



## SERIAL SYSTEM LTD

Company Registration No.: 199202071D

(Incorporated in Singapore on 22 April 1992)

### Unaudited Full Year Financial Statement And Dividend Announcement for the Period Ended 31 December 2015

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

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

|                                                             | Note | The Group                            |                    |                | Year-To-Date           |                        |                |
|-------------------------------------------------------------|------|--------------------------------------|--------------------|----------------|------------------------|------------------------|----------------|
|                                                             |      | Fourth Quarter<br>4Q2015<br>US\$'000 | 4Q2014<br>US\$'000 |                | 31/12/2015<br>US\$'000 | 31/12/2014<br>US\$'000 |                |
| Sales                                                       |      | 329,078                              | 267,671            | 23%            | 1,221,562              | 1,036,062              | 18%            |
| Cost of sales                                               |      | (306,333)                            | (243,652)          | 26%            | (1,130,076)            | (945,705)              | 19%            |
| <b>Gross profit</b>                                         |      | <b>22,745</b>                        | <b>24,019</b>      | <b>-5%</b>     | <b>91,486</b>          | <b>90,357</b>          | <b>1%</b>      |
| <b>Gross profit margin</b>                                  |      | <b>6.9%</b>                          | <b>9.0%</b>        | <b>-2.1 pt</b> | <b>7.5%</b>            | <b>8.7%</b>            | <b>-1.2 pt</b> |
| Other income:                                               |      |                                      |                    |                |                        |                        |                |
| Other operating income                                      |      | 1,367                                | 2,906              | -53%           | 8,388                  | 7,468                  | 12%            |
| Expenses:                                                   |      |                                      |                    |                |                        |                        |                |
| Distribution                                                |      | (10,694)                             | (11,231)           | -5%            | (45,854)               | (43,228)               | 6%             |
| Administrative                                              |      | (3,029)                              | (3,082)            | -2%            | (12,010)               | (11,055)               | 9%             |
| Finance                                                     |      | (1,900)                              | (1,323)            | 44%            | (6,734)                | (4,586)                | 47%            |
| Other                                                       |      | (5,955)                              | (5,464)            | 9%             | (18,559)               | (17,867)               | 4%             |
| <b>Total expenses</b>                                       |      | <b>(21,578)</b>                      | <b>(21,100)</b>    | <b>2%</b>      | <b>(83,157)</b>        | <b>(76,736)</b>        | <b>8%</b>      |
|                                                             |      | <b>2,534</b>                         | <b>5,825</b>       | <b>-56%</b>    | <b>16,717</b>          | <b>21,089</b>          | <b>-21%</b>    |
| Share of results of associated companies (after income tax) |      | (291)                                | (169)              | 72%            | (1,572)                | (232)                  | 578%           |
| <b>Profit before income tax</b>                             | 1    | <b>2,243</b>                         | <b>5,656</b>       | <b>-60%</b>    | <b>15,145</b>          | <b>20,857</b>          | <b>-27%</b>    |
| Income tax expense                                          | 2    | (1,119)                              | (1,132)            | -1%            | (3,841)                | (4,708)                | -18%           |
| <b>Profit after income tax</b>                              |      | <b>1,124</b>                         | <b>4,524</b>       | <b>-75%</b>    | <b>11,304</b>          | <b>16,149</b>          | <b>-30%</b>    |
| <b>Attributable to:</b>                                     |      |                                      |                    |                |                        |                        |                |
| Equity holders of the Company                               |      | 1,027                                | 4,646              | -78%           | 11,035                 | 16,085                 | -31%           |
| Non-controlling interests                                   |      | 97                                   | (122)              | 180%           | 269                    | 64                     | 320%           |
|                                                             |      | <b>1,124</b>                         | <b>4,524</b>       | <b>-75%</b>    | <b>11,304</b>          | <b>16,149</b>          | <b>-30%</b>    |

Notes :

**1. Profit before income tax**

|                                                                                                              | Fourth Quarter |          |        | The Group    |            |        |
|--------------------------------------------------------------------------------------------------------------|----------------|----------|--------|--------------|------------|--------|
|                                                                                                              | 4Q2015         | 4Q2014   | %      | Year-To-Date |            | %      |
|                                                                                                              | US\$'000       | US\$'000 |        | 31/12/2015   | 31/12/2014 |        |
|                                                                                                              | US\$'000       | US\$'000 |        | US\$'000     | US\$'000   |        |
| Profit from operations is arrived at after charging/(crediting) :-                                           |                |          |        |              |            |        |
| a. Depreciation and amortisation                                                                             | 803            | 694      | 16     | 2,899        | 2,865      | 1      |
| b. Amortisation of distribution rights                                                                       | 35             | 428      | -92    | 1,116        | 1,722      | -35    |
| c. Impairment losses on goodwill arising from acquisition of subsidiaries                                    | 180            | 386      | -53    | 720          | 988        | -27    |
| d. Gain on disposal of property, plant and equipment                                                         | (14)           | -        | NM     | (26)         | (1)        | 2,500  |
| e. Property, plant and equipment written off                                                                 | 178            | -        | NM     | 203          | 70         | 190    |
| f. Gain on disposal of business                                                                              | (680)          | -        | NM     | (2,520)      | -          | NM     |
| g. Gain on closure of subsidiaries                                                                           | -              | (5)      | NM     | -            | (5)        | NM     |
| h. Gain on dilution of interests in an associated company                                                    | (9)            | (132)    | -93    | (50)         | (258)      | -81    |
| i. Gain on disposal of interests in an associated company                                                    | -              | (777)    | NM     | -            | (777)      | NM     |
| j. Fair value gain on investment properties                                                                  | (205)          | (677)    | -70    | (205)        | (677)      | -70    |
| k. Gain on sale of financial asset, available-for-sale                                                       | -              | -        | NM     | -            | (1,381)    | NM     |
| l. Gain on sale of financial assets, at fair value through profit or loss                                    | -              | -        | NM     | (80)         | -          | NM     |
| m. Fair value loss/(gain) on financial assets, at fair value through profit or loss                          | 20             | 9        | 122    | (72)         | 31         | 332    |
| n. Fair value loss on financial asset, available-for-sale                                                    | 24             | -        | NM     | 24           | -          | NM     |
| o. Reversal of contingent consideration payable for acquisition of a subsidiary in previous financial year   | -              | (316)    | NM     | -            | (316)      | NM     |
| p. Allowance for impairment losses on trade receivables                                                      | 119            | 575      | -79    | 238          | 1,096      | -78    |
| q. Write back of allowance for impairment losses on other receivables                                        | -              | -        | NM     | -            | (20)       | NM     |
| r. Allowance for inventory obsolescences                                                                     | 420            | 129      | 226    | 1,182        | 841        | 41     |
| s. Write-off of inventories                                                                                  | 53             | 34       | 56     | 168          | 51         | 229    |
| t. Currency translation loss/(gain) (net)                                                                    | 2,345          | (70)     | -3,450 | 1,287        | 267        | 382    |
| u. Currency translation reserve realised to income statement upon repayment of inter-company long term loans | 1,125          | (525)    | -314   | 1,377        | (400)      | -444   |
| v. Loss/(gain) on derivative financial instruments                                                           | 592            | -        | NM     | 1,488        | (43)       | -3,560 |
| w. Fair value (gain)/loss on derivative financial instruments                                                | (680)          | 1,439    | 147    | (671)        | 1,439      | 147    |
| x. Dividend income received from financial assets, available-for-sale                                        | -              | -        | NM     | (147)        | (108)      | 36     |
| y. Interest income                                                                                           | (193)          | (85)     | 127    | (371)        | (181)      | 105    |

| 2. Income tax expense                               | Fourth Quarter |            |            | Year-To-Date |            |            |
|-----------------------------------------------------|----------------|------------|------------|--------------|------------|------------|
|                                                     | 4Q2015         | 4Q2014     | %          | 31/12/2015   | 31/12/2014 | %          |
|                                                     | US\$'000       | US\$'000   |            | US\$'000     | US\$'000   |            |
| (Over)/under provision in preceding financial years |                |            |            |              |            |            |
| - Current income tax                                | (171)          | 201        | 185        | (152)        | 673        | 123        |
| - Deferred income tax                               | -              | -          | NM         | -            | 42         | NM         |
|                                                     | <u>(171)</u>   | <u>201</u> | <u>185</u> | <u>(152)</u> | <u>715</u> | <u>121</u> |

NM – Not Meaningful

**1(a)(ii) A statement of comprehensive income for the Group together with a comparative statement for the corresponding period of the immediately preceding financial year**

|                                                                              | Fourth Quarter |                |              | Year-To-Date   |               |               |
|------------------------------------------------------------------------------|----------------|----------------|--------------|----------------|---------------|---------------|
|                                                                              | 4Q2015         | 4Q2014         | %            | 31/12/2015     | 31/12/2014    | %             |
|                                                                              | US\$'000       | US\$'000       |              | US\$'000       | US\$'000      |               |
| <b>Profit after income tax</b>                                               | <b>1,124</b>   | <b>4,524</b>   | <b>-75%</b>  | <b>11,304</b>  | <b>16,149</b> | <b>-30%</b>   |
| <b>Other comprehensive income for the period:</b>                            |                |                |              |                |               |               |
| <b>Items that will not be reclassified subsequently to profit or loss:</b>   |                |                |              |                |               |               |
| Defined benefit plans' actuarial losses                                      | (190)          | 57             | -433%        | (190)          | 57            | -433%         |
| Share of associated company's other comprehensive income                     | 16             | 449            | -96%         | 261            | 835           | -69%          |
|                                                                              | <u>(174)</u>   | <u>506</u>     | <u>-134%</u> | <u>71</u>      | <u>892</u>    | <u>-92%</u>   |
| <b>Items that may be reclassified subsequently to profit or loss:</b>        |                |                |              |                |               |               |
| Net (loss)/gain on fair value changes on financial asset, available-for-sale | (149)          | -              | NM           | (1,353)        | 894           | -251%         |
| Net changes in revaluation reserves                                          | -              | 59             | NM           | -              | 59            | NM            |
| Share of associated companies' other comprehensive income                    | (376)          | -              | NM           | (376)          | -             | NM            |
| Currency translation differences                                             | 865            | (1,234)        | 170%         | (5,073)        | (1,737)       | -192%         |
|                                                                              | <u>340</u>     | <u>(1,175)</u> | <u>129%</u>  | <u>(6,802)</u> | <u>(784)</u>  | <u>-768%</u>  |
| <b>Other comprehensive (loss)/income for the period</b>                      | <b>166</b>     | <b>(669)</b>   | <b>125%</b>  | <b>(6,731)</b> | <b>108</b>    | <b>-6332%</b> |
| <b>Total comprehensive income for the period</b>                             | <b>1,290</b>   | <b>3,855</b>   | <b>-67%</b>  | <b>4,573</b>   | <b>16,257</b> | <b>-72%</b>   |
| <b>Total comprehensive income/(loss) attributable to:</b>                    |                |                |              |                |               |               |
| Equity holders of the Company                                                | 1,029          | 3,942          | -74%         | 3,972          | 16,188        | -75%          |
| Non-controlling interests                                                    | 261            | (87)           | 400%         | 601            | 69            | 771%          |
|                                                                              | <u>1,290</u>   | <u>3,855</u>   | <u>-67%</u>  | <u>4,573</u>   | <u>16,257</u> | <u>-72%</u>   |

**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.**

|                                                        | The Group      |                | The Company    |                |
|--------------------------------------------------------|----------------|----------------|----------------|----------------|
|                                                        | 31/12/2015     | 31/12/2014     | 31/12/2015     | 31/12/2014     |
|                                                        | US\$'000       | US\$'000       | US\$'000       | US\$'000       |
| <b>ASSETS</b>                                          |                |                |                |                |
| <b>Current assets</b>                                  |                |                |                |                |
| Cash and cash equivalents                              | 64,048         | 58,297         | 1,745          | 2,420          |
| Trade and other receivables                            | 171,992        | 184,661        | 10,385         | 15,278         |
| Inventories                                            | 135,743        | 98,599         | -              | -              |
| Financial assets, at fair value through profit or loss | 1,331          | 1,259          | -              | -              |
| Other current assets                                   | 2,106          | 4,968          | 50             | 67             |
|                                                        | <b>375,220</b> | <b>347,784</b> | <b>12,180</b>  | <b>17,765</b>  |
| <b>Non-current assets</b>                              |                |                |                |                |
| Financial assets, at fair value through profit or loss | 13             | 13             | -              | -              |
| Loans and receivables                                  | 1,000          | 1,000          | 42,570         | 40,625         |
| Financial assets, available-for-sale                   | 2,654          | 1,324          | -              | -              |
| Investments in associated companies                    | 18,729         | 17,373         | 6,792          | 6,682          |
| Investments in subsidiaries                            | -              | -              | 64,926         | 53,558         |
| Property, plant and equipment                          | 34,853         | 37,862         | 393            | 336            |
| Investment properties                                  | 7,320          | 7,660          | -              | -              |
| Intangible assets                                      | 15,894         | 9,472          | 544            | 521            |
| Other assets                                           | 1,411          | 1,966          | -              | -              |
| Deferred income tax assets                             | 662            | 750            | -              | -              |
|                                                        | <b>82,536</b>  | <b>77,420</b>  | <b>115,225</b> | <b>101,722</b> |
| <b>Total Assets</b>                                    | <b>457,756</b> | <b>425,204</b> | <b>127,405</b> | <b>119,487</b> |
| <b>LIABILITIES</b>                                     |                |                |                |                |
| <b>Current liabilities</b>                             |                |                |                |                |
| Trade and other payables                               | 132,102        | 120,351        | 5,832          | 5,221          |
| Current income tax liabilities                         | 3,236          | 3,344          | 498            | 186            |
| Redemption liabilities                                 | -              | -              | -              | -              |
| Borrowings                                             | 181,438        | 171,897        | 2,262          | 6,783          |
|                                                        | <b>316,776</b> | <b>295,592</b> | <b>8,592</b>   | <b>12,190</b>  |
| <b>Non-current liabilities</b>                         |                |                |                |                |
| Other payable                                          | -              | -              | 4,481          | 4,524          |
| Borrowings                                             | 20,584         | 6,550          | 10,743         | -              |
| Defined benefit plans liabilities                      | 814            | 656            | -              | -              |
| Deferred income tax liabilities                        | 198            | 172            | -              | -              |
|                                                        | <b>21,596</b>  | <b>7,378</b>   | <b>15,224</b>  | <b>4,524</b>   |
| <b>Total Liabilities</b>                               | <b>338,372</b> | <b>302,970</b> | <b>23,816</b>  | <b>16,714</b>  |
| <b>Net Assets</b>                                      | <b>119,384</b> | <b>122,234</b> | <b>103,589</b> | <b>102,773</b> |

|                                                                          | The Group      |                | The Company    |                |
|--------------------------------------------------------------------------|----------------|----------------|----------------|----------------|
|                                                                          | 31/12/2015     | 31/12/2014     | 31/12/2015     | 31/12/2014     |
|                                                                          | US\$'000       | US\$'000       | US\$'000       | US\$'000       |
| <b>EQUITY</b>                                                            |                |                |                |                |
| <b>Capital and reserves attributable to the Company's equity holders</b> |                |                |                |                |
| Share capital                                                            | 72,648         | 72,648         | 72,648         | 72,648         |
| Treasury shares                                                          | (736)          | (736)          | (736)          | (736)          |
| Capital reserve                                                          | 1,276          | 1,015          | 180            | 180            |
| Defined benefit plans reserve                                            | (557)          | (367)          | -              | -              |
| Fair value reserve                                                       | (1,353)        | -              | -              | -              |
| Revaluation reserve                                                      | 59             | 59             | -              | -              |
| Other reserve                                                            | (718)          | (715)          | -              | -              |
| Currency translation reserve                                             | (1,498)        | 4,283          | 17,589         | 17,589         |
| Retained earnings                                                        | 46,680         | 42,847         | 13,908         | 13,092         |
|                                                                          | 115,801        | 119,034        | 103,589        | 102,773        |
| <b>Non-controlling interests</b>                                         | 3,583          | 3,200          | -              | -              |
| <b>Total Equity</b>                                                      | <b>119,384</b> | <b>122,234</b> | <b>103,589</b> | <b>102,773</b> |

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

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

| 31/12/2015     |                  | 31/12/2014     |                  |
|----------------|------------------|----------------|------------------|
| <u>Secured</u> | <u>Unsecured</u> | <u>Secured</u> | <u>Unsecured</u> |
| US\$'000       | US\$'000         | US\$'000       | US\$'000         |
| 3,216          | 178,222          | 7,787          | 164,110          |

**Amount repayable after one year**

| 31/12/2015     |                  | 31/12/2014     |                  |
|----------------|------------------|----------------|------------------|
| <u>Secured</u> | <u>Unsecured</u> | <u>Secured</u> | <u>Unsecured</u> |
| US\$'000       | US\$'000         | US\$'000       | US\$'000         |
| 15,274         | 5,310            | 5,716          | 834              |

### Details of any collateral

- a) A US\$14.1 million (S\$20 million) four-year term loan amounting to US\$13.0 million as at 31 December 2015, was taken up by the Company with a bank in May 2015 to refinance its previous outstanding four-year term loan (31 December 2014: US\$6.8 million), and to finance the Company's new acquisitions and investments. The term loan is secured with the following:
  - a first legal mortgage on the leasehold land and building ('Mortgaged Property') held by a wholly owned Singapore subsidiary, Serial Investment Pte Ltd;
  - an assignment of all rights and benefits relating to the Mortgaged Property;
  - an assignment of all rights, title interest and benefits in tenancy agreements, relating to the Mortgaged Property;
  - an assignment of all rights and benefits under the insurance policies taken in relation to the Mortgaged Property; and
  - joint and several guarantees of certain subsidiaries of the Group.
- b) Bank borrowing of US\$3.7 million (31 December 2014: US\$4.1 million) taken by a wholly owned Taiwan subsidiary, Serial Investment (Taiwan) Inc., to part finance the acquisition of a property in Taiwan is secured by a first legal mortgage of the property.
- c) Bank borrowing of US\$1.7 million (31 December 2014: US\$2.5 million) taken by a 98.2% South Korea subsidiary, Serial Microelectronics Korea Limited, to part finance the acquisition of a property in South Korea is secured by a first legal mortgage of the property.
- d) Finance lease liabilities of US\$0.06 million (31 December 2014: US\$0.05 million) are secured on the Company and Group's motor vehicles acquired under finance lease agreements.

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

|                                                                                                         | Fourth Quarter |               | Year-To-Date  |              |
|---------------------------------------------------------------------------------------------------------|----------------|---------------|---------------|--------------|
|                                                                                                         | 4Q2015         | 4Q2014        | 31/12/2015    | 31/12/2014   |
|                                                                                                         | US\$'000       | US\$'000      | US\$'000      | US\$'000     |
| <b>Cash flows from operating activities</b>                                                             |                |               |               |              |
| Profit before income tax                                                                                | 2,243          | 5,656         | 15,145        | 20,857       |
| Adjustments for:                                                                                        |                |               |               |              |
| Amortisation of computer software license costs                                                         | 122            | 52            | 334           | 252          |
| Amortisation of distribution rights                                                                     | 35             | 428           | 1,116         | 1,722        |
| Depreciation of property, plant and equipment                                                           | 681            | 642           | 2,565         | 2,613        |
| Property, plant and equipment written off                                                               | 178            | -             | 203           | 70           |
| Gain on disposal of property, plant and equipment                                                       | (14)           | -             | (26)          | (1)          |
| Fair value gain on investment properties                                                                | (205)          | (677)         | (205)         | (677)        |
| Impairment losses on financial assets, available-for-sale                                               | -              | -             | -             | -            |
| Impairment losses on goodwill arising from acquisition of subsidiaries                                  | 180            | 386           | 720           | 988          |
| Reversal of contingent consideration payable for acquisition of a subsidiary in previous financial year | -              | (316)         | -             | (316)        |
| Gain on dilution of interests in an associated company                                                  | (9)            | (132)         | (50)          | (258)        |
| Gain on disposal of interests in an associated company                                                  | -              | (777)         | -             | (777)        |
| Gain on closure of subsidiaries                                                                         | -              | (5)           | -             | (5)          |
| Gain on disposal of business                                                                            | (680)          | -             | (2,520)       | -            |
| Fair value loss on financial asset, available-for-sale                                                  | 24             | -             | 24            | -            |
| Gain on sale of financial asset, available for sale                                                     | -              | -             | -             | (1,381)      |
| Fair value (gain)/ loss on derivative financial instruments                                             | (680)          | 1,439         | (671)         | 1,439        |
| Gain on sale of financial assets, at fair value through profit or loss                                  | -              | -             | (80)          | -            |
| Fair value loss/(gain) on financial assets, at fair value through profit or loss                        | 20             | 9             | (72)          | 31           |
| Provision for severance benefits                                                                        | 66             | 197           | 397           | 390          |
| Dividend income received from financial asset, available-for-sale                                       | -              | -             | (147)         | (108)        |
| Interest income                                                                                         | (193)          | (85)          | (371)         | (181)        |
| Interest expense                                                                                        | 1,900          | 1,323         | 6,734         | 4,586        |
| Share of results of associated companies                                                                | 291            | 169           | 1,572         | 232          |
| Operating cash flow before working capital changes                                                      | 3,959          | 8,309         | 24,668        | 29,476       |
| <b>Change in working capital</b>                                                                        |                |               |               |              |
| Trade and other receivables                                                                             | 33,701         | 22,108        | 32,023        | (14,120)     |
| Inventories                                                                                             | 7,198          | (10,969)      | (20,165)      | (24,306)     |
| Other current assets                                                                                    | 549            | (2,477)       | 2,865         | (2,187)      |
| Loans and receivables                                                                                   | -              | -             | -             | (1,000)      |
| Other assets (non-current)                                                                              | (109)          | 119           | 555           | (126)        |
| Trade and other payables                                                                                | (7,194)        | 1,110         | 1,170         | 23,510       |
| Cash from operations                                                                                    | 38,104         | 18,200        | 41,116        | 11,247       |
| Income tax paid                                                                                         | (2,510)        | (811)         | (4,145)       | (2,634)      |
| <b>Net cash provided by operating activities</b>                                                        | <b>35,594</b>  | <b>17,389</b> | <b>36,971</b> | <b>8,613</b> |

|                                                                                                 | Fourth Quarter  |                | Year-To-Date    |                 |
|-------------------------------------------------------------------------------------------------|-----------------|----------------|-----------------|-----------------|
|                                                                                                 | 4Q2015          | 4Q2014         | 31/12/2015      | 31/12/2014      |
|                                                                                                 | US\$'000        | US\$'000       | US\$'000        | US\$'000        |
| <b>Cash flows from investing activities</b>                                                     |                 |                |                 |                 |
| Payments for intangible assets (computer software license costs)                                | (6)             | (33)           | (278)           | (280)           |
| Payments for property, plant and equipment                                                      | (528)           | (5,061)        | (1,745)         | (5,968)         |
| Proceeds from disposal of property, plant and equipment                                         | 10              | -              | 21              | 15              |
| Proceeds from sale of financial asset, available-for-sale                                       | -               | -              | -               | 6,142           |
| Proceeds from sale of financial assets, at fair value through profit or loss                    | -               | -              | 864             | -               |
| Proceeds from disposal of business                                                              | 680             | -              | 2,520           | -               |
| Proceeds from disposal of interests in an associated company                                    | -               | 1,487          | -               | 1,487           |
| Net cash inflow/(outflow) on acquisition of subsidiaries                                        | 902             | (1,107)        | 115             | (1,107)         |
| Advance payments for proposed investment                                                        | (946)           | (50)           | -               | (50)            |
| Payments for acquisition of additional interests in an associated company                       | -               | -              | (127)           | (658)           |
| Proceeds from/(payments for) acquisition of interests in associated companies                   | 946             | (1,982)        | (3,165)         | (10,798)        |
| Payments for financial assets, at fair value through profit or loss                             | -               | -              | (754)           | -               |
| Payments for financial asset, available-for-sale                                                | -               | -              | (2,730)         | -               |
| Dividends received from an associated company                                                   | -               | -              | 309             | 71              |
| Dividend received from financial asset, available-for-sale                                      | -               | -              | 147             | 108             |
| Interest received                                                                               | 201             | 88             | 441             | 165             |
| <b>Net cash provided by/(used in) investing activities</b>                                      | <b>1,259</b>    | <b>(6,658)</b> | <b>(4,382)</b>  | <b>(10,873)</b> |
| <b>Cash flows from financing activities</b>                                                     |                 |                |                 |                 |
| Payment for investment in a subsidiary by non-controlling interests                             | -               | -              | -               | 172             |
| Payment for acquisition of additional interests in a subsidiary from a non-controlling interest | -               | -              | (18)            | -               |
| Dividends paid                                                                                  | -               | -              | (7,202)         | (4,289)         |
| Dividend paid to non-controlling interests                                                      | -               | -              | (440)           | (262)           |
| Proceeds from bank borrowings                                                                   | 177,822         | 123,699        | 704,696         | 617,427         |
| Repayment of bank borrowings                                                                    | (210,938)       | (114,783)      | (686,219)       | (583,760)       |
| Repayment of other borrowings                                                                   | (8,156)         | (3,792)        | (29,943)        | (3,792)         |
| Repayment of finance lease liabilities                                                          | (4)             | (16)           | (20)            | (55)            |
| Interest paid                                                                                   | (1,781)         | (1,290)        | (6,295)         | (4,456)         |
| <b>Net cash (used in)/provided by financing activities</b>                                      | <b>(43,057)</b> | <b>3,818</b>   | <b>(25,441)</b> | <b>20,985</b>   |
| <b>Net (decrease)/increase in cash and cash equivalents held</b>                                | <b>(6,204)</b>  | <b>14,549</b>  | <b>7,148</b>    | <b>18,725</b>   |
| Cash and cash equivalents at the beginning of the period                                        | 70,425          | 44,466         | 58,297          | 40,548          |
| Effect of currency translation on cash and cash equivalents                                     | (173)           | (718)          | (1,397)         | (976)           |
| <b>Cash and cash equivalents at the end of the period</b>                                       | <b>64,048</b>   | <b>58,297</b>  | <b>64,048</b>   | <b>58,297</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.

Consolidated Statement of Changes in Equity

|                                                                                   | ← Attributable to equity holders of the Company → |                             |                             |                                           |                                |                                 |                           |                                          |                               |                                                                 |                                       |                          |
|-----------------------------------------------------------------------------------|---------------------------------------------------|-----------------------------|-----------------------------|-------------------------------------------|--------------------------------|---------------------------------|---------------------------|------------------------------------------|-------------------------------|-----------------------------------------------------------------|---------------------------------------|--------------------------|
|                                                                                   | Share capital<br>US\$'000                         | Treasury shares<br>US\$'000 | Capital reserve<br>US\$'000 | Defined benefit plans reserve<br>US\$'000 | Fair value reserve<br>US\$'000 | Revaluation reserve<br>US\$'000 | Other reserve<br>US\$'000 | Currency translation reserve<br>US\$'000 | Retained earnings<br>US\$'000 | Total attributable to equity holders of the Company<br>US\$'000 | Non-controlling interests<br>US\$'000 | Total equity<br>US\$'000 |
| Balance at 1 January 2015                                                         | 72,648                                            | (736)                       | 1,015                       | (367)                                     | -                              | 59                              | (715)                     | 4,283                                    | 42,847                        | 119,034                                                         | 3,200                                 | 122,234                  |
| Total comprehensive income/(loss) for the period                                  | -                                                 | -                           | 210                         | -                                         | -                              | -                               | -                         | (1,175)                                  | 3,055                         | 2,090                                                           | 216                                   | 2,306                    |
| Investment in a subsidiary by non-controlling interests                           | -                                                 | -                           | -                           | -                                         | -                              | -                               | -                         | -                                        | -                             | -                                                               | 244                                   | 244                      |
| Acquisition of additional interests in a subsidiary from non-controlling interest | -                                                 | -                           | -                           | -                                         | -                              | -                               | (3)                       | -                                        | -                             | (3)                                                             | (16)                                  | (19)                     |
| <b>Balance at 31 March 2015</b>                                                   | <b>72,648</b>                                     | <b>(736)</b>                | <b>1,225</b>                | <b>(367)</b>                              | <b>-</b>                       | <b>59</b>                       | <b>(718)</b>              | <b>3,108</b>                             | <b>45,902</b>                 | <b>121,121</b>                                                  | <b>3,644</b>                          | <b>124,765</b>           |
| Total comprehensive income/(loss) for the period                                  | -                                                 | -                           | 15                          | -                                         | 578                            | -                               | -                         | (348)                                    | 4,771                         | 5,016                                                           | 158                                   | 5,174                    |
| One-tier tax-exempt final cash dividend for year 2014                             | -                                                 | -                           | -                           | -                                         | -                              | -                               | -                         | -                                        | (4,981)                       | (4,981)                                                         | -                                     | (4,981)                  |
| Dividend paid to a non-controlling interest                                       | -                                                 | -                           | -                           | -                                         | -                              | -                               | -                         | -                                        | -                             | -                                                               | (440)                                 | (440)                    |
| <b>Balance at 30 June 2015</b>                                                    | <b>72,648</b>                                     | <b>(736)</b>                | <b>1,240</b>                | <b>(367)</b>                              | <b>578</b>                     | <b>59</b>                       | <b>(718)</b>              | <b>2,760</b>                             | <b>45,692</b>                 | <b>121,156</b>                                                  | <b>3,362</b>                          | <b>124,518</b>           |
| Total comprehensive income/(loss) for the period                                  | -                                                 | -                           | 19                          | -                                         | (1,782)                        | -                               | -                         | (4,582)                                  | 2,182                         | (4,163)                                                         | (34)                                  | (4,197)                  |
| One-tier tax-exempt interim cash dividend for year 2015                           | -                                                 | -                           | -                           | -                                         | -                              | -                               | -                         | -                                        | (2,221)                       | (2,221)                                                         | -                                     | (2,221)                  |
| Adjustment to investment in a subsidiary by non-controlling interests             | -                                                 | -                           | -                           | -                                         | -                              | -                               | -                         | -                                        | -                             | -                                                               | (6)                                   | (6)                      |
| <b>Balance at 30 September 2015</b>                                               | <b>72,648</b>                                     | <b>(736)</b>                | <b>1,259</b>                | <b>(367)</b>                              | <b>(1,204)</b>                 | <b>59</b>                       | <b>(718)</b>              | <b>(1,822)</b>                           | <b>45,653</b>                 | <b>114,772</b>                                                  | <b>3,322</b>                          | <b>118,094</b>           |
| Total comprehensive income/(loss) for the period                                  | -                                                 | -                           | 17                          | (190)                                     | (149)                          | -                               | -                         | 324                                      | 1,027                         | 1,029                                                           | 261                                   | 1,290                    |
| <b>Balance at 31 December 2015</b>                                                | <b>72,648</b>                                     | <b>(736)</b>                | <b>1,276</b>                | <b>(557)</b>                              | <b>(1,353)</b>                 | <b>59</b>                       | <b>(718)</b>              | <b>(1,498)</b>                           | <b>46,680</b>                 | <b>115,801</b>                                                  | <b>3,583</b>                          | <b>119,384</b>           |

Consolidated Statement of Changes in Equity [cont'd]

|                                                                        | Attributable to equity holders of the Company |                             |                             |                                           |                                |                                 |                           |                                          |                               |                                                                 |                                       |                          |
|------------------------------------------------------------------------|-----------------------------------------------|-----------------------------|-----------------------------|-------------------------------------------|--------------------------------|---------------------------------|---------------------------|------------------------------------------|-------------------------------|-----------------------------------------------------------------|---------------------------------------|--------------------------|
|                                                                        | Share capital<br>US\$'000                     | Treasury shares<br>US\$'000 | Capital reserve<br>US\$'000 | Defined benefit plans reserve<br>US\$'000 | Fair value reserve<br>US\$'000 | Revaluation reserve<br>US\$'000 | Other reserve<br>US\$'000 | Currency translation reserve<br>US\$'000 | Retained earnings<br>US\$'000 | Total attributable to equity holders of the Company<br>US\$'000 | Non-controlling interests<br>US\$'000 | Total equity<br>US\$'000 |
| Balance at 1 January 2014                                              | 72,648                                        | (736)                       | 180                         | (424)                                     | (894)                          | -                               | (410)                     | 6,025                                    | 31,051                        | 107,440                                                         | 2,522                                 | 109,962                  |
| Total comprehensive (loss)/income for the period                       | -                                             | -                           | -                           | -                                         | (763)                          | -                               | -                         | (885)                                    | 2,110                         | 462                                                             | (266)                                 | 196                      |
| Investment in a subsidiary by non-controlling interests                | -                                             | -                           | -                           | -                                         | -                              | -                               | -                         | -                                        | -                             | -                                                               | 32                                    | 32                       |
| <b>Balance at 31 March 2014</b>                                        | <b>72,648</b>                                 | <b>(736)</b>                | <b>180</b>                  | <b>(424)</b>                              | <b>(1,657)</b>                 | <b>-</b>                        | <b>(410)</b>              | <b>5,140</b>                             | <b>33,161</b>                 | <b>107,902</b>                                                  | <b>2,288</b>                          | <b>110,190</b>           |
| Total comprehensive income for the period                              | -                                             | -                           | -                           | -                                         | 1,657                          | -                               | -                         | 870                                      | 5,011                         | 7,538                                                           | 165                                   | 7,703                    |
| One-tier tax-exempt final cash dividend for year 2013                  | -                                             | -                           | -                           | -                                         | -                              | -                               | -                         | -                                        | (2,139)                       | (2,139)                                                         | -                                     | (2,139)                  |
| Dividends paid to non-controlling interests                            | -                                             | -                           | -                           | -                                         | -                              | -                               | -                         | -                                        | -                             | -                                                               | (262)                                 | (262)                    |
| Movement in option to acquire non-controlling interest of a subsidiary | -                                             | -                           | -                           | -                                         | -                              | -                               | 393                       | -                                        | -                             | 393                                                             | -                                     | 393                      |
| <b>Balance at 30 June 2014</b>                                         | <b>72,648</b>                                 | <b>(736)</b>                | <b>180</b>                  | <b>(424)</b>                              | <b>-</b>                       | <b>-</b>                        | <b>(17)</b>               | <b>6,010</b>                             | <b>36,033</b>                 | <b>113,694</b>                                                  | <b>2,191</b>                          | <b>115,885</b>           |
| Total comprehensive income/(loss) for the period                       | -                                             | -                           | 386                         | -                                         | -                              | -                               | -                         | (458)                                    | 4,318                         | 4,246                                                           | 257                                   | 4,503                    |
| One-tier tax-exempt interim cash dividend for year 2014                | -                                             | -                           | -                           | -                                         | -                              | -                               | -                         | -                                        | (2,150)                       | (2,150)                                                         | -                                     | (2,150)                  |
| Investment in a subsidiary by non-controlling interests                | -                                             | -                           | -                           | -                                         | -                              | -                               | -                         | -                                        | -                             | -                                                               | 140                                   | 140                      |
| Movement in option to acquire non-controlling interest of a subsidiary | -                                             | -                           | -                           | -                                         | -                              | -                               | 17                        | -                                        | -                             | 17                                                              | -                                     | 17                       |
| <b>Balance at 30 September 2014</b>                                    | <b>72,648</b>                                 | <b>(736)</b>                | <b>566</b>                  | <b>(424)</b>                              | <b>-</b>                       | <b>-</b>                        | <b>-</b>                  | <b>5,552</b>                             | <b>38,201</b>                 | <b>115,807</b>                                                  | <b>2,588</b>                          | <b>118,395</b>           |
| Total comprehensive income/(loss) for the period                       | -                                             | -                           | 449                         | 57                                        | -                              | 59                              | -                         | (1,269)                                  | 4,646                         | 3,942                                                           | (87)                                  | 3,855                    |
| Acquisition of additional interests in a subsidiary                    | -                                             | -                           | -                           | -                                         | -                              | -                               | (715)                     | -                                        | -                             | (715)                                                           | 695                                   | (20)                     |
| Closure of a subsidiary                                                | -                                             | -                           | -                           | -                                         | -                              | -                               | -                         | -                                        | -                             | -                                                               | 4                                     | 4                        |
| <b>Balance at 31 December 2014</b>                                     | <b>72,648</b>                                 | <b>(736)</b>                | <b>1,015</b>                | <b>(367)</b>                              | <b>-</b>                       | <b>59</b>                       | <b>(715)</b>              | <b>4,283</b>                             | <b>42,847</b>                 | <b>119,034</b>                                                  | <b>3,200</b>                          | <b>122,234</b>           |

|                                                         | Share<br>capital<br>US\$'000 | Treasury<br>shares<br>US\$'000 | Capital<br>reserve<br>US\$'000 | Currency<br>translation<br>reserve<br>US\$'000 | Retained<br>earnings<br>US\$'000 | Total<br>equity<br>US\$'000 |
|---------------------------------------------------------|------------------------------|--------------------------------|--------------------------------|------------------------------------------------|----------------------------------|-----------------------------|
| Balance at 1 January 2015                               | 72,648                       | (736)                          | 180                            | 17,589                                         | 13,092                           | 102,773                     |
| Total comprehensive income for the period               | -                            | -                              | -                              | -                                              | 554                              | 554                         |
| <b>Balance at 31 March 2015</b>                         | <b>72,648</b>                | <b>(736)</b>                   | <b>180</b>                     | <b>17,589</b>                                  | <b>13,646</b>                    | <b>103,327</b>              |
| Total comprehensive income for the period               | -                            | -                              | -                              | -                                              | 585                              | 585                         |
| One-tier tax-exempt final cash dividend for year 2014   | -                            | -                              | -                              | -                                              | (4,981)                          | (4,981)                     |
| <b>Balance at 30 June 2015</b>                          | <b>72,648</b>                | <b>(736)</b>                   | <b>180</b>                     | <b>17,589</b>                                  | <b>9,250</b>                     | <b>98,931</b>               |
| Total comprehensive income for the period               | -                            | -                              | -                              | -                                              | 1,116                            | 1,116                       |
| One-tier tax-exempt interim cash dividend for year 2015 | -                            | -                              | -                              | -                                              | (2,221)                          | (2,221)                     |
| <b>Balance at 30 September 2015</b>                     | <b>72,648</b>                | <b>(736)</b>                   | <b>180</b>                     | <b>17,589</b>                                  | <b>8,145</b>                     | <b>97,826</b>               |
| Total comprehensive income for the period               | -                            | -                              | -                              | -                                              | 5,763                            | 5,763                       |
| <b>Balance at 31 December 2015</b>                      | <b>72,648</b>                | <b>(736)</b>                   | <b>180</b>                     | <b>17,589</b>                                  | <b>13,908</b>                    | <b>103,589</b>              |
|                                                         |                              |                                |                                |                                                |                                  |                             |
| Balance at 1 January 2014                               | 72,648                       | (736)                          | 180                            | 17,589                                         | 12,139                           | 101,820                     |
| Total comprehensive income for the period               | -                            | -                              | -                              | -                                              | 312                              | 312                         |
| <b>Balance at 31 March 2014</b>                         | <b>72,648</b>                | <b>(736)</b>                   | <b>180</b>                     | <b>17,589</b>                                  | <b>12,451</b>                    | <b>102,132</b>              |
| Total comprehensive income for the period               | -                            | -                              | -                              | -                                              | 445                              | 445                         |
| One-tier tax-exempt final cash dividend for year 2013   | -                            | -                              | -                              | -                                              | (2,139)                          | (2,139)                     |
| <b>Balance at 30 June 2014</b>                          | <b>72,648</b>                | <b>(736)</b>                   | <b>180</b>                     | <b>17,589</b>                                  | <b>10,757</b>                    | <b>100,438</b>              |
| Total comprehensive income for the period               | -                            | -                              | -                              | -                                              | 970                              | 970                         |
| One-tier tax-exempt interim cash dividend for year 2014 | -                            | -                              | -                              | -                                              | (2,150)                          | (2,150)                     |
| <b>Balance at 30 September 2014</b>                     | <b>72,648</b>                | <b>(736)</b>                   | <b>180</b>                     | <b>17,589</b>                                  | <b>9,577</b>                     | <b>99,258</b>               |
| Total comprehensive income for the period               | -                            | -                              | -                              | -                                              | 3,515                            | 3,515                       |
| <b>Balance at 31 December 2014</b>                      | <b>72,648</b>                | <b>(736)</b>                   | <b>180</b>                     | <b>17,589</b>                                  | <b>13,092</b>                    | <b>102,773</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 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 ordinary shares issued since the end of the financial period ended 30 September 2015.

There were no purchase, sale, transfer, disposal, cancellation and use of treasury shares since the end of the financial period ended 31 December 2014.

There were no outstanding share options as at 31 December 2015 (31 December 2014: Nil).

**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 the end of the immediately preceding year.**

|                                                         | 31/12/2015  | 31/12/2014  |
|---------------------------------------------------------|-------------|-------------|
| Total number of issued shares                           | 905,787,914 | 905,787,914 |
| Total number of treasury shares                         | (9,946,000) | (9,946,000) |
| Total number of issued shares excluding treasury shares | 895,841,914 | 895,841,914 |

**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.**

Please refer to 1(d)(ii)

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

The financial statements have not been audited nor reviewed by the Company's auditors.

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited annual financial statements for the financial year ended 31 December 2014 except as described in section 5 below.

**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 Company's wholly owned subsidiary, SCE Enterprise Pte. Ltd. ("SCE"), changed its functional currency from Singapore dollars ("S\$") to United States dollars ("US\$") at the beginning of the financial year (with effect from 1 January 2015). The reason for the change is to measure its transactions using the currency of the primary economic environment where majority of the existing and new loans, and investments are mainly transacted in US\$. Accordingly, SCE changed its functional currency from S\$ to US\$ and this change has been applied prospectively.

As a result of the change in functional currency, SCE has also changed its presentation currency of the financial statements from S\$ to US\$ and this change has been applied retrospectively. The comparative figures of SCE's previous financial statements for the corresponding period of the immediately preceding financial year were measured using S\$ which was the functional currency then, and re-presented in the current financial statements in US\$.

**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.**

|                                                                                 | The Group        |           |                   |            |
|---------------------------------------------------------------------------------|------------------|-----------|-------------------|------------|
|                                                                                 | Fourth Quarter   |           | Year-To-Date      |            |
|                                                                                 | 4Q2015           | 4Q2014    | 31/12/2015        | 31/12/2014 |
| Based on the weighted average number of ordinary shares in issue (in US\$); and | <b>0.11 cent</b> | 0.52 cent | <b>1.23 cents</b> | 1.80 cents |
| On a fully diluted basis (in US\$)                                              | <b>0.11 cent</b> | 0.52 cent | <b>1.23 cents</b> | 1.80 cents |

Earnings per ordinary share on existing issued share capital are computed based on the weighted average number of shares in issue during the period of 895,841,914 (4Q2014/Year-To-Date 31/12/2014: 895,841,914).

Earnings per ordinary share on a fully diluted basis is computed based on the weighted average number of shares during the period of 895,841,914 (4Q2014/Year-To-Date 31/12/2014: 895,841,914) after adjusting assumed conversion of all potential dilutive ordinary shares.

There were no potential dilutive shares for the financial year ended 31 December 2015 and 31 December 2014.

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

|                                                                                                                                    | The Group          |             | The Company        |             |
|------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------------|--------------------|-------------|
|                                                                                                                                    | 31/12/2015         | 31/12/2014  | 31/12/2015         | 31/12/2014  |
| Net assets backing per ordinary share based on the existing issued share capital as at the end of the period reported on (in US\$) | <b>13.33 cents</b> | 13.64 cents | <b>11.56 cents</b> | 11.47 cents |

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.**

#### Income Statement

##### **Results for Twelve Months Ended 31 December 2015**

The Group recorded turnover of US\$1.2 billion for the twelve months ended 31 December 2015 ("FY2015"), an increase of 18% as compared to the equivalent period in 2014 ("FY2014"). Net profit after tax ("NPAT") declined by 31% to US\$11.0 million from US\$16.1 million in FY2014 mainly due to lower gross profit margin and higher share of losses from associated companies.

Turnover for the electronic components distribution business increased 3% to US\$1.1 billion when compared to FY2014, driven mainly by higher contributions from the Group's operations in South Korea, Taiwan and South East Asia and India. Turnover from South Korea rose 22%, boosted by sales of an existing product line, while turnover from Taiwan increased 6% on contributions from new and existing customers. Turnover from South-East Asia and India increased by 4%, mainly due to increased sales from new and existing customers in India, Philippines and Vietnam. Turnover from China increased by 6%, aided by contributions from a new product line and higher sales to some existing customers, but turnover from Hong Kong decreased by 1% as a result of lower sales to certain existing customers.

The Group's consumer products subsidiaries, Serial I-Tech group and newly-acquired subsidiaries, Swift-Value Business Pte Ltd ("Swift Value"), Hydra and Thermal Pte Ltd ("Hydra and Thermal") and P.T. Achieva Technology Indonesia ("P.T. Achieva"), contributed total revenue of US\$154.8 million in FY2015, accounting for 13% of the Group's overall sales.

Gross profit margin declined to 7.5% in FY2015 from 8.7% in FY2014, due mainly to increased sales of lower-margin products in South Korea, Singapore and Taiwan as well as increased market competition in Hong Kong and China. Serial I-Tech group, Swift-Value and PT Achieva, with their lower-margin businesses, also accounted for the drop in overall gross profit margin in FY2015.

Other operating income increased by US\$0.9 million or 12% mainly due to a US\$2.5 million gain on the sale of a business, increased advertising and promotion funds and higher finance income. The increase was negated by a US\$1.4 million gain on disposal of financial asset, available-for-sale and a gain of US\$0.8 million on disposal of interests in Bull Will in FY2014. None of these gains were made in FY2015.

Distribution expenses increased by US\$2.6 million or 6% mainly due to higher freight, storage and transportation costs associated with the electronic components distribution business. Higher advertising and promotional expenses attributable to Serial I-Tech group also contributed to the increase in distribution expenses.

Administrative expenses increased by US\$1.0 million or 9% mainly due to higher staff-related costs and office rental and related costs from Serial I-Tech and Swift-Value. Higher bank charges as a result of increased long-term borrowings to finance the Group's new acquisitions also contributed to the increase in administrative expenses in FY2015.

Finance expenses increased by US\$2.1 million or 47% mainly due to higher utilisation of trade facilities by the Group's Hong Kong and Singapore subsidiaries to meet higher working capital requirements as well as interest costs incurred for a term loan taken by a Singapore subsidiary to partially finance the acquisition of Serial I-Tech group.

Other operating expenses increased by US\$0.7 million or 4% mainly attributable to a net currency translation loss of US\$2.7 million in FY2015 (FY2014: net currency gain of US\$0.1 million included in "other operating income"). Higher allowances for inventory obsolescence, higher inventory and plant and equipment written off, also contributed to the increase in other operating expenses in FY2015. This was partly negated by lower staff costs, lower amortisation of distribution rights and impairment losses on goodwill arising from acquisition of subsidiaries, lower allowance for impairment losses on trade receivables and fair-value loss on derivative financial instruments.

The Group's share of losses in associated companies increased to US\$1.6 million in FY2015 from US\$0.2 million in FY2014. This was due to higher losses of US\$1.2 million (FY2014: loss of US\$0.6 million) and US\$1.2 million (FY2014: loss of US\$0.2 million) incurred by the Group's 29.07%-owned associated company, Bull Will Co., Ltd ("Bull Will"), and 49%-owned associated company, Achieva Technology Pte Ltd group ("Achieva Technology group") respectively. These losses were mitigated by share of profits of US\$0.7 million (FY2014: profit of US\$0.6 million) and US\$0.1 million (FY2014: Nil) from the Group's 20%-owned SPL Holdings (Australia) Pty Ltd and newly-acquired 21%-equity interest in Tong Chiang Group respectively in FY2015. Bull Will incurred higher losses in FY2015 mainly due to high provision for doubtful debts and inventory obsolescence. Its lower sales achieved were also not able to cover its high operating expenses. Achieva Technology group incurred higher losses in FY2015 mainly due to high exchange losses incurred and higher provision for inventory obsolescence.

Total expenses as a percentage of turnover declined to 6.8% in FY2015 from 7.4% in FY2014 as the Group continued to manage and improve operational and cost efficiencies. The Group's net margin slipped to 0.9% in FY2015 from 1.6% in FY2014, affected by lower gross margin, high currency translation loss and higher share of losses from associated companies.

## Results for Fourth Quarter Ended 31 December 2015

The Group recorded turnover of US\$329.1 million for the fourth quarter ended 31 December 2015 (“4Q2015”), an increase of 23% compared to the equivalent quarter last year (“4Q2014”). NPAT declined by 78% to US\$1.0 million as compared to US\$4.6 million in 4Q2014 mainly due to lower gross profit margin, decline in other operating income and higher share of losses from associated companies.

Turnover for the electronic components distribution business increased marginally by 1% to US\$268.9 million. Turnover from South-East Asia and India increased by 23% mainly due to higher sales from existing and new customers in the Philippines and India. Turnover from China increased by 9%, boosted by higher sales from a new product line, whilst turnover from Hong Kong decreased by 1% due to lower sales to certain existing customers. Revenue from Taiwan grew by 3%, driven mainly by contributions from new customers. Turnover from South Korea declined by 18% as the market faced stiff competition.

Serial I-Tech group, Swift-Value, P.T. Achieva and Hydra and Thermal contributed total sales of US\$58.8 million, accounting for 22% of the Group’s overall revenue in 4Q2015.

Gross profit margin declined to 6.9% from 9.0% in 4Q2014, mainly due to higher sales of lower-margin products in the Philippines, India and South Korea as well as stiffer market competition in Hong Kong and China. Serial I-Tech group, Swift-Value and P.T. Achieva, with their lower-margin businesses, also accounted for the drop in the Group’s gross profit margin.

Other operating income decreased by US\$1.5 million or 53% mainly due to lower fair value gain on investment properties, lower gain on dilution of interests in Bull Will and the absence of a gain on disposal of interests in Bull Will in 4Q2015 (4Q2014: gain on disposal of interests in Bull Will of US\$0.8 million).

Distribution expenses decreased by US\$0.5 million or 5% mainly due to lower sales commission expenses incurred by the Group’s Hong Kong, China and Singapore subsidiaries, lower staff costs and lower customs taxes. The decrease was partly offset by higher freight, storage and transportation costs associated with the electronic components distribution business and higher advertising and promotional expenses attributable to Serial I-Tech group.

Finance expenses increased by US\$0.6 million or 44% mainly due to higher utilisation of trade facilities by the Group’s Hong Kong and Singapore subsidiaries to meet its higher working capital requirements as well as interest costs incurred for a term loan taken by a Singapore subsidiary to partially finance the acquisition of Serial I-Tech group.

Other operating expenses increased by US\$0.5 million or 9% mainly due to a net currency translation loss of US\$3.5 million (4Q2014: net currency gain of US\$0.6 million included in “other operating income”), higher depreciation of property, plant and equipment and allowances for inventory obsolescence. Lower staff costs, lower amortisation of distribution rights and impairment losses on goodwill arising from acquisition of subsidiaries and lower allowances for impairment losses on trade receivables and fair-value loss on derivative financial instruments negated the increased in other operating expenses in 4Q2015.

The Group's share of losses in associated companies increased to US\$0.3 million in 4Q2015 from US\$0.2 million in 4Q2014. This was due to losses of US\$0.6 million (4Q2014: loss of US\$0.1 million) incurred by the Group's 29.07%-owned associated company, Bull Will. These losses were mitigated by share of profits of US\$0.2 million (4Q2014: profit of US\$0.1 million), US\$0.1 million (4Q2014: Nil) and US\$0.02 million (4Q2014: loss of US\$0.2 million) from the Group's 20%-owned SPL Holdings (Australia) Pty Ltd, newly-acquired 21%-equity interest in Tong Chiang Group and 49%-owned associated company, Achieva Technology group, respectively in 4Q2015. Bull Will incurred higher losses in 4Q2015 mainly due to high provision for doubtful debts and inventory obsolescence. Its lower sales achieved were also not able to cover its high operating expenses.

Total expenses as a percentage of turnover declined to 6.6% in 4Q2015 from 7.9% in 4Q2014 as the Group continued to manage and improve operational and cost efficiencies. The Group's net margin slipped to 0.3% from 1.7% in 4Q2014, affected by lower gross margin and high currency translation loss.

### **Balance sheet**

The Group's trade and other receivables decreased by US\$12.7 million mainly due to lower trade receivables in the Group's Hong Kong, Taiwan and Singapore electronic components distribution subsidiaries as a result of a non-recourse factoring arrangement undertaken by these subsidiaries in FY2015. The decrease was partially offset by addition of trade receivables from newly-acquired subsidiaries, Swift-Value, Serial Factoring (Thailand) Co., Ltd ("Serial Factoring") and PT Achieva in FY2015. Average turnover days for trade receivables decreased to 52 in FY2015 from 67 in FY2014, mainly due to the non-recourse factoring arrangement.

Inventories increased by US\$37.1 million mainly due to higher purchases by the Group's Hong Kong and Singapore electronic components distribution subsidiaries. The increase was also attributed to Swift-Value and PT Achieva, which accounted for a total of US\$20.5 million in inventories as at 31 December 2015.

Financial assets, available-for-sale increased by US\$1.3 million mainly due to the Group's investment in Singapore-listed Global Invacom Group Limited amounting to US\$2.7 million ("Listed equity"). A fair-value loss of US\$1.4 million for the Listed equity was recognised as "Fair value reserve" in equity in FY2015.

The Group's investments in associated companies increased by US\$1.4 million mainly due to the Group's acquisition of a 21%-equity interest in Tong Chiang Group amounting to US\$3.2 million. The increase was reduced by the Group's net share of losses and reserves totalling US\$1.6 million and US\$0.2 million, respectively, in its associated companies in FY2015.

The Company's investments in subsidiaries increased by US\$11.4 million mainly due to the acquisition of a 100%-equity interest in Swift-Value amounting to US\$10.6 million in May 2015.

The Group's property, plant and equipment decreased by about US\$3.0 million mainly due to depreciation on property, plant and equipment of US\$2.6 million, a write-off of about US\$0.2 million in plant and equipment, and currency translation losses of about US\$2.0 million. There were additions in plant and equipment of about US\$1.8 million during FY2015.

The Group's intangible assets increased by about US\$6.4 million mainly due to goodwill of about US\$8.3 million arising from the acquisition of Swift-Value and additions in software licenses of about US\$0.3 million. Total allowances for goodwill impairment and amortisation of intangible assets amounted to about US\$2.2 million in FY2015.

The Group's trade and other payables increased by US\$11.8 million mainly due to an increase in trade payables contributed by Swift-Value and higher purchases of inventories by the Group's Singapore electronic components distribution subsidiary. The increase was partly offset by lower trade payables attributable to the Group's South Korea, Japan and Taiwan electronic components distribution subsidiaries. Average payment days for trade payables remained the same at 33 for FY2015 and FY2014 respectively.

The Group's borrowings increased by US\$23.6 million mainly because of a US\$12.5 million loan due to the previous shareholder of Swift-Value as well as bank borrowings of US\$18.5 million taken up by Swift-Value to finance its inventory purchases from suppliers. The increase was also attributable to higher bank borrowings by the Group's Singapore electronic components distribution subsidiary to finance higher working capital in FY2015. In addition, the Company refinanced a S\$20.0 million (US\$14.1 million) four-year term loan with a bank in May 2015, resulting in net fresh borrowings of about US\$7.8 million. The increase in borrowings was partly offset by net repayment of bank borrowings by the Group's Japan, Taiwan and Singapore subsidiaries amounting to US\$15.0 million.

The Group's currency translation reserve decreased by about US\$5.8 million, mainly due to a decline in the value of the Group's investments in China, Singapore and South Korea arising from the strengthening of the United States Dollar against the functional currencies of these subsidiaries, namely Chinese Renminbi, Singapore Dollar and Korean Won.

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

No forecast, or prospect statement has been previously issued in respect of the current reporting period.

**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 semiconductor industry, which the Group is a part of, is showing signs of slower growth amid an increasingly uncertain global economic outlook. Total semiconductor sales worldwide slipped 0.2% last year to US\$335.2 million from 2014, while sales in the fourth quarter of 2015 declined 5.2% compared to the same period a year earlier, according to the Semiconductor Industry Association. The Semiconductor Industry Association expects sales growth in 2016 to be modest.

Against this backdrop, the Group will remain vigilant and continue to improve operational efficiencies to contain costs and drive profit margins. For the electronic component distribution business, the Group will continue to expand in higher-value business segments such as automotive, mobile devices and enterprise cloud solutions to improve its profit margin. For the consumer product business, it will streamline its recent acquisitions, comprising Serial I-Tech group, Hydra & Thermal group, Swift-Value Business Pte. Ltd. and Achieva Technology group. ("Achieva group"). The efforts to improve internal efficiencies will also accelerate the integration of the electronic components and consumer product businesses, enabling the Group to achieve unified economies of scale across its entire distribution footprint.

At the same time, the Group will cautiously explore acquisition opportunities to expand the consumer products business. On 14 January 2016, it entered into a conditional sale and purchase agreement to acquire full control of Sear-R Corporation. Ltd, a Cambodia distributor of consumer electronic products and household appliances. On 27 January 2016, the Group completed the acquisition of the remaining 51% equity stake in Achieva group it did not already own.

Despite the current headwinds in the global semiconductor industry, the Group is confident of prospects in the longer term, given the growing popularity of emerging technologies, especially those for wearable devices and the Internet of Things, all of which require integrated circuits and chips.

Barring unforeseen circumstances, the Group expects it will be profitable in FY2016.

**11. Dividend**

**a) Current Financial Period Reported On**

Any dividend declared (recommended) for the current financial period reported on? Yes

|                                          |                              |                              |
|------------------------------------------|------------------------------|------------------------------|
| Name of Dividend                         | Interim                      | Final (Proposed)             |
| Dividend Type                            | Cash                         | Cash                         |
| Dividend Amount per Share (in SGD cents) | 0.35 cent per ordinary share | 0.50 cent per ordinary share |
| Optional:- Dividend Rate (in %)          |                              |                              |
| Par value of shares                      | Not applicable               | Not applicable               |
| Tax Rate                                 | One-Tier Tax-exempt          | One-Tier Tax-exempt          |

**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                         | Interim                      | Final                        |
| Dividend Type                            | Cash                         | Cash                         |
| Dividend Amount per Share (in SGD cents) | 0.30 cent per ordinary share | 0.75 cent per ordinary share |
| Optional:- Dividend Rate (in %)          |                              |                              |
| Par value of shares                      | Not applicable               | Not applicable               |
| Tax Rate                                 | One-Tier Tax-exempt          | One-Tier Tax-exempt          |

**c) Date payable**

Date of proposed final dividend payment will be announced at a later date.

**d) Books closure date**

Notice of books closure date will be announced at a later date.

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

The proposed final dividend as stated in 11(a) above is subject to shareholders' approval at the forthcoming Annual General Meeting.

**13. Interested person transactions.**

Pursuant to Rule 907 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "Listing Manual"), the Board would like to announce the following Interested Person Transactions ("IPTs") for FY2015:

| Name of Interested Person | Aggregate value of all IPTs during FY2015 (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual)<br>US\$'000 | Aggregate value of all IPTs during FY2015 conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual (excluding transactions less than S\$100,000)<br>US\$'000 |
|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Nil                       | Nil                                                                                                                                                                                                   | Not applicable                                                                                                                                                                       |

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**  
**(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

**14. 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**

*Primary reporting - business segments*

|                                                                            | Electronic<br>components<br>distribution<br>US\$'000 | Consumer<br>products<br>US\$'000 | Other<br>Businesses<br>US\$'000 | Group<br>US\$'000 |
|----------------------------------------------------------------------------|------------------------------------------------------|----------------------------------|---------------------------------|-------------------|
| <b>Year-To-Date 31/12/2015</b>                                             |                                                      |                                  |                                 |                   |
| <b>The Group</b>                                                           |                                                      |                                  |                                 |                   |
| Sales                                                                      |                                                      |                                  |                                 |                   |
| External                                                                   | 1,060,859                                            | 154,814                          | 5,889                           | 1,221,562         |
| Segment results - operating profit                                         | 22,608                                               | (1,099)                          | 1,522                           | 23,031            |
| Unallocated gain                                                           |                                                      |                                  |                                 | 49                |
| Finance income                                                             |                                                      |                                  |                                 | 371               |
| Finance costs                                                              | (5,777)                                              | (354)                            | (603)                           | (6,734)           |
| Share of results of associated companies (after income tax)                | (1,189)                                              | (1,218)                          | 835                             | (1,572)           |
| Profit before income tax                                                   |                                                      |                                  |                                 | 15,145            |
| Income tax expense                                                         |                                                      |                                  |                                 | (3,841)           |
| Profit after income tax                                                    |                                                      |                                  |                                 | 11,304            |
| Segment assets                                                             | 338,277                                              | 69,768                           | 30,320                          | 438,365           |
| Investments in associated companies                                        | 5,918                                                | 1,832                            | 10,979                          | 18,729            |
| Deferred income tax assets                                                 | -                                                    | -                                | -                               | 662               |
| Consolidated total assets                                                  |                                                      |                                  |                                 | 457,756           |
| Segment liabilities                                                        | 113,465                                              | 17,107                           | 2,344                           | 132,916           |
| Borrowings                                                                 | 146,384                                              | 33,152                           | 22,486                          | 202,022           |
| Income tax liabilities                                                     |                                                      |                                  |                                 | 3,434             |
| Consolidated total liabilities                                             |                                                      |                                  |                                 | 338,372           |
| Capital expenditure on property, plant and equipment                       | 819                                                  | 520                              | 406                             | 1,745             |
| Capital expenditure on intangible assets (computer software license costs) | 278                                                  | -                                | -                               | 278               |
| Acquisition of interests in associated companies                           | -                                                    | -                                | 3,165                           | 3,165             |
| Acquisition of additional interests in an associated companies             | 127                                                  | -                                | -                               | 127               |
| Depreciation of property, plant and equipment                              | 1,620                                                | 148                              | 797                             | 2,565             |
| Amortisation of computer software license costs                            | 324                                                  | 10                               | -                               | 334               |
| Amortisation of distribution rights                                        | 1,116                                                | -                                | -                               | 1,116             |
| Fair value gain on investment properties                                   | -                                                    | -                                | (205)                           | (205)             |
| Impairment losses on goodwill arising from acquisition of subsidiaries     | 720                                                  | -                                | -                               | 720               |
| Impairment losses on trade receivables                                     | 216                                                  | 14                               | 8                               | 238               |

Primary reporting - business segments [cont'd]

|                                                                            | Electronic<br>components<br>distribution<br>US\$'000 | Consumer<br>products<br>US\$'000 | Other<br>Businesses<br>US\$'000 | Group<br>US\$'000 |
|----------------------------------------------------------------------------|------------------------------------------------------|----------------------------------|---------------------------------|-------------------|
| <b>Year-To-Date 31/12/2014</b>                                             |                                                      |                                  |                                 |                   |
| <b>The Group</b>                                                           |                                                      |                                  |                                 |                   |
| Sales                                                                      |                                                      |                                  |                                 |                   |
| External                                                                   | 1,031,362                                            | -                                | 4,700                           | 1,036,062         |
| Segment results - operating profit                                         | 23,053                                               | -                                | 2,183                           | 25,236            |
| Unallocated gain                                                           |                                                      |                                  |                                 | 258               |
| Finance income                                                             |                                                      |                                  |                                 | 181               |
| Finance costs                                                              | (4,233)                                              | -                                | (353)                           | (4,586)           |
| Share of results of associated companies (after income tax)                | (630)                                                | (219)                            | 617                             | (232)             |
| Profit before income tax                                                   |                                                      |                                  |                                 | 20,857            |
| Income tax expense                                                         |                                                      |                                  |                                 | (4,708)           |
| Profit after income tax                                                    |                                                      |                                  |                                 | 16,149            |
| Segment assets                                                             | 365,134                                              | 14,475                           | 27,472                          | 407,081           |
| Investments in associated companies                                        | 6,611                                                | 3,392                            | 7,370                           | 17,373            |
| Deferred income tax assets                                                 |                                                      |                                  |                                 | 750               |
| Consolidated total assets                                                  |                                                      |                                  |                                 | 425,204           |
| Segment liabilities                                                        | 116,267                                              | 2,613                            | 2,127                           | 121,007           |
| Borrowings                                                                 | 155,357                                              | 1,518                            | 21,572                          | 178,447           |
| Income tax liabilities                                                     |                                                      |                                  |                                 | 3,516             |
| Consolidated total liabilities                                             |                                                      |                                  |                                 | 302,970           |
| Capital expenditure on property, plant and equipment                       | 5,777                                                | -                                | 279                             | 6,056             |
| Capital expenditure on investment properties                               | 921                                                  | -                                | -                               | 921               |
| Capital expenditure on intangible assets (computer software license costs) | 280                                                  | -                                | -                               | 280               |
| Investment in associated companies                                         | -                                                    | 3,972                            | 6,826                           | 10,798            |
| Additional investment in an associated company                             | 658                                                  | -                                | -                               | 658               |
| Depreciation of property, plant and equipment                              | 1,830                                                | -                                | 783                             | 2,613             |
| Amortisation of computer software license costs                            | 252                                                  | -                                | -                               | 252               |
| Amortisation of distribution rights                                        | 1,722                                                | -                                | -                               | 1,722             |
| Fair value gain on investment properties                                   | -                                                    | -                                | (677)                           | (677)             |
| Impairment losses on goodwill arising from acquisition of subsidiaries     | 988                                                  | -                                | -                               | 988               |
| Impairment losses on trade receivables                                     | 1,074                                                | -                                | 22                              | 1,096             |
| Write back of allowance for impairment losses on other assets              | (20)                                                 | -                                | -                               | (20)              |

Secondary reporting - geographical segments

|                                                   | The Group              |                        |                        |                        |
|---------------------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                                   | Turnover               |                        | Non-Current assets*    |                        |
|                                                   | Year-To-Date           |                        |                        |                        |
|                                                   | 31/12/2015<br>US\$'000 | 31/12/2014<br>US\$'000 | 31/12/2015<br>US\$'000 | 31/12/2014<br>US\$'000 |
| Singapore                                         | 202,674                | 92,719                 | 24,636                 | 17,323                 |
| Hong Kong                                         | 558,904                | 562,903                | 1,368                  | 2,389                  |
| China                                             | 102,396                | 96,558                 | 19,460                 | 21,205                 |
| South Korea                                       | 154,920                | 127,263                | 6,234                  | 7,524                  |
| Taiwan                                            | 59,406                 | 56,079                 | 7,451                  | 7,709                  |
| India                                             | 37,206                 | 18,305                 | 11                     | 40                     |
| Philippines                                       | 30,938                 | 15,082                 | 25                     | 15                     |
| Singapore - Associated company                    | -                      | -                      | 5,005                  | 3,392                  |
| Taiwan - Associated company                       | -                      | -                      | 5,919                  | 6,611                  |
| Australia - Associated company                    | -                      | -                      | 7,805                  | 7,370                  |
| Thailand                                          | 18,518                 | 28,266                 | 6                      | -                      |
| Japan                                             | 15,793                 | 25,831                 | 284                    | 556                    |
| United Arab Emirates                              | 15,168                 | -                      | 23                     | -                      |
| Indonesia                                         | 7,985                  | 1,075                  | 309                    | 2                      |
| Malaysia                                          | 7,064                  | 7,676                  | 2                      | 1                      |
| Others (include Vietnam, Cambodia and Kazakhstan) | 10,590                 | 4,305                  | 669                    | 1,196                  |
|                                                   | 1,221,562              | 1,036,062              | 79,207                 | 75,333                 |

\*Non-current assets exclude financial assets, at fair value through profit or loss, financial assets, available-for-sale and deferred income tax assets.

**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.**

Please refer to paragraph 8.

**16. A breakdown of sales.**

|                                                                                              | Group        |            |        |
|----------------------------------------------------------------------------------------------|--------------|------------|--------|
|                                                                                              | US\$'000     |            | %      |
|                                                                                              | Year-To-Date |            |        |
|                                                                                              | 31/12/2015   | 31/12/2014 | Change |
| Sales reported for first half year                                                           | 571,357      | 475,284    | 20     |
| Operating profit after tax before deducting minority interests reported for first half year  | 7,982        | 7,117      | 12     |
| Sales reported for second half year                                                          | 650,205      | 560,778    | 16     |
| Operating profit after tax before deducting minority interests reported for second half year | 3,322        | 9,032      | -63    |

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

No general mandate from shareholders has been obtained for IPTs.

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<br>(US\$'000) | Previous Full Year<br>(US\$'000) |
|------------|--------------------------------|----------------------------------|
| Ordinary   | 5,387                          | 7,131                            |
| Preference | -                              | -                                |
| Total:     | 5,387                          | 7,131                            |

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 SGX Listing Manual Rule 704(13). If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(13) of the Listing Manual, we submit the following report giving information on persons holding managerial positions who are relatives of a director, chief executive director or substantial shareholder of the Company or its principal subsidiaries.

| Name        | Age | Family relationship with any director and/or substantial shareholder                                                                                 | Current position and duties, and the year the position was first held                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Details of changes in duties and position held, if any, during the year                                     |
|-------------|-----|------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|
| Goh Su Teng | 36  | Cousin of Derek Goh Bak Heng. Derek Goh Bak Heng is the Executive Chairman, Chief Executive Officer and Substantial Shareholder of Serial System Ltd | <u>Current Position</u><br>1) Senior Vice President, Regional Marketing of Serial Microelectronics Pte Ltd, a wholly-owned subsidiary of the Company (Year 2011)<br>2) Group Corporate Planning and Development (Year 2011)<br>3) Director of Agricola Pte Ltd, a 80% owned subsidiary of the Group (Year 2009)<br>4) Director of Serial Multivision Pte Ltd, a wholly owned subsidiary of the Group (Year 2011)<br>5) Director of Serial Microelectronics Pte Ltd, a wholly owned subsidiary of the Group (Year 2011)<br>6) Director of Serial Microelectronics (HK) Limited, a 91% owned subsidiary of the Group | None except for appointment as director in new subsidiaries and associated company in Year 2015 & Year 2016 |

|  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  |
|--|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
|  |  | <p>(Year 2011)</p> <p>7) Director of Serial Microelectronics (Shenzhen) Co., Ltd, a 91% owned subsidiary of the Group (Year 2011)</p> <p>8) Director of Serial Design Limited, a 91% owned subsidiary of the Group (Year 2011)</p> <p>9) Director of Serial Microelectronics Inc., a 95.5% owned subsidiary of the Group (Year 2011)</p> <p>10) Director of Teampal Enterprise Corp , a 95.5% owned subsidiary of the Group (Year 2012)</p> <p>11) Director of Serial Microelectronics Korea Limited, a 98.2% owned subsidiary of the Group (Year 2011)</p> <p>12) Director of Serial Investment (Taiwan) Inc., a wholly owned subsidiary of the Group (Year 2011)</p> <p>13) Director of Contract Sterilization Services Pte Ltd, a wholly owned subsidiary of the Group (Year 2011)</p> <p>14) Serial System Ltd's Representative Director of Bull Will Co., Ltd, a 29.07% associated company of the Group (Year 2010)</p> <p>15) Director of Serial Technology Pte Ltd, a wholly owned subsidiary of the Group (Year 2011)</p> <p>16) Director of Serial Microelectronics Sdn. Bhd., a wholly owned subsidiary of the Group (Year 2013)</p> <p>17) Director of Serial AMSC Microelectronics Co., Ltd., a 70.0% owned subsidiary of the Group (Year 2013)</p> <p>18) Director of PT. Serial Microelectronics Indonesia., a 99.0% owned subsidiary of the Group (Year 2013)</p> <p>19) Director of Achieva Technology Pte. Ltd. , a wholly owned subsidiary of the Group (Year 2014)</p> <p>20) Director of Serial I-Tech (Far East) Pte. Ltd., a wholly owned subsidiary of the Group (Year 2015)</p> <p>21) Director of Serial I-Tech Strategic Holdings Franchising Pte. Ltd., a wholly owned subsidiary of the Group (Year 2015)</p> |  |
|--|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|

|  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |  |
|--|--|--|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
|  |  |  | <p>22) Director of Serial I-Tech (ME) Pte Ltd , a wholly owned subsidiary of the Group (Year 2015)</p> <p>23) Director of SCE Enterprise Pte. Ltd., a wholly owned subsidiary of the Group (Year 2015)</p> <p>24) Director of Hydra &amp; Thermal Pte. Ltd., a 70% owned subsidiary of the Group (Year 2015)</p> <p>25) Director of Serial System International Pte. Ltd., a wholly owned subsidiary of the Group (Year 2015)</p> <p>26) Director of Serial Factoring (Thailand) Co., Ltd, a 49% owned subsidiary of the Group (Year 2015)</p> <p>27) Director of PT Achieva Technology Indonesia, a 80% owned subsidiary of the Group (Year 2015)</p> <p>28) Director of Swift Value Business Pte Ltd, a wholly owned subsidiary of the Group (Year 2015)</p> <p>29) Alternate director of Tong Chiang Group, a 21% associated company of the Group (Year 2015)</p> <p>30) Director of Sear-R Corporation. Ltd., a 70% owned subsidiary of the Group (2016)</p> <p>31) Director of Serial Netcom Co., Ltd, a 42% owned subsidiary of the Group (Year 2016)</p> <p><b><u>Duties</u></b><br/> Responsible for marketing activities, corporate planning and development for the Group, and overseeing the Group's Korea's and South East Asia and India's electronic components distribution business and the Group's consumer products business.</p> |  |
|--|--|--|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|

BY ORDER OF THE BOARD  
Dr Derek Goh Bak Heng  
Executive Chairman/Group CEO  
24 February 2016