18,604	36,166	17,551
Effect of exchange rate fluctuations on cash held	(260)	534	(330)	754
Cash and cash equivalents at end of period *	<u>15,734</u>	<u>32,442</u>	<u>15,734</u>	<u>32,442</u>

* A fixed deposit of \$5,000, which was pledged as security to obtain credit facilities, was excluded from the cash and cash equivalents at end of period.

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Second Quarter Financial Statement Announcement For the Period Ended 30 June 2014

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.

	Reserves							Retained earnings S\$'000	Total attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
	Share capital S\$'000	Reserve for own shares S\$'000	Capital reserve S\$'000	Share option reserve S\$'000	Asset revaluation reserve S\$'000	Translation reserve S\$'000	Hedging reserve S\$'000				
The Group											
At 1 January 2014	103,448	(303)	2,924	812	870	(28,128)	-	139,756	219,379	1,632	221,011
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	207	207	71	278
Other comprehensive income											
Change in fair value of cash flow hedges	-	-	-	-	-	-	(134)	-	(134)	-	(134)
Foreign currency translation differences for foreign operations	-	-	-	-	-	(2,785)	-	-	(2,785)	(60)	(2,845)
Total comprehensive income for the period	-	-	-	-	-	(2,785)	(134)	207	(2,712)	11	(2,701)
Transaction with owners of the Company, recognised directly in equity											
Contributions by owners of the Company											
Vesting of share awards	2	71	-	(73)	-	-	-	-	-	-	-
Share-based payment transactions	-	-	-	30	-	-	-	-	30	-	30
Total contributions by owners of the Company	2	71	-	(43)	-	-	-	-	30	-	30
At 31 March 2014	103,450	(232)	2,924	769	870	(30,913)	(134)	139,963	216,697	1,643	218,340
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	301	301	42	343
Other comprehensive income											
Change in fair value of cash flow hedges	-	-	-	-	-	-	(332)	-	(332)	-	(332)
Foreign currency translation differences for foreign operations	-	-	-	-	-	(1,951)	-	-	(1,951)	(10)	(1,961)
Liquidation of an subsidiary	-	-	-	-	-	-	-	-	-	(393)	(393)
Total comprehensive income for the period	-	-	-	-	-	(1,951)	(332)	301	(1,982)	(361)	(2,343)
Transaction with owners of the Company, recognised directly in equity											
Contributions by owners of the Company											
Vesting of share awards	(6)	65	-	(60)	-	-	-	-	(1)	-	(1)
Share-based payment transactions	-	-	-	(37)	-	-	-	-	(37)	-	(37)
Total contributions by owners of the Company	(6)	65	-	(97)	-	-	-	-	(38)	-	(38)
At 30 June 2014	103,444	(167)	2,924	672	870	(32,864)	(466)	140,264	214,677	1,282	215,959

	Reserves							Retained earnings S\$'000	Total attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
	Share capital S\$'000	Reserve for own shares S\$'000	Capital reserve S\$'000	Share option reserve S\$'000	Asset revaluation reserve S\$'000	Translation reserve S\$'000	Hedging reserve S\$'000				
The Group											
At 1 January 2013	103,446	(393)	2,924	705	870	(37,258)	-	138,121	208,415	1,254	209,669
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	517	517	92	609
Other comprehensive income											
Foreign currency translation differences for foreign operations	-	-	-	-	-	3,480	-	-	3,480	18	3,498
Total comprehensive income for the period	-	-	-	-	-	3,480	-	517	3,997	110	4,107
Transaction with owners of the Company, recognised directly in equity											
Contributions by owners of the Company											
Vesting of share awards	(79)	79	-	-	-	-	-	-	-	-	-
Share-based payment transactions	-	-	-	51	-	-	-	-	51	-	51
Total contributions by owners of the Company	(79)	79	-	51	-	-	-	-	51	-	51
At 31 March 2013	103,367	(314)	2,924	756	870	(33,778)	-	138,638	212,463	1,364	213,827
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	158	158	65	223
Other comprehensive income											
Change in fair value of cash flow hedges	-	-	-	-	-	-	(1,037)	-	(1,037)	-	(1,037)
Foreign currency translation differences for foreign operations	-	-	-	-	-	4,819	-	-	4,819	39	4,858
Total comprehensive income for the period	-	-	-	-	-	4,819	(1,037)	158	3,940	104	4,044
Transaction with owners of the Company, recognised directly in equity											
Contributions by owners of the Company											
Vesting of share awards	(11)	11	-	-	-	-	-	-	-	-	-
Share-based payment transactions	-	-	-	56	-	-	-	-	56	-	56
Total contributions by owners of the Company	(11)	11	-	56	-	-	-	-	56	-	56
At 30 June 2013	103,356	(303)	2,924	812	870	(28,959)	(1,037)	138,796	216,459	1,468	217,927

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	Share capital S\$'000	Reserve for own shares S\$'000	Share option reserve S\$'000	Retained earnings S\$'000	Total equity S\$'000
The Company					
At 1 January 2014	103,448	(303)	812	42,457	146,414
Total comprehensive income for the period					
Profit for the period	-	-	-	508	508
Total comprehensive income for the period	-	-	-	508	508
Transaction with owners of the Company, recognised directly in equity					
Contributions by owners of the Company					
Vesting of share awards	2	71	(73)	-	-
Share-based payment transactions	-	-	30	-	30
Total contributions by owners of the Company	2	71	(43)	-	30
At 31 March 2014	103,450	(232)	769	42,965	146,952
Total comprehensive income for the period					
Loss for the period	-	-	-	(1,050)	(1,050)
Total comprehensive income for the period	-	-	-	(1,050)	(1,050)
Transaction with owners of the Company, recognised directly in equity					
Contributions by owners of the Company					
Vesting of share awards	(6)	65	(60)	-	(1)
Share-based payment transactions	-	-	(37)	-	(37)
Total contributions by owners of the Company	(6)	65	(97)	-	(38)
At 30 June 2014	103,444	(167)	672	41,915	145,864
At 1 January 2013					
Total comprehensive income for the period					
Loss for the period	-	-	-	(1,067)	(1,067)
Total comprehensive income for the period	-	-	-	(1,067)	(1,067)
Transaction with owners of the Company, recognised directly in equity					
Contributions by owners of the Company					
Vesting of share awards	(79)	79	-	-	-
Share-based payment transactions	-	-	51	-	51
Total contributions by owners of the Company	(79)	79	51	-	51
At 31 March 2013	103,367	(314)	756	34,386	138,195
Total comprehensive income for the period					
Loss for the period	-	-	-	(1,157)	(1,157)
Total comprehensive income for the period	-	-	-	(1,157)	(1,157)
Transaction with owners of the Company, recognised directly in equity					
Contributions by owners of the Company					
Vesting of share awards	(11)	11	-	-	-
Share-based payment transactions	-	-	56	-	56
Total contributions by owners of the Company	(11)	11	56	-	56
At 30 June 2013	103,356	(303)	812	33,229	137,094

- 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 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.

During the quarter, 157,500 shares were transferred from treasury shares under the BIGL Share Plan.

As at 30 Jun 2014, there were 1,756,000 (30 Jun 2013 : 2,026,000) outstanding share options in respect of unissued ordinary shares under the BIGL Share Option Scheme 2001.

As at 30 Jun 2014, there were 1,602,250 (30 Jun 2013 : 2,017,500) outstanding shares in respect of unissued ordinary shares under the BIGL Share Plan.

There were 406,000 shares (30 Jun 2013 : 736,500) held as treasury shares.

- 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.

Total number of issued shares excluding treasury shares as at 30 Jun 2014 was 416,036,128 (31 Dec 2013 : 415,705,628).

- 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.

As at 30 June 2014, 330,500 treasury shares were transferred to the BIGL Share Plan.

- 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.

- 3 Whether 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.

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 financial period compared with those of the audited financial statements for the year ended 31 December 2013.

- 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 new or revised FRS that have become effective for the financial year beginning 1 January 2014.

Presently, the Group does not expect the adoption of the new or revised FRS to have any material impact on the financial statements.

Second Quarter Financial Statement Announcement For the Period Ended 30 June 2014

- 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.

Based on weighted average number of ordinary share in issue (cents)

On a fully diluted basis (cents)

Second quarter ended		Year to date	
30-06-14	30-06-13	30-06-14	30-06-13
0.07	0.04	0.12	0.16
0.07	0.04	0.12	0.16

a) Earnings per ordinary share is calculated based on weighted average number of shares of 415,859,327 shares (30 Jun 2013 : 415,620,261 shares).

b) Diluted earnings per ordinary share is calculated based on weighted average number of shares of 417,540,227 shares (30 Jun 2013 : 417,407,523 shares).

- 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.

The Group (cents)

The Company (cents)

30-06-14	31-12-13
51.60	52.77
35.06	35.22

Net asset value per ordinary share is calculated based on number of shares at 30 Jun 2014 of 416,036,128 shares (31 Dec 2013 : 415,705,628 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.

Revenue and Gross Profit

The Group's revenue increased by 7.3% for the financial quarter ended 30 June 2014 ("2Q2014") year-on-year ("yoy") to S\$170.3 million. Revenue from the Foam Plastics division increased by 16.3% yoy to S\$48.0 million in 2Q2014 due to higher revenue from the insulation and product segments. Revenue from the Components division increased by 4.2% yoy to S\$122.3 million in 2Q2014 mainly due to the non-HDD segment in the Components division.

Gross profit increased 20.9% yoy to S\$15.2 million in 2Q2014 due to increased revenue from the Components division. Gross profit margin increased to 8.9% in 2Q2014 as compared to 7.9% in 2Q2013.

Other Income

The Group recorded other income of S\$1.7 million in 2Q2014 as compared to S\$3.5 million in 2Q2013. For 2Q2014, the income was mainly derived from the disposal of obsolete equipment. In 2Q2013, there was a S\$2.2 million foreign exchange gain.

Operating Expenses

Distribution expenses decreased by 2.8% yoy to S\$3.9 million in 2Q2014 due to improved logistics management in the HDD segment of the Components division.

Administrative expenses increased by 26.4% yoy to S\$8.4 million in 2Q2014 primarily due to redundancy expenses related to the streamlining of production processes in the HDD segment of the Components division and the closure of the Chengdu factory in the Foam Plastics division.

Sales and marketing expenses decreased by 17.2% yoy to S\$1.8 million in 2Q2014 due to a reduction in revenue related expenses for the Foam Plastics division.

Other expenses decreased to S\$0.5 million in 2Q2014 from S\$1.1 million in 2Q2013 mainly due to lower unrealised mark-to-market (MTM) fair value loss on financial derivatives in 2Q2014.

Finance Costs

Finance costs increased 11.4% yoy to S\$1.8 million in 2Q2014 due to increased borrowings for the Group.

Profit/Loss before Income Tax (PBT)

The Foam Plastics division recorded a lower profit before tax of S\$2.7 million in 2Q2014 as compared to S\$2.8 million in 2Q2013 mainly due to increase in material and labour costs.

The HDD segment of the Components division recorded a loss of S\$2.1 million in 2Q2014 as compared to a loss of S\$1.7 million in 2Q2013 due to increase in administrative costs incurred to streamline the production processes. However, the efforts have begun to show positive improvement in the HDD segment's PBT in 2Q2014. Costs associated with right-sizing initiatives in April 2014 resulted in a loss of S\$2.2 million during the month. In May 2014, losses were reduced to S\$0.4 million. In June 2014, the HDD segment recorded a positive PBT of S\$0.5 million.

The non-HDD segment of the Components division recorded a higher profit of S\$1.5 million in 2Q2014 as compared to a profit of S\$0.5 million in 2Q2013 due to the increase in revenue.

Tax Expense

The Group recorded a reduction in tax expense of S\$0.3 million for 2Q2014 as compared to a tax expense of S\$0.4 million in 2Q2013, mainly due to a reversal of excess income tax provisions.

Net Profit

Due to the above factors, the Group recorded a profit after tax and minority interest ("PATMI") of S\$0.3 million in 2Q2014 as compared to S\$0.2 million in 2Q2013.

Balance Sheet

The Net Asset Value (NAV) per share of the Group decreased from 52.77 cents as at 31 December 2013 to 51.60 cents as at 30 June 2014. This was mainly due to foreign currency translation differences for foreign operations in the translation reserve.

Cash Flow

The Group recorded net cash from operating activities of S\$15.5 million in 2Q2014 as compared to net cash from operations of S\$13.3 million in 2Q2013 mainly due to improved working capital cycle in 2Q2014.

Net cash used in investing activities decreased to S\$5.6 million in 2Q2014 as compared to S\$19.3 million in 2Q2013 mainly due to reduced capital expenditure. Net cash used in financing activities was S\$22.3 million in 2Q2014 as compared to net cash from financing activities of S\$19.3 million in 2Q2013 mainly due to the proceeds from bank borrowings in 2Q2013.

Cash and cash equivalents at 30 June 2014 was S\$15.7 million as compared to S\$32.4 million at 30 June 2013 mainly due to net decrease in cash and cash equivalent in 2Q2014 resulting from repayment of bank borrowings.

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

The Group still holds a cautious view on its prospects for FY2014.

- 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.

HDD's sales volume has been relatively stable for 1H2014. Market research reports suggest that the HDD industry will stay flat or have slight upside in 2H2014. The Group's effort in rightsizing and streamlining the manufacturing processes of the HDD business segment is expected to bear fruit in the 2H2014, with initial results seen in May and June of 2014. The Group will continue its turnaround initiatives through the rest of the year.

Efforts are ongoing to expand the customer base into other industries for the Component non-HDD business segments. The consumer devices business segment has seen improvement in sales volume with more projects in development.

For the Foam Plastics division, new product launches by key customers are expected to bring about increased volume for the packaging segment in the later end of 2H2014. The group continues to explore an expanded product range related to its core competencies.

The Group remains cautious on its prospects for FY2014.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on None

Name of Dividend	NIL
Dividend Type	NIL
Dividend per share	NIL
Tax Rate	NIL
Date of payment	NIL

(b) Corresponding Period of the Immediately Preceding Financial year

Any dividend declared for the corresponding period of the immediately preceding financial year? None

Name of Dividend	NIL
Dividend Type	NIL
Dividend amount per share (in cents)	NIL
Tax Rate	NIL
Date of payment	NIL

(c) Date Payable

NIL

(d) Books closure date

N.A.

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

No dividend has been declared or recommended by the Company.

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.

There is no IPT mandate.

14 NEGATIVE CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5)

The Directors confirm that to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial results of the Group for the financial period ended 30 June 2014, to be false or misleading in any material aspect.

By Order of the Board

Lew Syn Pau

Chairman

01 August 2014