

SUNNINGDALE PRECISION INDUSTRIES LTD

Full Year Financial Statement and Dividend Announcement for the Period Ended 31/12/2003

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

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

	The Group			The Group		
	4Q ended 2003 S\$'000	4Q ended 2002 S\$'000	% Increase/ (Decrease)	FY2003 S\$'000	FY2002 S\$'000	% Increase/ (Decrease)
Revenue (Note 1)	26,833	18,090	48.3	93,971	72,962	28.8
Cost of Sales (Note 1)	(17,468)	(13,437)	30.0	(62,501)	(48,113)	29.9
Gross Profit	9,365	4,653	101.3	31,470	24,849	26.6
Administrative costs(Note 2)	(3,037)	(1,813)	67.5	(10,349)	(6,747)	53.4
Distribution costs(Note 2)	(1,280)	(Note 3)(18)	n.m.	(3,875)	(3,249)	19.3
Other operating costs(Note 2)	(2,355)	(1,332)	76.8	(4,654)	(3,229)	44.1
Other operating income	116	194	-40.2	440	360	22.2
Profit from operating activities	2,809	1,684	66.8	13,032	11,984	8.7
Finance costs	(159)	(198)	-19.7	(748)	(847)	-11.7
Profit before income tax	2,650	1,486	78.3	12,284	11,137	10.3
Income Tax	(406)	(13)	n.m.	(2,641)	(2,060)	28.2
Profit after income tax	2,244	1,473	52.3	9,643	9,077	6.2
Minority Interest	-	(35)	n.m.	(7)	(18)	n.m.
Net profit attributable to members of the company	2,244	1,438	56.1	9,636	9,059	6.4

n.m. : not meaningful

Note 1

Included in the Revenue and Cost of Sales for the FY2003 was S\$4.9 million for revenue and costs respectively for Mould Fabrication work recognised only to the extent of contract costs incurred that were probable to be recoverable. The related contract costs are taken into the cost of sales in the same period. (Please refer to paragraph 5 below on changes in accounting policy FRS 11).

Note 2

Include in the administration cost for FY2003 was S\$0.6 million expenses incurred relating to the Initial Public Offering (the "IPO") of Sunningdale Precision Industries Ltd (the "Company").

Included in the total operating costs (i.e. administrative, distribution, other operating costs), was S\$1.6 million in respect of the start up of the Mexico's operations.

Note 3

There was a write-back of provision for commission and royalty of S\$0.5 million in FY2002.

1 (a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year:-

	The Group	
	FY2003	FY2002
	S\$'000	S\$'000
(A) Investment income	-	-
(B) Other income including interest income	(358)	(178)
(C) Interest on borrowing	582	695
(D) Depreciation and amortization	4,521	3,979
(E) Provision for/(write back) doubtful debts and bad debts written off	827	(466)
(F) (Write back)/write-off for inventory obsolescence	(49)	290
(G) Impairment in value of investments	2	4
(H) Foreign currency loss	904	1,407
(I) Adjustments for (over) provision of prior year tax	(41)	(14)
(J) Loss/(gain) on sales of investments, properties, and/or plant and equipment	30	(182)

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

	The Group		The Company	
	31 Dec 03	31 Dec 02	31 Dec 03	31 Dec 02
	S\$'000	S\$'000	S\$'000	S\$'000
Non-Current Assets				
Property, plant and equipment	37,176	29,114	11,474	12,171
Investment property	150	345	150	345
Subsidiary companies	-	-	10,750	7,820
Investments	2	1	2	1
Fixed deposits	144	143	-	-
Current Assets				
Inventories	11,464	8,450	5,570	3,461
Accrued income less progress billings	4,902	3,547	3,482	3,547
Trade receivables	26,388	20,407	17,319	15,501
Other receivables	2,533	2,597	1,010	1,291
Due from subsidiary companies (trade)	-	-	7,682	6,322
Due from subsidiary companies (non-trade)	-	-	16,981	8,978
Due from related parties (trade)	104	114	104	113
Fixed deposits	14,272	3,179	13,059	1,943
Cash and bank balances	23,549	21,066	11,943	12,039
	<u>83,212</u>	<u>59,360</u>	<u>77,150</u>	<u>53,195</u>
Current Liabilities				
Trade payables	11,548	8,531	6,136	4,336
Progress billings in excess of accrued income	2,242	428	867	428
Other payables	6,751	8,008	3,116	4,236
Hire purchase payables	1,673	1,960	1,114	1,251
Amounts due to bankers	1,426	1,188	1,092	1,197
Due to subsidiary companies (trade)	-	-	609	15,627
Due to subsidiary companies (non-trade)	-	-	17,501	271
Provision for taxation	2,827	1,964	1,564	1,638
	<u>26,467</u>	<u>22,079</u>	<u>31,999</u>	<u>28,984</u>
Net current assets	<u>56,745</u>	<u>37,281</u>	<u>45,151</u>	<u>24,211</u>
Non-current liabilities				
Hire purchase payables	1,260	1,585	967	1,079
Amount due to bankers	642	5,336	-	5,336
Deferred taxation	1,643	1,742	1,003	1,152
	<u>3,545</u>	<u>8,663</u>	<u>1,970</u>	<u>7,567</u>
Net Assets	<u>90,672</u>	<u>58,221</u>	<u>65,557</u>	<u>36,981</u>
Capital and Reserves				
Share capital	47,909	16,998	47,909	16,998
Share premium	12,077	-	12,077	-
Revaluation reserve	427	622	427	622
Capital and statutory reserve	1,402	1,447	-	-
Foreign exchange translation reserve	(146)	427	-	-
Revenue reserve	28,683	38,408	5,144	19,361
	<u>90,352</u>	<u>57,902</u>	<u>65,557</u>	<u>36,981</u>
Minority interests	320	319	-	-
	<u>90,672</u>	<u>58,221</u>	<u>65,557</u>	<u>36,981</u>

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

Amount repayable in one year or less, or on demand

As at 31/12/2003		As at 31/12/2002	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
3,919	0	3,580	0

Amount repayable after one year

As at 31/12/2003		As at 31/12/2002	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
1,902	0	6,921	0

Details of any collateral

The secured facilities of the Company and the subsidiaries (the "Group") comprise trust receipts, bank loans and finance leases.

1. The bank loan of a subsidiary company of S\$820,000 is secured by the cash and bank balances of another subsidiary company. The bank loan bears interest of 3% per annum.
2. The bank loan of a subsidiary company of S\$1.0 million is secured by certain fixed assets of that subsidiary company and a corporate guarantee from the Company. The bank loan bears interest of bank prime rate on monthly rest basis.
3. The finance leases are secured by certain fixed assets of the subsidiary companies and the Company with a total net book value of S\$6.5 million as at 31 December 2003 (31 December 2002 : S\$5.8 million)

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	
	FY2003	FY2002
	S\$'000	S\$'000
Cash flows from operating activities		
Profit before taxation and minority interests	12,284	11,137
Adjustments for:		
Depreciation of fixed assets	4,521	3,979
Provision for diminution in value of quoted investments	2	4
Loss/(gain) on sales of fixed assets	30	(182)
Interest expenses	582	695
Interest income	(101)	(147)
Currency re-alignment	(506)	(701)
Operating profit before working capital changes	16,812	14,785
(Increase) in inventories	(2,555)	(1,669)
(Increase) in receivables	(5,917)	(3,052)
Decrease/(Increase) in amount due from related companies	10	(40)
Increase in payables	1,759	2,649
(Decrease) in amount due to related companies	-	(290)
Cash generated from operations	10,109	12,383
Interest paid	(582)	(695)
Interest received	101	147
Tax paid	(1,856)	(3,429)
Net cash provided from operating activities	7,772	8,406
Cash flows from investing activities		
Proceeds from sales of fixed assets	200	250
Purchase of fixed assets	(13,342)	(5,407)
Net cash used in investing activities	(13,142)	(5,157)
Cash flows from financing activities		
Payment of hire purchase creditors	(612)	(2,149)
Decrease in term loan	(4,068)	(1,025)
Proceeds from issuance of share capital	24,640	-
Expenses on issuance of share capital	(1,013)	-
Payment of dividends	-	(464)
Net cash provided from/(used in) financing activities	18,947	(3,638)
Net increase/(decrease) in cash and cash equivalents	13,577	(389)
Cash and cash equivalents at beginning of period	24,388	24,777
Cash and cash equivalents at end of period	37,965	24,388

Cash and cash equivalents included in the consolidated cash flow statement comprise the following balance sheet amounts:-

	The Group	
	31 Dec 03 S\$'000	31 Dec 02 S\$'000
Fixed deposits	14,416	3,322
Cash and bank balances	24,369	21,498
Less: Amount pledged to bank by a subsidiary company (Note 1)	(820)	(432)
Cash and bank equivalents	37,965	24,388

Note 1

The amount is pledged to secure a bank loan for a subsidiary company.

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

	Share Capital	Share Premium	Revaluation Reserve	Statutory Reserve	Foreign Currency Translation Reserve	Revenue Reserve	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group							
Balance at 1 January 2003	16,998	-	622	1,447	427	38,408	57,902
Issuance of ordinary shares	30,911	12,077	-	-	-	-	42,988
Transfer from revenue reserve of a subsidiary company	-	-	-	(45)	-	-	(45)
Deficit on the revaluation of property	-	-	(195)	-	-	-	(195)
Net profit for the period	-	-	-	-	-	9,636	9,636
Amount applied for bonus issue of ordinary shares	-	-	-	-	-	(19,361)	(19,361)
Exchange difference on consolidation	-	-	-	-	(573)	-	(573)
Balance at 31 December 2003	47,909	12,077	427	1,402	(146)	28,683	90,352
Balance at 1 January 2002	16,998	-	602	1,399	2,084	30,874	51,957
Transfer from revenue reserve of a subsidiary company	-	-	-	48	-	-	48
Effect of changes in tax rates on deferred tax arising from revaluation reserve	-	-	20	-	-	-	20
Net profit for the period	-	-	-	-	-	9,059	9,059
Dividends declared/paid, less income tax	-	-	-	-	-	(1,525)	(1,525)
Exchange difference on consolidation	-	-	-	-	(1,657)	-	(1,657)
Balance at 31 December 2002	16,998	-	622	1,447	427	38,408	57,902

	Share Capital	Share Premium	Revaluation Reserve	Statutory Reserve	Foreign Currency Translation Reserve	Revenue Reserve	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Company							
Balance at 1 January 2003	16,998	-	622	-	-	19,361	36,981
Issuance of ordinary shares	30,911	12,077	-	-	-	-	42,988
Deficit on the revaluation of property	-	-	(195)	-	-	-	(195)
Net profit for the period	-	-	-	-	-	5,144	5,144
Amount applied for bonus issue of ordinary shares	-	-	-	-	-	(19,361)	(19,361)
Balance at 31 December 2003	47,909	12,077	427	-	-	5,144	65,557
Balance at 1 January 2002	16,998	-	602	-	-	15,468	33,068
Effect of changes in tax rates on deferred tax arising from revaluation reserve	-	-	20	-	-	-	20
Net profit for the period	-	-	-	-	-	5,418	5,418
Dividends declared/paid, less income tax	-	-	-	-	-	(1,525)	(1,525)
Balance at 31 December 2002	16,998	-	622	-	-	19,361	36,981

- 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.**

On 31 July 2003, the Company was admitted to the Official List of the Singapore Stock Exchange Securities Trading Ltd (the "SGX-ST"). In connection with the Company's IPO, 65,000,000 new ordinary shares of S\$0.15 each were issued at S\$0.32 each and fully paid.

On 1 September 2003, the Company issued 12,000,000 new ordinary shares of S\$0.15 each pursuant to the over-allotment option granted by the Company to DBS Bank Ltd to cover the over-allotment made in connection with the IPO. All shares were fully paid up.

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

The above figures have not been audited and reviewed by the Independent 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

Except as disclosed in paragraph 5, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as compared to the audited financial statements as at 31 December 2002.

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

As disclosed in the prospectus dated 22 July 2003 issued by the Company in connection with this IPO, and as is required by FRS 11 Construction Contracts ("FRS 11"), (previously known as SAS) the percentage of completion method will have to be adopted for the recognition of revenue and costs for the Mould Fabrication segment for financial years beginning on or after 1 April 2002. When the outcome of a contract can be estimated reliably, contract revenue and costs are recognised as income and expense respectively by reference to the value of work performed relative to the contract value. When the outcome of the contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that are probable to be recoverable and contract costs are recognised as an expense in the period in which they are incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

This new accounting policy is applicable to us from the financial periods beginning on 1 January 2003. If the outcome of a contract cannot be estimated reliably, FRS 11 requires us to recognise revenue only to the extent of the costs incurred and accordingly, our gross profit margin may be affected. Consequently, our revenue increased by S\$4.9 million and our gross profit margin for FY2003 had decreased by 1.9% (see 1(a)(i) Note 1 above for the effect of the change). The impact on the profit of the Group was not material for the FY2003.

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

	The Group	
	FY2003	FY2002
Earnings per ordinary share for the period based on net profit attributable to shareholders:-		
Based on the weighted average number of ordinary Shares on issue (cents)	3.52	3.74
On fully diluted basis	3.52	3.74

Basic earnings per share for the period is calculated based on the Group's profit attributable to the shareholders divided by the weighted average number of 273,649,972 ordinary shares as at 31 December 2003 (242,392,438 as at 31 December 2002).

Diluted earnings per share for the period is calculated based on the Group's profit attributable to the shareholders divided by the weighted average number of 273,817,195 ordinary shares as at 31 December 2003 (242,392,438 as at 31 December 2002).

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 period reported on and (b) immediately preceding financial year

	The Group		The Company	
	31 Dec 03	31 Dec 02	31 Dec 03	31 Dec 02
Net asset value per ordinary shares based on issued share capital at the end of the period (cents)	28.29	23.89	20.53	15.26

Net asset value per ordinary shares is calculated based the Group's net asset value divided by the number of ordinary shares at the end of the 31 December 2003 of 319,392,438 (31 December 2002: 242,392,438).

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.**

Income Statement

The Group's revenue for FY2003 increased by approximately S\$21.0 million or 28.8% to S\$94.0 million as compared to S\$73.0 million in FY2002. The increase was due to increase in orders from all segments of our business.

The Group's gross profit for FY2003 increased by approximately S\$6.7 million or 26.6% to S\$31.5 million as compared to S\$24.8 million in FY2002. This was in line with the increase in sales.

Included in the Revenue and Cost of Sales for the FY2003 was S\$4.9 million for revenue and costs respectively for Mould Fabrication work recognized according to FRS 11 as described in paragraph 5. The impact of the adoption of FRS11 resulted in a 1.9% decrease in the gross profit margin.

The increase in the Group's administrative cost for FY2003 was mainly due to S\$0.6 million expenses incurred relating to the IPO, a portion of the set up cost of our facilities in Mexico of S\$1.2 million, increase in salaries and related cost of S\$0.5 million and increase in the provision for staff bonus of S\$0.3 million. The staff housing and accommodation and transport had increased by S\$0.1 million respectively. In FY2002, there was a write-back of the provision for staff bonus of S\$0.5 million.

The increase in the Group's distribution and other operating costs was mainly due to increase in the directors' remuneration of S\$0.2 million, increase in the provision for doubtful debts of S\$0.8 million and a portion of the set up cost of our facilities in Mexico of S\$0.4 million in FY2003 and in FY2002 we had written back on the provision for commission and royalty of S\$0.5 million.

Despite the expense off of the IPO expenses and the start up cost in Mexico, the Group's net profit before tax increased by S\$1.2 million or 10.3% to S\$12.3 million in FY2003 as compared with S\$11.1 million in FY2002. The profit after tax for the year was S\$9.6 million.

The impact of the adoption of FRS 11 resulted in a 0.6% decrease in the net profit before tax margin.

Balance Sheet

The increase in property, plant and equipment was mainly due to capital expenditure of S\$13.3 million for new machines and equipments purchased during the year, this was partially offset by depreciation charge of S\$4.5 million for the year.

The increase in the inventory was due to anticipation of the future sales and building up inventory for the preparation of mould transfer to the respective plants designated for the production of plastic components. The increase in trade receivables and trade payable was in line with the increase in sales. The decrease in the other payable was due to settlement of purchase of fixed assets.

Consolidated Cash Flow

The cash flow position remains strong. We generated a net cash inflow of S\$13.6 million in FY2003. This was derived by cash generated from operating activities of S\$7.8 million. The increase in the net cash used in investing activities of S\$13.1 million was mainly due to the purchase of fixed assets. We had repaid a bank loan of S\$6.5 million, which was secured by a mortgage on our property located in Bukit Batok, and this was being offset by the issue of ordinary shares. The cash and cash equivalents as at 31 December 2003 was approximately S\$38.0 million. The gearing (taken as the ratio of total borrowings to equity) of our Group as at 31 December 2003 was approximately 6.4% compared to 18.1% as at 31 December 2002.

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

Not applicable

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 Directors believe that there are growth opportunities in which Sunningdale is well positioned to capture.

The growth of the automotive segment is likely to rise due to the strong growth in China's domestic automotive sales as well as the increasing number of first-tier automotive component suppliers shifting their production to Asia to be closer to the end-market and to lower their manufacturing costs. At the same time, Sunningdale is also seeing an increasing number of telecommunication projects due to the increase in the product range like back light and key-pad for mobile phone.

In order to cater to the automotive and telecommunication projects awarded to our Group, Sunningdale Shanghai has entered into an agreement with its landlord in Shanghai to construct a new 9,300sqm factory adjacent to the existing factory, which will be leased back to Sunningdale Shanghai for the expansion of its production capacity for the potential business. As the plant is expected to be in production only in the last quarter of 2004, it will have little material impact on FY2004.

Barring any unforeseen circumstances, the Directors are optimistic of the Company's prospects in the next reporting period and the year ahead.

11. If a decision regarding dividend has been made

(a) whether an interim (final) ordinary dividend has been declared (recommended)* (b)(i) Amount per share Cents/(rate%) (ii) Previous corresponding period Cents/(rate%) (c) whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated) (d) The date the dividend is payable (e) The date on which Registrable Transfers received by the company (up to 5:00pm) will be registered before entitlements to the dividends are determined.*

(a) Current Financial Period Reported On

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

Name of Dividend	First & Final
Dividend Type	Cash
Dividend Amount per share (in cents)	0.6 cents per ordinary share (less tax)
Par value of shares	S\$0.15
Tax Rate	22%

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per share (in cents)	1.15 cents per ordinary share (less tax)
Par value of shares	S\$0.10
Tax Rate	22%

(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

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

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.**

Segmented revenue and results by business segments

	<u>Automotive</u>	<u>Telecommunications</u>	<u>Mould Fabrication</u>	<u>Others</u>	<u>Total</u>
<u>FY2003</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Turnover					
External Sales	40,097	30,096	19,333	4,445	93,971
Segmental results					
Profit before income tax	4,917	7,477	637	⁽¹⁾ (747)	12,284
Tax expense					(2,641)
Minority Interest					(7)
					9,636
⁽²⁾Segment Assets & Liabilities					
Fixed assets, NBV	17,578	13,194	4,455	1,949	37,176
Other non-current assets - unallocated					296
Current assets	41,723	31,315	5,549	4,625	83,212
Total assets					120,684
Total liabilities	12,619	9,472	6,522	1,399	30,012

	<u>Automotive</u>	<u>Telecommunications</u>	<u>Mould Fabrication</u>	<u>Others</u>	<u>Total</u>
<u>FY2002</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Turnover					
External Sales	34,844	21,922	13,273	2,923	72,962
Segmental results					
Profit before income tax	3,198	6,282	648	1,009	11,137
Tax expense					(2,060)
Minority Interest					(18)
					9,059
⁽²⁾Segment Assets & Liabilities					
Fixed assets, NBV	14,796	8,651	4,855	812	29,114
Other non-current assets - unallocated					489
Current assets	34,686	20,280	2,489	1,905	59,360
Total assets					88,963
Total liabilities	15,712	9,186	4,982	862	30,742

Notes:

- (1) We allocate our overheads to the respective business segments based on the production activities that were being carried out at the locations of these operations. In FY2003, the business from Others segment increased, resulted in allocation of more overheads as compared to previous years. The primarily objective of the set up of Mexico plant was for the customers from Automotive, as the results, the set up cost was allocated to Automotive segment.

- (2) Beside mould fabrication, all other business segments are sharing the same resources and therefore, we are not able to specifically do a clear allocation. We segment our Assets & Liabilities based on the sales by business segment.

Segmented revenue and results by geographic region

	USA	Singapore	PRC	Europe	Malaysia	Others	Total
FY2003	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
⁽¹⁾Turnover							
External Sales	28,947	26,121	21,911	6,878	3,641	6,473	93,971
Segmental results							
Profit before income tax							12,284
Tax expense							(2,641)
Minority Interest							(7)
							9,636
⁽²⁾Segment Assets & Liabilities							
Fixed assets, NBV	11,452	10,334	8,668	2,721	1,440	2,561	37,176
Other non-current assets - unallocated							296
Current assets	25,633	23,130	19,402	6,091	3,224	5,732	83,212
Total assets							120,684
Total liabilities	9,245	8,342	6,998	2,197	1,163	2,067	30,012

	USA	Singapore	PRC	Europe	Malaysia	Others	Total
FY2002	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
⁽¹⁾Turnover							
External Sales	21,871	17,097	18,111	7,259	6,394	2,230	72,962
Segmental results							
Profit before income tax							11,137
Tax expense							(2,060)
Minority Interest							(18)
							9,059
⁽²⁾Segment Assets & Liabilities							
Fixed assets, NBV	8,727	6,822	7,227	2,897	2,551	890	29,114
Other non-current assets – unallocated							489
Investments							
Current assets	17,794	13,910	14,735	5,906	5,201	1,814	59,360
Total assets							88,963
Total liabilities	9,215	7,204	7,631	3,059	2,694	939	30,742

Notes:

- (1) The final delivery of the plastic parts is to locations specified by our customers or their designated sub-contractors, which in turn could be different from the location of our customers or their sub-contractors. We segment our geographic sales based on the invoicing addresses of our customers.

- (2) All geographic sales are sharing the same resources and therefore, we are not able to specifically do a clear allocation. We segment our Assets & Liabilities based on the sales by geographic region.

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

There were no material factors leading the increase in revenue and earnings. It was due to increase orders from all segments of our business.

15. A breakdown of sales

	31 Dec 2003 S\$'000	31 Dec 2002 S\$'000	% Increase/(Decrease)
Sales reported for first half year	42,509	33,765	25.9
Operating profit after tax before deducting minority interests reported for first half year	4,475	5,203	(14.0)
Sales reported for second half year	51,462	39,197	31.3
Operating profit after tax before deducting minority interests reported for second half year	5,168	3,874	33.4

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

Total Annual Dividend (Refer to Para 16 of Appendix 7.2 for the required details)

	Latest Full Year (31/12/2003 S\$'000)	Previous Full Year (31/12/2002 S\$'000)
Ordinary	1,495	1,525
Preference	0	0
Total	1,495	1,525

BY ORDER OF THE BOARD

Soh Hui Ling
Company Secretary

25 February 2004