



**CFM Holdings Limited**  
**(Incorporated in Singapore under Registration No. 200003708R)**

**Full Year Financial Statement for the Year Ended 30 June 2005**

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

Basis of presentation

In connection with the initial public offering (“IPO”) of the ordinary shares of our Company in January 2004, a Restructuring Exercise was carried out on 8 December 2003. Prior to such Restructuring, the Company only had its subsidiaries in Batam, USA and Dalian, PRC. Accordingly, the actual income statement of the enlarged Group for the immediately preceding financial year comprised the results of the Company and its subsidiaries in Batam, USA and Dalian PRC and the results of all other subsidiaries only from 8 December 2003 to 30 June 2004. Consequently, we have made comparison of the actual income statement for the 12 months ended 30 June 2005 to the pro forma financial information for financial year ended 30 June 2005. The unaudited pro forma financial information has been prepared on the assumption that the Group structure has been in existence since 1 July 2000.

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

	<b>Actual</b> <b>1 Jul 2004 to</b> <b>30 Jun 2005</b> <b>S\$'000</b>	<b>The Group</b> <b>Actual</b> <b>1 Jul 2003 to</b> <b>30 Jun 2004</b> <b>S\$'000</b>	<b>Pro forma</b> <b>1 Jul 2003 to</b> <b>30 Jun 2004</b> <b>S\$'000</b>
<b>Revenue</b>	46,198	29,831	45,856
Cost of sales	(43,774)	(26,423)	(39,328)
<b>Gross profit</b>	2,424	3,408	6,528
Other income	82	454	431
Marketing expenses	(1,331)	(933)	(1,404)
Administrative and other operating Expenses	(5,971)	(2,683)	(3,746)
<b>Operating (loss)/profit</b>	(4,796)	246	1,809
Finance costs	(439)	(138)	(302)
<b>(Loss)/profit before income tax and exceptional item</b>	(5,235)	108	1,507
Exceptional item <sup>(1)</sup>			
- Expenses on issuance of ordinary shares pursuant to the initial public offering of the Company	-	(651)	(651)
<b>(Loss)/profit before income tax</b>	(5,235)	(543)	856
Income tax	(54)	(258)	(618)
<b>(Loss)/profit after income tax</b>	(5,289)	(801)	238
<b>Attributable to:</b>			
Shareholders of the Company	(5,112)	(938)	238
Minority interests	(177)	137	-
	(5,289)	(801)	238

Note:

- (1) The share premium arising from the issues of the new shares pursuant to the IPO amounting to S\$660,000 was applied in writing off against part of the expenses related to the IPO amounting to S\$1.31 million. The balance of the expenses amounting to S\$651,000 was written off as an exceptional item in the income statement for the financial year ended 30 June 2004.

**The Group's profit / (loss) before taxation is arrived at after charging/(crediting) the following:-**

	<b>Actual</b>	<b>The Group</b>	
	<b>1 Jul 2004 to</b>	<b>Actual</b>	<b>Pro forma</b>
	<b>30 Jun 2005</b>	<b>1 Jul 2003 to</b>	<b>1 Jul 2003 to</b>
	<b>S\$'000</b>	<b>30 Jun 2004</b>	<b>30 Jun 2004</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Allowance for doubtful trade receivables	125	160	159
Bad trade receivables written-off/(written back)	50	13	(6)
Depreciation of property, plant and equipment	2,273	1,084	1,663
Foreign exchange loss/(gain), net	41	(190)	(190)
Interest on borrowings	396	138	212
Gain on disposal of property, plant and equipment	11	28	103
Provision/(write-back of provision) for inventory obsolescence	174	-	42
Interest income	(26)	(8)	(11)

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

	<b>The Group</b>		<b>The Company</b>	
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
	<b>30 Jun 2005</b>	<b>30 Jun 2004</b>	<b>30 Jun 2005</b>	<b>30 Jun 2004</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Non-current assets</b>				
Property, plant and equipment	19,036	18,273	-	-
Negative goodwill arising on consolidation	-	(1,014)	-	-
Investments in subsidiaries	-	-	18,416	19,159
Other investments	-	488	-	-
Deferred tax assets	31	-	-	-
	<u>19,067</u>	<u>17,747</u>	<u>18,416</u>	<u>19,159</u>
<b>Current assets</b>				
Inventories	4,876	6,654	-	-
Trade receivables	8,809	10,139	75	-
Other receivables	1,060	1,636	3,568	4,273
Cash and bank balances	6,340	3,581	517	129
	<u>21,085</u>	<u>22,010</u>	<u>4,160</u>	<u>4,402</u>
<b>Current liabilities</b>				
Trade payables	9,575	12,051	186	94
Other payables	2,170	1,151	600	689
Finance lease liabilities	788	931	-	-
Interest-bearing loans and borrowings	5,486	2,245	3,850	1,704
Income tax payable	60	476	76	76
	<u>18,079</u>	<u>16,854</u>	<u>4,712</u>	<u>2,563</u>
<b>Net current assets/ (liabilities)</b>	3,006	5,156	(552)	1,839
<b>Non-current liabilities</b>				
Finance lease liabilities	1,596	365	-	-
Interest-bearing loans and borrowings	2,418	693	-	-
Deferred tax liabilities	1,065	1,122	-	-
	<u>5,079</u>	<u>2,180</u>	<u>-</u>	<u>-</u>
<b>Net assets</b>	<u>16,994</u>	<u>20,723</u>	<u>17,864</u>	<u>20,998</u>
<b>Equity</b>				
Share capital	21,704	21,704	21,704	21,704
Foreign currency translation reserves	92	73	-	-
Accumulated losses	(5,152)	(1,054)	(3,840)	(706)
	<u>16,644</u>	<u>20,723</u>	<u>17,864</u>	<u>20,998</u>
Minority interests	350	-	-	-
<b>Equity and minority interests</b>	<u>16,994</u>	<u>20,723</u>	<u>17,864</u>	<u>20,998</u>

**1(b)(ii) Aggregate amount of Group's borrowing and debt securities.**

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

<b>As at 30 Jun 2005</b>		<b>As at 30 Jun 2004</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
2,424	3,850	1,472	1,704

**Amount repayable after one year**

<b>As at 30 Jun 2005</b>		<b>As at 30 Jun 2004</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
4,014	-	1,058	-

**Details of any collateral:**

- a) A legal mortgage over the industrial leasehold property of a subsidiary with a net book value of approximately S\$2.16 million as at 30 June 2005 (FY2004: S\$2.28 million);
- b) Legal mortgage over freehold land and buildings of 2 subsidiaries with a combined net book value of approximately S\$0.5 million as at 30 June 2005 (FY2004: S\$0.5 million);
- c) A legal mortgage over the land and factory building of a subsidiary with a net book value of approximately S\$2.3 million as at 30 June 2005 (FY2004: 2.6 million) and a pledge over machinery and other moveable assets of a subsidiary with a net book value of approximately S\$3.0 million as at 30 June 2005 (FY2004: S\$: 3.1 million)
- d) Charges over the machinery, equipment and motor vehicles of certain of our subsidiaries with a total net book value of approximately S\$4.3 million as at 30 June 2005 (FY2004: S\$4.0 million);
- e) Joint and several personal guarantees of finance lease on certain machineries purchased by the subsidiaries amounting to S\$1.7 million (FY2004: S\$2.0 million) from three of our directors and three executive officers; and
- f) Corporate guarantees issued by the Company.

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

	<b>The Group</b>	
	<b>Actual</b>	<b>Actual</b>
	<b>30 Jun 2005</b>	<b>30 Jun 2004</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Cash flows from operating activities:</b>		
(Loss)/profit before income tax and exceptional item	(5,235)	108
Adjustments for:		
Amortization of negative goodwill arising on consolidation	-	(126)
Allowance for doubtful trade receivables	175	-
Provision for inventories obsolescence	174	-
Depreciation of property, plant and equipment	2,273	1,084
Profit on disposals of property, plant and equipment	(11)	-
Property, plant and equipment written-off	22	2
Interest expenses	396	138
Interest income	(26)	(8)
Profit on disposal of investment in insurance policies	(15)	-
Income from investments in insurance policies	-	(12)
Foreign currency translation adjustment	278	(54)
<b>Operating cash flows before working capital changes</b>	<b>(1,969)</b>	<b>1,132</b>
Decrease/(increase) in inventories	1,604	(1,720)
Decrease in receivables	2,480	10,158
Decrease in payables	(1,455)	(7,783)
<b>Cash generated from operations:</b>	<b>660</b>	<b>1,787</b>
Interest paid	(396)	(138)
Interest income received	26	8
Income tax paid	(783)	(297)
<b>Net cash flows (used in)/from operating activities</b>	<b>(493)</b>	<b>1,360</b>
<b>Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(1,568)	(3,936)
Proceeds from disposal of property, plant and equipment	101	1,194
Payment of premium on investment in insurance policies	(21)	(36)
Proceed from surrender of insurance policies	524	-
Net cash inflow on acquisition of subsidiaries	-	528
<b>Net cash flows used in investing activities</b>	<b>(964)</b>	<b>(2,250)</b>

	<b>The Group</b>	
	<b>Actual</b>	<b>Actual</b>
	<b>30 Jun 2005</b>	<b>30 Jun 2004</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Cash flows from financing activities:</b>		
Proceeds from bank loans	4,748	2,639
Proceeds from sale and lease back of machineries	999	-
Repayment of bank loans	(579)	(48)
Repayment of finance lease liabilities	(1,750)	(884)
Repayment of amounts due to directors	-	(1,389)
Proceeds from issuance of share capital by Company	-	3,749
Increase in fixed deposits pledged with financial institution	42	-
<b>Net cash flows from in financing activities</b>	<u>3,460</u>	<u>4,067</u>
<b>Net increase in cash and cash equivalents</b>	2,003	3,177
Cash and cash equivalents at beginning of the financial year	3,328	151
<b>Cash and cash equivalents at end of the financial year</b>	<u>5,331</u>	<u>3,328</u>
 <b>Cash and cash equivalents</b>		
Fixed deposits	1,319	480
Cash at bank and in hand	<u>5,021</u>	<u>3,101</u>
	6,340	3,581
Less: - Fixed deposit pledged with bank	(109)	(151)
- Overdrafts	<u>(900)</u>	<u>(102)</u>
Cash and cash equivalents at end of year	<u>5,331</u>	<u>3,328</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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

<b>The Group</b>	<b>Share Capital</b>	<b>Share Premium</b>	<b>Accumulated Losses</b>	<b>Translation Reserve</b>	<b>Sub-total</b>	<b>Minority Interests</b>	<b>Total</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Balance at 1 July 2004</b>							
- As previously reported	21,704	-	(1,054)	73	20,723	-	20,723
- Adoption of FRS 103	-	-	1,014	-	1,014	-	1,014
- As restated	21,704	-	(40)	73	21,737	-	21,737
Exchange differences arising from consolidation	-	-	-	19	19	-	19
Net loss for the financial year	-	-	(5,112)	-	(5,112)	-	(5,112)
Share of reserves	-	-	-	-	-	527	527
Share of attributable loss	-	-	-	-	-	(177)	(177)
<b>Balance at 30 June 2005</b>	21,704	-	(5,152)	92	16,644	350	16,994
<b>The Group</b>	<b>Share Capital</b>	<b>Share Premium</b>	<b>Accumulated losses</b>	<b>Translation Reserves</b>	<b>Sub-total</b>	<b>Minority Interests</b>	<b>Total</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Balance at 1 July 2003</b>	-	-	(116)	-	(116)	-	(116)
Issuance of ordinary shares pursuant to the Restructuring Exercise	17,304	-	-	-	17,304	-	17,304
Issuance of ordinary shares pursuant to the initial public offering of the Company	4,400	-	-	-	4,400	-	4,400
Premium on issuance of ordinary shares pursuant to the initial public offering of the Company	-	660	-	-	660	-	660
Expenses on issuance of ordinary shares pursuant to the initial public offering of the Company	-	(660)	-	-	(660)	-	(660)
Exchange differences arising from consolidation	-	-	-	73	73	-	73
Net loss for the financial year	-	-	(938)	-	(938)	-	(938)
<b>Balance at 30 June 2004</b>	21,704	-	(1,054)	73	20,723	-	20,723



	<b>Share Capital S\$'000</b>	<b>Share Premium S\$'000</b>	<b>Accumulated Losses S\$'000</b>	<b>Total S\$'000</b>
<b>The Company</b>				
<b>Balance at 1 July 2004</b>	21,704	-	(706)	20,998
Net loss for the financial year	-	-	(3,134)	(3,134)
<b>Balance at 30 June 2005</b>	21,704	-	(3,840)	17,864

	<b>Share Capital S\$'000</b>	<b>Share Premium S\$'000</b>	<b>Accumulated Losses S\$'000</b>	<b>Total S\$'000</b>
<b>The Company</b>				
<b>Balance at 1 July 2003</b>	-	-	(20)	(20)
Issuance of ordinary shares pursuant to the Restructuring Exercise	17,304	-	-	17,304
Issuance of ordinary shares pursuant to the initial public offering of the Company	4,400	660	-	5,060
Expenses on issuance of ordinary shares pursuant to the initial public offering of the Company	-	(660)	-	(660)
Expenses related to invitation of shares	-	-	-	-
Net loss for the financial year	-	-	(686)	(686)
<b>Balance at 30 June 2004</b>	21,704	-	(706)	20,998

- 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 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.**

The Company did not issue any new capital during the financial year ended 30 June 2005.

- 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 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 same accounting policies and methods of computation have been adopted for the financial year ended 30 June 2005 as compared with the audited consolidated financial statements for the financial year ended 30 June 2004, except for the adoption of the Singapore Financial Reporting Standard 103, Business Combination on its effective date of 1 Jul 2004, details of which are described in Paragraph 5 below.

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

In compliance with the Singapore Financial Reporting Standard 103, Business Combination, which becomes effective for business combinations for annual periods beginning on or after 1 July 2004, the carrying amount of negative goodwill as at 1 July 2004 amounting to S\$1.014 million was derecognized at the beginning of FY2005 and a corresponding adjustment has been made to the opening balance of accumulated losses.

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.**

	Actual 1 Jul 2004 to 30 Jun 2005	The Group Actual 1 Jul 2003 to 30 Jun 2004	Pro forma 1 Jul 2004 to 30 Jun 2004
<b>Net (loss)/profit after tax for the year attributable to the shareholders of the Company (S\$'000)</b>	<u>(5,112)</u>	<u>(938)</u>	<u>238</u>
<b>Loss per share (in cents)</b>			
a) Based on weighted average number of ordinary shares in issue (in cents)	(4.71) <sup>(1)</sup>	(1.53) <sup>(2)</sup>	0.24 <sup>(3)</sup>
b) On a fully diluted basis (in cents)	<u>NA</u>	<u>NA</u>	<u>NA</u>

Note:

- (1) Earning per ordinary share for Actual FY2005 was calculated based on weighted average number of 108,518,995.
- (2) Earning per ordinary share for Actual FY2004 was calculated based on weighted average number of 61,469,417 shares.
- (3) Earning per ordinary share for Pro forma FY2004 was calculated based on weighted average number of 97,518,995 shares.

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.**

<b>The Group</b>	<b>Actual 30 Jun 2005</b>	<b>Actual 30 Jun 2004</b>
Net asset value per ordinary share (in cents)	<u>15.34</u>	<u>19.10</u>
<b>The Company</b>		
Net asset value per ordinary share ( in cents)	<u>16.46</u>	<u>19.35</u>

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 Consolidated Profit and Loss Statement (Actual FY2005 vs. Pro forma FY2004)**

Group revenue remained consistent at S\$46.2 million as compared to S\$45.9 million in FY2004.

Our gross profit decreased from S\$6.5 million in FY2004 to S\$2.4 million in FY2005. The decrease of S\$4.1 million was mainly attributable to the increase in material prices and lower selling prices for the majority of our products as a result of the intense competition in the electronics industry. Depreciation expenses had also increased by approximately S\$0.5 million as a result of purchases of new plant and machinery for our Thailand, Malaysia and PRC operations.

Administrative and other operating expenses increased from S\$3.7 million in FY2004 to S\$6.0 million in FY2005. The increase of S\$2.3 million was mainly attributable to the increase in management and administrative staff cost and traveling expenses as well as higher depreciation charges for renovation and office equipment. The Group had also made additional allowance for certain stocks obsolescence of S\$0.2 million in FY2005 as compared to S\$0.04 million in FY2004.

Notwithstanding the current year's loss, the Group has net assets of S\$17.0 million as at 30 June 2005 and the net assets value per ordinary share based on existing share capital is 15.34 cents.

## **Review of Consolidated Balance Sheet (Actual FY2005 vs. Actual FY2004)**

The net book value of property, plant and equipment for the Group increased from S\$18.3 million as at 30 June 2004 to S\$19.0 million as at 30 June 2005. The increase of S\$0.7 million was mainly due to the purchases of plant and equipment for our new plant in Thailand, amounting to a total cost of S\$1.1 million. Additional purchases of plant and machinery amounting to approximately S\$2.0 million were also made by our subsidiaries in PRC, Slovak and Malaysia. The increase was partially offset by the depreciation charges for the financial year of approximately S\$2.3 million.

Current assets decreased by approximately S\$0.9 million from S\$22.0 million as at 30 June 2004 to S\$21.1 million as at 30 June 2005. The net decrease of S\$0.9 million was mainly due to the following:

- a) Decrease in trade receivables from S\$10.1 million as at 30 June 2004 to S\$8.8 million as at 30 June 2005 as a result of better collections as well as implementation of credit control procedures during the financial year;
- b) Decrease in inventory from S\$6.7 million as at 30 June 2004 to S\$4.9 million as at 30 June 2005 as a result of management's efforts to reduce inventory holding costs; and
- c) The above decrease was partially offset by the increase of S\$2.7 million in cash and bank balances from S\$3.6 million as at 30 June 2004 to S\$6.3 million as at 30 June 2005. The increase was mainly due to the drawdown of new bank borrowings as well as better collections from trade debtors as indicated in part (a) above.

Current liabilities increased by approximately S\$1.2 million from S\$16.9 million as at 30 June 2004 to S\$18.1 million as at 30 June 2005. The net increase was mainly due to the following:

- a) Increase of S\$3.1 million in the short-term portion of the interest-bearing loans and borrowings to finance the purchases of plant and machinery undertaken by the Group subsidiaries in Malaysia, Thailand and PRC;
- b) Other payables increased by approximately S\$1.0 million mainly due to accruals of operating expenses such as management and staff costs;
- c) The above increase was partly offset by the decrease in trade payables of approximately S\$2.5 million due mainly to lower inventory holdings of S\$4.9 million as at 30 June 2005.

Non-current liabilities increased from S\$2.2 million as at 30 June 2004 to S\$5.1 million as at 30 June 2005. The increase of S\$2.9 million was mainly due to new borrowings from banks for working capital purposes and finance leases obtained to finance the purchases of plant and machinery.

## **Review of Consolidated Cash Flow Statement (Actual FY2005 vs. Actual FY2004)**

Net cash flow used in operating activities of S\$0.5 million in FY2005 was due mainly to the following:

- a) Income tax paid on estimated chargeable income raised by the tax authorities;
- b) Interest paid on new borrowings to finance the purchase of plant and machinery as well as for working capital purposes; and
- c) Higher operating expenses incurred by the Group during the year.

The above decrease was partly offset by the better collections of trade debts as well as lower inventory balance as part of management efforts to reduce inventory holdings costs.

Our net cash used in investing activities amounted to S\$1.0 million. This was mainly due to purchase of plant and equipment amounting to S\$1.6 million which was partly offset by the proceeds from the surrender of insurance policies of S\$0.5 million.

We recorded net cash from financing activities of approximately S\$3.4 million. This was mainly due to proceeds from new bank loans and sales and lease back of machineries amounting to S\$4.7 million and S\$1.0 million respectively. The above increase was partly offset by the repayment of finance lease liabilities of S\$1.8 million.

As at 30 June 2005, the Group has unutilized banking facilities amounting to S\$3.5 million which are available for working capital purposes.

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

The Board is of the view that the current year's results are in line with the prospect statement made in the announcement of our results for half year ended 31 December 2004.

**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 business outlook for the financial year ending 30 June 2006 will be challenging due to the competitive electronics industries and the continuing pressure on margins.

Raw material prices have remained high and we will continue to carefully manage material usage in existing jobs and the pricing of new contracts. We will remain mindful of uncertainties in raw material prices. The movements of foreign currencies like Malaysia Ringgit and Chinese Renminbi after un-pegging from US dollars may affect our financial performance.

The Group had consolidated its geographical operations in Asia by shifting operations to countries with lower cost structures. With cost measures in place, we expect the Group performance to improve in FY2006. Nevertheless, in view of the uncertainties highlighted in the preceding paragraph, the Board remains cautious of the Group FY2006 performance.

**11. Dividend**

**(a) *Current Financial Period Reported On***

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

Nil.

**(b) *Corresponding period of the immediately Preceding Financial Year***

**Any dividend declared for the corresponding period of the immediately preceding financial year?**

Nil.

**(c) *Date Payable.***

Not Applicable.

**(d) *Book closure date.***

Not Applicable

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

No dividend has been declared / recommended for the financial year ended 30 June 2005.

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

13. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

**Primary reporting segment – business segments**

**Year ended 30 June 2005**

	<b>Actual</b>			<b>Group</b>
	<b>Metal Stamping</b>	<b>Tooling</b>	<b>Eliminations</b>	
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	
Segment revenue				
Sales to external customer	41,719	4,479	-	46,198
Inter-segment sales	10,271	1,651	(11,922)	-
<b>Total revenue</b>	<b>51,990</b>	<b>6,130</b>	<b>(11,922)</b>	<b>46,198</b>
Segment result	4,837	722	(4,612)	947
Unallocated expenses				(5,743)
Loss from operations				(4,796)
Finance costs				(439)
Loss before income tax				(5,235)
Income tax				(54)
<b>Net loss for the financial year</b>				<b>(5,289)</b>

**Year ended 30 June 2004**

	<b>Pro forma</b>			<b>Group</b>
	<b>Metal Stamping</b>	<b>Tooling</b>	<b>Eliminations</b>	
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	
Segment revenue				
Sales to external customers	39,365	6,491	-	45,856
Inter-segment sales	-	265	(265)	-
<b>Total revenue</b>	<b>39,365</b>	<b>6,756</b>	<b>(265)</b>	<b>45,856</b>
Segment result	2,116	266	-	2,382
Unallocated expenses				(573)
Profit from operations				1,809
Finance costs				(302)
Profit before income tax and exceptional Item				1,507
Exceptional item				
- Expenses on issuance of ordinary shares pursuant to the initial public offering of the Company				(651)
Profit before income tax				856
Income tax				(618)
<b>Net profit for the financial year</b>				<b>238</b>

## Secondary reporting segment – geographical segments

### Year ended 30 June 2005

	Actual						Group
	Singapore	Malaysia	Europe	China	Others	Eliminations	S\$'000
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b><u>Segment revenue</u></b>							
Sales to external customers	17,972	16,895	9,923	447	961	-	46,198
Inter-segment sales	2,530	4,014	-	211	5,167	(11,922)	-
Total revenue	20,502	20,909	9,923	658	6,128	(11,922)	46,198

#### **Other geographical information:**

Segment assets	13,629	16,400	8,569	2,730	5,897	(7,073)	40,152
Capital expenditure	76	1,617	451	701	1,519	(957)	3,407

### Year ended 30 June 2004

	Pro forma						Group
	Singapore	Malaysia	Europe	USA	Others	Eliminations	S\$'000
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b><u>Segment revenue</u></b>							
Sales to external customers	18,123	15,430	10,084	533	1,686	-	45,856
Inter-segment sales	13,919	690	1,191	1	10	(15,811)	-
Total revenue	32,042	16,120	11,275	534	1,696	(15,811)	45,856

#### **Other geographical information:**

Segment assets	19,250	17,491	9,611	38	6,068	(10,823)	41,635
Capital expenditure	157	756	2,581	8	2,210	(652)	5,060

14. **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 note 8



**15. A breakdown of sales.**

	<b>The Group</b>			
	<b>Actual</b>	<b>Pro forma</b>	<b>Changes</b>	
	<b>FY2005</b>	<b>FY2004</b>	<b>S\$'000</b>	<b>%</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
Sales reported for the first half year	25,290	21,527	3,763	17%
Operating (loss)/profit after tax before deducting minority interests reported for the first half year	(2,734)	1,197	(3,931)	(328%)
Sales reported for second half year	20,908	24,329	(3,421)	(14%)
Operating profit/(loss) after tax before deducting minority interests reported for the second half year	(2,555)	(959)	(1,596)	166%

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

	Latest Full Year	Previous Full Year
Ordinary	Not applicable	Not applicable
Preference	Not applicable	Not applicable
Total	Not applicable	Not applicable

**BY ORDER OF THE BOARD**

**Tan Yeok Meng**  
**Executive Director**  
**25 August 2005**