



# Soup Restaurant Group Limited

UEN 199103597Z

## FOURTH QUARTER AND FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

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

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

	Group			Group		
	4th Quarter ended 31 December 2014		Increase/ (Decrease) %	Financial year ended 31 December 2014		Increase/ (Decrease) %
	2013	2013		2014	2013	
	SS'000	SS'000		SS'000	SS'000	
Revenue	10,166	10,194	(0.3)	39,495	38,020	3.9
<i>Items of income</i>						
Interest income	2	3	(33.3)	10	13	(23.1)
Other income	82	92	(10.9)	560	405	38.3
<i>Items of expense</i>						
Changes in inventories	(5)	4	N.M.	74	(10)	N.M.
Purchases and other consumables	(2,384)	(2,361)	1.0	(9,216)	(8,841)	4.2
Employee benefits expense	(3,637)	(3,275)	11.1	(14,315)	(13,195)	8.5
Depreciation and amortisation expenses	(413)	(371)	11.3	(1,645)	(1,671)	(1.6)
Other expenses	(3,710)	(3,769)	(1.6)	(13,967)	(13,924)	0.3
Finance costs	(15)	(21)	(28.6)	(15)	(21)	(28.6)
<b>Profit before tax</b>	<b>86</b>	<b>496</b>	<b>(82.7)</b>	<b>981</b>	<b>776</b>	<b>26.4</b>
Income tax expense	119	(180)	(166.1)	(70)	(309)	(77.3)
<b>Profit for the financial period/year attributable to owners of the Company</b>	<b>205</b>	<b>316</b>	<b>(35.1)</b>	<b>911</b>	<b>467</b>	<b>95.1</b>
<b>Other comprehensive income:</b>						
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Exchange difference on translating foreign operation	(2)	-	N.M.	1	8	(87.5)
<b>Other comprehensive income for the financial period/year</b>	<b>(2)</b>	<b>-</b>	<b>N.M.</b>	<b>1</b>	<b>8</b>	<b>(87.5)</b>
<b>Total comprehensive income for the financial period/year attributable to owners of the Company</b>	<b>203</b>	<b>316</b>	<b>(35.8)</b>	<b>912</b>	<b>475</b>	<b>92.0</b>

N.M. – Not meaningful

**1(a)(ii) Notes to Consolidated Statement of Comprehensive Income**

Profit for the financial period/year is arrived at after charging/(crediting) the following:-

	<b>Group</b>			<b>Group</b>		
	<b>4th Quarter ended</b>		<b>Increase / (Decrease)</b>	<b>31 December</b>		<b>Increase / (Decrease)</b>
	<b>2014</b>	<b>2013</b>		<b>2014</b>	<b>2013</b>	
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
Advertising expense	67	198	(66.2)	173	441	(60.8)
Cleaning services	234	223	4.9	936	922	1.5
Credit card commission charges	91	107	(15.0)	402	433	(7.2)
Foreign exchange loss, net	16	-	100.0	14	18	(22.2)
Government grant	(46)	(15)	206.7	(311)	(132)	135.6
Gain on disposal of fixed assets	(9)	-	N.M.	(9)	(5)	80.0
Loss on disposal of fixed assets	-	1	N.M.	-	36	(100.0)
Operating lease expenses	2,012	1,939	3.8	7,842	7,458	5.1
Packing materials	23	-	100.0	190	211	(10.0)
Plant and equipment written off	19	15	26.7	22	76	(71.1)
Professional fees	134	277	(51.6)	330	432	(23.6)
(Over)/under provision of tax expense in respect of prior years	(220)	(53)	N.M.	(221)	14	N.M.
Utilities	536	528	1.5	2,138	2,015	6.1

**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.**

	<b>Group</b>		<b>Company</b>	
	<b>31.12.2014</b>	<b>31.12.2013</b>	<b>31.12.2014</b>	<b>31.12.2013</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Non-current assets</b>				
Plant and equipment	3,904	4,736	222	344
Investments in subsidiaries	-	-	1,600	1,700
Intangible assets	127	158	116	158
	<b>4,031</b>	<b>4,894</b>	<b>1,938</b>	<b>2,202</b>
<b>Current assets</b>				
Inventories	164	90	-	-
Trade and other receivables	4,214	3,657	2,393	2,844
Current income tax recoverable	134	-	-	-
Cash and cash equivalents	9,125	10,948	6,511	6,684
	<b>13,637</b>	<b>14,695</b>	<b>8,904</b>	<b>9,528</b>
<i>Less:</i>				
<b>Current liabilities</b>				
Trade and other payables	4,538	4,163	1,193	1,842
Provisions	734	679	38	36
Current income tax payable	126	337	12	24
	<b>5,398</b>	<b>5,179</b>	<b>1,243</b>	<b>1,902</b>
<b>Net current assets</b>	<b>8,239</b>	<b>9,516</b>	<b>7,661</b>	<b>7,626</b>
<b>Non-current liabilities</b>				
Deferred tax liabilities	(302)	(237)	(40)	(16)
<b>Net assets</b>	<b>11,968</b>	<b>14,173</b>	<b>9,559</b>	<b>9,812</b>
<b>Equity</b>				
Share capital	6,593	6,593	6,593	6,593
Treasury shares	(2,821)	(1,855)	(2,821)	(1,855)
Translation reserve	(4)	(5)	-	-
Accumulated profits	8,200	9,440	5,787	5,074
<b>Total equity</b>	<b>11,968</b>	<b>14,173</b>	<b>9,559</b>	<b>9,812</b>

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

The Group does not have any borrowings and debt securities.

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

	<b>Group</b>		<b>Group</b>	
	<b>4th Quarter ended 31 December</b>		<b>Financial year ended 31 December</b>	
	<b>2014 S\$'000</b>	<b>2013 S\$'000</b>	<b>2014 S\$'000</b>	<b>2013 S\$'000</b>
<b>Cash flows from operating activities</b>				
Profit before tax	86	496	981	776
<i>Adjustments for:</i>				
Amortisation of intangible assets	16	24	61	25
Amortisation of discount on provision	15	21	15	21
Depreciation of plant and equipment	397	347	1,584	1,646
Interest income	(2)	(3)	(10)	(13)
Gain on disposal of plant and equipment	(9)	-	(9)	(5)
Loss on disposal of plant and equipment	-	1	-	36
Plant and equipment written off	19	15	22	76
Provision for unutilised annual leave	(59)	65	(59)	53
Unrealised foreign exchange loss	10	-	13	10
<b>Operating profit before working capital changes</b>	<b>473</b>	<b>966</b>	<b>2,598</b>	<b>2,625</b>
<i>Working capital changes:</i>				
Inventories	5	(4)	(74)	10
Trade and other receivables	45	(215)	(557)	76
Trade and other payables	637	94	150	(185)
<b>Cash generated from operations</b>	<b>1,160</b>	<b>841</b>	<b>2,117</b>	<b>2,526</b>
Income taxes paid	(61)	7	(349)	(310)
Interest received	2	3	10	13
<b>Net cash from operating activities</b>	<b>1,101</b>	<b>851</b>	<b>1,778</b>	<b>2,229</b>
<b>Cash flows from investing activities</b>				
Proceeds from disposal of plant and equipment	9	1	9	11
Purchases of intangible assets	(11)	(174)	(30)	(174)
Purchases of plant and equipment	(36)	(359)	(463)	(2,326)
<b>Net cash used in investing activities</b>	<b>(38)</b>	<b>(532)</b>	<b>(484)</b>	<b>(2,489)</b>
<b>Cash flows from financing activities</b>				
Dividends paid	-	-	(2,151)	(3,433)
Purchase of treasury shares	(162)	(1,000)	(966)	(1,855)
<b>Net cash used in financing activities</b>	<b>(162)</b>	<b>(1,000)</b>	<b>(3,117)</b>	<b>(5,288)</b>
Net change in cash and cash equivalents	901	(681)	(1,823)	(5,548)
Cash and cash equivalents at the beginning of the financial period/year	8,224	11,629	10,948	16,496
<b>Cash and cash equivalents at the end of the financial period/year</b>	<b>9,125</b>	<b>10,948</b>	<b>9,125</b>	<b>10,948</b>

**1(d)(i) A statement for the issuer and group showing all changes in equity, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

<b>Group</b>	<b>Share capital S\$'000</b>	<b>Treasury shares S\$'000</b>	<b>Translation reserve S\$'000</b>	<b>Accumulated profits S\$'000</b>	<b>Total equity S\$'000</b>
<b>Balance as at 01.01.2014</b>	<b>6,593</b>	<b>(1,855)</b>	<b>(5)</b>	<b>9,440</b>	<b>14,173</b>
Profit for the financial year	-	-	-	911	911
<u>Other comprehensive income for the financial year</u>					
Exchange difference on translating foreign operation	-	-	1	-	1
<b>Total comprehensive income for the financial year</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>911</b>	<b>912</b>
<b><u>Distributions to owners</u></b>					
Dividends	-	-	-	(2,151)	(2,151)
Purchase of treasury shares	-	(966)	-	-	(966)
	-	(966)	-	(2,151)	(3,117)
<b>Balance as at 31.12.2014</b>	<b>6,593</b>	<b>(2,821)</b>	<b>(4)</b>	<b>8,200</b>	<b>11,968</b>
<b>Balance as at 01.01.2013</b>	<b>6,593</b>	<b>-</b>	<b>(13)</b>	<b>12,406</b>	<b>18,986</b>
Profit for the financial year	-	-	-	467	467
<u>Other comprehensive income for the financial year</u>					
Exchange difference on translating foreign operation	-	-	8	-	8
<b>Total comprehensive income for the financial year</b>	<b>-</b>	<b>-</b>	<b>8</b>	<b>467</b>	<b>475</b>
<b><u>Distributions to owners</u></b>					
Dividends	-	-	-	(3,433)	(3,433)
Purchase of treasury shares	-	(1,855)	-	-	(1,855)
	-	(1,855)	-	(3,433)	(5,288)
<b>Balance as at 31.12.2013</b>	<b>6,593</b>	<b>(1,855)</b>	<b>(5)</b>	<b>9,440</b>	<b>14,173</b>

1(d)(i)

Company	Share capital S\$'000	Treasury shares S\$'000	Accumulated profits S\$'000	Total equity S\$'000
<b>Balance as at 01.01.2014</b>	<b>6,593</b>	<b>(1,855)</b>	<b>5,074</b>	<b>9,812</b>
Profit for the financial year, representing total comprehensive income for the financial year	-	-	2,864	2,864
<b><u>Distributions to owners</u></b>				
Dividends	-	-	(2,151)	(2,151)
Purchase of treasury shares	-	(966)	-	(966)
	-	(966)	(2,151)	(3,117)
<b>Balance as at 31.12.2014</b>	<b>6,593</b>	<b>(2,821)</b>	<b>5,787</b>	<b>9,559</b>
<b>Balance as at 01.01.2013</b>	<b>6,593</b>	<b>-</b>	<b>7,528</b>	<b>14,121</b>
Profit for the financial year, representing total comprehensive income for the financial year	-	-	979	979
<b><u>Distributions to owners</u></b>				
Dividends	-	-	(3,433)	(3,433)
Purchase of treasury shares	-	(1,855)	-	(1,855)
	-	(1,855)	(3,433)	(5,288)
<b>Balance as at 31.12.2013</b>	<b>6,593</b>	<b>(1,855)</b>	<b>5,074</b>	<b>9,812</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 share that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

**Treasury Shares**

	Number of shares			
	4th Quarter ended 31 December		Financial year ended 31 December	
	2014	2013	2014	2013
Balance as at the beginning of the financial period/year	12,110,000	4,735,000	8,900,000	-
Purchased during the financial period/year	743,000	4,165,000	3,953,000	8,900,000
Balance as at the end of the financial period/year	<u>12,853,000</u>	<u>8,900,000</u>	<u>12,853,000</u>	<u>8,900,000</u>

During the financial year ended 31 December 2014, the Company purchased a total of 3,953,000 (31 December 2013: 8,900,000) of its ordinary shares by way of on-market purchase for a total consideration of \$1.0 million (31 December 2013: \$1.9 million). These shares were held as treasury shares and were recorded separately in shareholders' equity.

There is no change in the issued and paid up capital of the Company during the financial period/year.

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

	Number of shares	
	As at	
	31.12.2014	31.12.2013
Total number of issued shares	298,500,000	298,500,000
Less: Treasury shares	(12,853,000)	(8,900,000)
Total number of issued shares, excluding treasury shares	<u>285,647,000</u>	<u>289,600,000</u>

- 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.**

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the current financial period reported on.

- 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 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 and the Company have applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial period/year compared with the most recently audited financial statements for the financial year ended 31 December 2013, except for the adoption of all the new and revised Financial Reporting Standards ("FRS") and Interpretations to FRS ("INT FRS") that are relevant to its operations and effective for annual period beginning on 1 January 2014. The adoption of these new and revised FRS and INT FRS did not result in changes to the Group's and the Company's accounting policies.

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

Not applicable.

**6. Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	Group		Group	
	4th Quarter ended 31 December		Financial year ended 31 December	
	2014	2013	2014	2013
(a) Basic earnings per share	0.07 cents	0.11 cents	0.32 cents	0.16 cents
(b) Diluted earnings per share	0.07 cents	0.11 cents	0.32 cents	0.16 cents
(i) Weighted average number of ordinary shares	285,961,587	291,969,065	287,036,745	296,478,767
(ii) Adjusted weighted average number of ordinary shares	285,961,587	291,969,065	287,036,745	296,478,767



**7. Net asset value for the issuer and group per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**

- (a) current financial period reported on; and  
(b) immediately preceding financial year.**

	Group		Company	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
Net asset value per ordinary share based on the total number of issued shares excluding treasury shares at the end of the financial period reported on	4.19 cents	4.89 cents	3.35 cents	3.39 cents
Total number of issued shares excluding treasury shares at the end of the financial period reported on	285,647,000	289,600,000	285,647,000	289,600,000

**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**

The Group's revenue for the financial year ended 31 December 2014 ("FY2014") was \$39.5 million, an increase of \$1.5 million or 3.9% as compared to \$38.0 million for the financial year ended 31 December 2013 ("FY2013"). This was largely attributable to the additional contributions from five new outlets which commenced operations between 2013 and 2014 as well as improved revenue from the existing outlets amounting to \$1.6 million and fast-moving consumer goods business amounting to \$0.3 million. The increase in revenue was partially offset by the loss of revenue from the closure of two outlets when their leases expired during the first half year 2013.

Other income increased by \$0.2 million or 38.3% in FY2014 mainly due to the government grant of \$0.1 million received for the Wage Credit Scheme and Special Employment Credit and \$0.1 million for the Capability Development Grant.

Depreciation and amortisation expenses were maintained at approximately \$1.6 million.

Purchases and other consumables were maintained at 23.3% of revenue. The absence of higher food costs for a new product introduced in FY2013 was offset by higher food costs for the new brands and promotions in FY2014.

Employee benefits expenses increased by \$1.1 million or 8.5% to \$14.3 million in FY2014 as a result of wage revision and increase in casual workers.

Other expenses increased slightly by 0.3% to \$14.0 million in FY2014. The increases were mainly due to increase in operating lease expenses of \$0.4 million and utilities of \$0.1 million, partially offset by decreases in advertising expenses of \$0.3 million and professional fees of \$0.1 million.

As a result, the profit before tax increased by \$0.2 million or 26.4% in FY2014 as compared to FY2013. Earnings per share also increased to 0.32 cents in FY2014.

**(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Non-current assets decreased by \$0.9 million from \$4.9 million as at 31 December 2013 (“FY2013”) to \$4.0 million as at 31 December 2014 (“FY2014”), mainly due to depreciation of plant and equipment amounting to \$1.6 million, partially offset by additions of plant and equipment of \$0.8 million.

Current assets decreased by \$1.1 million from \$14.7 million as at FY2013 to \$13.6 million as at FY2014 mainly due to decrease of \$1.8 million in cash and cash equivalents attributable mainly to payment of final dividend of \$2.1 million and the share buyback of \$1.0 million with higher profit before depreciation and amortisation, partially offset by an increase in trade and other receivables of \$0.6 million.

Current liabilities increased by \$0.2 million from \$5.2 million as at FY2013 to \$5.4 million as at FY2014. The increase in trade and other payables of \$0.4 million was mainly due to outstanding payments to contractors for renovation of existing outlet as at FY2014 and was offset by the decrease in current income tax payable of \$0.2 million attributable mainly to over provision of income tax in prior years.

Total equity decreased by \$2.2 million from \$14.2 million as at FY2013 to \$12.0 million as at FY2014, attributable mainly to payment of final dividend. The Group’s net asset value per share stood at 4.19 cents as at FY2014 compared to 4.89 cents as at FY2013.

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

The Group recorded a better performance in FY2014 as compared to FY2013. However, the Group expects the operating environment in the local food and beverage (“F&B”) industry to remain challenging due to intense competition, tight labour supply and rising business costs.

The Group will continue to review its pricing strategy, enhance its product offerings and customer service in its efforts to stay competitive.

In addition, the Group will step up its efforts to expand its food processing and distribution business.

The Group will stay vigilant in controlling operating costs and improving operational efficiency by streamlining, outsourcing and automating processes so as to enhance productivity and reduce reliance on labour.

**11. Dividend.**

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

<b>Name of dividend</b>	Final
<b>Dividend type</b>	Cash
<b>Dividend per ordinary share</b>	0.75 cent per ordinary share
<b>Tax rate</b>	Tax exempt (one-tier)

- (b) corresponding period of the immediately preceding financial year;  
any dividend declared for the corresponding period of the immediately preceding financial year?**

<b>Name of dividend</b>	Final
<b>Dividend type</b>	Cash
<b>Dividend per ordinary share</b>	0.75 cent per ordinary share
<b>Tax rate</b>	Tax exempt (one-tier)

- (c) date payable; and**

Payment of the one-tier tax-exempt final dividend for the financial year ended 31 December 2014, if approved by the shareholders in the Annual General Meeting, will be made on 22 May 2015.

- (d) books closure date.**

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of Soup Restaurant Group Limited (the "Company") will be closed on 12 May 2015 for the preparation of dividend warrants for one-tier tax-exempt final dividend for the financial year ended 31 December 2014 (the "Dividend").

Duly completed registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623 up to 5.00 p.m. on 11 May 2015 will be registered to determine shareholders' entitlement to the Dividend. Shareholders (being depositors) whose securities accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 11 May 2015 will be entitled to the Dividend.

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

Not applicable.

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

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920(1)(a)(ii).

**PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

**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.**

	Operation of Restaurants		Food Processing, Distribution and Procurement Services		Others		Total	
	FY2014	FY2013	FY2014	FY2013	FY2014	FY2013	FY2014	FY2013
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Total segment revenue	38,892	37,640	7,186	2,660	-	-	46,078	40,300
Inter-segment revenue	(74)	-	(6,509)	(2,280)	-	-	(6,583)	(2,280)
Revenue from external customers	38,818	37,640	677	380	-	-	39,495	38,020
Segment profits/(loss)	763	903	316	128	(108)	(268)	971	763
Depreciation and amortisation	1,469	1,528	176	143	-	-	1,645	1,671
Segment assets/ total assets	14,955	17,801	2,575	1,687	138	101	17,668	19,589
Segment liabilities/ total liabilities	3,950	4,536	1,262	418	488	462	5,700	5,416
Capital expenditure of property, plant and equipment	710	2,466	76	65	-	-	786	2,531
Capital expenditure of intangible assets	26	162	4	12	-	-	30	174

A reconciliation of segment profits to the profit before tax is as follows:

	Group	
	FY2014 S\$'000	FY2013 S\$'000
Segment profits	971	763
Interest income	10	13
Profit before tax	981	776

**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.**

Business Segment

The Group's principal business is in the operation of restaurants which accounted for 98.3% or \$38.9 million of the Group's revenue in FY2014, with an increase in revenue contribution of \$1.2 million as compared to FY2013.

In the financial year under review, the Group has commenced its food processing and distribution business which is in line with its strategy to reduce overheads and costs by vertical integration as well as widen the distribution network for its fast-moving consumer goods business. Food processing, distribution and procurement services segment accounted for 1.7% or \$0.7 million of the Group's revenue in FY2014.

Others refer to investment holding companies.

Please refer to paragraph 8 for a detailed commentary of the Group's financial performance in FY2014.

Geographical Segments

The Group's operations are mainly located in Singapore except for the Malaysia which is considered insignificant in the current and prior financial year.

**16. A breakdown of sales.**

	<b>Group</b>		<b>Increase/ (Decrease) %</b>
	<b>Financial Year Ended 31.12.2014 S\$'000</b>	<b>31.12.2013 S\$'000</b>	
(a) Sales reported for first half year	19,812	18,849	5.1
(b) Operating profit after income tax before deducting minority interests reported for first half year	681	150	354.0
(c) Sales reported for second half year	19,683	19,171	2.7
(d) Operating profit after tax before deducting minority interests reported for second half year	230	317	(27.4)

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

<b>Type of dividend</b>	<b>Total annual dividend</b>	
	<b>Financial Year Ended 31 Dec 2014 S\$</b>	<b>2013 S\$</b>
Special	-	-
Interim	-	-
Final *	<u>2,142,353</u>	<u>2,151,308</u>
<b>Total ordinary</b>	<u><b>2,142,353</b></u>	<u><b>2,151,308</b></u>

\* Proposed final dividend for FY2014 is estimated based on the number of shares (excluding treasury shares) outstanding as at the end of the financial year.

- 18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

<b>Name</b>	<b>Age</b>	<b>Family relationship with any director, chief executive officer and/or substantial shareholder</b>	<b>Current position and duties, and the year the position was held</b>	<b>Details of changes in duties and position held, if any, during the year</b>
Toh Yen Sang	42	Sister-in-law of Mok Yip Peng, Managing Director	Chief Financial Officer and Company Secretary since 1 August 2012, overseeing the Group's accounting and financing functions.	Not applicable

**BY ORDER OF THE BOARD**

**TOH YEN SANG**  
Company Secretary  
25 February 2015