



**Unaudited Financial Statements and Dividend Announcement for the Fourth Quarter and Full Year Ended 31 December 2012**

**PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), HALF-YEAR AND FULL YEAR RESULTS**

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

	The Group					
	4 <sup>th</sup> quarter ended 31 December		Changes %	12 months ended 31 December		Changes %
	2012 S\$'000	2011 S\$'000		2012 S\$'000	2011 S\$'000	
Revenue	5,099	11,587	(55.99)	12,267	29,502	(58.42)
Cost of sales	(4,624)	(8,080)	(42.77)	(10,999)	(22,614)	(51.36)
Gross profit	475	3,507	(86.46)	1,268	6,888	(81.59)
Other operating income	47	36	30.56	359	122	194.26
Expenses:						
Distribution	(126)	(183)	(31.15)	(461)	(693)	(33.48)
Administrative	(1,185)	(978)	21.17	(3,773)	(2,861)	31.88
Other operating	(2,806)	(659)	325.80	(3,371)	(1,974)	70.77
Finance	(125)	(164)	(23.78)	(492)	(168)	192.86
	(4,242)	(1,984)		(8,097)	(5,696)	
(Loss)/Profit before income tax <sup>1</sup>	(3,720)	1,559	(338.61)	(6,470)	1,314	(592.39)
Income tax refund/(paid)	(12)	(72)	N.m.	61	(72)	N.m.
<b>Net (loss)/profit for the financial period</b>	<b>(3,732)</b>	<b>1,487</b>	<b>(350.98)</b>	<b>(6,409)</b>	<b>1,242</b>	<b>(616.02)</b>
Other comprehensive (loss)/income, net of tax:						
Currency translation differences arising from consolidation	30	55	N.m.	(44)	49	N.m.
<b>Total comprehensive (loss)/profit for the financial period</b>	<b>(3,702)</b>	<b>1,542</b>	<b>(340.08)</b>	<b>(6,453)</b>	<b>1,291</b>	<b>(599.85)</b>
Net (loss)/profit attributable to:						
Equity holders of the Company	(3,131)	1,291	(342.53)	(5,444)	1,195	(555.56)
Non-Controlling interest	(601)	196	(406.63)	(965)	47	(2,153.19)
	<b>(3,732)</b>	<b>1,487</b>	<b>(350.98)</b>	<b>(6,409)</b>	<b>1,242</b>	<b>(616.02)</b>
Total comprehensive (loss)/profit attributable to:						
Equity holders of the Company	(3,115)	1,319	(336.16)	(5,466)	1,220	(548.03)
Non-Controlling interest	(587)	223	(363.23)	(987)	71	(1,490.14)
	<b>(3,702)</b>	<b>1,542</b>	<b>(340.08)</b>	<b>(6,453)</b>	<b>1,291</b>	<b>(599.85)</b>

N.m: Not meaningful

### 1(a)(i) Other disclosures to Group Income Statement

	4 <sup>th</sup> quarter ended 31 December		12 months ended 31 December		
	2012 S\$'000	2011 S\$'000	2012 S\$'000	2011 S\$'000	
<u>Note 1</u>					
	(Loss)/Profit before income tax has been arrived at after charging / (crediting):				
1.a:	Allowances for impairment of trade receivables	3	14	106	391
1.b:	Amortisation of intellectual properties	62	53	251	83
1.c:	Depreciation of plant and equipment	(7)	241	609	610
1.d:	Fair value loss/(gain) on financial assets, at fair value through profit or loss	1	6	(7)	6
1.e:	Foreign exchange (gain)/loss (net )	(19)	214	(46)	255
1.f:	Gain on disposal of plant and equipment	-	-	(43)	(4)
1.g:	Impairment of intangible assets	(2,417)	-	(2,417)	-
1.h:	Interest income	(17)	(10)	(61)	(54)
1.i:	Inventories written off	-	22	-	22
1.j:	Plant and equipment written off	28	-	60	-
1.k:	Realised loss on derivative financial instruments	-	432	-	348
1.l:	Reversal of write down of inventories	(57)	(116)	(57)	(116)
1.m:	Unrealised fair value (gain)/loss on derivative financial instruments	-	(144)	-	315
1.n:	Write down of inventories	23	76	321	124

**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**

	The Group		The Company	
	31/12/2012 S\$'000	31/12/2011 S\$'000	31/12/2012 S\$'000	31/12/2011 S\$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and bank balances	14,910	12,535	14,212	9,575
Derivative financial instruments	-	41	-	-
Financial assets, at fair value through profit or loss	14	5	-	-
Trade receivables	11,417	20,699	740	286
Other receivables and other current assets	1,252	1,640	6,047	5,655
Inventories	3,761	2,835	-	-
Due from customers on construction contracts	993	361	-	-
	<u>32,347</u>	<u>38,116</u>	<u>20,999</u>	<u>15,516</u>
<b>Non-current assets</b>				
Other receivables	441	394	3	3,120
Investment in subsidiaries	-	-	5,553	7,150
Intangible assets	2,146	4,983	-	-
Plant and equipment	2,019	1,963	426	457
	<u>4,606</u>	<u>7,340</u>	<u>5,982</u>	<u>10,727</u>
<b>Total assets</b>	<b><u>36,953</u></b>	<b><u>45,456</u></b>	<b><u>26,981</u></b>	<b><u>26,243</u></b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade payables	3,022	5,709	1	5
Other payables	3,352	2,334	348	265
Other liability	3,322	-	3,322	-
Derivative financial instruments	-	356	-	-
Borrowings	275	6	55	-
Current tax liabilities	40	72	-	-
Due to customers on construction contracts	3,441	1,452	-	-
Provision for warranty	1,875	1,585	-	-
	<u>15,327</u>	<u>11,514</u>	<u>3,726</u>	<u>270</u>
<b>Non-current liabilities</b>				
Borrowings	69	-	69	-
Other payable	-	2,497	-	-
Other liability	-	3,076	-	3,076
	<u>69</u>	<u>5,573</u>	<u>69</u>	<u>3,076</u>
<b>Total liabilities</b>	<b><u>15,396</u></b>	<b><u>17,087</u></b>	<b><u>3,795</u></b>	<b><u>3,346</u></b>
<b>NET ASSETS</b>	<b><u>21,557</u></b>	<b><u>28,369</u></b>	<b><u>23,186</u></b>	<b><u>22,897</u></b>
<b>EQUITY</b>				
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital	48,196	48,196	48,196	48,196
Reserves	(27,329)	(21,196)	(25,010)	(25,299)
	<u>20,867</u>	<u>27,000</u>	<u>23,186</u>	<u>22,897</u>
Non-controlling interest	690	1,369	-	-
<b>Total equity</b>	<b><u>21,557</u></b>	<b><u>28,369</u></b>	<b><u>23,186</u></b>	<b><u>22,897</u></b>

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

Amount repayable in one year or less, or on demand

As at 31/12/2012		As at 31/12/2011	
Secured	Unsecured	Secured	Unsecured
S\$275,000	-	S\$6,000	-

Amount repayable after one year

As at 31/12/2012		As at 31/12/2011	
Secured	Unsecured	Secured	Unsecured
S\$69,000	-	-	-

**Details of any collateral**

The borrowings are secured over:

- (i) fixed deposits of S\$7,041,000 (31/12/2011: S\$5,007,000);
- (ii) motor vehicles with net book value amounting to S\$203,000 (31/12/2011: S\$83,000);  
and
- (iii) corporate guarantees provided by the Company amounting to S\$Nil (31/12/2011: S\$6,000).

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

	The Group			
	4 <sup>th</sup> quarter ended		12 months ended	
	31 December		31 December	
	2012	2011	2012	2011
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Cash Flow from Operating Activities</b>				
(Loss)/Profit before income tax	(3,720)	1,559	(6,470)	1,314
Adjustments for:				
Amortisation of intellectual properties	62	53	251	83
Depreciation of plant and equipment	(7)	241	609	610
Plant and equipment written off	28	-	60	-
Gain on disposal of plant and equipment	-	-	(43)	(4)
Impairment of intangible assets	2,417	-	2,417	-
Interest expense	125	164	492	168
Interest income	(17)	(10)	(61)	(54)
Unrealised fair value (loss)/gain on derivative financial instruments	-	(144)	-	315
Unrealised foreign exchange (loss)/gain	(3)	189	(119)	189
Operating cash flow before working capital changes	(1,115)	2,052	(2,864)	2,621
Movement in working capital				
Changes in inventories and construction contracts	266	(1,530)	431	(10)
Changes in trade, other receivables and other current assets	(698)	(3,842)	9,623	(6,156)
Changes in financial assets, at fair value through profit or loss	1	(68)	(9)	6
Changes in trade, other payables and provision for warranty	750	4,947	(2,569)	3,689
Cash (used in)/generated from operations	(796)	1,559	4,612	150
Interest received	17	10	61	54
Interest paid	(8)	(1)	(15)	(5)
Income tax paid	(1)	-	(44)	-
Income tax refund	-	-	73	-
Net cash (used in)/generated from operating activities	(788)	1,568	4,687	199
<b>Cash Flows from Investing Activities</b>				
Net cash outflow on acquisition through business combination	-	-	-	(1,818)
Loan on acquisition through business combination	-	-	-	(2,420)
Additions to plant and equipment	(11)	(151)	(699)	(384)
Payment for derivative financial instruments	-	-	(315)	-
Proceeds from disposal of plant and equipment	-	-	154	4
Net cash used in investing activities	(11)	(151)	(860)	(4,618)
<b>Cash Flows from Financing Activities</b>				
Dividends paid	-	-	(987)	(987)
Movement in fixed deposits pledged with banks	(11)	(6)	(2,034)	5
Increase in bank borrowings	-	-	220	-
Loan from non-controlling interest of on subsidiary	-	-	-	2,425
Repayment of loan from non-controlling interest of subsidiary	-	-	(629)	-
Payment for share issue expenses	-	-	-	(2)
Repayment of finance leases liabilities	(14)	(10)	(47)	(47)
Net cash (used in)/generated from financing activities	(25)	(16)	(3,477)	1,394
Net (decrease)/increase in cash and cash equivalents	(824)	1,291	350	(3,025)
Effects of currency translation on cash and cash equivalents	-	6	(9)	-
Cash and cash equivalents at beginning of financial period	8,693	6,231	7,528	10,553
Cash and cash equivalents at end of financial period	7,869	7,528	7,869	7,528
<b>Cash and cash equivalents comprises:</b>				
Cash and bank balances	14,910	12,535	14,910	12,535
Less: Fixed deposits pledged	(7,041)	(5,007)	(7,041)	(5,007)
Cash and cash equivalents	7,869	7,528	7,869	7,528

Non cash item:

Motor vehicles amounting to S\$164,500 (2011: S\$nil) were acquired through finance lease during the financial period.

**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.**

	← Attributable to equity holders of the Company →				Total S\$'000	Non- controlling interest S\$'000	Total equity S\$'000
	Share capital S\$'000	Accumulated losses S\$'000	Other reserves S\$'000	Currency translation reserve S\$'000			
<b>The Group</b>							
Balance at 1 January 2012	48,196	(16,022)	(5,199)	25	27,000	1,369	28,369
Net loss for the financial period	-	(1,268)	-	-	(1,268)	(129)	(1,397)
Currency translation differences arising from consolidation	-	-	-	(27)	(27)	(25)	(52)
Total comprehensive loss for the financial period	-	(1,268)	-	(27)	(1,295)	(154)	(1,449)
Waiver of loan from non-controlling interest of subsidiary	-	-	320	-	320	308	628
Balance at 31 March 2012	48,196	(17,290)	(4,879)	(2)	26,025	1,523	27,548
Net loss for the financial period	-	(680)	-	-	(680)	(144)	(824)
Currency translation differences arising from consolidation	-	-	-	7	7	6	13
Total comprehensive loss for the financial period	-	(680)	-	7	(673)	(138)	(811)
Balance at 30 June 2012	48,196	(17,970)	(4,879)	5	25,352	1,385	26,737
Net loss for the financial period	-	(365)	-	-	(365)	(91)	(456)
Currency translation differences arising from consolidation	-	-	-	(18)	(18)	(17)	(35)
Total comprehensive loss for the financial period	-	(365)	-	(18)	(383)	(108)	(491)
Payment of dividends	-	(987)	-	-	(987)	-	(987)
Balance at 30 September 2012	48,196	(19,322)	(4,879)	(13)	23,982	1,277	25,259
Net loss for the financial period	-	(3,131)	-	-	(3,131)	(601)	(3,732)
Currency translation differences arising from consolidation	-	-	-	16	16	14	30
Total comprehensive loss for the financial period	-	(3,131)	-	16	(3,115)	(587)	(3,702)
Balance at 31 December 2012	48,196	(22,453)	(4,879)	3	20,867	690	21,557

	← Attributable to equity holders of the Company →						
	Share capital S\$'000	Accumulated losses S\$'000	Other reserves S\$'000	Currency translation reserve S\$'000	Total S\$'000	Non- controlling interest S\$'000	Total equity S\$'000
<b>The Group</b>							
Balance at 1 January 2011	48,196	(16,230)	(2,473)	-	29,493	-	29,493
Total comprehensive income for the period	-	403	-	-	403	-	403
Share issue expenses recognised directly in equity	-	-	(2)	-	(2)	-	(2)
Balance at 31 March 2011	48,196	(15,827)	(2,475)	-	29,894	-	29,894
Total comprehensive income for the period	-	469	-	-	469	-	469
Payment of dividends	-	(987)	-	-	(987)	-	(987)
Balance at 30 June 2011	48,196	(16,345)	(2,475)	-	29,376	-	29,376
Acquisition through business combination	-	-	-	-	-	891	891
Option to acquire non-controlling interest of a subsidiary	-	-	(2,724)	-	(2,724)	-	(2,724)
Net loss for the financial period	-	(968)	-	-	(968)	(149)	(1,117)
Currency translation differences arising from consolidation	-	-	-	(3)	(3)	(3)	(6)
Total comprehensive loss for the period	-	(968)	-	(3)	(971)	(152)	(1,123)
Balance at 30 September 2011	48,196	(17,313)	(5,199)	(3)	25,681	739	26,420
Acquisition through business combination	-	-	-	-	-	297	297
Contribution from non-controlling interest	-	-	-	-	-	110	110
Net profit for the financial period	-	1,291	-	-	1,291	196	1,487
Currency translation differences arising from consolidation	-	-	-	28	28	27	55
Total comprehensive income for the period	-	1,291	-	28	1,319	223	1,542
Balance at 31 December 2011	48,196	(16,022)	(5,199)	25	27,000	1,369	28,369

	Share capital S\$'000	Accumulated losses S\$'000	Other reserves S\$'000	Total S\$'000
<b>The Company</b>				
Balance at 1 January 2012	48,196	(20,100)	(5,199)	22,897
Total comprehensive loss for the period	-	(94)	-	(94)
Balance at 31 March 2012	48,196	(20,194)	(5,199)	22,803
Total comprehensive income for the period	-	4,071	-	4,071
Balance at 30 June 2012	48,196	(16,123)	(5,199)	26,874
Total comprehensive loss for the period	-	(30)	-	(30)
Payment of dividend	-	(987)	-	(987)
Balance at 30 September 2012	48,196	(17,140)	(5,199)	25,857
Total comprehensive loss for the period	-	(2,671)	-	(2,671)
Balance at 31 December 2012	48,196	(19,811)	(5,199)	23,186

	Share capital S\$'000	Accumulated losses S\$'000	Other reserves S\$'000	Total S\$'000
<b>The Company</b>				
Balance at 1 January 2011	48,196	(20,606)	(2,473)	25,117
Total comprehensive income for the period	-	152	-	152
Share issue expenses	-	-	(2)	(2)
Balance at 31 March 2011	48,196	(20,454)	(2,475)	25,267
Total comprehensive income for the period	-	48	-	48
Payment of dividends	-	(987)	-	(987)
Balance at 30 June 2011	48,196	(21,393)	(2,475)	24,328
Total comprehensive income for the period	-	14	-	14
Balance at 30 September 2011	48,196	(21,379)	(2,475)	24,342
Option to acquire non-controlling interest of a subsidiary	-	-	(2,724)	(2,724)
Total comprehensive income for the period	-	1,279	-	1,279
Balance at 31 December 2011	48,196	(20,100)	(5,199)	22,897

**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 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.**

As at 31 December 2012 and 31 December 2011, there have been no changes in the issued share capital of the Company since the end of the last financial 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.**

As at 31 December 2012 and 31 December 2011, the total number of issued ordinary shares was 3,946,428,548. The Company did not have any treasury shares.

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

Not applicable.

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

The figures have not been audited or reviewed by our 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.**

The accounting policies and methods of computation applied by the Group in the financial statements for the current reporting year are consistent with those applied in the Company's audited financial statements for the financial year ended 31 December 2011.

**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 period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	4 <sup>th</sup> quarter ended 31 December		12 months ended 31 December	
	2012	2011	2012	2011
(Losses)/Earnings per share for the period after deducting any provision for preference dividends (cents)				
(a) Based on weighted average number of ordinary shares in issue	(0.08)	0.03	(0.14)	0.03
(b) On a fully diluted basis	(0.08)	0.03	(0.14)	0.03

(Losses)/Earnings per share for the 12 months ended 31 December 2012 was computed based on the net (loss)/profit attributable to equity holders of the Company of (S\$5,444,000) (31/12/2011: S\$1,195,000) and divided by the weighted average number of shares in issue of 3,946,428,548 (31/12/2011: 3,946,428,548).

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of shares excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year**

	The Group		The Company	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Net asset backing per ordinary share based on existing issued share capital as at the end of the period/year (cents)	0.53	0.68	0.59	0.58

**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.**

**Profit and loss**

The Group's revenue for FY2012 decreased to \$12.3 million from \$29.5 million in FY2011. The lower revenue was due mainly to a decrease in the value of projects undertaken by the Group for the aluminium division. The contribution to Group's revenue by the vehicle division was increased to \$3.4 million in FY2012 from \$1.5 million in FY2011. In 2Q2012, the vehicle division started producing vehicle parts and accessories for a major South Korean motor vehicle manufacturer. These new products contributed \$1.9 million to the Group's revenue in FY2012.

The Group recognised a gross profit of \$1.3 million in FY2012 compared with gross profit of \$6.9 million in FY2011 due mainly to the following:

- (i) decrease in revenue to \$12.3 million in FY2012 from \$29.5 million in FY2011;
- (ii) cost overrun for certain projects completed during 1Q2012 due to higher cost incurred in the handing over stage of projects amounting to \$370,000; and
- (iii) allowances for excess and unused inventories for certain projects completed during 1Q2012 totalling \$298,000.

The increase in administrative expenses for FY2012 as compared with FY2011 was due mainly to additional overheads from the vehicle division of approximately \$707,000 and additional idle costs for factory charged to administrative expenses of \$75,000. The overheads incurred by the vehicle division include expenses such as amortisation of intellectual properties, salaries for administrative staff and other incidental expenses normally recognised as administrative in nature. The vehicle division was acquired on 1 September 2011. The Group has also accrued additional electricity charges of \$215,000 for under-billing in previous years as claimed by the landlord in FY2012.

The increase in other operating expenses is due mainly to the impairment of goodwill on consolidation and intellectual properties totaling \$2.4 million. This is offset by a decrease in impairment of trade receivables by \$285,000 and losses on derivative financial instruments totaling \$663,000 which were incurred in FY2011.

The impairment for intangible assets was recognised as the discounted cashflow from the vehicle division was lower than the carrying value of the net assets for the division. The discount rate applicable to the Group is 12.4%. The lower expected cashflow from the division as compared with the anticipated cashflow when the business was acquired is due mainly to increasing competition in the South Korea market as well as difficulties in entering new markets in other countries.

In 4Q2012, the depreciation rate of certain plant and equipment of the subsidiary in South Korea was revised to be more reflective of the useful lives of the said assets. These assets comprise of moulds amounting to \$622,000 used in injection moulding of plastic parts. Previously, these moulds are depreciated over two years and now extended to 5 years. The effect of the change is a decrease in depreciation charge of \$214,000 for the affected assets, hence resulting in a net reversal of depreciation charge amounting to approximately \$7,000 in 4Q2012.

The increase in finance expenses for FY2012 as compared with FY2011 was due to the amortisation of fair value adjustment of redemption liability and loan from non-controlling interest of subsidiary.

The Group reported net loss after income tax of \$6.4 million for FY2012 compared with net profit after income tax of \$1.2 million in FY2011.

### **Balance sheet**

The movements of balance sheet items are as follows:

- (i) Increase in cash and bank balances due mainly to decrease in trade receivables.
- (ii) Decrease in trade receivables due mainly to receipts of payments for certified works and decrease in revenue for FY2012.
- (iii) Increase in inventories due mainly to new material purchased for several projects which commenced in 3Q2012.
- (iv) Increase in due from customers on construction contracts attributable mainly to work done for certain new projects which commenced in 3Q2012 but yet to be claimed from customers.
- (v) Decrease in intangible assets due mainly to impairment of goodwill on consolidation and intellectual properties totaling \$2.4 million in FY2012.

- (vi) Decrease in trade payables due mainly to payments made and decrease in cost incurred during FY2012.
- (vii) Increase in other payables (current) due mainly to reclassification of non-current liability to current in accordance with the payment term of the liability.
- (viii) Increase in borrowings due mainly to short-term loan undertaken by the vehicle division in South Korea to acquire new equipment for producing the new vehicle parts and accessories.
- (ix) Increase in due to customers on construction contracts attributable mainly to variation orders claimed from customers for two projects significantly completed in 1Q2012 but not certified for payments by customers totalling \$2.3 million.

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

There is no significant variance between the previous disclosures and the actual results.

**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.**

Aluminium Division

The operating environment remains competitive. The Group is working to secure more HDB projects in FY2013.

The Group's gross order book stands at \$41.4 million (2011: \$22.0 million). These confirmed orders are, however, subject to cancellation, deferral, rescheduling or variations by customers. There were no cancellation of orders by customers during the financial period.

Vehicle Division

With the new products added in phases in FY2012, the vehicle division is expected to benefit from full production in FY2013.

**11. Dividend**

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

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

**(b) Corresponding period of the immediate preceding year**

Any dividend declared for the corresponding period of the immediate preceding financial year? Yes.

Name of Dividend – Final

Dividend Type – Cash

Dividend Rate – 0.025 Cents per ordinary share

Tax Rate – One-tier tax exempt

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

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

No dividend has been declared or recommended for FY2012.

**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 Company has in place one interested person transactions mandate approved by shareholders. The mandate for conducting transactions with the interested persons of the former director, Mr. Tan Yong Kee, has lapsed upon the cessation of his directorship with the Company on 6 April 2012. The aggregate value of interested person transactions for the financial year ended 31 December 2012 was as follows:

Nature of transaction and name of Interested Person	Aggregate value of all interested person transactions conducted during the period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	S\$'000	S\$'000
Ho Lee Construction Pte Ltd		
- Contract income from project fabrication	-	1,581
Alucraft (China) Aluminium Industries Co., Ltd		
- Purchase of materials	-	458

**PART II- ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT  
(This part is not applicable to Q1, Q2, Q3 and 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.**

**Business segment**

The Group's operating segments are its strategic business units which offer different products and are managed separately. The reportable segment presentation is based on the Group's management and internal reporting structure used for its strategic decision-making purposes.

The Group's activities comprise the following reportable segments:

- (i) Aluminium - includes trading, project fabrication and contract manufacturing;
- (ii) Vehicle - includes manufacturing and distribution of vehicle traction devices and other vehicle parts; and
- (iii) Others - includes corporate office and investment holding activities which are not directly attributable to a particular business segment above.

	Aluminium		Vehicle		Others		Elimination		Consolidated	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>TURNOVER</b>										
External sales	8,897	27,998	3,370	1,504	-	-	-	-	12,267	29,502
Inter-segment sales	-	-	-	-	5,618	4,089	(5,618)	(4,089)	-	-
<b>Total turnover</b>	<b>8,897</b>	<b>27,998</b>	<b>3,370</b>	<b>1,504</b>	<b>5,618</b>	<b>4,089</b>	<b>(5,618)</b>	<b>(4,089)</b>	<b>12,267</b>	<b>29,502</b>
<b>Segment result</b>	<b>(2,673)</b>	<b>1,195</b>	<b>(1,921)</b>	<b>271</b>	<b>555</b>	<b>1,598</b>	<b>(1,939)</b>	<b>(1,582)</b>	<b>(5,978)</b>	<b>1,482</b>
Finance costs									(492)	(168)
Profit before income tax									(6,470)	1,314
Income tax									61	(72)
<b>Net profit after income tax</b>									<b>(6,409)</b>	<b>1,242</b>
Segment assets	18,298	26,379	7,410	10,394	4,159	6,244	(7,126)	(7,136)	22,741	35,881
Add:										
Unallocated assets									14,212	9,575
									<b>36,953</b>	<b>45,456</b>
Segment liabilities	15,671	17,466	8,854	9,275	3,795	3,347	(12,964)	(13,073)	15,356	17,015
Add: Income tax									40	72
									<b>15,396</b>	<b>17,087</b>
<b>OTHER INFORMATION</b>										
Additions to:										
- Plant and equipment	156	199	462	185	246	-	-	-	864	384
- Intangible assets	-	-	-	4,983	-	-	-	-	-	4,983
Depreciation	234	376	283	140	92	94	-	-	609	610
Amortisation	-	-	251	83	-	-	-	-	251	83
Impairment for:										
- Trade receivables	106	391	-	-	-	-	-	-	106	391
- Investment in subsidiaries	-	-	-	-	2,097	-	(2,097)	-	-	-
- Intangible assets	-	-	2,417	-	-	-	-	-	2,417	-

### Geographical segment

Geographical, management manages and monitors the business in two primary geographic areas: Singapore and South Korea. The segments in Singapore derive revenue mainly from construction projects, while South Korea derives revenue mainly from trading activities which is categorised as vehicle segment.

Sales are based on the country in which the customers are located. Non-current assets are shown by the geographical area where the assets are located.

Group	Revenue		Non-current assets	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Singapore	8,897	27,998	714	730
South Korea	3,370	1,504	3,892	6,610
<b>Total</b>	<b>12,267</b>	<b>29,502</b>	<b>4,606</b>	<b>7,340</b>

### 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 item 8 and 14.

**16. A breakdown of sales.**

	Group		
	2012 S\$'000	2011 S\$'000	% Change
Sales reported for first half year	4,095	12,050	(66.02)
Operating (loss)/profit after tax and non-controlling interests reported for first half year	(2,221)	872	(354.70)
Sales reported for second half year	8,172	17,452	(53.17)
Operating (loss)/profit after tax and non-controlling interests reported for second half year	(3,223)	323	(1,097.83)

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

	Latest year S\$'000	Previous year S\$'000
Ordinary	-	987

**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 are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Tan Hai Peng Micheal	42	Brother of Executive Director, Tan Hai Seng Benjamin and son of Tan Thuan Teck, a substantial shareholder.	Executive Chairman	No change.
Tan Hai Seng Benjamin	45	Brother of Executive Chairman, Tan Hai Peng Micheal and son of Tan Thuan Teck, a substantial shareholder.	Non-Executive Director	Re-designated from Executive Director to Non-Executive Director.

**On behalf of the Board of Directors of  
LH GROUP LIMITED**

**Tan Hai Peng Micheal  
Executive Chairman**

**Chng Hee Kok  
Managing Director**

**Singapore, 26 February 2013**