



HG METAL MANUFACTURING LIMITED

(Company Registration No. 198802660D)

Financial Statements and Dividend Announcement for Year Ended 31 December 2014

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

1(a)(i) Consolidated Statement of Comprehensive Income together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group		
	FY 2014 S\$'000	FY 2013 S\$'000	% (+/-)
Revenue	187,850	266,046	(29)
Cost of sales	(176,595)	(249,917)	(29)
Gross profit	11,255	16,129	(30)
Gross margin	6.0%	6.1%	
Other operating income	5,562	4,977	12
Distribution expenses	(1,721)	(2,706)	(36)
Administrative expenses	(10,477)	(11,552)	(9)
Other operating expenses	(25,308)	(10,747)	135
Finance expenses	(851)	(1,727)	(51)
Share of associate profits	4,606	8,830	(48)
(Loss)/profit before tax	(16,934)	3,204	nm*
Income tax credit	183	55	nm*
Net (loss)/profit after tax	(16,751)	3,259	nm*
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss :			
Currency translation adjustments	61	58	nm*
Share of other comprehensive income of associates	(103)	167	nm*
Other comprehensive income for the year, net of tax	(42)	225	nm*
Total comprehensive income for the year	(16,793)	3,484	nm*
(Loss)/profit attributable to:			
Owners of the Company	(16,090)	3,410	nm*
Non-controlling interests	(661)	(151)	nm*
	(16,751)	3,259	nm*
Total comprehensive income attributable to:			
Owners of the Company	(16,132)	3,659	nm*
Non-controlling interests	(661)	(175)	nm*
	(16,793)	3,484	nm*

*nm denotes not meaningful

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

	Group	
	FY 2014	FY 2013
(Loss)/profit before tax is arrived at after charging/(crediting) the following:	S\$'000	S\$'000
Allowance for impairment of receivables, net	2,669	311
Bad debts write off	605	35
Amortisation of intangible assets	40	77
Recognition of deferred income	(1,429)	(1,309)
Depreciation of property, plant and equipment	2,466	2,277
Dividend income from quoted investment	-	(5)
Fair value (gain)/loss on investment held for trading	(58)	23
Fair value loss/(gain) on derivatives, net	45	(34)
Foreign exchange (gain)/loss, net	(224)	1,399
Interest income	(45)	(152)
Interest on borrowings	851	1,727
Gain on disposal of property, plant and equipment	(135)	(34)
Loss on disposal of intangible assets	69	-
Write off of property, plant and equipment	76	-
Impairment of property, plant and equipment	1,659	-
Goods lost-in-transit	-	14
Write off of inventories	638	-
Impairment of inventories	9,783	39
Write back of provision for rectification work	-	(690)

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(b)(i) Statements of Financial Position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group		Company	
	31.12.2014 S\$'000	31.12.2013 S\$'000	31.12.2014 S\$'000	31.12.2013 S\$'000
Non-current assets				
Property, plant and equipment	15,652	18,277	8,215	8,457
Intangible assets	79	340	75	326
Investment in subsidiaries	-	-	13,147	13,488
Investment in associates	49,488	48,628	68	713
Deferred tax assets	12	-	-	-
	65,231	67,245	21,505	22,984
Current assets				
Investment held for trading	110	53	-	-
Derivative financial instruments	-	44	-	34
Inventories	28,058	96,705	25,645	79,015
Trade and other receivables	35,549	55,495	49,906	85,597
Income tax recoverable	135	115	-	-
Prepaid expenses	184	281	145	154
Cash and cash equivalents	52,661	16,123	45,222	8,754
	116,697	168,816	120,918	173,554
Current liabilities				
Trade and other payables	25,471	24,913	29,643	30,848
Finance lease payables	44	66	-	-
Bank borrowings	5,857	51,052	5,857	44,860
Provision for taxation	13	77	-	-
Deferred income	1,429	1,429	1,429	1,429
	32,814	77,537	36,929	77,137
Net current assets	83,883	91,279	83,989	96,417
Non-current liabilities				
Finance lease payables	23	65	-	-
Bank borrowings	6,855	11,035	6,855	11,035
Provision for reinstatement costs	1,000	1,000	700	700
Deferred income	5,833	7,262	5,833	7,262
Deferred taxation	-	9	-	-
	13,711	19,371	13,388	18,997
	135,403	139,153	92,106	100,404
Capital and reserves				
Share capital	152,052	137,314	152,052	137,314
Treasury shares	(1,885)	(1,885)	(1,885)	(1,885)
Other reserves	1,931	2,150	2,527	2,527
Accumulated losses	(17,259)	(100)	(60,588)	(37,552)
Equity attributable to equity holders of the Company	134,839	137,479	92,106	100,404
Non-controlling interests	564	1,674	-	-
Total equity	135,403	139,153	92,106	100,404

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

	As at 31 December 2014			As at 31 December 2013		
	Secured S\$'000	Unsecured S\$'000	Finance lease S\$'000	Secured S\$'000	Unsecured S\$'000	Finance lease S\$'000
Repayable within one year	5,857	-	44	45,709	5,343	66
Repayable after one year	6,855	-	23	11,035	-	65
Total	12,712	-	67	56,744	5,343	131

Details of collaterals

The Group's borrowings of approximately S\$12.7 million are secured by way of:

- (i) fixed and floating charge over inventories, receivables and bank balance of the Company; and
- (ii) legal mortgage over properties of the Group and of the Company.

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1(c)(i) Consolidated Statement of Cash Flows, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group	
	FY 2014	FY 2013
	S\$'000	S\$'000
Cash flows from operating activities		
(Loss)/profit before tax	(16,934)	3,204
Adjustments for:		
Depreciation of property, plant and equipment	2,466	2,277
Amortisation of intangible assets	40	77
Allowance for impairment of receivables, net	2,669	311
Bad debts write off	605	35
Gain on disposal of property, plant and equipment	(135)	(34)
Loss on disposal of intangible assets	69	-
Write off of property, plant and equipment	76	-
Impairment of property, plant and equipment	1,659	-
Goods lost-in-transit	-	14
Write off of inventories	638	-
Impairment of inventories	9,783	15
Write back of accrual for rectification work	-	(690)
Dividend income from quoted investment	-	(5)
Fair value (gain)/loss on investment held for trading	(58)	23
Fair value loss/(gain) on derivatives, net	45	(34)
Interest expense	851	1,727
Interest income	(45)	(152)
Share of associates results	(4,606)	(8,830)
Recognition of deferred income	(1,429)	(1,309)
Unrealised foreign exchange loss/(gain)	232	(204)
Operating cash flow before working capital changes	(4,074)	(3,575)
Working capital changes:		
Inventories	57,171	(10,802)
Trade and other receivables	12,555	2,916
Trade and other payables	428	(21,022)
Cash generated from/(used in) operations	66,080	(32,483)
Interest expense paid	(851)	(1,727)
Interest income received	45	152
Income tax paid	-	(154)
Net cash flows generated from/(used in) operating activities	65,274	(34,212)
Cash flows from investing activities		
Dividend income received from quoted investment	3,644	3,227
Decrease in FD pledged with banks	-	642
Proceeds from disposal of property, plant and equipment	4,789	39,156
Proceeds from disposal of intangible assets	161	-
Purchase of property, plant and equipment	(986)	(4,140)
Purchase of intangible assets	(10)	(36)
Net cash flows generated from investing activities	7,598	38,849
Cash flows from financing activities		
Acquisition of non-controlling interests	(390)	-
Proceeds from issuance of ordinary shares in the Company	14,738	-
Dividends paid on ordinary shares of the Company	(1,069)	(3,208)
Dividends paid to minority shareholders of a subsidiary	-	(12)
Proceeds from bank borrowings	38,641	188,643
Repayment of bank borrowings	(87,909)	(191,051)
Repayment of finance lease payables	(84)	(279)
Amount due from shareholders of a subsidiary	-	(604)
Net cash flows used in financing activities	(36,073)	(6,511)
Net change in cash and cash equivalents	36,799	(1,874)
Effects on exchange rate changes on cash and cash equivalents	(261)	130
Cash and cash equivalents at beginning of finance year	16,123	17,867
Cash and cash equivalents at end of finance year	52,661	16,123

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1(c)(ii) Note to the Consolidated Statement of Cash Flows

For the purposes of the consolidated statement of cash flows, cash and cash equivalents comprise:

	Group	
	31 December 2014 S\$'000	31 December 2013 S\$'000
Cash and bank balances	52,661	15,421
Fixed deposits	-	702
	52,661	16,123
Cash and cash equivalents per consolidated cash flow statement	52,661	16,123

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

Group	Attributable to equity shareholders of the Company									
	Share capital	Treasury shares	Capital reserve	Fair value reserve	Other reserves	Foreign currency translation reserve	Accumulated losses	Total	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 January 2014	137,314	(1,885)	2,527	(4)	-	(373)	(100)	137,479	1,674	139,153
Loss for the year	-	-	-	-	-	-	(16,090)	(16,090)	(661)	(16,751)
<u>Other comprehensive income</u>										
Foreign currency translation	-	-	-	-	-	61	-	61	-	61
Share of other comprehensive income of associate	-	-	-	-	-	(103)	-	(103)	-	(103)
Other comprehensive income for the year, net of tax	-	-	-	-	-	(42)	-	(42)	-	(42)
Total comprehensive income/(loss) for the year	-	-	-	-	-	(42)	(16,090)	(16,132)	(661)	(16,793)
<u>Contribution by and distributions to owners</u>										
Issuance of ordinary shares	14,738	-	-	-	-	-	-	14,738	-	14,738
Dividend on ordinary shares	-	-	-	-	-	-	(1,069)	(1,069)	-	(1,069)
Acquisition of minority interests	-	-	-	-	-	-	-	-	(449)	(449)
Premium paid on acquisition of minority interests	-	-	-	-	(177)	-	-	(177)	-	(177)
Total transactions with owners in their capacity as owners	14,738	-	-	-	(177)	-	(1,069)	13,492	(449)	13,043
Balance as at 31 December 2014	152,052	(1,885)	2,527	(4)	(177)	(415)	(17,259)	134,839	564	135,403

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Group	Attributable to equity shareholders of the Company									
	Share capital	Treasury shares	Capital reserve	Fair value reserve	Other reserves	Foreign currency translation reserve	Accumulated losses	Total	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 January 2013	137,314	(1,885)	2,527	(4)	-	(622)	(302)	137,028	1,861	138,889
Profit for the year	-	-	-	-	-	-	3,410	3,410	(151)	3,259
<u>Other comprehensive income</u>										
Foreign currency translation	-	-	-	-	-	82	-	82	(24)	58
Share of other comprehensive income of associate	-	-	-	-	-	167	-	167	-	167
Other comprehensive income for the year, net of tax	-	-	-	-	-	249	-	249	(24)	225
Total comprehensive income/(loss) for the year	-	-	-	-	-	249	3,410	3,659	(175)	3,484
<u>Contribution by and distributions to owners</u>										
Dividend on ordinary shares	-	-	-	-	-	-	(3,208)	(3,208)	(12)	(3,220)
Total transactions with owners in their capacity as owners	-	-	-	-	-	-	(3,208)	(3,208)	(12)	(3,220)
Balance as at 31 December 2013	137,314	(1,885)	2,527	(4)	-	(373)	(100)	137,479	1,674	139,153

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Company	Share capital	Treasury shares	Capital reserve	Accumulated losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 January 2014	137,314	(1,885)	2,527	(37,552)	100,404
Loss for the year, representing total comprehensive income for the year	-	-	-	(21,967)	(21,967)
<u>Contributions by and distributions to owners</u>					
Issuance of ordinary shares	14,738	-	-	-	14,738
Dividend on ordinary shares	-	-	-	(1,069)	(1,069)
Total transactions with owners in their capacity as owners	14,738	-	-	(1,069)	13,669
Balance as at 31 December 2014	152,052	(1,885)	2,527	(60,588)	92,106
Balance as at 1 January 2013	137,314	(1,885)	2,527	(32,860)	105,096
Loss for the year, representing total comprehensive income for the year	-	-	-	(1,484)	(1,484)
<u>Contributions by and distributions to owners</u>					
Dividend on ordinary shares	-	-	-	(3,208)	(3,208)
Total transactions with owners in their capacity as owners	-	-	-	(3,208)	(3,208)
Balance as at 31 December 2013	137,314	(1,885)	2,527	(37,552)	100,404

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 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

In October 2014, a total of 213,600,000 new ordinary shares were issued by the Company at S\$0.069 per share to SEAVI Advent Investments Ltd (133,500,000 shares) and Rise Capital Ventures Ltd (80,100,000 shares).

The Company does not have any outstanding shares convertibles as at 31 December 2014 and 31 December 2013.

There were 23,268,000 treasury shares as at 31 December 2014 and 31 December 2013.

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 end of the immediately preceding year.

	31 December 2014	31 December 2013
Total number of issued shares	1,306,121,962	1,092,521,962
Treasury shares	(23,268,000)	(23,268,000)
Total number of issued shares excluding treasury shares	1,282,853,962	1,069,253,962

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

The figures have not been reviewed or audited by the auditors.

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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 financial statements have been applied

Except as disclosed in Note 5 below, the Group has applied the same accounting policies and methods of computation to the financial statements for the current financial period and the most recent audited financial statements for the financial year ended 31 December 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

The Group has adopted the new or revised Singapore Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") which became effective for the current financial year, where applicable. The adoption of these FRS and INT FRS did not result in any substantial changes to the Group's accounting policies and there is no material impact on the financial statements of the Group since 31 December 2013.

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

	Group	
	FY 2014	FY 2013
Earnings per ordinary shares:		
(a) Basic (cents)	(1.46)	0.32
(b) Diluted (cents)	(1.46)	0.32

(a) Earnings per share were calculated based on weighted average number of shares of 1,104,853,962 and 1,069,253,962 during the period ended 31 December 2014 and 31 December 2013 respectively.

(b) Diluted earnings per share were calculated based on adjusted weighted average number of shares during the period.

There was no dilution in earnings per ordinary share this year and the comparative last year.

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

	Group		Company	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
Net asset value per ordinary share (cents)	10.51	12.86	7.18	9.39

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

Results for FY 2014 versus FY2013

Revenue and Gross Profit

The Group recorded revenue of S\$187.9 million in FY2014 as compared to S\$266.0 million in FY2013. The decrease of revenue in FY2014 was attributed to 23% reduction in sales volume and declined steel prices. The Group's revenue in FY2014 for the local and Malaysia markets registered a decline of 29.5% and 42.3% respectively as compared to FY2013.

Gross profit declined by 30% from S\$16.1 million in FY2013 to S\$11.3 million in FY2014 in view of lower sales revenue. Gross profit margin was lower mainly due to the Group's effort to clear slow moving and obsolete stock at lower selling prices.

Other Operating Income

Other operating income increased 12% from S\$5.0 million in FY2013 to S\$5.6 million in FY2014, mainly due to increased warehouse and storage rental income and foreign exchange gain.

Distribution, Administrative, Other Operating and Finance Expenses

The Group's distribution expenses for FY2014 decreased to S\$1.7 million from S\$2.7 million in FY2013, in tandem with lower sales revenue reported in the year.

Administrative expenses decreased by 9% from S\$11.6 million in FY2013 to S\$10.5 million in FY2014, mainly due to lower headcount and reduction in management fee.

Other operating expenses increased to S\$25.3 million in FY2014 from S\$10.7 million in FY2013. This was mainly due to a provision for inventory and provision for doubtful debts of S\$9.8 million and S\$2.7 million respectively as well as provision for impairment of fixed assets of S\$1.7 million.

Lower finance expenses were incurred in FY2014 as compared to FY2013 as result of repayment of bank borrowings.

Net Profit after Tax

The Group recorded a net loss after tax of S\$16.8 million in FY2014, compared to a profit S\$3.3 million reported in FY2013 mainly attributable to lower sales revenue, provisions as mentioned above and reduced share of associate profits.

Balance Sheet

As at 31 December 2014, inventory stood at S\$28.1 million compared with S\$96.7 million as at 31 December 2013. This was mainly attributable to stock clearance effort by the Group.

Excluding the disposal proceeds from the sales and leaseback of the property at Jurong Port Road of S\$0.3 million (2013: S\$4.6 million), trade and receivables decreased in line with lower revenue and improved debt collection to S\$35.2 million as at 31 December 2014 as compared to S\$50.9 million as at 31 December 2013.

Total bank borrowing decreased to S\$12.7 million as at 31 December 2014 as compared to S\$62.1 million as at 31 December 2014 due to substantial repayment made during the year using internal generated funds.

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Cash Flow Statement

The Group's cash and cash equivalents improved to S\$52.7 million as at 31 December 2014 in comparison to S\$16.1 million as at 31 December 2013.

The net cashflow generated from operating activities for FY2014 was S\$65.3 million compared with net cashflow used in operating activities of S\$34.2 million for FY2013. This was mainly due to better management of working capital and lower inventory purchases.

The Group recorded net cash used in financing activities of S\$36.1 million mainly due to substantial repayment of bank borrowings offset by proceeds from issue of new shares of \$14.7 million.

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 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 for the steel industry is expected to remain challenging in 2015.

The factors that may significantly affect the Group in the next 12 months are:

1. The fluctuation of steel prices which are driven by global demand and supply of steel products
2. The state of the Singapore economy and the growth of the construction sector
3. The intensity of the competition in the industry
4. The fluctuations of the US dollar against Singapore dollar

The Group will continue to focus on working capital management and remains prudent in its inventory purchases. The Group will seek to align its inventory holding mix to meet customer demands and maintaining optimum level of inventory.

11. Dividend

(a) Current financial period reported on

Any dividend recommended for the current financial year reported on?

None

(b) Corresponding period of the immediately preceding financial year

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

The final one-tier tax exempt cash dividend of 0.1 Singapore cent per ordinary share in respect of the financial year ended 31 December 2013 was paid on 14 May 2014.

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(c) Date payable

Not applicable

(d) Books closure date

Not applicable

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

Not applicable

13. Interested persons transactions

Name of Interested persons	Aggregate value of all interested person transactions during the financial year 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)*
	2014 S\$'000	2014 S\$'000
Arcelor International Steel Trading (Shanghai) Co. Ltd. Purchases	-	1,190
Chye Hin Hardware Pte Ltd Sales	-	598
Oriental Sheet Piling Sdn Bhd Sales	-	154
Oriental Sheet Piling Pte Ltd Purchase	-	842
Oriental SP Steelwork Sdn Bhd Other Charges	372	-
Esun International Pte Ltd Sales	266	-
Himetal Enterprise Pte Ltd Sales	310	-

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Financial Statements and Dividend Announcement for Year Ended 31 December 2014

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

Business Segment

	Trading	Manufacturing	Eliminations	Group
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Financial year ended 31 Dec 2014</u>				
Revenue				
Sales to external customers	158,072	29,778	-	187,850
Inter-segment sales	16,105	10,656	(26,761)	-
Total	<u>174,177</u>	<u>40,434</u>	<u>(26,761)</u>	<u>187,850</u>
Results				
(Loss)/profit from operations	(24,855)	(2,737)	6,858	(20,734)
Interest expense	(763)	(114)	26	(851)
Interest income	70	1	(26)	45
Share of associates results	(1,003)	5,609	-	4,606
Segment (loss)/profit	<u>(26,551)</u>	<u>2,759</u>	<u>6,858</u>	<u>(16,934)</u>
Income tax credit				<u>183</u>
Loss for the year				<u>(16,751)</u>
Other information				
Debit/(Credit)				
Investment in associates	60	49,428	-	49,488
Additions to non-current assets	1,315	650	-	1,965
Depreciation and amortisation of assets	1,389	1,117	-	2,506
Recognition of deferred income	(1,429)	-	-	(1,429)
Write down/write off of inventories	8,919	1,502	-	10,421
Fair value gain from derivatives	35	10	-	45
Assets & liabilities				
Segment assets	191,556	31,816	(41,591)	181,781
Income tax recoverable				135
Deferred tax assets				12
Total assets				<u>181,928</u>
Segment liabilities	88,326	16,330	(58,144)	46,512
Tax payable				<u>13</u>
Total liabilities				<u>46,525</u>

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	Trading	Manufacturing	Eliminations	Group
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Financial year ended 31 Dec 2013</u>				
Revenue				
Sales to external customers	228,733	37,313	-	266,046
Inter-segment sales	32,346	20,957	(53,303)	-
Total	<u>261,079</u>	<u>58,270</u>	<u>(53,303)</u>	<u>266,046</u>
Results				
Profit/(loss) from operations	526	(960)	(3,617)	(4,051)
Interest expense	(1,535)	(234)	42	(1,727)
Interest income	193	1	(42)	152
Share of associates results	249	8,581	-	8,830
Segment (loss)/profit	<u>(567)</u>	<u>7,388</u>	<u>(3,617)</u>	<u>3,204</u>
Income tax credit				<u>55</u>
Profit for the year				<u>3,259</u>
Other information				
Debit/(Credit)				
Investment in associates	1,124	47,504	-	48,628
Additions to non-current assets	1,898	1,911	(82)	3,727
Depreciation and amortisation of assets	1,571	1,025	(242)	2,354
Recognition of deferred income	(1,309)	-	-	(1,309)
Write down of inventories	39	-	-	39
Fair value gain from derivatives	(12)	(22)	-	<u>(34)</u>
Assets & liabilities				
Segment assets	268,513	37,460	(70,027)	235,946
Income tax recoverable				<u>115</u>
Total assets				<u>236,061</u>
Segment liabilities	153,405	19,239	(75,822)	96,822
Tax payable				77
Deferred tax liabilities				<u>9</u>
Total liabilities				<u>96,908</u>

Non-current assets information presented above consist of property, plant and equipment and intangible assets as presented in the consolidated balance sheet.

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Geographical Segment

	Singapore S\$'000	Malaysia S\$'000	Indonesia S\$'000	Others S\$'000	Group S\$'000
<u>Financial year ended 31 Dec 2014</u>					
Sales to external customers	115,668	31,278	25,387	15,517	187,850
Non-current assets	14,073	1,658	-	-	15,731
<u>Financial year ended 31 Dec 2013</u>					
Sales to external customers	164,191	54,273	35,752	11,830	266,046
Non-current assets	15,967	2,579	71	-	18,617

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 Note 8 above

16. A breakdown of sales as follows:

	Group		
	FY 2014	FY 2013	%
	S\$'000	S\$'000	(+/-)
<u>First Half</u>			
Sales reported for first half year	97,969	140,203	(30)
Operating profit/loss after tax before deducting non-controlling interests reported for first half year	(12,912)	3,158	(509)
<u>Second Half</u>			
Sales reported for remaining period	89,881	125,843	(29)
Operating profit after tax before deducting non-controlling interests reported for remaining period	(3,839)	101	(3,901)

17. 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 breakdown:

	Group	
	FY 2014	FY 2013
	S\$'000	S\$'000
Ordinary	-	1,069

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

Not applicable

On behalf of the Board,

**Foo Sey Liang
Executive Director**

February 17, 2015