


**HAI LECK HOLDINGS LIMITED**

(Company Registration No. : 199804461D)

**FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT**
**FOR THE YEAR AND FOURTH QUARTER ENDED 30 JUNE 2014**
**PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2, Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS**
**1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year**

	Group			Group		
	4Q14 \$'000	4Q13 \$'000	Change %	FY14 \$'000	FY13 \$'000	Change %
<b>Revenue</b>	33,904	36,798	(7.9)	135,409	143,074	(5.4)
Less:						
Cost of sales	(14,658)	(22,701)	(35.4)	(68,602)	(90,357)	(24.1)
Other income	26	323	(92.0)	1,151	4,655	(75.3)
Distribution and selling expenses	(96)	(222)	(56.8)	(675)	(1,107)	(39.0)
Administrative expenses	(11,076)	(7,908)	40.1	(42,111)	(35,202)	19.6
Other operating expenses	(1,309)	(1,433)	(8.7)	(5,118)	(5,344)	(4.2)
Interest expense	-	-	n.m.	(1)	(1)	-
<b>Profit before taxation</b>	<b>6,791</b>	<b>4,857</b>	<b>39.8</b>	<b>20,053</b>	<b>15,718</b>	<b>27.6</b>
Taxation	(248)	51	n.m.	(2,633)	(1,725)	52.6
<b>Profit for the period</b>	<b>6,543</b>	<b>4,908</b>	<b>33.3</b>	<b>17,420</b>	<b>13,993</b>	<b>24.5</b>
<b>Attributable to:</b>						
Equity holders of the Company	6,543	4,908	33.3	17,420	13,993	24.5
<b>Net profit included the following:</b>						
	Group			Group		
	4Q14 \$'000	4Q13 \$'000		FY14 \$'000	FY13 \$'000	
Interest income	26	27		161	79	
Interest expense	-	-		(1)	(1)	
Foreign exchange gain/(loss), net	17	(112)		27	(77)	
Gain on disposal of property, plant and equipment	85	154		73	84	
Amortisation of intangible assets	3	(12)		(35)	(78)	
Depreciation of property, plant and equipment	(1,322)	(1,205)		(5,073)	(4,621)	
Write back of allowance for doubtful debts	-	-		-	1,605	
Realised item on redemption of investment	-	200		-	200	
<b>Consolidated statement of comprehensive income</b>						
	Group			Group		
	4Q14 \$'000	4Q13 \$'000		FY14 \$'000	FY13 \$'000	
<b>Profit for the period</b>	<b>6,543</b>	<b>4,908</b>		<b>17,420</b>	<b>13,993</b>	
<b>Other comprehensive income:</b>						
<u>Items that may be reclassified to profit and loss</u>						
Net charge in fair value of available-for-sale financial assets	-	(32)		-	(32)	
Transfer to profit and loss account on redemption of investment	-	(200)		-	(200)	
Foreign currency translation	-	(66)		(233)	7	
<b>Other comprehensive income for the period</b>	<b>-</b>	<b>(298)</b>		<b>(233)</b>	<b>(225)</b>	
<b>Total comprehensive income for the period</b>	<b>6,543</b>	<b>4,610</b>		<b>17,187</b>	<b>13,768</b>	
<b>Total comprehensive income attributable to:</b>						
Equity holders of the Company	6,543	4,610		17,187	13,768	

**Note:**

FY13: Financial year ended 30 June 2013

FY14: Financial year ended 30 June 2014

4Q13: The 4th quarter ended 30 June 2013

4Q14: The 4th quarter ended 30 June 2014

n.m. denotes not meaningful

EPC: engineering, procurement and construction

1(b)(i) A statement of financial position (for the issuer and the group), together with a comparative statement as at the end of the immediately preceding financial year

	<b>Group</b>		<b>Company</b>	
	30.6.2014 \$'000	30.6.2013 \$'000	30.6.2014 \$'000	30.6.2013 \$'000
<b>Non-current assets:</b>				
Property, plant and equipment	48,562	39,885	344	-
Investments in subsidiary companies	-	-	36,758	30,958
Loan due from subsidiary companies	-	-	19,561	21,961
Intangible assets	260	293	-	-
Customer retention	153	5,873	-	-
Deposits	-	74	-	-
	<u>48,975</u>	<u>46,125</u>	<u>56,663</u>	<u>52,919</u>
<b>Current assets:</b>				
Inventories	2,065	794	-	-
Trade receivables	36,444	30,199	-	-
Other receivables and deposits	5,718	1,888	78	3
Prepayments	1,131	799	17	9
Amounts due from subsidiary companies - trade	-	-	1,593	2,263
Other investments	189	200	-	-
Gross amount due from customers for contract work-in-progress	-	1,376	-	-
Fixed deposits pledged	366	366	-	-
Cash and cash equivalents	57,633	60,790	26,816	29,905
	<u>103,546</u>	<u>96,412</u>	<u>28,504</u>	<u>32,180</u>
<b>Current liabilities:</b>				
Trade and other payables	23,730	24,576	1,115	1,015
Advances from customers	-	838	-	-
Amounts due to subsidiary companies - non-trade	-	-	22	16
Gross amount due to customers for contract work-in-progress	-	2,600	-	-
Provision for taxation	2,966	2,871	-	221
Provision for warranty	2,992	2,326	-	-
	<u>29,688</u>	<u>33,211</u>	<u>1,137</u>	<u>1,252</u>
<b>Net current assets</b>	<u>73,858</u>	<u>63,201</u>	<u>27,367</u>	<u>30,928</u>
<b>Non-current liabilities:</b>				
Deferred taxation	1,832	1,728	20	-
Other payables	-	51	-	-
Supplier retention	-	1,758	-	-
	<u>1,832</u>	<u>3,537</u>	<u>20</u>	<u>-</u>
<b>Net assets</b>	<u>121,001</u>	<u>105,789</u>	<u>84,010</u>	<u>83,847</u>
<b>Equity attributed to equity holders of the Company</b>				
Share capital	62,785	48,859	62,785	48,859
Treasury shares	(160)	(160)	(160)	(160)
Capital reserve	1,209	5,065	1,209	5,065
Accumulated profits	57,728	52,353	20,176	30,083
Translation reserve	(561)	(328)	-	-
<b>Total equity</b>	<u>121,001</u>	<u>105,789</u>	<u>84,010</u>	<u>83,847</u>

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year

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

	30.6.2014		30.6.2013	
	\$'000	\$'000	\$'000	\$'000
Finance lease liabilities	Secured	Unsecured	Secured	Unsecured
	-	-	-	-

**Amount repayable after one year**

	30.6.2014		30.6.2013	
	\$'000	\$'000	\$'000	\$'000
Finance lease liabilities	Secured	Unsecured	Secured	Unsecured
	-	-	-	-

**Details of any collateral**

Not applicable

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

**Consolidated Statement of Cash Flows**

	Group		Group	
	4Q14 \$'000	4Q13 \$'000	FY14 \$'000	FY13 \$'000
<b>Cash flows from operating activities:</b>				
Profit before taxation	6,791	4,857	20,053	15,718
Adjustments for:				
Depreciation of property, plant and equipment	1,322	1,205	5,073	4,621
Amortisation of intangible assets	5	12	35	78
Gain on disposal of property, plant and equipment	(61)	(17)	(73)	(84)
Realised return on redemption of investment	-	(200)	-	(200)
Unrealised exchange loss/(gain)	2	(65)	(228)	12
Provision for warranty	666	573	666	573
Interest income	(26)	(27)	(161)	(79)
Interest expense	1	-	1	1
Operating cash flows before working capital changes	<u>8,700</u>	<u>6,338</u>	<u>25,366</u>	<u>20,640</u>
<i>Increase in:</i>				
Customer retention, trade and other receivables and prepayments	(3,158)	(4,007)	(4,613)	(13,125)
Inventories	(1,292)	(147)	(1,271)	(375)
<i>(Decrease)/Increase in:</i>				
Trade and other payables and advances from customers	(1,506)	2,178	(3,442)	(92)
Gross amount due from/(to) customers for contract work-in-progress, net	<u>1,100</u>	<u>1,983</u>	<u>(1,224)</u>	<u>2,494</u>
Cash generated from operations	<u>3,844</u>	<u>6,345</u>	<u>14,816</u>	<u>9,542</u>
Tax (paid)/refund	(318)	600	(2,434)	(87)
Net cash flows generated from operating activities	<u>3,526</u>	<u>6,945</u>	<u>12,382</u>	<u>9,455</u>
<b>Cash flows from investing activities:</b>				
Interest received	26	27	161	79
Purchase of property, plant and equipment	(6,244)	(1,446)	(13,899)	(2,431)
Proceeds from redemption of investment	-	1,000	-	1,000
Proceeds from disposal of property, plant and equipment	79	141	175	141
Net cash flows used in investing activities	<u>(6,139)</u>	<u>(278)</u>	<u>(13,563)</u>	<u>(1,211)</u>
<b>Cash flows from financing activities:</b>				
Net proceeds from issue of new shares	16	24	10,057	24
Proceeds from issue of new warrants	201	1	201	4,056
Expenses incurred for new warrants	(188)	-	(188)	(138)
Interest paid	(1)	-	(1)	(1)
Repayment of finance lease obligations	-	-	-	(3)
Increase in fixed deposits pledged	-	(94)	-	(94)
Dividend paid	-	-	(12,045)	-
Net cash flows generated from/(used in) financing activities	<u>28</u>	<u>(69)</u>	<u>(1,976)</u>	<u>3,844</u>
Net (decrease)/increase in cash and cash equivalents	(2,585)	6,598	(3,157)	12,088
Cash and cash equivalents at beginning of period	<u>60,218</u>	<u>54,192</u>	<u>60,790</u>	<u>48,702</u>
<b>Cash and cash equivalents at end of period</b>	<u><u>57,633</u></u>	<u><u>60,790</u></u>	<u><u>57,633</u></u>	<u><u>60,790</u></u>

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

**Statements of changes in equity**

**For year ended 30 June 2014**

<b>Group</b>	Share capital \$'000	Treasury shares \$'000	Capital reserve \$'000	Accumulated profits \$'000	Fair value reserve \$'000	Translation reserve \$'000	Total equity \$'000
At 1 July 2012	48,826	(160)	1,156	38,360	232	(335)	88,079
Profit net of tax	-	-	-	13,993	-	-	13,993
Other comprehensive income for the period	-	-	-	-	(232)	7	(225)
Total comprehensive income for the period	-	-	-	13,993	(232)	7	13,768
Issuance of ordinary shares	33	-	(9)	-	-	-	24
Issuance of warrants	-	-	4,056	-	-	-	4,056
Warrants issue expenses	-	-	(138)	-	-	-	(138)
Balance at 30 June 2013	48,859	(160)	5,065	52,353	-	(328)	105,789
At 1 July 2013	48,859	(160)	5,065	52,353	-	(328)	105,789
Profit net of tax	-	-	-	17,420	-	-	17,420
Other comprehensive income for the period	-	-	-	-	-	(233)	(233)
Total comprehensive income for the period	-	-	-	17,420	-	(233)	17,187
Issuance of ordinary shares	13,926	-	(3,869)	-	-	-	10,057
Issuance of warrants	-	-	201	-	-	-	201
Expenses incurred for new warrants	-	-	(188)	-	-	-	(188)
Dividend on ordinary shares	-	-	-	(12,045)	-	-	(12,045)
Balance at 30 June 2014	62,785	(160)	1,209	57,728	-	(561)	121,001
<b>Company</b>	Share capital \$'000	Treasury shares \$'000	Capital reserve \$'000	Accumulated profits \$'000	Total \$'000		
At 1 July 2012	48,826	(160)	1,156	16,428	66,250		
Total comprehensive income for the period	-	-	-	13,655	13,655		
Issuance of ordinary shares	33	-	(9)	-	24		
Issuance of warrants	-	-	4,056	-	4,056		
Expenses incurred for new warrants	-	-	(138)	-	(138)		
Balance at 30 June 2013	48,859	(160)	5,065	30,083	83,847		
At 1 July 2013	48,859	(160)	5,065	30,083	83,847		
Total comprehensive income for the period	-	-	-	2,138	2,138		
Issuance of ordinary shares	13,926	-	(3,869)	-	10,057		
Issuance of warrants	-	-	201	-	201		
Expenses incurred for new warrants	-	-	(188)	-	(188)		
Dividend on ordinary shares	-	-	-	(12,045)	(12,045)		
Balance at 30 June 2014	62,785	(160)	1,209	20,176	84,010		

1(d)(ii) Details of any changes in the company's share capital arising from right issue, bonus issue, share buy-back, 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 previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

2012 Warrants

On 7 January 2013, the Company had allotted and issued the Warrants ("2012 Warrants") pursuant to the Warrants Issue. The 81,114,750 2012 Warrants were listed and quoted on the Official List of SGX-ST on 9 January 2013. The New Shares arising from the exercise of the Warrants will be listed and quoted on the Official List of SGX-ST.

Since 1 July 2013, 77,362,500 2012 Warrants were exercised to acquire 77,362,500 New Shares. As of 30 June 2014, 3,528,250 2012 Warrants are outstanding.

2013 Warrants

On 14 May 2014, the Company had allotted and issued the Warrants ("2013 Warrants") pursuant to the Warrants Issue. The 200,990,250 2013 Warrants were listed and quoted on the Official List of SGX-ST on 16 May 2014. The New Shares arising from the exercise of the Warrants will be listed and quoted on the Official List of SGX-ST.

Since 16 May 2014, none of the 2013 Warrants were exercised. As of 30 June 2014, 200,990,250 2013 Warrants are outstanding.

In view of the above, the changes in the Company's share capital are as follows:-

**Issued and paid up capital**

As at beginning of financial year

Share issued pursuant to the exercise of Warrants

At 30 June 2014

**Treasury shares**

As at beginning of financial year

Share buy-back

At 30 June 2014

Total shares excluding treasury shares as at end of year

FY14		FY13	
No of shares	\$'000	No of shares	\$'000
325,283,000	48,859	325,099,000	48,826
77,362,500	13,926	184,000	33
402,645,500	62,785	325,283,000	48,859
640,000	160	640,000	160
-	-	-	-
640,000	160	640,000	160
402,005,500	62,625	324,643,000	48,699

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

As at 30 June 2014, the total number of issued ordinary shares (excluding treasury shares) was 402,005,500 (30 June 2013: 324,643,000).

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

Not applicable.

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

The figures have not been audited nor reviewed.

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**

The Group has adopted the same accounting policies and methods of computation in the financial statements for the current financial period as those applied for the most recent audited financial statements for the year ended 30 June 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**

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	
	4Q14	4Q13	FY14	FY13
Profit attributable to ordinary equity holders of the Company (\$'000)	6,543	4,908	17,420	13,993
Weighted average number of ordinary shares in issue (excluding treasury shares) applicable to basic earnings per share('000)	401,997	324,524	400,210	324,476
Weighted average number of ordinary shares in issue (excluding treasury shares) applicable to diluted earnings per share('000)	404,098	359,382	403,178	337,989
Earnings per share -				
Basic (cents)	1.6	1.5	4.4	4.3
Fully diluted (cents)	1.6	1.4	4.3	4.1

**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	
	30.6.2014	30.6.2013	30.6.2014	30.6.2013
Net asset value (\$'000)	121,001	105,789	84,010	83,847
Number of ordinary shares in issue (excluding treasury shares) at end of period ('000)	402,006	324,643	402,006	324,643
Net asset value per ordinary share based on the number of shares in issue (excluding treasury shares) at end of period (cents)	30.1	32.6	20.9	25.8

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

## Review of Financial Results

### Results for the year and fourth quarter ended 30 June 2014

#### Revenue

Quarter-on-quarter, revenue decreased by \$2.9 million in 4Q14. This was mainly due to:

1. Several projects and maintenance services were in the preliminary stages.
2. Some projects were completed and the finalisations of account were being concluded.

Revenue for FY14 decreased by 5.4% or \$7.7 million to \$135.4 million compared to \$143.1 million recorded in FY13. The decrease was due to the above reasons.

#### Cost of sales

For FY14, cost of sales decreased by 24.1% or \$21.8 million to \$68.6 million as compared to \$90.4 million in FY13. The decrease in cost of sales was mainly due to the decrease in usage of materials and manpower when the projects were in the preliminary stage.

Quarter-on-quarter, cost of sales decreased by \$8.0 million to \$14.7 million in 4Q14 compared to \$22.7 million in 4Q13. The decrease was mainly due to the similar reason mentioned above.

#### Other income

Other income comprises mainly of interest income, miscellaneous income earned from non-core businesses, safety and performance incentives as well as jobs credit grant and special employment credit. This also includes items such as gain on disposal of property, plant and equipment. Other income amounted to \$0.1 million and \$1.2 million for 4Q14 and FY14 respectively. The decrease for FY14 was due mainly to absence of allowance for doubtful debt written back upon collection of debt and a waiver of directors' bonus entitlement in FY13.

#### Operating expenses

Operating expenses consist of distribution and selling expenses, administrative expenses and other operating expenses, including depreciation, amortisation and exchange differences.

For FY14, operating expenses increased by 15.0% or \$6.3 million to \$48.0 million as compared to S\$41.7 million in FY13. The increase was due to the increase in technical and administrative staff as the Group geared up the EPC business, as well as more dormitories are needed to house the foreign labour.

Operating expenses in 4Q14 increased by 30.5% or \$2.9 million. The increase in this quarter was due to the above reason.

#### Taxation

The lower effective tax rate of 3.7% in 4Q14 compared to the statutory tax rate of 17% was mainly due to Productivity and Innovation Credits ("PIC") claimed during the quarter as the Group acquired more computerised equipment.

The effective tax rate for FY14 was 13.1% as compared to the statutory tax rate was due to the above reason.

#### Profit attributable to equity holders of the Company

The profit attributable to equity holders for FY14 increased by \$3.4 million to \$17.4 million compared to FY13.

For 4Q14, the profit attributable to equity holders increased \$1.6 million to \$6.5 million.

The current results are in line with the Group's commentary in paragraph 10 of the previous results announcement dated 12 May 2014.



## Review of Financial Position

### Non-current assets

Non-current assets of the Group increased by 6.2% or \$2.9 million, from \$46.1 million as at 30 June 2013 to \$49.0 million as at 30 June 2014. This Increase is mainly due to an increase in investment in property, plant and equipment, which set off with customers' retention monies became receivable and reclassified as current assets.

### Current assets

Current assets increased by 7.7% or \$7.4 million, from \$96.4 million as at 30 June 2013 to \$103.8 million as at 30 June 2014. This was mainly due to an increase in trade receivables, resulting from the reclassification, mentioned above.

### Current liabilities

Current liabilities comprise of payables to suppliers of materials and equipment and subcontractors, other payables, advances from customers, provision for warranty as well as tax provision. Current liabilities decreased by 9.7% or \$3.2 million, from \$33.2 million as at 30 June 2013 to \$30.0 million as at 30 June 2014, mainly due to a decrease in gross amount due to customers for contract work-in-progress as a significant project has been finalised.

### Non-current liabilities

Non-current liabilities amounted to \$1.8 million as at 30 June 2014, a decrease of \$1.7 million as compared to that of 30 June 2013. The decrease was due to suppliers' retention monies became payable and reclassified as current liability.

## Utilisation of Warrant Issue Proceeds

### 2012 Warrants

On 7 January 2013, the Company had allotted and issued 81,114,750 Warrants and raised net proceeds of \$3.9 million for business expansion and working capital.

As at 30 June 2014, the Group has applied S\$0.5 million of the proceeds for business expansion and S\$3.4 million as working capital in accordance with the announcement dated 4 January 2013.

From 7 January 2013 to 30 June 2014, 77,546,500 warrants were exercised for 77,546,500 new Shares. The Company raised net proceeds of about \$10.1 million, which was used to acquire property, plant and equipment for business expansion.

### 2013 Warrants

On 16 May 2014, the Company had allotted and issued 200,990,250 Warrants and raised net proceeds of \$13,000 for general working capital. The amount was applied in accordance with announcement dated 2 May 2014.

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

Hai Leck Group has not made any forecast.

## 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 outlook remains uncertain due to the weak global economy, keen competition and higher operating costs in particular manpower costs in a tight labour market. Nevertheless, with new initiatives introduced by the Government, the Group continues its efforts to improve its quality by investing in plant and equipment, as well as providing training programme to employees.

With these measures in place, the Group will continue to be vigilant in its operations and to pursue new markets and business opportunities.

**11 Dividend**

**(a) Current financial period reported on**

**Any dividend declared for the current financial period reported on?**

Final dividend

Name of Dividend	Final dividend
Dividend Type	Cash
Dividend Rate	1 cent per ordinary share (one-tier tax exempt)

Special dividend

Name of Dividend	Special dividend
Dividend Type	Cash
Dividend Rate	2 cents per ordinary share (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?**

Final dividend

Name of Dividend	First and final dividend
Dividend Type	Cash
Dividend Rate	2 cents per ordinary share (one-tier tax exempt)

**(c) Date payable**

To be announced later.

**(d) Books closure date**

To be announced later.

**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 interested persons transactions ("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**

Not applicable

**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**

**a. By business segments**

<u>Revenue by business segment</u>	Project Services		Maintenance Services		Tele-centre Services		Elimination		Group FY14 \$'000	Group FY13 \$'000
	Group FY14 \$'000	Group FY13 \$'000	Group FY14 \$'000	Group FY13 \$'000	Group FY14 \$'000	Group FY13 \$'000	Group FY14 \$'000	Group FY13 \$'000		
	<u>Revenue</u>									
External customers	86,930	91,744	42,205	46,019	6,274	5,311	-	-	135,409	143,074
Inter-segment	18,050	13,220	9,360	5,332	-	-	(27,410)	(18,552)	-	-
	<u>104,980</u>	<u>104,964</u>	<u>51,565</u>	<u>51,351</u>	<u>6,274</u>	<u>5,311</u>	<u>(27,410)</u>	<u>(18,552)</u>	<u>135,409</u>	<u>143,074</u>
<u>Results</u>										
Interest income	108	52	48	26	4	1	-	-	160	79
Depreciation and amortisation	3,242	3,170	1,565	1,130	300	259	-	140	5,107	4,699
Segment profit before tax	11,467	27,691	10,333	11,190	1,210	595	(2,957)	(23,758)	20,053	15,718
<u>Assets</u>										
Additions to non-current assets	8,983	1,393	4,570	596	379	442	-	-	13,932	2,431
Segment assets	154,819	146,204	74,566	59,489	9,919	4,635	(86,783)	(67,794)	152,521	142,534
<u>Segment liabilities</u>	52,050	44,917	17,386	17,492	1,735	880	(39,651)	(26,541)	31,520	36,748

**b) by geographical segments**

	Revenue		Non-current assets	
	Group FY14 \$'000	Group FY13 \$'000	Group FY14 \$'000	Group FY13 \$'000
	Singapore	130,777	138,686	47,972
Others	4,632	4,388	1,003	826
Total	<u>135,409</u>	<u>143,074</u>	<u>48,975</u>	<u>40,178</u>

**15 In the review of performance, the factors leading to any material changes in the contribution to turnover and earning by business or geographical segments**

There were no factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

**16 A breakdown of sales**

	<b>Group</b>		
	Group FY14 \$'000	Group FY13 \$'000	Change %
Sales reported for first half year	72,132	64,618	11.6
Operating profit after tax before deducting minority interest for first half year	7,000	5,671	23.4
Sales reported for second half year	63,277	78,456	(19.3)
Operating profit after tax before deducting minority interest for second half year	10,420	8,322	25.2

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

	<b>Group</b>	
	Group FY14 \$'000	Group FY13 \$'000
Ordinary	12,045	-

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). If there is no such persons, the issuer must make an appropriate negative statements**

Name	Age	Family relationship with any director and/or chief executive officer 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
Cheng Buck Poh @ Chng Bok Poh	71	Mr Cheng Yao Tong, Ms Cheng Li Hui and Ms Cheng Li Chen are the children of Mr Cheng Buck Poh @ Chng Bok Poh, Executive Chairman and Substantial Shareholder of the Company.	Executive Chairman 1998 Responsible for charting and reviewing corporate directions and strategies for the Group and subsidiaries.	N.A.
Cheng Yao Tong	32	Son of Mr Cheng Buck Poh @ Chng Bok Poh, Executive Chairman and Substantial Shareholder of the Company and Mdm Goo Guik Bing @ Goh Guik Bing, Substantial Shareholder of the Company.	Chief Executive Officer and Executive Director 2012 Responsible for overseeing management and development of the Group's businesses, locally and overseas, and is also responsible for sales and marketing for the Group's businesses.	N.A.
Cheng Li Hui	38	Daughter of Mr Cheng Buck Poh @ Chng Bok Poh, Executive Chairman and Substantial Shareholder of the Company and Mdm Goo Guik Bing @ Goh Guik Bing, Substantial Shareholder of the Company.	Deputy CEO and Executive Director 2012 Assists the Chief Executive Officer in overseeing the daily operations of the Group with regard to its scaffolding, corrosion prevention, insulation and refractory as well as its maintenance businesses locally.	N.A.
Cheng Li Chen	40	Daughter of Mr Cheng Buck Poh @ Chng Bok Poh, Executive Chairman and Substantial Shareholder of the Company and Mdm Goo Guik Bing @ Goh Guik Bing, Substantial Shareholder of the Company	Non-Executive Director 2012 Provide oversight & value added input to strategy and strategic development	N.A.
Cheng Wee Ling	35	Daughter of Mr Cheng Buck Poh @ Chng Bok Poh, Executive Chairman and Substantial Shareholder of the Company and Mdm Goo Guik Bing @ Goh Guik Bing, Substantial Shareholder of the Company	Executive Director of Tele-centre Services Pte. Ltd. ("Tele-centre") 2014 Responsible for sales and marketing, as well as the daily operations of Tele-centre	N.A.

By order of the Board

Cheng Yao Tong  
Chief Executive Officer  
25 August 2014