



COMPACT METAL INDUSTRIES LTD

Company Registration Number 19750009H

Unaudited Financial Statement And Dividend Announcement For The Financial Year Ended 31 December 2014

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.**

Consolidated Income Statement

	Group			Group		
	Fourth Quarter Ended			Year Ended		
	31-Dec-14	31-Dec-13	Increase/ (Decrease)	31-Dec-14	31-Dec-13	Increase/ (Decrease)
	S\$' 000	S\$' 000	%	S\$' 000	S\$' 000	%
Revenue	7,300	7,060	3	33,052	35,017	(6)
Other net income/ (expenses)	(150)	5,267	NM	2,211	7,631	-
Changes in inventories of work-in-progress and finished goods	(820)	(102)	NM	(3,075)	(328)	838
Raw materials and consumables used	(1,233)	(1,349)	NM	(12,827)	(13,360)	(4)
Staff and related costs	(1,779)	(2,356)	(24)	(9,549)	(12,710)	(25)
Depreciation (including impairment charge and reversal) of property, plant and equipment	(4,826)	(427)	NM	(5,667)	(1,061)	434
Other operating expenses	(6,315)	(3,377)	87	(13,382)	(10,673)	25
Results from operating activities	(7,823)	4,716	(266)	(9,237)	4,516	NM
Finance income	33	13	158	129	65	99
Finance costs	(61)	(7)	773	(94)	(72)	31
Net finance income/(cost)	(28)	6	NM	35	(7)	NM
Loss before income tax	(7,851)	4,722	(266)	(9,202)	4,509	NM
Income tax expense	(209)	(169)	NM	(210)	(168)	NM
(Loss)/ profit for the year	(8,060)	4,553	(277)	(9,412)	4,341	NM
Other comprehensive income :						
Exchange differences on monetary items forming part of net investment in foreign operations	(605)	(44)	NM	(250)	(476)	NM
Net surplus on revaluation, net of tax - property, plant and equipment	296	30	NM	296	30	NM
Income tax on net surplus on revaluation of property, plant and equipment	(71)	(7)	914	(71)	(7)	
Translation differences relating to financial statements of foreign subsidiaries	213	(39)	NM	(110)	108	NM
Other comprehensive income for the year, net of income tax	(167)	(60)	NM	(135)	(345)	NM
Total comprehensive income for the year	(8,227)	4,493	(283)	(9,547)	3,996	NM
(Loss)/ Profit for the year attributable to :						
- Owners of the parent	(5,539)	4,698	(218)	(6,692)	4,743	NM
- Non-controlling interests	(2,521)	(145)	NM	(2,720)	(402)	577
(Loss)/ profit for the year	(8,060)	4,553	NM	(9,412)	4,341	NM
Total comprehensive income for the year attributable to :						
- Owners of the parent	(5,705)	4,644	(223)	(6,827)	4,401	NM
- Non-controlling interests	(2,522)	(151)	NM	(2,720)	(405)	NM
Total comprehensive income for the year	(8,227)	4,493	(283)	(9,547)	3,996	NM
(Loss) / Earnings per share						
- Basic	(0.71) cents	1.53 cent		(0.86) cents	1.55 cent	
- Diluted	(0.71) cents	0.75 cent		(0.86) cents	0.76 cent	

NM : not meaningful

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	Group		Group	
	Fourth Quarter Ended		Year Ended	
	31-Dec-14	31-Dec-13	31-Dec-14	31-Dec-13
	S\$' 000	S\$' 000	S\$' 000	S\$' 000
Allowance/ (reversal) for obsolete inventories	297	(50)	297	(38)
Allowance for doubtful debts	296	279	292	258
Depreciation (including impairment charge and reversal) of property, plant and equipment	4,826	427	5,667	1,061
Property, plant and equipment written off	-	650	-	650
Exchange loss	688	45	341	476
Gain on disposal of assets held for sale	-	-	-	(396)
(Gain)/ loss on disposal of property, plant and equipment	13	-	(2)	-
Interest income from financial institution	(33)	(13)	(129)	(65)
Change in fair value of investment properties	(19)	(36)	(19)	(36)
Amortisation of deferred revenue	-	(267)	(804)	(1,071)
Write off of prepaid lease	3,726	-	3,726	-
Amortisation of prepaid lease	34	49	131	49
Interest on borrowings	61	8	94	72

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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.**

	Group		Company	
	31-Dec-14	31-Dec-13	31-Dec-14	31-Dec-13
	S\$' 000	S\$' 000	S\$' 000	S\$' 000
Non-current assets				
Property, plant and equipment	9,661	13,253	232	210
Investment properties	94	639	-	-
Subsidiaries	-	-	2,720	9,531
Long term receivables	3,961	4,291	3,660	3,901
Lease premium prepayment	-	3,857	-	-
	13,716	22,040	6,612	13,642
Current assets				
Inventories	12,123	12,820	1,177	1,484
Trade and other receivables	8,402	7,720	27,645	48,641
Other investments	2	3	1	1
Cash and cash equivalents	33,480	33,621	29,244	29,592
Asset classified as held for sale	1,746	1,196	-	-
	55,753	55,360	58,067	79,718
Total assets	69,469	77,400	64,679	93,360
Share capital and reserves				
Share capital	131,094	129,102	131,094	129,102
Capital reserve	404	404	-	-
Revaluation reserve	2,779	2,714	-	-
Currency translation reserve	(4,139)	(3,779)	-	-
Accumulated losses	(70,820)	(63,171)	(108,578)	(78,598)
	59,318	65,270	22,516	50,504
Non-controlling interests	(3,092)	(372)	-	-
Total equity	56,226	64,898	22,516	50,504
Non-current liabilities				
Obligations under finance lease	30	62	30	59
Long-term payables	674	802	618	1,279
Deferred tax liabilities	297	349	-	-
	1,001	1,213	648	1,338
Current liabilities				
Trade and other payables	7,219	7,410	36,771	37,946
Provision for warranties	992	951	721	670
Current portion of amounts owing to financial institutions	3,668	1,510	3,668	1,510
Current portion of obligations under finance lease	32	49	29	29
Deferred revenue	-	804	-	803
Current tax payable	331	565	326	560
	12,242	11,289	41,515	41,518
Total liabilities	13,243	12,502	42,163	42,856
Total equity and liabilities	69,469	77,400	64,679	93,360

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(a) Amount repayable in one year or less, or on demand

31-Dec-14		31-Dec-13	
S\$' 000	S\$' 000	S\$' 000	S\$' 000
Secured	Unsecured	Secured	Unsecured
32	3,668	49	1,510

(b) Amount repayable after one year

31-Dec-14		31-Dec-13	
S\$' 000	S\$' 000	S\$' 000	S\$' 000
Secured	Unsecured	Secured	Unsecured
30	-	62	-

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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.

	Group		Group	
	Fourth Quarter Ended		Year Ended	
	31-Dec-14	31-Dec-13	31-Dec-14	31-Dec-13
	S\$' 000	S\$' 000	S\$' 000	S\$' 000
Operating Activities				
(Loss)/ profit for the year	(8,060)	4,553	(9,412)	4,341
Adjustments for:				
(Gain)/ loss on disposal of property, plant and equipment	13	-	(2)	-
Depreciation (including impairment charge and reversal) of property, plant and equipment	4,826	427	5,667	1,061
Impairment loss on other investments	-	3	-	3
Property, plant and equipment written off	-	650	-	650
Changes in fair value on investment properties	(19)	(36)	(19)	(36)
Write off of prepaid lease	3,726	-	3,726	-
Amortisation of prepaid lease	34	49	131	49
Interest on borrowing	61	8	94	72
Interest income from financial institutions	(33)	(13)	(129)	(65)
Gain on asset held for sale	-	-	-	(396)
Allowance/ (reversal) for obsolete inventories	297	(50)	297	(38)
Amortisation of deferred revenue	-	(267)	(804)	(1,071)
Allowance for doubtful receivables	296	279	292	258
Provision for warranty/ (reversed)	41	(18)	41	(78)
Income tax expense	209	169	210	168
	1,391	5,754	92	4,918
Changes in working capital:				
Inventories	2,307	1,247	331	1,608
Trade and other receivables	(927)	2,895	(714)	129
Trade and other payables	(1,787)	(5,273)	(363)	(6,303)
Cash generated from operations	984	4,623	(654)	352
Income tax refunded	11	-	11	-
Income tax paid	(9)	(210)	(579)	(665)
Cash (used in)/ generated in operating activities	986	4,413	(1,222)	(313)
Investing Activities				
Interest received	33	13	129	65
Proceeds from sale of assets held for sale	-	809	-	4,133
Proceeds from sale of property, plant and equipment	4	2	19	2
Payment of prepaid lease	-	-	-	(3,906)
Purchase of property, plant and equipment	(219)	(2,258)	(2,023)	(3,006)
Cash used in investing activities	(182)	(1,434)	(1,875)	(2,712)
Financing Activities				
Payment of finance lease liabilities	(11)	(14)	(49)	(54)
Advances from bank term loans and trust receipts	2,064	510	5,494	5,274
Repayment of bank term loans and trust receipts	(1,826)	(1,123)	(3,336)	(5,591)
Increase / (decrease) in fixed deposit pledged	2,107	(55)	2,107	(55)
Interest paid	(61)	(8)	(94)	(72)
Dividend Paid	-	-	(1,117)	-
Proceeds from allotment of shares	10	18,684	1,992	18,684
Rights issue expenses	-	(352)	-	(352)
Cash from financing activities	2,283	17,642	4,997	17,834
Net decrease in cash and cash equivalents	3,087	20,621	1,900	14,809
Effect of exchange rate fluctuations on cash held	115	39	66	95
Cash and cash equivalents as at beginning of year (excluding pledged deposits)	27,852	8,428	29,088	14,184
Cash and cash equivalents as at end of year (excluding pledged deposits)	31,054	29,088	31,054	29,088
Represented by :				
Cash at banks & in hands	8,506	8,772	8,506	8,772
Fixed deposits	24,974	24,849	24,974	24,849
Less : fixed deposits pledged	(2,426)	(4,533)	(2,426)	(4,533)
Cash and cash equivalents as at 31 Dec 2014	31,054	29,088	31,054	29,088

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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 the capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Attributable to owners of the parent						Non-controlling interests	Total equity
	Share capital	Capital reserve	Revaluation reserve	Currency translation reserve	Accumulated losses	Total		
	S\$' 000	S\$' 000	S\$' 000	S\$' 000	S\$' 000	S\$' 000	S\$' 000	S\$' 000
Group								
As at 1 Jan 2014	129,102	404	2,714	(3,779)	(63,171)	65,270	(372)	64,898
Total comprehensive profit for the year :								
Loss for the year	-	-	-	-	(6,692)	(6,692)	(2,720)	(9,412)
Other comprehensive income :								
Exchange differences on monetary items forming part of net investment in foreign operations	-	-	-	(250)	-	(250)	-	(250)
Realisation of revaluation reserve	-	-	(160)	-	160	-	-	-
Net surplus on revaluation of property, plant and equipment	-	-	296	-	-	296	-	296
Translation differences relating to financial statements of foreign subsidiaries	-	-	-	(110)	-	(110)	-	(110)
Income tax on net surplus on revaluation of property, plant and equipment	-	-	(71)	-	-	(71)	-	(71)
Total other comprehensive income	-	-	65	(360)	160	(135)	-	(135)
Total comprehensive income	-	-	65	(360)	(6,532)	(6,827)	(2,720)	(9,547)
Transactions with owners, recognised directly in equity								
Issue of shares from warrants exercised	1,992	-	-	-	-	1,992	-	1,992
Dividend Paid	-	-	-	-	(1,117)	(1,117)	-	(1,117)
Total contributions by and distribution to owners	1,992	-	-	-	(1,117)	875	-	875
Total transaction with owners	1,992	-	-	-	(1,117)	875	-	875
As at 31 Dec 2014	131,094	404	2,779	(4,139)	(70,820)	59,318	(3,092)	56,226

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As at 1 Jan 2013	110,770	404	3,781	(3,414)	(69,004)	42,537	33	42,570
Total comprehensive profit for the year :								
Profit for the year	-	-	-	-	4,743	4,743	(402)	4,341
Other comprehensive income :								
Exchange differences on monetary items forming part of net investment in foreign operations	-	-	-	(476)	-	(476)	-	(476)
Realisation of revaluation reserve	-	-	(1,090)	-	1,090	-	-	-
Net surplus on revaluation on property, plant and equipment	-	-	30	-	-	30	-	30
Translation differences relating to financial statements of foreign subsidiaries	-	-	-	111	-	111	(3)	108
Income tax on other comprehensive income	-	-	(7)	-	-	(7)	-	(7)
Total other comprehensive income	-	-	(1,067)	(365)	1,090	(342)	(3)	(345)
Total comprehensive income	-	-	(1,067)	(365)	5,833	4,401	(405)	3,996
Transactions with owners, recognised directly in equity								
Right issue of shares	18,323	-	-	-	-	18,323	-	18,323
Issues of shares from warrants exercised	9	-	-	-	-	9	-	9
Total contributions by and distribution to owners	18,332	-	-	-	-	18,332	-	18,332
Total transaction with owners	18,332	-	-	-	-	18,332	-	18,332
As at 31 Dec 2013	129,102	404	2,714	(3,779)	(63,171)	65,270	(372)	64,898

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 the capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Company

	Attributable to owners of the Company		
	Share capital	Accumulated losses	Total
	S\$' 000	S\$' 000	S\$' 000
As at 1 Jan 2014	129,102	(78,598)	50,504
Profit /total comprehensive income for the year	-	(28,863)	(28,863)
Issue of shares from warrants exercised	1,992	-	1,992
Dividend Paid	-	(1,117)	(1,117)
As at 31 Dec 2014	131,094	(108,578)	22,516
As at 1 Jan 2013	110,770	(83,785)	26,985
Profit/total comprehensive income for the year	-	5,187	5,187
Right issue shares	18,675	-	18,675
Right issue shares expenses	(352)	-	(352)
Issue of shares from warrants exercised	9	-	9
As at 31 Dec 2013	129,102	(78,598)	50,504

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Details of changes in the Company's share capital arising from right issue, bonus issues, 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 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 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 financial year ended 31 December 2014, the Company issued 99,579,533 new shares from warrants exercised.

As at 31 December 2014, the Company has 366,827,701 outstanding warrants.

During the financial year ended 31 December 2013, the Company has consolidated 20 existing ordinary shares into 1 ordinary share, issued 466,870,184 new shares from rights issue, and issued 464,900 new shares from warrants exercised.

As at 31 December 2013, the Company have 466,405,284 shares of outstanding warrants.

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.**Number of ordinary shares**

As at 1 Jan 2014	700,768,226
Issue of shares from warrants exercised	99,579,533
As at 31 Dec 2014	800,347,759

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.

Not applicable.

2

Whether the figures have been audited, or review and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagement to Review Financial Statements), or an equivalent standard).

The figures have not been audited nor reviewed by our auditors.

3

Whether the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis 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 has adopted the same accounting policies and method of the computation in the financial statements for the current period as compared with the audited financial statements for financial 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/revised Singapore Financial reporting Standards (FRSs) that are mandatory for financial period beginning on and after 1 January 2014. The adoption of the new/revised FRSs does not have material financial impact on the Group's results.

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.

Earnings per ordinary share of the Group for the period based on net profit attributable to shareholders:-

Based on weighted average of 778,984,459 ordinary shares (2013: 306,637,000 ordinary shares)

On a fully diluted basis

Group	
Year Ended Dec-14	Year Ended 31-Dec-13
(0.86) cents	1.55 cent
(0.86) cents	0.76 cent

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Net asset value (for the issuer and group) per ordinary share based on the issued share capital of the issuer at the end of the (a) current period reported and (b) immediately preceding financial year.

Net asset value per ordinary share based on issued share capital of 800,347,759 ordinary shares (2013: 700,768,226 ordinary shares) as at 31 December 2014

Group		Company	
31-Dec-14	31-Dec-13	31-Dec-14	31-Dec-13
7.41 cent	9.31 cent	2.81 cent	7.21 cent

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 year reported on.

The Group's revenue increased by 3% or \$0.2 million from \$7.1 million for fourth quarter ending 31 December 2013 (4Q2013) to \$7.3 million for the fourth quarter ending 31 December 2014 (4Q2014). The increase was mainly due to more ongoing projects in 4Q2014 compared to 4Q2013. The revenue decreased by 6% or \$1.9 million from \$35.0 million for the year ending 31 December 2013 (FY2013) to \$33.1 million for year ending 31 December 2014 (FY2014). This was mainly due to lower sales due to lesser ongoing projects and decreased in revenue from aluminum related products in FY2014 compared to FY2013.

Other income mainly comprises of rental income, deferred revenue and exchange differences. Other income decreased by \$5.4 million from \$5.3 million in 4Q2013 to net loss of \$0.1 million in 4Q2014 and decreased by \$5.4 million from \$7.6 million in FY2013 to \$2.2 million in FY2014 mainly due to:

(a) The following event which occurred in 4Q2013/FY2013:

(i) Settlement of the legal case with PPG in which the counterclaim by PPG was dismissed by the Court of Appeal. This resulted in a reversal of \$2.7 million from other payables which the Group has previously deferred due to the uncertainty of the appeal then, and receipt of an additional \$1.6 million from PPG as reimbursement of legal proceedings costs incurred by the group.

and the following in FY2013

(ii) Gain on disposal of assets held for sale by our subsidiary in Indonesia of \$0.4 million.

(b) Decreased in deferred revenue and rental income by \$0.4 million and \$0.7 million for 4Q2014 compared to 4Q2013 and FY2014 compared to FY2013 respectively.

(i) Deferred revenue was fully amortised in September 2014 thus it was lower compared to 4Q2013/FY2013

(ii) Certain investment properties which provided rental income during the year was sold as well as some tenants had moved out during the year. Thus, rental income was decreased.

(c) Higher exchange loss in 4Q2014 compared to 4Q2013 (4Q2014:\$0.7 million 4Q2013: \$0.04 million).

Changes in inventories of work-in-progress, finished goods, raw materials and consumables used increased mainly due to lower margins projects which commenced during the year.

Staff and related costs decreased by \$0.6 million from \$2.4 million in 4Q2013 to \$1.8 million in 4Q2014 and decreased by \$3.2 million from \$12.7 million in FY2013 to \$9.5 million in FY2014 mainly due to higher labour costs required for ongoing projects in FY2013 compared to FY2014 and decreased in staff for one of our subsidiary.

Depreciation including impairment charge increased by \$4.4 million from \$0.4 million from 4Q2013 to \$4.8 million in 4Q2014 and increased by \$4.6 million from \$1.1 million in FY2013 to \$5.7 million in FY2014 mainly due to impairment of property plant and equipment amounting to \$4.4 million by a subsidiary AEL Enviro (Asia) Pte Ltd (AEL).

The Group had decided during the year to shelve the project undertaken by AEL indefinitely and has also to look for potential buyers for the shares in AEL. The Group made this decision after reviewing the overall costs and progress of the project. Following the review, the Group had concerns of the greater likelihood of project delay and costs overrun for the project as well as the risks the Group had to bear.

The impairment was made on the assets as there were no potential buyers found, and the Group has decided not to carry on with the project anymore. Thus, the construction works on Tuas Bay Drive land and the benchplant, a prototype equipment was impaired.

Operating expenses increased by \$2.9 million from \$3.4 million in 4Q2013 to \$6.3 million in 4Q2014 and increased by \$2.7 million from \$10.7 million in FY2013 to \$13.4 million in FY2014.

This was mainly due to the write off of prepaid lease premium of \$3.7 million in 4Q2014/FY2014. The prepaid lease was related to the leasehold land at Tuas Bay Drive which was acquired for the construction of a plant. The prepaid lease was written off as the Group decided not to proceed with the project undertaken by AEL.

This was partly offset by the absence of expenses related to the closing of our plant in Indonesia of \$0.3 million and defective works of \$0.1 million for completed projects carried out by one of our subsidiaries and the written off of property plant and equipment of \$0.6 million.

As a result, the Group has a loss before income tax of \$7.8 million in 4Q2014 and \$9.2 million in FY2014 compared to a profit of \$4.7 million in 4Q2013 and \$4.5 million in FY2013.

Property, plant and equipment decreased by \$3.6 million from \$13.3 million in FY2013 to \$9.7 million in FY2014 mainly due to impairment amounting to \$4.4 million of the benchplant and construction in progress by one of our subsidiaries, AEL and depreciation of \$1.3 million. The decreased was partly offset by the additions of \$2.1 million fixed assets during the year.

Investment properties decreased by \$0.5 million from \$0.6 million in FY2013 to \$0.1 million due to reclassification of certain investment properties as asset held for sale. The Group has entered into sale and purchase agreements to dispose these investment properties during the year.

Long term retention sum decreased by \$0.3 million from \$4.3 million in FY2013 to \$4.0 million in FY2014 mainly due to completion of projects in which the retention sum was refunded by the main contractor to the Group.

Inventories decreased by \$0.7 million from \$12.8 million in FY2013 to \$12.1 million in FY2014 mainly due to decrease in finished goods and construction work in progress due to completion of projects which was partly offset by an increase in raw materials purchased to fulfill orders on hand.

Trade and other receivables increased by \$0.8 million from \$7.7 million in FY2013 to \$8.4 million in FY2014 mainly due to higher sales at the end of the year compared to FY2013.

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Amounts owing to financial institutions increased by \$2.2 million from \$1.5 million in FY2013 to \$3.7 million in FY2014 mainly due to increase in purchases of raw material.

The Group's cash and cash equivalents as at 31 December 2014 was \$33.5 million (include proceeds raised from the rights issue of \$18.3 million in FY2013) (31 December 2013: S\$33.6 million).

Reportable Segment**Project Segment**

This segment focused on the business of supply and installation of aluminium windows and doors for residential projects in both public and private sectors in Singapore. Revenue for FY2014 was \$16.5 million, a decrease of 3% from \$17.0 million reported in FY2013.

Aluminium related products segment

The aluminium related product segment reported a decrease of 8% revenue from \$18.0 million in FY2013 to \$16.5 million in FY2014.

Energy related products and services segment

The Group had decided during the year to shelve the project indefinitely and to look for potential buyer. The energy related products and services segment has not commenced production yet.

Geographical segment

Singapore's segment decreased by 16.6% from \$25.9 million to \$21.6 million mainly due to more decreased in revenue from projects and aluminium related products in FY2014 as compared to FY2013. The revenue from Malaysia segment increased from \$9.1 million in FY2013 to \$11.5 million in FY2014 due to increase in revenue from the aluminium related products segment.

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

The 4Q 2014 financial results are in line with the comments made under paragraph 10 of 3Q 2014.

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.

The order book including variation orders as of 31 December 2014 was about S\$36.6 million (30 September 2014: \$38.3 million). The performance of the Group is expected to continue to be slower as the market remains competitive.

11 Dividend.

(a) Current Financial Period Reported on

Any dividend declared for the current financial period reported on? None.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

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

No dividend has been recommended for the financial period ended 31 December 2014.

13 If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transaction as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate for IPTs from the Group's shareholders.

COMPACT METAL INDUSTRIES LTD

Company Registration Number 19750009H

Unaudited Financial Statement And Dividend Announcement For The Financial Year Ended 31 December 2014

14(a) Information about reportable segment profit or loss, assets and liabilities

Reportable segments are operating segments that are based on differences in products & services.

FY 2014

	Project	Aluminium related products	Investment holding	Others	Energy related products and services	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue from external customers	16,520	16,532	-	-	-	33,052
Intersegment revenue	10,146	3,415	97	-	-	13,658
Interest revenue	129	-	-	-	-	129
Interest expense	(55)	(3)	-	(36)	-	(94)
Depreciation (including impairment charge and reversal) of property, plant and equipment	(169)	(755)	(359)	-	(4,384)	(5,667)
Reportable segment profit/(loss) before income tax	2,349	(2,098)	(601)	(8)	(8,844)	(9,202)
Income tax (expense)/credit	(282)	81	(9)	-	-	(210)
Reportable segment profit/(loss) for the year	2,067	(2,017)	(610)	(8)	(8,844)	(9,412)
Other material non-cash items :						
Impairment loss on PPE	-	-	-	-	-	-
Amortisation of deferred revenue	804	-	-	-	-	804
Changes in fair value on investment properties	-	(19)	-	-	-	(19)
Allowance for obsolete inventories	197	100	-	-	-	297
(Reversal of)/Allowance for doubtful receivables	313	(21)	-	-	-	292
Reportable segment assets	41,275	22,147	5,984	-	63	69,469
Expenditure for reportable segment non-current assets	(107)	(592)	-	-	(1,324)	(2,023)
Reportable segment liabilities	6,208	991	1,252	-	827	9,278

FY 2013

	Project	Aluminium related products	Investment holding	Others	Energy product and services	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue from external customers	17,034	17,983	-	-	-	35,017
Intersegment revenue	9,786	4,769	87	-	-	14,642
Interest revenue	65	-	-	-	-	65
Interest expense	(68)	(4)	-	-	-	(72)
Depreciation of PPE	(230)	(515)	(312)	-	(4)	(1,061)
Reportable segment profit/(loss) before income tax	7,595	(1,416)	(485)	(14)	(1,171)	4,509
Income tax (expense)/credit	(529)	547	(186)	-	-	(168)
Reportable segment profit/(loss) for the year	7,066	(869)	(671)	(14)	(1,171)	4,341
Other material non-cash items :						
Amortisation of deferred revenue	1,071	-	-	-	-	1,071
Changes in fair value on investment properties	-	36	-	-	-	36
(Reversal of)/Allowance for obsolete inventories	94	(56)	-	-	-	38
(Reversal of)/Allowance for doubtful receivables	140	(398)	-	-	-	(258)
Reportable segment assets	41,849	22,142	6,405	-	7,004	77,400
Expenditure for reportable segment non-current assets	(66)	(700)	-	-	(2,240)	(3,006)
Reportable segment liabilities	7,873	1,159	1,319	2	290	10,643

COMPACT METAL INDUSTRIES LTD

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Unaudited Financial Statement And Dividend Announcement For The Financial Year Ended 31 December 2014

14(b) Reconciliation of reportable segment revenue, profit or loss, assets, liabilities and other material items

	FY 2014	FY 2013
Revenue		
Total revenue for reportable segments	46,710	49,659
Elimination of inter-segment revenue	(13,658)	(14,642)
Consolidated revenue	33,052	35,017
(Loss)/profit before income tax		
Total (loss)/profit for reportable segments	(9,202)	4,509
Other income	-	-
	(9,202)	4,509
Impairment of goodwill	-	-
Premium from bargain purchase taken to profit or loss	-	-
Consolidated (loss)/profit before income tax	(9,202)	4,509
Assets		
Total assets for reportable segments	69,469	77,400
Consolidated total assets	69,469	77,400
Liabilities		
Total liabilities for reportable segments		
- Allocated liabilities	9,278	10,643
- Unallocated liabilities - loans and borrowings and deferred tax liabilities	3,965	1,859
- Consolidated total liabilities	13,243	12,502
Other material items		
- Depreciation (including impairment charge and reversal) of property, plant and equipment	(5,667)	(1,061)
Consolidated depreciation of PPE	(5,667)	(1,061)
- Capital expenditure	(2,023)	(3,006)
Consolidated capital expenditure	(2,023)	(3,006)
- Amortisation of deferred revenue	804	1,071
Consolidated amortisation of deferred revenue	804	1,071
- Changes in fair value on investment properties	(19)	36
Consolidated changes in fair value on investment properties	(19)	36
- Allowance for obsolete inventories	297	38
Consolidated allowance for obsolete inventories	297	38
- Allowance/ (reversal of) doubtful receivables	292	(258)
Consolidated allowance/ (reversal of) doubtful receivables	292	(258)

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Company Registration Number 19750009H

Unaudited Financial Statement And Dividend Announcement For The Financial Year Ended 31 December 2014

14(c) Information about geographical areas

Revenues from external customers are attributed to the group member entities' country of domicile. Assets are based on the geographical location of the assets.

	Singapore	Malaysia	Others	Total
	S\$'000	S\$'000	S\$'000	S\$'000
FY 2014				
Revenue	21,552	11,500	-	33,052
Non-current assets	3,474	10,242	-	13,716
Capital expenditure	1,437	586	-	2,023
	Singapore	Malaysia	Others	Total
	S\$'000	S\$'000	S\$'000	S\$'000
FY 2013				
Revenue	25,964	9,053	-	35,017
Non-current assets	12,130	9,910	-	22,040
Capital expenditure	2,262	744	-	3,006

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

Refer to Note 8

16 A breakdown of sales

- 16(a)** Sales reported for first half year
- 16(b)** Operating profit after tax before deducting Non-controlling interests reported for first half year
- 16(c)** Sales reported for second half year
- 16(d)** Operating (loss)/profit after tax before deducting Non-controlling interests reported for second half year

Group		
FY 2014	FY 2013	Change
S\$'000	S\$'000	%
16,847	18,282	-8%
(849)	647	-231%
16,205	16,735	-3%
(8,563)	3,694	-332%

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

NIL

Total annual

Latest Full Year 2014	Previous Full Year 2013
S\$'000	S\$'000
1,117	-
-	-
1,117	-

- (a) Ordinary
- (b) Preference
- (c) Total

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 the Rule 704(13) 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	Detail of changes in duties and position held, if any, during the year
Chng Beng Leong	47	Brother of Mr Chng Beng Hua, Chief Executive Officer of the Company.	Chief Administrative Officer appointed on 01 November 2013 to handle all administrative functions, planning, and implementation of policies for the Group	No change

BY ORDER OF THE BOARD

Chng Beng Hua
Chief Executive Officer
27 February 2015