



**SINJIA LAND LIMITED**  
**FULL YEAR FINANCIAL STATEMENT AND DIVIDEND**  
**ANNOUNCEMENT FOR YEAR ENDED 31 DECEMBER 2014**  
**(UNAUDITED)**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 and 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**

(In \$'000)	<u>Group</u>		Change
	<u>2014</u>	<u>2013</u>	
Revenue	15,528	17,310	(10.3%)
Cost of Sales	(10,565)	(11,002)	(4.0%)
Gross Profit	4,963	6,308	(21.3%)
Other Income	199	8	2387.5%
Other Credits	780	493	58.2%
<b>Expenses</b>			
- Distribution and Marketing	(1,169)	(1,284)	(9.0%)
- Administrative	(5,800)	(6,252)	(7.2%)
- Finance	(131)	(34)	285.3%
- Other Charges	(5,235)	(415)	1161.4%
Share of Loss of Associated Company	-	(60)	NM
<b>Loss Before Tax</b>	<b>(6,393)</b>	<b>(1,236)</b>	417.2%
Income Tax Expense	(468)	(495)	(5.5%)
<b>Loss from Continuing Operations</b>	<b>(6,861)</b>	<b>(1,731)</b>	296.4%
<b>Discontinued Operations</b>			
Loss from Discontinued Operations, Net of Tax	-	(169)	NM
<b>Total Loss</b>	<b>(6,861)</b>	<b>(1,900)</b>	
<b>Other Comprehensive Loss, Net of Tax:</b>			
Items that May be Reclassified Subsequently to Profit or Loss:			
Currency translation Differences Arising From Consolidation			
- Loss	(55)	(117)	(53.0%)
<b>Total Comprehensive Loss</b>	<b>(6,916)</b>	<b>(2,017)</b>	242.9%
<b>Loss Attributable to:</b>			
Equity Holders of the Company	(6,405)	(1,900)	237.1%
Loss Attributable to Non-Controlling Interests, Net of Tax	(456)	-	NM
<b>Loss Net of Tax</b>	<b>(6,861)</b>	<b>(1,900)</b>	261.1%
<b>Total Comprehensive Loss Attributable to:</b>			
Equity Holders of the Company	(6,460)	(2,017)	220.3%
Total Comprehensive Loss Attributable to Non-Controlling Interests, Net of Tax	(456)	-	NM
<b>Total Comprehensive Loss for the Period</b>	<b>(6,916)</b>	<b>(2,017)</b>	242.9%
<b>Loss Per Share for Loss Attributable to Equity Holders of the Company</b> (Cents Per Share)	<b>Cents</b>	<b>Cents</b>	
Basic and Diluted Loss Per Share			
From Continuing Operations	(4.41)	(1.15)	282.8%
From Discontinued Operations	-	(0.11)	NM
	(4.41)	(1.26)	248.7%

**Note:**

1. The comparative statement for the corresponding period of the immediate preceding financial period has been reclassified to present the results of the disposal group as "Discontinued Operations"
2. Refer to paragraph 8 - Review of the performance of the Group, found on pages 8 to 10 of this announcement.

**Loss net of income tax is arrived at after (charging)/crediting the following:**

(in \$'000)	<u>Group</u>		Change
	<u>2014</u>	<u>2013</u>	
Depreciation of plant and equipment	(832)	(920)	(9.6%)
Foreign exchange adjustment (loss)/gain	(384)	231	NM
Inventory written down	(126)	(135)	(6.7%)
Reversal/(allowance) for impairment on trade and other receivables	15	(27)	NM
Loss on disposal of plant and equipment	(21)	(156)	(86.5%)
Plant and equipment written off	(33)	(83)	(60.2%)
Allowance for reinstatement cost	(5)	(86)	(94.2%)
Loss on disposal of subsidiaries	-	(65)	NM
Reversal of impairment on plant and equipment	-	74	NM
Forfeiture of deposit	450	-	NM
Allowance for impairment on investment in an associated company	(4,660)	(29)	15969.0%
Fair value adjustment on bank borrowings	19	-	NM

**NM – not meaningful**

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**

(In \$'000)

	<u>Group</u>		<u>Company</u>	
	<u>31.12.2014</u>	<u>31.12.2013</u>	<u>31.12.2014</u>	<u>31.12.2013</u>
<b><u>ASSETS</u></b>				
<b><u>Current Assets</u></b>				
Inventories	1,345	1,263	-	-
Trade and Other Receivables	7,683	5,730	7,055	2,814
Other Current Assets	778	637	84	87
Cash and Cash Equivalents	15,429	18,261	5,253	9,141
	<u>25,235</u>	<u>25,891</u>	<u>12,392</u>	<u>12,042</u>
Disposal Group Classified as Held-for-Sale	-	12,121	-	12,121
	<u>25,235</u>	<u>38,012</u>	<u>12,392</u>	<u>24,163</u>
<b><u>Non-Current Assets</u></b>				
Available-for sale financial assets	7,460	-	7,460	-
Investment in Associated Companies	-	-	60	60
Investments in Subsidiaries	-	-	11,556	11,408
Plant and Equipment	2,687	2,926	341	450
Assets under Construction	5,960	-	2,338	-
	<u>16,107</u>	<u>2,926</u>	<u>21,755</u>	<u>11,918</u>
<b>Total Assets</b>	<b><u>41,342</u></b>	<b><u>40,938</u></b>	<b><u>34,147</u></b>	<b><u>36,081</u></b>
<b><u>LIABILITIES</u></b>				
<b><u>Current Liabilities</u></b>				
Trade and Other Payables	11,608	9,202	13,317	7,293
Current Income Tax Liabilities	166	190	-	-
Borrowings	803	427	39	33
	<u>12,577</u>	<u>9,819</u>	<u>13,356</u>	<u>7,326</u>
<b><u>Non-Current Liabilities</u></b>				
Borrowings	6,960	337	293	328
Provisions	82	52	-	-
Deferred Income Tax Liabilities	170	270	-	-
	<u>7,212</u>	<u>659</u>	<u>293</u>	<u>328</u>
<b>Total Liabilities</b>	<b><u>19,789</u></b>	<b><u>10,478</u></b>	<b><u>13,649</u></b>	<b><u>7,654</u></b>
<b><u>EQUITY</u></b>				
<b><u>Capital and Reserves Attributable to Equity Holders of the Company</u></b>				
Share Capital	23,014	23,014	23,014	23,014
Treasury Shares	(2,602)	(611)	(2,602)	(611)
Retained Profits	2,443	8,848	86	6,024
Other Reserves	(846)	(791)	-	-
<b>Equity Attributable to Owners of the Parent</b>	<b><u>22,009</u></b>	<b><u>30,460</u></b>	<b><u>20,498</u></b>	<b><u>28,427</u></b>
Non-Controlling Interests	(456)	-	-	-
<b>Total Equity</b>	<b><u>21,553</u></b>	<b><u>30,460</u></b>	<b><u>20,498</u></b>	<b><u>28,427</u></b>

**Note: Refer to paragraph 8 - Review of the performance of the Group, found on pages 8 to 10 of this announcement.**

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

**Amount repayable in one year or less, or on demand**

	As at 31.12.2014		As at 31.12.2013	
	Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
Finance lease liabilities	47	-	41	-
Borrowings	756	-	386	-
Total	<u>803</u>	<u>-</u>	<u>427</u>	<u>-</u>

**Amount repayable after one year**

	As at 31.12.2014		As at 31.12.2013	
	Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
Finance lease liabilities	295	-	337	-
Borrowings	6,665	-	-	-
Total	<u>6,960</u>	<u>-</u>	<u>337</u>	<u>-</u>

**Details of any collateral**

Finance lease liabilities refer to a hire purchase for motor vehicles.

Bank borrowings amounting to \$7,421,000 (31 December 2013: \$386,000) consist of:

- a. \$378,000 (31 December 2013: \$386,000) revolving cash loans by one of the subsidiaries in Malaysia, secured by Corporate Guarantee from one of our subsidiaries in Singapore.
- b. \$6,806,000 (31 December 2013: NIL) debenture loans by our subsidiaries in Singapore, secured by Corporate Guarantee from the Company.
- c. \$237,000 (31 December 2013: NIL) term loans under SPRING Singapore Local Enterprise Finance Scheme (LEFS) by our subsidiaries in Singapore, secured by Corporate Guarantee from the Company.

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**

(In \$'000)

	<u>Group</u>	
	<u>2014</u>	<u>2013</u>
<b><u>Cash Flows From Operating Activities</u></b>		
Loss Before Tax		
From continuing operations	(6,393)	(1,236)
From discontinued operation	-	(169)
	<u>(6,393)</u>	<u>(1,405)</u>
Adjustments for :		
Depreciation of Plant and Equipment	832	920
Loss on Disposal of Plant and Equipment	21	174
Plant and Equipment Written-off	33	83
Reversal of Impairment Loss on Plant and Equipment	-	(74)
Loss on Disposal of Subsidiary	-	65
Interest Income	(199)	(18)
Finance Expense	131	34
Fair value adjustment on bank borrowings	(19)	-
Share of Loss of Associated Company	-	60
Allowance for Impairment on Investment in an Associated Company	4,660	-
Unrealised Currency Translation Losses	(25)	(37)
<b>Operating Cash Flows Before Working Capital Changes</b>	<b>(959)</b>	<b>(198)</b>
Inventories	(82)	573
Trade and Other Receivables	(1,953)	913
Other Current Assets	(141)	9
Trade and Other Payables and Provisions	2,436	7,006
<b>Cash Flows Generated From Operations</b>	<b>(699)</b>	<b>8,303</b>
Income Tax Paid	(590)	(578)
<b>Net Cash (Used in)/From Operating Activities</b>	<b>(1,289)</b>	<b>7,725</b>
<b><u>Cash Flows From Investing Activities</u></b>		
Additions of Plant and Equipment	(755)	(327)
Additions of Assets under Construction	(5,960)	-
Disposal of Plant and Equipment	90	3
Disposal of Subsidiary, Net of Cash Disposed of	-	21
Investment in an Associated Company	-	(60)
Loan to Associated Company	-	(926)
Interest Received	199	18
<b>Net Cash Used in Investing Activities</b>	<b>(6,426)</b>	<b>(1,271)</b>
<b><u>Cash Flows From Financing Activities</u></b>		
Purchase of Treasury Shares	(1,991)	-
Cash Restricted in Use	(4,000)	(32)
Release of Cash Restricted in Use	-	510
Interest Paid	(131)	(34)
Repayment of Lease Liabilities	(37)	(35)
Increase from New Borrowings	7,241	-
Borrowings Repayment	(178)	-
Dividends Paid to Equity Owners	-	(301)
<b>Net Cash From Financing Activities</b>	<b>904</b>	<b>108</b>
<b>Net (decrease)/increase in Cash and Cash Equivalents</b>	<b>(6,811)</b>	<b>6,562</b>
<b>Cash and Cash Equivalents</b>		
Beginning of Financial Year	18,261	12,300
Less: Bank Deposits Pledged	(32)	(510)
Effects of Currency Translation on Cash and Cash Equivalents	(21)	(123)
<b>End of Financial Year</b>	<b>11,397</b>	<b>18,229</b>
<b>Balance as in Statement of Financial Position</b>		
Less: Bank Deposits Pledged	(4,032)	(32)
<b>Cash and Cash Equivalent as in Consolidated Statement of Cash Flows</b>	<b>11,397</b>	<b>18,229</b>

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

	Attributable to Equity Holders of the Company					Non-Controlling Interest	Total Equity
	Shares Capital	Treasury Shares	Retained Profits	Other Reserves	Subtotal		
	\$'000	\$'000	\$'000	\$'000	\$'000		
<b>Group</b>							
<b>Current Year:</b>							
Opening Balance at 1 January 2014	23,014	(611)	8,848	(791)	30,460	-	30,460
Purchase of Treasury Shares	-	(1,991)	-	-	(1,991)	-	(1,991)
Total Comprehensive Loss for the Year	-	-	(6,405)	(55)	(6,460)	(456)	(6,916)
<b>Closing Balance at 31 December 2014</b>	<b>23,014</b>	<b>(2,602)</b>	<b>2,443</b>	<b>(846)</b>	<b>22,009</b>	<b>(456)</b>	<b>21,553</b>
<b>Previous Year:</b>							
Opening Balance at 1 January 2013	23,014	(611)	10,843	(468)	32,778	-	32,778
Disposal of Subsidiaries	-	-	206	(206)	-	-	-
Dividends Relating to 2012 Paid	-	-	(301)	-	(301)	-	(301)
Total Comprehensive Loss for the Year	-	-	(1,900)	(117)	(2,017)	-	(2,017)
<b>Closing Balance at 31 December 2013</b>	<b>23,014</b>	<b>(611)</b>	<b>8,848</b>	<b>(791)</b>	<b>30,460</b>	<b>-</b>	<b>30,460</b>
	Shares Capital	Treasury Shares	Retained Profits	Other Reserves	Total Equity		
	\$'000	\$'000	\$'000	\$'000	\$'000		
<b>Company</b>							
<b>Current Year:</b>							
Opening Balance at 1 January 2014	23,014	(611)	6,024	-	28,427		
Purchase of Treasury Shares	-	(1,991)	-	-	(1,991)		
Total Comprehensive Loss for the Year	-	-	(5,938)	-	(5,938)		
<b>Closing Balance at 31 December 2014</b>	<b>23,014</b>	<b>(2,602)</b>	<b>86</b>	<b>-</b>	<b>20,498</b>		
<b>Previous Year:</b>							
Opening Balance at 1 January 2013	23,014	(611)	8,871	-	31,274		
Dividends Relating to 2012 Paid	-	-	(301)	-	(301)		
Total Comprehensive Loss for the Year	-	-	(2,546)	-	(2,546)		
<b>Closing Balance at 31 December 2013</b>	<b>23,014</b>	<b>(611)</b>	<b>6,024</b>	<b>-</b>	<b>28,427</b>		

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

The Company acquired 9,613,000 of its own shares through open-market purchases on the Singapore Exchange Securities Trading Limited during the period ended 31 December 2014 and these shares were held as Treasury Shares as at 31 December 2014.

As at 30 December 2014, there were 14,978,000 shares held as Treasury Shares (31 December 2013: 5,365,000 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

<u>As at 31.12.2014</u>	<u>As at 31.12.2013</u>
140,659,920	150,272,920

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

Total number of treasury shares as at 1 January 2014		5,365,000
Treasury shares purchased from open market in:		
- May 2014	4,656,000	
- June 2014	1,097,000	
- July 2014	1,000,000	
- August 2014	<u>2,860,000</u>	
Total purchases		<u>9,613,000</u>
Total number of treasury shares as at 31 December 2014		<u>14,978,000</u>

**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 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**

As disclosed in Note 5 below, the Group had applied the same accounting policies and methods of computation in the financial statements for the current period as those for the audited financial statements 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**

In the current period, the Group adopted the new/revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 January 2014.

- FRS 27 (revised 2011) - Separate Financial Statements
- FRS 28 (revised 2011) - Investment in Associates and Joint Ventures
- Amendments to FRS 32 - Financial Instruments : Offsetting of Financial Liabilities and Assets
- Amendments to FRS 36 - Recoverable Amount Disclosures for Non-Financial Assets
- Amendments to FRS 39 – Novation of Derivatives and Continuation of Hedge Accounting
- FRS 110 - Consolidated Financial Statements
- FRS 111 - Joint Arrangements
- FRS 112 - Disclosure of Interests in Other Entities
- Amendments to FRS 110, FRS 111, Mandatory Effective Date FRS 112, FRS 27(2011)and FRS 28(2011)
- Amendments to FRS 110, FRS 111 Transition Guidance and FRS 112
- Amendments to FRS 110, FRS 112 Investment Entities and FRS 27

The adoption of the above did not result in any material change to the Group's accounting policies nor have any significant impact on the financial statements.

**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**

Basic and diluted earnings per share based on loss attributable to shareholders (in cent):	12 months ended 31.12.2014	12 months ended 31.12.2013
Continuing Operations	(4.41)	(1.15)
Discontinued Operations	-	(0.11)
Total	(4.41)	(1.26)

The basic earnings per share and fully diluted earnings per share for continuing operations have been calculated based on net loss attributable to shareholders of \$6,405,000 (FY2013: loss \$1,731,000) and the weighted average number of ordinary shares during the period was 145,296,769 (FY2013: 150,272,920).

The basic earnings per share and fully diluted earnings per share for discontinued operations in FY2013 have been calculated based on net loss attributable to shareholders of \$169,000 and the weighted average number of ordinary shares during the period was 150,272,920.

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

As at	Group		Company	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
Net Asset Value per ordinary share (cents)	15.65	20.27	14.57	18.92

The net asset value per share of the Group has been calculated based on shareholders' equity of \$22,009,000 (31 December 2013: \$30,460,000) and 140,659,920 shares (31 December 2013: 150,272,920 shares).

The net asset value per share of the Company has been calculated based on shareholders' equity of \$20,498,000 (31 December 2013: \$28,427,000) and issued share capital of 140,659,920 shares (31 December 2013: 150,272,920 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**

The principal historical activities of our Group involve the manufacture and sale of a wide range of customised precision elastomeric, polymeric and metallic components which are used in a variety of industries principally in office automation, lifestyle products, industrial application, consumer electronics and automotive industries.

For new development of the Group's activities, please refer to paragraph 10 of this announcement.

**Income Statement**

In accordance with the FRS, the results of the disposed group are presented separately as "Discontinued Operations".

- (i) Continuing Operations

The Group experienced a drop of 10.3% in revenue to \$15.53 million in FY2014 from \$17.31 million in FY2013 mainly due to the revenue contribution from the Polymeric subsidiary in



Singapore being replaced with fixed operating lease income since the second half of FY2013. However, the elastomeric business units recorded an increase in revenue due to the higher demand of its key customers in PRC and Malaysia.

Gross profit declined by \$1.35 million or 21.3% to \$4.96 million in FY2014 from \$6.31 million in FY2013. The overall gross profit margin for FY2014 was 32.0% compared to 36.4% for FY2013.

Distribution costs and administrative expenses declined by 6.4% in FY2014 to \$6.97 million from \$7.54 million in FY2013 mainly due to decrease of staff related cost, withholding taxes and statutory charges, travelling expenses, outward freight, entertainment expenses, software maintenance, fines and penalties offset by increase in legal fees, rental fee and depreciation. Finance costs increased by \$0.01 million in FY2014 mainly for the interest incurred for the debenture loan & term loan for 2 subsidiaries in Singapore, revolving credit facilities of a subsidiary in Malaysia and the hire purchase interest for motor vehicles.

The Group recorded other charges of \$5.24 million in FY2014 (FY2013: \$0.42 million) mainly due to the fair value adjustment on available-for-sale financial assets of \$4.66 million (FY2013: \$29,000), foreign exchange loss of \$0.38 million (FY2013: foreign exchange gain of \$0.25 million) and write-down in inventories of \$0.3 million (FY2013: \$0.04 million). The foreign exchange loss was due to the depreciation of Indonesia Rupiah ("IDR") and Ringgit Malaysia ("MYR") versus the Singapore Dollar ("SGD") during 2014. In FY2014, the Group also recorded loss on disposal of plant and equipment of \$21,000 (FY2013: \$156,000), \$33,000 for the plant and equipment written off (FY2013: \$83,000).

Other credits in FY2014 amounted to \$0.78 million compared to \$0.49 million in FY2013 mainly due to forfeiture of the deposit of \$0.45 million, operating lease income from Process Innovation Technology SE Asia Pte Ltd of \$161,000 (FY2013: \$80,000), Government Grants of \$78,000 (FY2013: \$70,000), rental income of \$5,000 (FY2013: \$13,000), reversal for impairment on trade and other receivables of \$15,000 (FY2013: allowance for impairment on trade and other receivables of \$16,000) and fair value adjustment on bank borrowings of \$19,000 (FY2013: NIL).

In FY2014, the Group reported a loss before tax of \$7.30 million compared to the loss before tax of \$1.24 million in FY2013 and a loss after tax of \$7.77 million (FY2013: \$1.73 million).

The Group posted a loss attributable to equity holder of the Company of \$7.31 million in FY2014 (FY2013: \$1.90 million).

#### (ii) Discontinued Operations

On 19 September 2013, the Group disposed of its polymeric subsidiary in PRC and reported a loss attributable to owners of \$169,000.

## **Financial Position**

### **Non-current Assets**

The Group's non-current assets increased by \$13.18 million to \$16.11 million as at 31 December 2014 as compared to non-current assets of \$2.93 million as at 31 December 2013. The variance was mainly due to the reclassification of the investment of Tianjin Swan Lake which was previously grouped as disposal group classified as held for sale. This is offset against the fair value adjustment on available-for-sale financial assets of \$4.66 million, depreciation of plant and equipment of \$0.83 million, \$33,000 for plant and equipment written off, loss on disposal of plant and equipment of \$21,000 and the foreign currency translation loss for plant and equipment in overseas operations of \$16,000; offset by the purchase of new plant and equipment of \$0.75 million and assets under construction of \$5.96 million.

### **Current Assets**

The Group's current assets amounted to \$25.24 million as at 31 December 2014, a decrease of \$12.78 million compared to 31 December 2013. This was mainly due to the reclassification of the investment of Tianjin Swan Lake which was previously grouped as

disposal group classified as held for sale. These are offset against the increased in inventories of \$0.08 million and trade and other receivable of \$1.05 million mainly due to increase orders from customers of elastomeric business unit.

Cash and cash equivalents decreased by \$2.83 million mainly due to the purchase of new plant and equipment of \$0.75 million and assets under construction of \$5.96 million, the cash used in purchase of treasury shares which amounted to \$1.99 million, payment for income tax of \$0.59 million and payment for finance lease & borrowings of \$0.22 million, offset against the new increase of bank borrowings of \$7.24 million.

### **Total Liabilities**

Total liabilities as at 31 December 2014 was \$19.79 million, an increase of \$9.31 million from \$10.48 million as at 31 December 2013.

Trade and other payables of \$11.61 million was recorded as at 31 December 2014, a increase of \$2.41 million mainly due to and the progress payment of RMB5 million which was equivalent to \$1 million for the proposed disposal of a 50.54% shareholding interest in a majority stake in a BVI incorporated company that holds a 30% shareholding interest in a PRC developer and increase orders from suppliers of elastomeric business unit. This is offset against the forfeiture of deposit receipt of \$0.45 million

In FY2013, the higher income tax recorded was due to profitable operations in higher tax jurisdictions. Additionally, losses incurred by subsidiaries in one tax jurisdiction were not available for offset against profit generated by subsidiaries in other tax jurisdictions. As at 31 December 2014, income tax was recorded at \$0.17 million.

Approximately \$7.21 million under non-current liabilities was for deferred tax of \$0.17 million and the borrowings which comprised of the outstanding amount from a hire purchase of motor vehicle of \$0.30 million and bank borrowings of \$6.67 million as at 31 December 2014.

### **Total Equity**

The equity decreased by \$8.91 million to \$21.54 million as at 31 December 2014 from \$30.46 million as at 31 December 2013. While retained earnings decreased by \$6.41 million during the year, the increase in losses from foreign currency translation reserve which mainly due to the depreciation of the MYR against SGD and the appreciation of the RMB & IDR against SGD and acquisition of the 51% non-controlling interest in Sinjia RTE Solutions Pte Ltd ("SR") reduced the effect of higher retained earnings on total equity.

The Group purchased 9,613,000 treasury shares for \$1.99 million. As at 31 December 2014, there were 14,978,000 shares held as Treasury Shares (31 December 2013: 5,365,000 shares).

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

In the SGXNET announcement for HY2014 results released on 14 August 2014, the Directors referred to the disposal of its subsidiary, Greatly Holdings Investment Limited (which has 30% interest in investment in associate - Tianjin Swan Lake Real Estate Development Co., Limited ("TJSL")). To-date, the purchaser has paid the amount of RMB35,000,000 of the total amount of RMB64,030,000.

As such the investment in associate of \$12.1 million were classified under asset held-for-sale on the balance sheet as at 30 June 2014.

Given the uncertain political and economic conditions in China at this point in time, the directors are of the view that the delay in the completion of the disposal is caused by events and circumstances beyond the Company's control. The directors are also uncertain about when the remaining amount can be eventually collected. Moreover, the Group no longer has significant influence over TJSL.

As a result of the above reasons, the directors are of the view that it is appropriate to reclassify the "Disposal Group held-for-sale" to "Available-for-sale financial assets", and a fair value adjustment of \$4.66 million has been taken to profit and loss.

**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 rising costs pressure due to the increase in minimum wages in the respective countries of operations in the PRC, Indonesia and Malaysia current during the financial year.

The board is of the view at this juncture given the uncertain global economic outlook, it will be more prudent to focus on the existing business to ensure a steady income for the group,

The mixed development project located in Batu Pahat, Malaysia which was launched on 26 December 2013 is expected to contribute some returns to the Group's result in FY2015. The project is currently under construction.

In the SGXNET announcement released on 17 February 2015, the Company has announced that it has entered into a Sale and Purchase Agreement with Tembusu Industries Private Limited for the disposal of power generation system equipment in Myanmar to Tembusu Industries Pte Ltd. Under the terms of the said agreement, the Company shall sell the power generation system equipment in Myanmar for a cash consideration of US\$2.214 million. Company has collected the initial deposit of US\$400,000 for the purchase. The Proposed Disposal is expected to be completed on or about 17 April 2015.

Sinjia Land has and will continue to explore new business opportunities and further develop existing businesses to enhance the profitability of the Group.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

No dividend has been declared for this period.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

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

No dividend was declared for previous period.

**(c) Date payable**

No applicable.

**(d) Books closure date**

No applicable.

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

No dividend has been recommended.

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 general mandate has been obtained from the shareholders. There was no interested person transaction exceeding \$100,000 as at 31 December 2014.

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

Not applicable for full year results announcement.

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

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.**

### Operating Segments

For management purposes, the Group is organized into operating segments based on their product and service which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance.

### Segment Information

For management purposes, the Group is organized into controlling business units ("CBU") based on their products and services which are further aggregated into three reportable segments as follows:

- 1) The *Office Automation* ("OA") segment manufactures and distributes polymeric components, polymeric die-cutting services and precision turned parts for the office automation end products including printers, copiers, electronic devices, computers, note books and peripheral accessories.
- 2) The *Lifestyle Products* ("LP") segment manufactures and distributes compound rubber and precision molded rubber parts and components for the consumer and life style products including household electrical appliances, consumer electronic devices, vibration control components and peripheral accessories.
- 3) The *Energy/Power* ("EP") segment procures, assembles and installs fuel cell systems in commercial and other buildings for the generation of electricity and production of synthetic diesel in Singapore.
- 4) The *Corporate* ("IH") segment is involved in Group level corporate services, treasury functions and investments. It derives its income substantially from inter-company transactions.

Management monitors the operating results of its CBU separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects is measured differently from operating profit or loss in the consolidated financial statements. Financing cost (interest expense) and income taxes are managed on a group basis and are not allocated to operating segments. Transfer pricing between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

## Financial Information by Operating Segments from Continuing Operations

	OA \$'000	LP \$'000	EP \$'000	IH \$'000	Total \$'000
<b>FY2014</b>					
<b>Revenue:</b>					
External customers	-	15,528	-	-	15,528
Total Revenue	-	15,528	-	-	15,528
<b>Recurring EBITDA</b>					
Depreciation	(12)	1,233	(802)	(1,394)	(975)
ORBIT	(143)	(569)	(4)	(116)	(832)
Finance costs	-	(37)	(49)	(45)	(131)
Other items	160	(117)	(75)	(4,423)	(4,455)
Loss before tax from continuing operations					(6,393)
Income tax expense					(468)
<b>Loss from continuing operations</b>					<b>(6,861)</b>
<b>FY2013</b>					
<b>Revenue:</b>					
External customers	1,852	15,487	-	-	17,339
Inter-segment	(23)	(6)	-	-	(29)
Total Revenue	1,829	15,481	-	-	17,310
<b>Recurring EBITDA</b>					
Depreciation	152	2,010	-	(2,576)	(414)
ORBIT	(139)	(631)	-	(94)	(864)
Finance costs	13	1,379	-	(2,670)	(1,278)
Other items	-	(22)	-	(12)	(34)
Other items	143	(50)	-	(17)	76
Profit before tax from continuing operations					(1,236)
Income tax expense					(495)
<b>Loss from continuing operations</b>					<b>(1,731)</b>

## Assets and Reconciliations

	OA \$'000	LP \$'000	EP \$'000	IH \$'000	Unallocated \$'000	Group \$'000
<b>FY2014</b>						
Total assets for reportable segments	310	8,306	3,740	13,557	-	25,913
Unallocated:						
Add: Cash and cash equivalents	-	-	-	-	15,429	15,429
Total group assets	310	8,306	3,740	13,557	15,429	41,342
<b>FY2013</b>						
Total assets for reportable segments	1,137	7,953	-	13,587	-	22,677
Unallocated:						
Add: Cash and cash equivalents	-	-	-	-	18,261	18,261
Total group assets	1,137	7,953	-	13,587	18,261	40,938

## Liabilities and Reconciliations

	OA \$'000	LP \$'000	EP \$'000	IH \$'000	Unallocated \$'000	Group \$'000
<b>FY2014</b>						
Total liabilities for reportable segments	23	1,876	4,456	5,335	-	11,690
Unallocated:						
Deferred and current tax liabilities	-	-	-	-	336	336
Other financial liabilities	-	-	-	-	7,421	7,421
Finance lease liabilities	-	-	-	-	342	342
Total group liabilities	23	1,876	4,456	5,335	8,099	19,789
<b>FY2013</b>						
Total liabilities for reportable segments	166	1,783	-	7,305	-	9,254
Unallocated:						
Deferred and current tax liabilities	-	-	-	-	460	460
Other financial liabilities	-	-	-	-	386	386
Finance lease liabilities	-	-	-	-	378	378
Total group liabilities	166	1,783	-	7,305	1,224	10,478

## **Geographical Information**

The Group's main operations are located in Singapore, Malaysia, Indonesia and China. Revenue from external customers are attributed to the Group's countries of domicile and all foreign countries in total from which the Group derived revenues. Non-current assets are attributed to countries based on the Group's country of domicile and all foreign countries in total in which the entity holds assets.

The Group's reportable segment are based on differences in products and services, no additional disclosure of revenue information about products and services are required.

	Revenue		Non-Current Assets	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Malaysia	7,320	6,826	1,118	1,406
Indonesia	3,387	3,806	526	121
Singapore	2,424	4,384	14,011	846
China	2,397	2,294	452	553
<b>Total</b>	<b>15,528</b>	<b>17,310</b>	<b>16,107</b>	<b>2,926</b>

Revenues from top two customers of the Group represent approximately \$2,275,000 (FY2013: \$2,680,000) and \$2,059,000 (FY2013: \$1,821,000) of the Group's total revenue respectively.

### **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**

Refer to paragraph 8 - Review of the performance of the Group, found on pages 8 to 10 of this announcement.

### **17. A breakdown of sales**

(In \$'000)	Group FY2014	Group FY2013	% Increase/(Decrease)
Sales reported for first half year	7,237	10,626	(31.9%)
Operating loss after tax before deducting non-controlling interest reported for first half year	(1,286)	(1,124)	14.4%
Sales reported for second half year	8,291	6,684	24.0%
Operating loss after tax before deducting non-controlling interest reported for second half year	(6,483)	(607)	968.0%

### **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	Previous full year
(In \$ '000)	31 December 2014	31 December 2013
Total annual dividend – ordinary	NIL	301

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

Pursuant to Rule 704(13) of the Listing Manual, there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

**BY ORDER OF THE BOARD**

Cheong Weixiong  
Executive Director  
27 February 2015