



JUBILEE INDUSTRIES HOLDINGS LIMITED
Company Registration Number: 200904797H

UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT FOR THE 15 MONTHS PERIOD ENDED 31 MARCH 2015

This announcement has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR

- 1(a)(i) An income statement and statement of comprehensive income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Group		
	Financial period ended	Audited	Increase/
	Unaudited	From	(Decrease)
	From	From	%
	01/01/2014	01/01/2013	
	to	to	
	31/03/2015	31/12/2013	
	(15 months)	(12 months)	
	S\$'000	S\$'000	
Revenue	35,065	25,318	38.5
Cost of sales	(36,859)	(25,370)	45.3
Gross loss	(1,794)	(52)	3,350.0
Other income	2,563	699	266.7
Other losses, net	(112)	(1,047)	(89.3)
Selling and distribution expenses	(1,039)	(770)	34.9
Administrative expenses	(7,126)	(3,908)	82.3
Other expenses	(1,743)	(114)	1,428.9
Finance expenses	(174)	(484)	(64.1)
Share of profit of associated company	10,055	-	NM
Profit / (Loss) before income tax	630	(5,676)	(111.1)
Income tax expenses	(3)	(17)	(82.4)
Net profit / (loss) attributable to equity holders of the Company	627	(5,693)	(111.0)
Other comprehensive (loss) / income, net of tax:			
Currency translation differences	74	1,595	(95.4)
Total comprehensive income / (loss) attributable to equity holders of the Company	701	(4,098)	(117.1)

NM : Not Meaningful

Note 1 : Include in the share of profit of associated company is a revaluation gain amounting to S\$8,153,000 derived from acquisition of the associate company.



JUBILEE INDUSTRIES HOLDINGS LIMITED
Company Registration Number: 200904797H

1(a)(ii) Notes to statements of comprehensive income

The Group's loss before income tax is arrived at after charging/(crediting):

	Group		
	Financial period ended	period ended	Increase/
	Unaudited	Audited	(Decrease)
	From	From	
	01/01/2015	01/01/2013	
	to	to	
	31/03/2015	31/12/2013	
	(15 months)	(12 months)	
	S\$'000	S\$'000	%
Depreciation on property, plant and equipment	2,309	3,182	(27.4)
Amortisation of intangible assets	135	83	62.7
Gain on disposal of property, plant and equipment	254	185	37.3
Foreign exchange (gain)/loss	16	1,164	(98.637)
Interest income	(235)	(268)	(12.3)
Sale of scrap and other materials	-	(229)	(100.0)
Interest on borrowings	255	264	(3.4)

NM: Not Meaningful



JUBILEE INDUSTRIES HOLDINGS LIMITED
Company Registration Number: 200904797H

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 period.

	Group		Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	As at	As at	As at	As at
	31/03/2015	31/12/2013	31/03/2015	31/12/2013
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	4,037	33,730	397	13,149
Financial assets, at fair value through profit or loss	33	48	-	-
Trade and other receivables	3,388	6,384	15	2,722
Inventories	7,764	3,525	-	-
Other current assets	315	438	5	81
	<u>15,537</u>	<u>44,125</u>	<u>417</u>	<u>15,952</u>
Properties classified as held-for-transfer	6,888	-	-	-
Non-current assets classified as held-for-sale	-	592	-	-
	<u>22,425</u>	<u>44,717</u>	<u>417</u>	<u>15,952</u>
Non-current assets				
Investments in subsidiaries	-	-	39,052	23,236
Investment in associated company	19,500	-	8,956	-
Investment properties	2,145	2,370	-	-
Property, plant and equipment	4,281	6,466	1	2
Intangible assets	2,754	270	188	147
	<u>28,680</u>	<u>9,106</u>	<u>48,197</u>	<u>23,385</u>
Total Assets	<u>51,105</u>	<u>53,823</u>	<u>48,614</u>	<u>39,337</u>
LIABILITIES				
Current liabilities				
Trade and other payables	9,235	9,246	10,923	694
Amount owing to vendor for acquisition of WE Components Group	3,917	-	-	-
Borrowings	512	8,940	-	-
	<u>13,664</u>	<u>18,186</u>	<u>10,923</u>	<u>694</u>
Non-current liabilities				
Borrowings	324	813	-	-
Total liabilities	<u>13,988</u>	<u>18,999</u>	<u>10,923</u>	<u>694</u>
NET ASSETS	<u>37,117</u>	<u>34,824</u>	<u>37,691</u>	<u>38,643</u>
EQUITY				
Capital and Reserves attributable to Equity Holders of the Company				
Share capital	48,763	42,818	48,763	42,818
Treasury share	(736)	-	(736)	-
(Accumulated losses)/ Retained profits	(9,306)	(8,609)	(10,194)	(4,033)
Statutory reserves	2,235	933	-	-
Capital reserves	(3,737)	(142)	(142)	(142)
Other translation reserves	(102)	(176)	-	-
Total equity	<u>37,117</u>	<u>34,824</u>	<u>37,691</u>	<u>38,643</u>

Note 2: Properties classified as held-for-transfer relates to the excluded properties that is to be sold back to the vendor in relation to the acquisition of WE Components Pte. Ltd. and its subsidiaries ("WE Components Group"). As the transfer of the excluded properties have not been effected as yet, the properties would tentatively remain in the books for WE Components Group.



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

Amount repayable in one year or less, or on demand

As at 31/03/2015		As at 31/12/2013	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
512	-	8,940	-

Amount repayable after one year

As at 31/03/2015		As at 31/12/2013	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
324	-	813	-

Details of any collateral

Bank borrowings are secured by short-term bank deposits and finance lease liabilities are secured by the rights to the leased machineries and motor vehicles which will revert to the lessor in the event of default by the Group.



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

	Group	
	Financial period ended	Audited
	Unaudited	From
	From	From
	01/01/2014 to	01/01/2013
	31/03/2015	to
	(15 months)	31/12/2013
		(12 months)
	S\$'000	S\$'000
Cash flows from operating activities		
Net profit/(loss)	627	(5,693)
Adjustments for:		
- Income tax expenses	3	17
- Depreciation & Impairment of Property, Plant & Equipment	2,482	3,677
- Depreciation of Investment properties	143	77
- Amortisation of Intangible assets	135	83
- Loss/(gain) on disposal of property, plant and equipment	254	185
- Loss on disposal of investment properties	26	-
- Share of profit of associated company	(10,055)	-
- Interest income	(235)	(268)
- Interest expense	174	484
- Share of profit of associated company	-	-
- Unrealised currency translation (gain)/loss	16	1,164
	(6,430)	(274)
Change in working capital:		
- Trade and other receivables	2,995	4,452
- Inventories	2,236	(250)
- Financial assets, fair value through profit or loss	16	(49)
- Other current assets	123	(43)
- Trade and other payables	3,901	(1,262)
Cash (used in)/generated from operations	2,841	2,574
- Income tax paid	(1)	(85)
Net cash (used in)/provided by operating activities	2,840	2,480
Cash flows from investing activities		
Acquisition of a subsidiary, net at cash required	(15,816)	-
Purchase of property, plant and equipment	(753)	(2,876)
Investment in associate	(8,956)	-
Proceeds from disposal of property, plant and equipment	10	-
Purchase from disposal of property, plant and equipment	947	925
Purchase of intangible assets	(285)	(256)
Interest received	235	(9)
Net cash used in investing activities	(24,618)	(2,215)
Cash flows from financing activities		
Proceeds from issuance of share capital	6,369	18,216
Ordinary shares issue expense	(423)	(110)
Purchase of treasury shares	(736)	-
Proceeds from borrowings	-	6,665
Repayment of borrowings	(8,786)	(5,908)
Repayment of finance lease liabilities	(132)	(726)
Interest paid	(173)	(266)
Short-term bank deposits pledged	8,606	(4,763)
Net cash generated from financing activities	4,725	13,108



JUBILEE INDUSTRIES HOLDINGS LIMITED
Company Registration Number: 200904797H

Net (decrease)/increase in cash and cash equivalents	(17,053)	13,381
Cash and cash equivalents at beginning of the financial period	20,885	7,430
Effects of currency translation on cash and cash equivalents	-	74
Cash and cash equivalents at end of the financial year	3,832	20,885

Cash and cash equivalents comprised:

Cash and bank balances	3,832	2,220
Short term bank deposits	205	31,510
	4,037	33,730
Less: Short-term bank deposits pledged as collateral	(205)	(12,845)
	3,832	20,885

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 comparative statement for the corresponding period of the immediately preceding financial period.

	Share capital S\$'000	Retained profits S\$'000	Other reserves S\$'000	Statutory reserve S\$'000	Capital reserve S\$'000	Treasury share S\$'000	Total S\$'000
GROUP (Unaudited)							
Balance as at 1 January 2014	42,818	(8,609)	(176)	933	(142)	-	34,824
Total comprehensive loss for the financial period	-	627	74	-	(3,595)	-	2,894
New Placement of ordinary shares	6,368	-	-	-	-	(736)	5,632
Ordinary shares issue expenses	(423)	-	-	-	-	-	(423)
Transferred	-	(1,324)	-	1,324	-	-	-
Paid	-	-	-	(22)	-	-	(22)
Balance as at 31 March 2015	48,763	(9,306)	102	2,235	(3,737)	(736)	37,117
(Audited)							
Balance as at 1 January 2013	24,711	(2,916)	(1,771)	933	(142)	-	20,815
Total comprehensive income for the financial period	-	(5,693)	1,595	-	-	-	(4,098)
New Placement of ordinary shares	18,216	-	-	-	-	-	18,216
Ordinary shares issue expenses	(109)	-	-	-	-	-	(109)
Balance as at 31 March 2015	42,818	(8,609)	(176)	933	(142)	-	34,824



JUBILEE INDUSTRIES HOLDINGS LIMITED
Company Registration Number: 200904797H

	Share capital	Retained profit/ (Accumulated losses)	Capital reserve	Treasury share	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
COMPANY					
(Unaudited)					
Balance as at 1 January 2014	42,818	(4,033)	(142)	-	38,643
Total comprehensive income for the financial period	-	(6,161)	-	-	(6,161)
New placement of ordinary shares	6,368	-	-	(736)	5,632
Ordinary shares issue expenses	(423)	-	-	-	(423)
Balance as at 31 March 2015	48,763	(10,194)	(142)	(736)	37,691
(Audited)					
Balance as at 1 January 2013	24,711	179	(142)	-	24,748
Total comprehensive income for the financial period	-	(4,212)	-	-	(4,212)
New placement of ordinary shares	18,216	-	-	-	18,216
Ordinary shares issue expenses	(109)	-	-	-	(109)
Balance as at 31 December 2014	42,818	(4,033)	(142)	-	38,643



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

Issued and fully paid	Number of ordinary shares	Share Capital (\$)
Balance as at 1 January 2014	234,729,245	42,817,516
Aggregate number of new shares issued pursuant to the Nov 2014 Placement ⁽¹⁾	106,141,918	5,945,501
Balance as at 31 March 2015	340,871,163	48,763,017

The outstanding convertibles and treasury shares 31 March 2015 are as follow:

Purchased and fully paid	Number of treasury shares	Treasury Shares (\$)
Balance as at 1 January 2014	-	-
Number of shares purchased ⁽²⁾	718,000	37,221
Number of shares purchased ⁽³⁾	2,322,000	128,894
Number of shares purchased ⁽⁴⁾	3,737,000	201,611
Number of shares purchased ⁽⁵⁾	6,905,000	368,658
Balance as at 31 March 2015	13,682,000	763,384

Note:

- (1) On 10 November 2014, the Company had allotted and issued 106,141,918 rights shares and 106,141,918 warrants which raised gross proceeds of approximately S\$5.9 million (the "Nov 2014 Placement").
- (2) On 21 November 2014, the Company had purchased 718,000 of shares and all shares purchased are held as treasury shares.
- (3) On 24 November 2014, the Company had purchased 2,322,000 of shares and all shares purchased are held as treasury shares.
- (4) On 8 January 2015, the Company had purchased 3,737,000 of shares and all shares purchased are held as treasury shares.
- (5) On 16 January 2015, the Company had purchased 6,905,000 of shares and all shares purchased are held as treasury shares.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of current financial period and as at the end of the immediately preceding year.

	31/03/2015	31/12/2013
Total number of issued shares excluding treasury shares	327,189,163	234,729,245

There were 13,682,000 treasury shares purchased during period from 1 January 2014 to 31 March 2015 ("FP2015").



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

Not applicable. There were no uses of treasury shares during and as at the end of the current financial period ended 31 March 2015

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

The figures have not been audited or reviewed by the Company's auditors.

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

Not applicable.

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

Save as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period as compared to its audited financial statements for the financial year ended 31 December 2013.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group and the Company have adopted the new and revised Singapore Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 January 2014. The adoption of these FRSs and INT FRSs did not have any significant effect on the financial statements of the Group and the Company.



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.**

	Group	
	Financial period/year ended	31/12/2013
	31/03/2015	
Earnings / (Loss) attributable to equity holders of the Company (S\$'000)	627	(5,693)
Basic and diluted earnings / (loss) per ordinary shares ("EPS" / "LPS") attributable to equity holders of the Company (SGD cents)	0.38	(3.37)
Weighted average number of shares used in computation of basic and diluted EPS / LPS	164,088,881	169,162,418

Basic and diluted EPS / LPS is computed by dividing the earnings / loss attributable to the equity holders of the Company in each financial year by the weighted average number of ordinary shares outstanding as at the end of the respective financial year.

There were no potentially dilutive ordinary shares in existence during FP2015 and FY2013 and accordingly, the basic and fully diluted EPS / LPS were the same for both financial years reported on.

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.**

	Group		Company	
	31/03/2015	31/12/2013	31/03/2015	31/12/2013
	S\$ cent	S\$ cent	S\$ cent	S\$ cent
Net asset value ("NAV") per ordinary share	10.89	14.84	12.86	16.46

The NAV per ordinary share for the Group and the Company as at 31 March 2015 and 31 December 2013 were calculated based on 340,871,163 and 234,729,245 ordinary shares in issue as at the respective balance sheet date.



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, cost, 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.

REVIEW OF STATEMENT OF COMPREHENSIVE INCOME FOR THE GROUP

Revenue

	Group		% Change
	Unaudited	Audited	
	FP2015 S\$'000	FY2013 S\$'000	
Precision injection moulding ("PPIM") segment	15,056	17,751	(15.2)
MDF segment	9,142	7,567	20.8
Electronic components	10,867	-	NM
Total Revenue	35,065	25,318	38.5

The changes in revenue and expenses between the 15-month period from 1 January 2014 to 31 March 2015 ("FP2015") versus 12-month financial year ended 31 December 2013 are not comparable. The Group's revenue increased by approximately S\$9.7 million or 38.5% from S\$25.3 million in FY2013 to S\$35.1 million in FP2015. Revenue from the PPIM segment decreased by approximately S\$2.7 million or 15.2% from S\$17.8 million in FY2013 to S\$15.1 million in FP2015 mainly due to a decrease in customers' sales. While revenue from the design, fabrication and sale of precision injection moulds ("MDF") segment had increased by approximately S\$1.6 million or 20.8% from S\$7.6 million in FY2013 to S\$9.1 million in FP2015 mainly due to increased orders from customers. The product mix composition of MDF to PPIM varied slightly at 37.8% to 62.2% in FP2015 as compared to 29.9% to 70.1% in FY2013. The main reason for the increase is due to the acquisition of WE Components Pte. Ltd. and its subsidiaries ("WE Components Group") which was completed on 31 January 2015 and announced on 2 February, and through the electronic components business contributed S\$10.9 million to total revenue.

Cost of sales and gross profit

Cost of sales	Group		% Change
	Audited	Audited	
	FP2015 S\$'000	FY2013 S\$'000	
PPIM segment	16,553	17,107	(3.2)
MDF segment	10,005	8,263	21.1
Electronic components	10,301	-	NM
Total cost of sales	36,859	25,370	45.3

The Group's cost of sales increased by approximately S\$11.5 million or 45.3% from S\$25.4 million in FY2013 to S\$36.9 million in FP2015. The increase in cost of sales was in line with the increase in revenue.



Gross profit/(loss)	Group		% Change
	FP2015 S\$'000	FY2013 S\$'000	
PPIM segment	(1,497)	644	NM
MDF segment	(863)	(696)	24.0
Electronic components	566	-	NM
Gross loss	(1,794)	(52)	3,350.0
Gross loss margin	(5.1%)	(0.2 %)	2,458.1

The Group's gross loss increased by approximately S\$1.7 million or 3,350.0% from approximately S\$0.05 million in FY2013 to approximately S\$1.8 million in FP2015. PPIM contributed a gross loss of approximately S\$1.5 million in FP2015 as compared to a gross profit of approximately S\$0.6 million in FY2013 while MDF's reported gross loss of S\$0.9 million which was mainly due to the competitive market price in both the moulding and tooling products. Electronic components business contributed a gross profit of S\$0.7 million.

Gross loss margin was 5.1% in FP2015 as compared to 0.2% in FY2013. The increase in gross loss margin was mainly due to competitive market price.

Other income and Other losses, net

The Group's other income have increased by S\$1.9 million or 266.7% from S\$0.7 million to S\$2.6 million. This is mainly due to the waiver of debts in WE Components Group. Other losses have decreased by approximately S\$0.9 million or 89.3% from S\$1.0 million in FY2013 to S\$0.1 million in FP2015. In FY2013, there were currency translation losses of S\$0.7 million. Due to the strengthening of the Singapore Dollar, there were no currency translation losses in FP2015.

Selling and distribution expenses

The increase of approximately S\$0.3 million or 34.9% was mainly due to an increase in staff costs and travelling and this is also in line with the increase in sales.

Administrative expenses

Administrative expenses increased by approximately S\$3.2 million or 82.3% from S\$3.9 million in FY2013 to S\$7.1 million in FP2015. This is mainly due to the withholding tax which E'Mold Holding Pte Ltd received dividend from China subsidiary (i.e. E'Mold Manufacturing (Kunshan) Co., Ltd). Expenses were incurred for professional fees, commissions for undertaking shareholders, listing expenses and bank charges for the rights cum warrants exercise. There were also the additional salaries of WE Components Group.

Other expenses

The Group's other expenses increased by S\$1.6 million or 1,428.9% from S\$0.1 million in FY2013 to S\$1.7 million in FP2015. The increase was mainly due to greater foreign exchange losses from a weaker Singapore Dollar and Malaysia Ringgit against the United States Dollar and the Singapore Dollar having an unfavourable impact on the Malaysian subsidiary whose reporting currency is denominated in the Malaysia Ringgit.



Finance expenses

The Group's finance expenses decreased by approximately S\$0.3 million or 64.1% from S\$0.5 million in FY2013 to S\$0.2 million in FP2015 and this is in line with the decrease in borrowings.

Income Tax expense

The Group's tax expense decreased slightly by approximately S\$0.03 million or 82.4% mainly due to lower operational financial performance of the Group.

REVIEW OF FINANCIAL POSITION

Current Assets

The Group's current assets decreased by approximately S\$22.3 million or 49.8% from S\$44.7 million in FY2013 to S\$22.4 million in FP2015, mainly due to the decrease in cash and cash equivalents. Cash and cash equivalents were used for the acquisition of EG Industries Berhad, acquisition of WE Components Group, and repayment of bank loans of S\$8.9 million, S\$8.3 million and S\$9.2 million respectively. This decrease is offset by the increase in inventories from the acquisition of WE Components Group of S\$6.3 million and the increase in non-current assets held for sale relating to the property of the latter of S\$6.9 million.

Non-current Assets

Non-current assets increased from S\$9.1 million in FY2013 to S\$28.7 million in FP2015. This is due to 2 reasons. Firstly, there was an investment in the associated company, EG Industries Berhad, which cost approximately S\$8.9 million and with share of profits and valuation gains of S\$1.9 million and S\$8.2 million respectively. There was also goodwill from the purchase of WE Components Group of S\$2.3 million.

Current Liabilities

The Group's current liabilities decreased by approximately S\$4.5 million or 24.9% from S\$18.2 million in FY2013 to S\$13.7 million in FP2015. This is due to the repayment of bank loans of approximately S\$9.2 million in FP2015. This decrease is offset by the increase in amount owing to vendor for acquisition of WE Components Group by S\$3.9 million for the amount owing on the property held for sale.

The Group reported working capital of S\$8.8 million as at 31 March 2015 as compared to S\$26.5 million as at 31 December 2013 and this is mainly due to the greater increase in current assets from the decrease in cash and cash equivalents for the above reasons.



REVIEW OF CASHFLOW STATEMENT

The Group's cash and cash equivalents (excluding short-term deposits pledged as collateral) were S\$3.8 million as at 31 March 2015, a decrease of S\$17.1 million as compared to S\$20.9 million as at 31 December 2013.

Net cash flow generated from operating activities for FP2015 was S\$2.8 million, comprising operating loss before working capital changes of S\$6.4 million and cash generated in operations of S\$9.3 million. The working capital inflow was mainly due to the decrease in trade and other receivables, inventories and other assets of S\$3.0 million, S\$2.2 million and S\$0.1 million respectively. This inflow further increased with the increase trade and other payables of S\$3.9 million.

Net cash used in investing activities was mainly due to acquisition of an associate company and subsidiary.

The cash generated from financing activities was mainly due to proceeds from issuance of share capital and increase in short term deposit pledged of S\$6.4 million and S\$8.6 million respectively. This increase is offset by repayment of bank borrowings of S\$9.2 million.

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

Not applicable. No prospect statement or forecast has been previously disclosed to shareholders.

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 event that may affect the group in the next reporting period and the next 12 months.

The Group remains mindful of the uncertainties in the global economic outlook, increasing costs of operations, especially labour costs, and pricing pressures from customers. The Group has been working to improve the machine utilisation rates in its China and Malaysia sites and this would help the Group to achieve cost savings. The Group will continue to seek measures for cost reduction, continue to be vigilant in monitoring changing markets and look into improving product mix towards higher margin products and services.

In line with the Group's growth strategies of expanding its customer base and vertically integrate, the Group had acquired WE Components Pte. Ltd. and its subsidiaries, a group that specialises in the distribution of electronic components, in which this was completed in 2 February 2015. The Group had also acquired an initial 26% stake in EG Industries Berhad, which is the largest electronic manufacturing services ("EMS") in Malaysia, and have increased their stake to 30.49% as at 31 March 2015. The Group will continue to explore merger and acquisition opportunities and strategic alliances, as and when they arise.



11. Dividend

- (a) Any dividend declared for the current financial period reported on?**

No.

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

Dividend declared for the corresponding period of the immediately preceding financial period?

No

- (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

- (d) The date the dividend is payable.**

Not applicable.

- (e) Book closure date.**

Not applicable.

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

No dividend has been declared or recommended for the financial period ended 31 March 2015.

13. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

Please see Section 8 above.



14. A breakdown of sales is provide as follows :-

	Group		
	Financial period ended	period ended	Increase/
	Unaudited	Audited	(Decrease)
	31/03/2015	31/12/2013	
	S\$'000	S\$'000	%
(i) Sales reported for:			
First half year ended 30 June	11,649	15,319	(24.0)
Second half year ended 31			
March 2015	23,416	9,999	134.2
	<u>35,065</u>	<u>25,318</u>	<u>38.5</u>
(ii) Profit/(loss) after tax			
reported for :			
First half year ended 30 June	(2,793)	(1,005)	177.9
Second half year ended 31			
March 2015	3,420	(4,688)	NM
	<u>627</u>	<u>(5,693)</u>	<u>NM</u>

15. Use of proceeds

As at the date of this announcement, the gross proceeds from issue of rights cum warrants of 106,141,918 new shares of the Company at the issue price of S\$0.06 per share had been utilised as follows:

	Amount allocated	Relocated amount	Amount utilised	Balance
	S\$ million	S\$ million	S\$ million	S\$ million
Funding the growth and expansion of the Group through acquisitions, investments	1.91	6.37	6.37 ¹	-
Working capital	4.46	-	-	-

Note:

1. S\$0.43 million was used for professional fees, commissions for undertaking shareholders and bank charges for the rights cum warrants exercise, S\$4.45 million utilised as at the date hereof and as announced on 11 July 2014 for the acquisition of We Components Pte. Ltd, \$S0.74 million utilised for shares buyback and S\$0.75 million utilised for the acquisition of EG Industries Berhad from 26% to 30.49% of the capital based on 75,016,600 shares.



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- 16. If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

There were no IPTs of S\$100,000 or more for FP2015. The Group does not have a general mandate from its shareholders for IPT's.

- 17. Disclosure of person occupying a managerial position in the issuer or any of its Principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer**

Pursuant to Rule 704(10) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, the Company confirms that there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a Director, Chief Executive Officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Foo Say Tun
Independent Non-Executive Chairman

30 May 2015