

Challenger Technologies Limited



**FULL YEAR FINANCIAL STATEMENT
AND DIVIDEND ANNOUNCEMENT
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2014**

Co Reg No: 198400182 K

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					
	3 months ended		Change	12 months ended		Change
	31.12.2014 \$'000	31.12.2013 \$'000	%	31.12.2014 \$'000	31.12.2013 \$'000	%
Revenue	104,629	94,114	11	355,112	385,404	(8)
Other Items of Income						
Interest Income	93	64	45	365	303	20
Other Gains [note (A)]	-	99	N.M.	341	151	126
Other Items of Expense						
Changes in Inventories of Finished Goods	3,739	7,491	(50)	(643)	7,096	(109)
Purchase of Goods and Consumables	(87,509)	(81,598)	7	(279,615)	(319,931)	(13)
Other Consumables Used	(262)	(287)	(9)	(1,200)	(693)	73
Depreciation Expense	(1,103)	(1,040)	6	(4,178)	(3,992)	5
Employee Benefits Expense	(6,145)	(6,768)	(9)	(24,001)	(24,261)	(1)
Other Expenses [Note (B)]	(7,040)	(6,429)	10	(26,877)	(22,709)	18
Other Losses [Note (A)]	(213)	(76)	180	(874)	(535)	63
Profit Before Tax from Continuing Operations	6,189	5,570	11	18,430	20,833	(12)
Income Tax Expense	(1,190)	(979)	22	(3,411)	(3,494)	(2)
Profit from Continuing Operations, Net of Tax	4,999	4,591	9	15,019	17,339	(13)
Other Comprehensive Income / (Loss):						
Items that May Be Reclassified Subsequently to Profit or Loss:						
Exchange Differences on Translating Foreign Operations, Net of tax	123	3	4,000	81	106	(24)
Fair value loss on Available-for-sale Financial Assets	28	(36)	(178)	34	(36)	(194)
Other Comprehensive Income / (Loss) for the Period, Net of Tax	151	(33)	(558)	115	70	64
Total Comprehensive Income	5,150	4,558	13	15,134	17,409	(13)
Profit Attributable to Owners of the Parent, Net of Tax	4,950	4,554	9	14,778	17,111	(14)
Profit Attributable to Non-Controlling Interests, Net of Tax	49	37	32	241	228	6
	4,999	4,591	9	15,019	17,339	(13)
Total Comprehensive Income Attributable to Owners of the Parent	5,101	4,521	13	14,893	17,181	(13)
Total Comprehensive Income Attributable to Non-Controlling Interests	49	37	32	241	228	6
Total Comprehensive Income	5,150	4,558	13	15,134	17,409	(13)
Note:						
Profit before income tax is arrived after charging/ (crediting) the followings:						
Note (A) - Other (Losses) / Gains						
Bad debts recovered - trade receivables	-	-	N.M.	-	4	N.M.
Foreign exchange adjustment losses	(14)	(3)	367	(26)	(204)	(87)
Sundry income	-	62	N.M.	341	119	187
Loss on disposal of plant and equipment	(147)	(9)	1,533	(777)	(190)	309
(Loss) / gain on disposal of available-for-sale financial assets	-	9	N.M.	(8)	(44)	(82)
Inventories written off	(50)	(64)	(22)	(61)	(97)	(37)
(Provision) / Reversal for inventories	(2)	28	(107)	(2)	28	(107)
	(213)	23	(1,026)	(533)	(384)	39
Presented in profit or loss as:						
Other Gains	-	99	N.M.	341	151	126
Other Losses	(213)	(76)	180	(874)	(535)	63
	(213)	23	(1,026)	(533)	(384)	39
Note (B) - Other Expenses						
Rental expenses	(4,357)	(3,858)	13	(17,445)	(13,882)	26
Other operating expenses	(1,346)	(1,318)	2	(4,839)	(4,409)	10
Selling and distribution costs	(1,337)	(1,253)	7	(4,593)	(4,418)	4
	(7,040)	(6,429)	10	(26,877)	(22,709)	18

N.M. = not meaningful

CHALLENGER TECHNOLOGIES LIMITED

FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

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

Statement of Financial Position

	Group		Company	
	31.12.2014 \$'000	31.12.2013 \$'000	31.12.2014 \$'000	31.12.2013 \$'000
ASSETS				
Non-Current Assets				
Investment in Associate	-	-	-	-
Investments in Subsidiaries	-	-	2,719	3,619
Other Financial Assets	3,651	3,880	3,651	3,880
Property, Plant and Equipment	13,755	12,966	13,513	12,092
Total Non-Current Assets	17,406	16,846	19,883	19,591
Current Assets				
Cash and Cash Equivalents	52,621	42,946	44,297	35,678
Trade and Other Receivables	5,704	8,356	7,246	10,859
Other Assets	5,011	6,519	4,786	5,881
Inventories	34,480	35,275	34,458	33,293
Total Current Assets	97,816	93,096	90,787	85,711
Total Assets	115,222	109,942	110,670	105,302
EQUITY AND LIABILITIES				
Equity attributable to Owners of the Parent				
Share Capital	18,775	18,775	18,775	18,775
Retained Earnings	47,294	41,215	48,433	42,202
Other Reserves	249	134	(2)	(36)
Equity, Attributable to Owners of the Parent	66,318	60,124	67,206	60,941
Non-Controlling Interests	570	509	-	-
Total Equity	66,888	60,633	67,206	60,941
Non-Current Liabilities				
Deferred Tax Liabilities	45	75	22	22
Provisions	1,631	1,450	1,631	1,450
Other Liabilities, Non-Current	3,357	2,777	1,203	1,140
Total Non-Current Liabilities	5,033	4,302	2,856	2,612
Current Liabilities				
Trade and Other Payables	29,814	30,615	28,584	28,669
Income Tax Payable	3,352	3,528	3,266	3,486
Other Liabilities, Current	10,135	10,864	8,758	9,594
Total Current Liabilities	43,301	45,007	40,608	41,749
Total Liabilities	48,334	49,309	43,464	44,361
Total Equity and Liabilities	115,222	109,942	110,670	105,302

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

Amount repayable in one year or less, or on demand

Nil.

Amount repayable after one year

Nil.

Details of any collateral

Nil.

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

Consolidated Cash Flow Statement

	3 months ended		12 months ended	
	31.12.2014 \$'000	31.12.2013 \$'000	31.12.2014 \$'000	31.12.2013 \$'000
Cash Flows From Operating Activities				
Profit Before Tax	6,189	5,570	18,430	20,833
Adjustments for:				
Depreciation Expense of Property, Plant and Equipment	1,103	1,040	4,178	3,992
Losses / (Gains) on Disposal of Plant and Equipment	147	(9)	777	190
Losses on Disposal of Available-for-Sale Financial Assets	-	(9)	8	44
Interest Income	(93)	(64)	(365)	(303)
Net Effect of Exchange Rate Changes in Consolidating Foreign Operations	123	3	81	106
Operating Cash Flows Before Working Capital Changes	7,469	6,531	23,109	24,862
Trade and Other Receivables	(324)	(3,984)	2,652	(5,146)
Other Assets	319	(1,925)	1,508	(2,859)
Inventories	(3,650)	(7,656)	795	(7,148)
Trade and Other Payables	8,548	14,563	(620)	7,905
Other Liabilities	(480)	827	(149)	2,519
Net Cash Flows From Operations	11,882	8,356	27,295	20,133
Income Taxes Paid	(408)	(406)	(3,617)	(3,444)
Net Cash Flows From Operating Activities	11,474	7,950	23,678	16,689
Cash Flows From Investing Activities				
Interest Received	93	64	365	303
Addition in Available-for-Sale Financial Assets	-	(394)	-	(5,349)
Proceeds from Disposal of Plant and Equipment	951	-	1,418	-
Proceeds from Disposal of Available-for-Sale Financial Assets	-	404	255	1,389
Purchase of Plant and Equipment	(2,760)	(618)	(7,162)	(3,978)
Net Cash Flows Used in Investing Activities	(1,716)	(544)	(5,124)	(7,635)
Cash Flows From Financing Activities				
Dividends Paid to Equity Owners	-	-	(8,699)	(8,112)
Dividends Paid to Non-Controlling Interests	-	-	(180)	(90)
Net Cash Flows Used in Financing Activities	-	-	(8,879)	(8,202)
Net Increase in Cash and Cash Equivalents	9,758	7,406	9,675	852
Cash and Cash Equivalents, Consolidated Statement of Cash Flows, Beginning Balance	42,863	35,540	42,946	42,094
Cash and Cash Equivalents, Consolidated Statement of Cash Flows, Ending Balance	52,621	42,946	52,621	42,946

FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 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

Statement of Changes in Equity

	Attributable to Equity Holder of the Company					
	Total Equity \$'000	Attributable to Parent sub-total \$'000	Share Capital \$'000	Retained Earnings \$'000	Other Reserve \$'000	Non-controlling Interests \$'000
Group						
Current Period:						
Opening Balance at 1 January 2014	60,633	60,124	18,775	41,215	134	509
Movements in Equity:						
Total Comprehensive Income for the Period	9,984	9,792	-	9,828	(36)	192
Dividends paid	(8,879)	(8,699)	-	(8,699)	-	(180)
Closing Balance at 30 September 2014	61,738	61,217	18,775	42,344	98	521
Total Comprehensive Income for the Period	5,150	5,101	-	4,950	151	49
Closing Balance at 31 December 2014	66,888	66,318	18,775	47,294	249	570
Previous Period:						
Opening Balance at 1 January 2013	51,426	51,055	18,775	32,216	64	371
Movements in Equity:						
Total Comprehensive Income for the Period	12,851	12,660	-	12,557	103	191
Dividends paid	(8,202)	(8,112)	-	(8,112)	-	(90)
Closing Balance at 30 September 2013	56,075	55,603	18,775	36,661	167	472
Total Comprehensive Income for the Period	4,558	4,521	-	4,554	(33)	37
Closing Balance at 31 December 2013	60,633	60,124	18,775	41,215	134	509
Company						
Current Period:						
Opening Balance at 1 January 2014	60,941	60,941	18,775	42,202	(36)	-
Movements in Equity:						
Total Comprehensive Income for the Period	12,057	12,057	-	12,051	6	-
Dividends paid	(8,699)	(8,699)	-	(8,699)	-	-
Closing Balance at 30 September 2014	64,299	64,299	18,775	45,554	(30)	-
Total Comprehensive Income for the Period	2,907	2,907	-	2,879	28	-
Closing Balance at 31 December 2014	67,206	67,206	18,775	48,433	(2)	-
Previous Period:						
Opening Balance at 1 January 2013	54,366	54,366	18,775	35,591	-	-
Movements in Equity:						
Total Comprehensive Income for the Period	13,543	13,543	-	13,543	-	-
Dividends paid	(8,112)	(8,112)	-	(8,112)	-	-
Closing Balance at 30 September 2013	59,797	59,797	18,775	41,022	-	-
Total Comprehensive Income for the Period	1,144	1,144	-	1,180	(36)	-
Closing Balance at 31 December 2013	60,941	60,941	18,775	42,202	(36)	-

FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-back, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or cash 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

There were no changes in the share capital of the Company in the fourth quarter of 2014. As at 31 December 2014, the Company's issued and paid up capital comprises 345,207,961 (31 December 2013: 345,207,961) ordinary shares and \$18,775,054 (31 December 2013: \$18,775,054) respectively.

There were no outstanding convertibles issued or treasury shares held by the Company as at 31 December 2014 and 31 December 2013.

1(d)(iii) 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.

	31.12.2014	31.12.2013
Total number of issued shares (excluding treasury shares)	345,207,961	345,207,961

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.

Not applicable.

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 nor reviewed by the Group 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

The Group and the Company have applied the same accounting policies and methods of computation in the financial statements for the current reporting period, which are consistent with those described in the Audited Financial Statements for the year ended 31 December 2013, except for the adoption of the new and revised Financial Reporting Standards, including its consequential amendment and interpretations ("FRS") which became effective for financial years beginning on or after 1 January 2014, if any.

The adoption of the new and revised FRS does not have any material impact to the financial statements for the Group and Company for the year ended 31 December 2014.

FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 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

Not applicable.

- 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

	3 months ended		12 months ended	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	cents	cents	cents	cents
<u>Group</u>				
Earnings per share based on consolidated profit after taxation and non-controlling interests				
- on weighted average number of shares	1.43	1.32	4.28	4.96
- on a fully diluted basis	1.43	1.32	4.28	4.96

Earnings per ordinary share is computed based on the weighted average number of 345,207,961 issued 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

	Group		Company	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	cents	cents	cents	cents
Net asset value per share based on existing issued share capital as at the end of the respective period	19.21	17.42	19.47	17.65

The net asset value per ordinary share of the Group and the Company as at 31 December 2014 is computed based on the total number of issued shares of 345,207,961.

- 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Revenue

For the full year ended 31 December 2014 ("FY2014"), the Group's revenue of \$355.1 M was 7.9% lower than \$385.4 M achieved for the full year ended 31 December 2013. This was mainly due to lower contribution from corporate sales in Singapore and closure of retail operations in Malaysia, which was offset by higher retail revenue in Singapore.

The Group achieved revenue of \$104.6 M for the three months ended 31 December 2014 ("4Q2014"), an increase of 11.2% or \$10.5 M compared to the revenue of \$94.1 M for the three months ended 31 December 2013 ("4Q2013"). The increase in revenue was mainly due to higher contribution from our IT products and services business segment by \$10.3 M.

Revenue from the IT products and services business segment increased 11.1% to \$103.0 M in 4Q2014, from \$92.7 M in 4Q2013 mainly due to increase in retail sales from operations in Singapore. This was mainly attributable to better same-store-sales and revenue from full operations of stores opened during last year and this year.

Revenue from the electronic signage services business segment increased to \$0.3 M in 4Q2014 from \$0.2 M in 4Q2013 due to completed projects in 4Q2014 compared to 4Q2013.

Revenue from the marketing call centre increased slightly by 8.3% to \$1.3 M in 4Q2014 as more projects on event management were secured in 4Q2014 compared to 4Q2013.

Profit after taxation ("PAT")

For FY2014, net profit decreased by about \$2.3 M or 13% to \$15.0 M mainly due to higher rental expenses, which were offset by higher gross profit margin.

The Group registered an higher PAT of \$5.0 M in 4Q2014, as compared to \$4.6 M in 4Q2013.

The increase in PAT of \$0.4 M was mainly due to the following:

- a) Overall gross profit increased by about \$0.9 M due to stronger retail sales; and
- b) lower employee benefits expenses of \$0.6 M.

The above items have been offset by:

- c) increase in depreciation expenses by about \$0.1 M in line with the increase in plant and equipment for increased number of retail stores;
- d) higher selling and distribution cost of \$0.1 M mainly due to higher charges from card companies as a result of increased transaction volume;
- e) higher expense of \$0.1 M arising from disposal of plant and equipment from closure of retail stores in Singapore;
- f) increase in premise expenses by \$0.6 M mainly due to higher rental expenses as a result of increased number of stores compared to same period last year; and
- g) higher income tax provision of \$0.2 M.

Working capital, assets and liabilities

For the fourth quarter and full year ended 31 December 2014, the Group has cash of approximately \$52.6 M.

The Group recorded an operating cash inflow of about \$11.5 M in 4Q2014. This has resulted mainly from the following:

- a) operating profit derived for 4Q2014 of \$7.5 M;
- b) increase of trade, other payables and accrued liabilities of \$8.5 M;
- c) decrease of other liabilities of \$0.5 M;
- d) increase in inventory of \$3.6 M; and
- e) income tax paid of \$0.4 M.

An amount of \$1.8 M was used in investing activities mainly to acquire equipment and renovations for retail stores after netting off proceed received from disposal of plant and equipment. In addition, the Group received interests from fixed deposits and bonds of \$0.1 M. Consequently, cash and cash equivalents increased by about \$9.8 M for the period ended 31 December 2014.

Other than the above, no significant difference was noted for other working capital, assets and liabilities.

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

No specific forecast was previously provided.

10 A commentary at the date of the announcement of the 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

a. IT products and services

The Group expects the challenging operating environment in the retail sector to remain with raising retail operating costs, mainly retail rents and manpower costs. In view of this, the Group will continue to provide value-added products to our customers so as to increase our revenue from retail operations in the current year. We will also take necessary measures to improve productivity through store rationalisation and managing inventory levels.

Despite the challenging operating environment, the Group will continue to focus on growing our core IT lifestyle business in Singapore. We will continue to open stores at locations that deemed viable and create new platform to reach out to wider customer base.

b. Electronic signage services

Currently, we are working with a few strategic partners to secure projects in the area of commercial lighting projects and electronic signboard. We will continue our effort to concentrate and grow our business in this market segment.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes.

Proposed final dividend to be paid for the year ended 31.12.2014.

Name of Dividend: Final exempt (one-tier) dividend

Dividend type: Cash

Dividend amount per share (in cents): 1.25

Tax rate: Tax-exempt one-tier

Interim dividend for the half year ended 30.06.2014 paid on 29.08.2014 as noted below.

Name of Dividend: Interim exempt (one-tier) dividend

Dividend type: Cash

Dividend amount per share (in cents): 1.10

Tax rate: Tax-exempt one-tier

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes.

Name of Dividend: Final exempt (one-tier) dividend

Dividend type: Cash

Dividend amount per share (in cents): 1.42

Tax rate: Tax-exempt one-tier

Name of Dividend: Interim exempt (one-tier) dividend

Dividend type: Cash

Dividend amount per share (in cents): 1.10

Tax rate: Tax-exempt one-tier

(c) Date Payable

19 May 2015.

(d) Books Closure Date

Notice is hereby given that the Share Transfer Books and Register of Members will be closed on 8 May 2015 for the purpose of determining members' entitlements to the tax-exempt one-tier final dividend of 1.25 cents. Duly completed registerable transfers in respect of the shares in the Company received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, by the close of business at 5.00 pm on 7 May 2015 will be registered to determine the members' entitlements to such dividend. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares as at 5.00 pm on 7 May 2015 will be entitled to such dividend.

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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.

There is no IPT mandate obtained.

14 Additional Information for Full Year Announcement

Segment Revenue and Results for Business Segment

Group

Financial Year Ended 31 December 2014

	IT products and services \$'000	Electronic signage \$'000	Telephonic Call Centre and Data Management Services \$'000	Unallocated \$'000	Total \$'000
CONTINUING OPERATIONS 2014					
Revenue by Segment					
Total revenue by segment	348,466	939	5,765	-	355,170
Inter-segment sales and services	(21)	(2)	(35)	-	(58)
Total revenue	348,445	937	5,730	-	355,112
Recurring EBITDA					
Depreciation	21,598	73	937	-	22,608
Profit before tax from continuing operations	(4,106)	(8)	(64)	-	(4,178)
Income tax expense	17,492	65	873	-	18,430
Profit from continuing operations					15,019
ASSETS					
Total assets for reportable segments	87,199	750	6,528	-	94,477
Unallocated:					
Cash and cash equivalent				17,094	17,094
Other financial assets				3,651	3,651
Total Group Assets					115,222
LIABILITIES					
Total liabilities for reportable segments	39,977	64	4,896	-	44,937
Unallocated:					
Deferred and current tax liabilities				3,397	3,397
Total Group Liabilities					48,334
OTHER MATERIAL ITEMS					
Expenditures for non-current assets	7,082	26	54	-	7,162

14 Additional Information for Full Year Announcement (cont'd)

Segment Revenue and Results for Business Segment (cont'd)

Group
Financial Year Ended 31 December 2013

	IT products and services \$'000	Electronic signage \$'000	Telephonic Call Centre and Data Management Services \$'000	Unallocated \$'000	Total \$'000
CONTINUING OPERATIONS 2013					
Revenue by Segment					
Total revenue by segment	379,991	754	4,767	-	385,512
Inter-segment sales and services	(4)	(104)	-	-	(108)
Total revenue	379,987	650	4,767	-	385,404
Recurring EBITDA	23,972	(37)	890	-	24,825
Depreciation	(3,916)	(6)	(70)	-	(3,992)
Profit before tax from continuing operations	20,056	(43)	820	-	20,833
Income tax expense					(3,494)
Profit from continuing operations					17,339

ASSETS

Total assets for reportable segments	86,004	579	3,956	-	90,539
Unallocated:					
Cash and cash equivalent				15,523	15,523
Other financial assets				3,880	3,880
Total Group Assets					109,942

LIABILITIES

Total liabilities for reportable segments	41,470	77	4,159	-	45,706
Unallocated:					
Deferred and current tax liabilities				3,603	3,603
Total Group Liabilities					49,309

OTHER MATERIAL ITEMS

Expenditures for non-current assets	3,902	-	76	-	3,978
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Segment Revenue and Results for Geographical Segment

Group
Financial Year Ended 31 December 2014

	Revenue		Non-current Assets	
	31.12.2014 \$'000	31.12.2013 \$'000	31.12.2014 \$'000	31.12.2013 \$'000
Singapore	351,007	369,383	17,306	16,105
Malaysia	4,105	16,021	-	721
China	-	-	100	20
	355,112	385,404	17,406	16,846

FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

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

As disclosed in paragraph 8 above.

16 A Breakdown of Sales

	FY2014 \$'000	FY2013 \$'000	Increase / (Decrease) %
(a) Sales reported for the first half year	167,972	192,917	-13%
(b) Operating profit after taxation before non-controlling interests reported for first half year	6,333	8,673	-27%
(c) Sales reported second half year	187,140	192,487	-3%
(d) Operating profit after taxation before non-controlling interests reported for second half year	8,686	8,666	0%

17 A breakdown of the Total Annual Dividend for Latest Full Year and its Previous Full Year

	Latest Full Year \$'000	Previous Full Year \$'000
Ordinary	8,112	8,699
Preference	0	0
Total	8,112	8,699

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(11) 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 substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Mr Ng Kian Teck	47	Brother of Mr Ng Leong Hai, Substantial Shareholder of the Company	General Manager - Operations since 1 February 2015. He is responsible for the retail operations of the Company.	Previously General Manager - Merchandising and inventory control from 1 May 2013 to 31 January 2015.
Ms Loo Pei Fen	32	Daughter of Mr Loo Leong Thye (Chief Executive Officer of the Company) and Mdm Ong Sock Hwee (Substantial Shareholder of the Company)	Head of marketing since 1 January 2015. She is responsible for group marketing and membership functions of the Company.	Previously Head of Valore & marketing from 1 November 2013 to 31 December 2014.

BY ORDER OF THE BOARD

LOO LEONG THYE
EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER
DATE: 16 February 2015