

# BEYONICS TECHNOLOGY LIMITED

## Full Year Financial Statements and Dividend Announcement

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

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

	Group Year Ended 31/07/2009 S\$'000	Group Year Ended 31/07/2008 S\$'000 (Restated)	Change %
<b>Revenue</b>	<b>1,574,270</b>	<b>1,414,443</b>	<b>11.3</b>
Cost of sales	(1,541,554)	(1,361,365)	13.2
<b>Gross profit</b>	<b>32,716</b>	<b>53,078</b>	<b>(38.4)</b>
Other Income	1,925	2,775	(30.6)
	<b>34,641</b>	<b>55,853</b>	<b>(38.0)</b>
General and administrative costs	(25,810)	(34,779)	(25.8)
Selling and marketing expenses	(157)	(790)	(80.1)
<b>Profit from operating activities</b>	<b>8,674</b>	<b>20,284</b>	<b>(57.2)</b>
Finance costs	(3,694)	(3,488)	5.9
<b>Profit before taxation</b>	<b>4,980</b>	<b>16,796</b>	<b>(70.4)</b>
Taxation	(701)	(1)	nm
<b>Profit after taxation</b>	<b>4,279</b>	<b>16,795</b>	<b>(74.5)</b>
<b>Profit attributable to:</b>			
Equity holders of the Company	<b>4,163</b>	<b>16,969</b>	<b>(75.5)</b>
Minority interests	116	(174)	166.7
	<b>4,279</b>	<b>16,795</b>	<b>(74.5)</b>

Note: "nm" denotes "not meaningful"

The income statement of the Group for the year ended 31 July 2008 has been restated due to a prior year adjustment which arose as a result of the finalization of the purchase price allocation in accordance with FRS 103 – Business Combination.

Additional information for the income statement

	Group Year Ended 31/07/2009 S\$'000	Group Year Ended 31/07/2008 S\$'000
Depreciation	(36,932)	(33,861)
Interest on borrowings	(3,694)	(3,488)
Foreign exchange gain/(loss)	2,874	(8,747)
(Loss)/Gain from sale of fixed assets and assets held for sale	(139)	287
Fixed assets written off	(91)	(4)
(Deficit)/surplus from revaluation on investment properties	(242)	245
Cost of share-based payment	(211)	(308)
Interest income	406	879
(Allowance)/Write back of allowance for doubtful debts	(133)	34
Allowance for inventory obsolescence	(430)	(82)

**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**

	Group 31/07/2009 S\$'000	Group 31/07/2008 S\$'000 (Restated)	Company 31/07/2009 S\$'000	Company 31/07/2008 S\$'000
<b>Non-Current Assets</b>				
Fixed assets	249,431	258,676	-	-
Subsidiary companies	-	-	322,304	320,249
Investment securities	536	481	233	195
Investment properties	4,171	4,176	-	-
Intangible assets	20,054	19,217	-	-
Deferred tax assets	6,274	6,514	-	-
	<b>280,466</b>	<b>289,064</b>	<b>322,537</b>	<b>320,444</b>
<b>Current Assets</b>				
Asset held for sale	1,605	-	-	-
Inventories	73,584	88,914	-	-
Trade debtors	228,166	277,127	-	-
Other debtors	2,876	4,689	363	225
Other non-financial assets	8,510	8,713	17	6
Amounts due from subsidiary companies	-	-	21,333	43,756
Fixed deposits	1,222	1,529	34	32
Cash and bank balances	60,928	47,102	6,354	587
	<b>376,891</b>	<b>428,074</b>	<b>28,101</b>	<b>44,606</b>
<b>Current Liabilities</b>				
Trade creditors	226,725	277,495	-	-
Other creditors and accruals	17,196	22,535	1,046	837
Other non-financial liability	1,146	1,136	-	-
Finance lease creditors	40	39	-	-
Provision for taxation	1,790	1,493	18	39
Bank borrowings	53,599	110,096	41,267	94,900
	<b>300,496</b>	<b>412,794</b>	<b>42,331</b>	<b>95,776</b>
<b>Net Current Assets/(Liabilities)</b>	<b>76,395</b>	<b>15,280</b>	<b>(14,230)</b>	<b>(51,170)</b>
<b>Non-Current Liabilities</b>				
Finance lease creditors	146	186	-	-
Deferred tax liabilities	9,608	10,394	-	-
Long term loans	42,400	-	42,400	-
	<b>52,154</b>	<b>10,580</b>	<b>42,400</b>	<b>-</b>
<b>Net Assets</b>	<b>304,707</b>	<b>293,764</b>	<b>265,907</b>	<b>269,274</b>
<b>Equity attributable to equity holders of the Company</b>				
Share capital	254,022	254,022	254,022	254,022
Reserves	45,036	34,402	11,885	15,252
	<b>299,058</b>	<b>288,424</b>	<b>265,907</b>	<b>269,274</b>
Minority interests	5,649	5,340	-	-
<b>Total Equity</b>	<b>304,707</b>	<b>293,764</b>	<b>265,907</b>	<b>269,274</b>

Note: The balance sheet as at 31 July 2008 has been restated due to a prior year adjustment which arose as a result of the finalisation of the purchase price allocation in accordance with FRS 103 – Business Combination.

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

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

<b>As at 31/07/2009</b>		<b>As at 31/07/2008</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
S\$'000 40	S\$'000 53,599	S\$'000 39	S\$'000 110,096

**Amount repayable after one year**

<b>As at 31/07/2009</b>		<b>As at 31/07/2008</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
S\$'000 146	S\$'000 42,400	S\$'000 186	S\$'000 -

**Details of any collateral**

As at 31 July 2009, the Group's secured borrowings comprised outstanding finance lease balances.

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

	Group Year Ended 31/07/2009 S\$'000	Group Year Ended 31/07/2008 S\$'000
<b>Cash flows from operating activities:-</b>		
Profit before taxation and minority interests	4,980	16,796
Adjustments for:		
Depreciation of fixed assets	36,932	33,861
Goodwill from business combinations	-	(403)
Net impairment of fixed assets	-	83
Cost of share-based payment	211	308
Revaluation deficit/(surplus) from investment properties	242	(245)
Impairment on long term investment	90	-
Loss/(Gain) from sale of fixed assets	139	(287)
Fixed assets written off	91	4
Interest expenses	3,694	3,488
Interest income	(406)	(879)
Dividend income	(160)	(160)
Currency re-alignment	550	(1,088)
<b>Operating profit before working capital changes</b>	<b>46,363</b>	<b>51,478</b>
Decrease/(Increase) in inventories	15,330	(14,486)
Decrease/(Increase) in trade debtors	48,961	(177,887)
Decrease/(Increase) in other debtors and other non-financial assets	2,016	(1,564)
(Decrease)/Increase in trade creditors	(50,770)	192,697
Decrease in other creditors and accruals and other non-financial liability	(5,329)	(1,362)
<b>Cash generated from operations</b>	<b>56,571</b>	<b>48,876</b>
Interest paid	(3,694)	(3,488)
Interest income	406	879
Tax paid	(1,190)	(1,397)
<b>Net cash generated from operating activities</b>	<b>52,093</b>	<b>44,870</b>
<b>Cash flows from investing activities:-</b>		
Proceeds from sale of fixed assets	1,134	315
Purchase of fixed assets	(20,600)	(29,593)
Dividend income received	160	160
Business combination, net of cash	(837)	(28,841)
<b>Net cash used in investing activities</b>	<b>(20,143)</b>	<b>(57,959)</b>
<b>Cash flows from financing activities:-</b>		
Payment of dividends	(6,425)	(10,708)
Payment of finance lease obligations	(39)	(117)
Proceeds from the exercise of share options	-	1,229
(Repayment)/Proceeds from bank borrowings	(14,097)	7,546
<b>Net cash used in financing activities</b>	<b>(20,561)</b>	<b>(2,050)</b>
Net increase /(decrease) in cash and cash equivalents	11,389	(15,139)
Cash and cash equivalents at beginning of year	48,631	68,214
Effects of exchange rate changes on opening cash and cash equivalents	2,130	(4,444)
<b>Cash and cash equivalents at end of the year</b>	<b>62,150</b>	<b>48,631</b>
<b>Cash and cash equivalents comprise the following balance sheet amounts :-</b>		
Fixed Deposits	1,222	1,529
Cash and bank balances	60,928	47,102
	<b>62,150</b>	<b>48,631</b>

**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>Group Year Ended 31/07/2009 S\$'000</b>	<b>Group Year Ended 31/07/2008 S\$'000</b>	<b>Company Year Ended 31/07/2009 S\$'000</b>	<b>Company Year Ended 31/07/2008 S\$'000</b>
<b>Share capital</b>				
Balance at beginning	254,022	252,482	254,022	252,482
Issuance of ordinary shares upon exercise of share option	-	1,229	-	1,229
Transfer from share option reserve	-	311	-	311
<b>Balance at end of year</b>	<b>254,022</b>	<b>254,022</b>	<b>254,022</b>	<b>254,022</b>
<b>Capital reserve</b>				
<b>Balance at beginning and end of year</b>	<b>17,259</b>	<b>17,259</b>	<b>-</b>	<b>-</b>
<b>Merger reserve</b>				
<b>Balance at beginning and end of year</b>	<b>-</b>	<b>-</b>	<b>25,036</b>	<b>25,036</b>
<b>Employee share option reserve</b>				
Balance at beginning	2,520	2,523	2,520	2,523
Cost of share-based payment	211	308	211	308
Transfer to share capital	-	(311)	-	(311)
<b>Balance at end of year</b>	<b>2,731</b>	<b>2,520</b>	<b>2,731</b>	<b>2,520</b>
<b>Fair value adjustment reserve</b>				
Balance at beginning	(128)	183	(128)	183
Net change in the reserve	128	(311)	128	(311)
<b>Balance at end of year</b>	<b>-</b>	<b>(128)</b>	<b>-</b>	<b>(128)</b>
<b>Retained earnings / (Accumulated losses)</b>				
Balance at beginning of year, as previously stated	66,381	61,136	(12,176)	(8,602)
Prior year adjustment *	1,016	-	-	-
Balance at beginning, as restated	67,397	61,136	(12,176)	(8,602)
Profit for the year	4,163	16,969	2,719	7,134
Payment of dividends	(6,425)	(10,708)	(6,425)	(10,708)
<b>Balance at end of year</b>	<b>65,135</b>	<b>67,397</b>	<b>(15,882)</b>	<b>(12,176)</b>

	Group Year Ended 31/07/2009 S\$'000	Group Year Ended 31/07/2008 S\$'000	Company Year Ended 31/07/2009 S\$'000	Company Year Ended 31/07/2008 S\$'000
<b>Foreign currency translation reserve</b>				
Balance at beginning of year	(52,646)	(31,211)	-	-
Exchange movement arising from translation of:				
share capital, capital reserves and retained earnings/accumulated losses of subsidiary companies	2,933	(6,308)	-	-
long term intercompany loans	9,624	(15,127)	-	-
<b>Balance at end of year</b>	<b>(40,089)</b>	<b>(52,646)</b>	-	-
<b>Minority Interests</b>				
Balance at beginning of year	5,340	5,514	-	-
Profit/(Loss) for the year	116	(174)	-	-
Foreign currency translation adjustment	193	-		
<b>Balance at end of year</b>	<b>5,649</b>	<b>5,340</b>	-	-

\* This prior year adjustment arose as a result of the finalisation of the purchase price allocation in accordance with FRS 103 – Business Combination.

**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 or 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**

During the year, the Company did not issued any ordinary shares. As at 31 July 2009, there were unexercised options for 32,295,255 ordinary shares under the Beyonics Share Option Scheme 2000.

**2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)**

The figures have not been reviewed nor audited.

**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 method of computation as in the Group's most recently audited financial statements for the financial year ended 31 July 2008 have been applied.

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**

	Year Ended 31/07/2009	Year Ended 31/07/2008
Earnings per ordinary share	0.78 cents	3.17 cents
Diluted earnings per ordinary share	0.78 cents	3.17 cents

Earnings per ordinary share is calculated by dividing the net profit attributable to equity holders by the weighted average number of ordinary shares outstanding during the 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 financial period reported on; and**

(b) **immediately preceding financial year**

<b>Group</b>	31/07/2009	31/07/2008
Net assets value per ordinary share	55.86 cents	53.87 cents
<b>Company</b>		
Net assets value per ordinary share	49.67 cents	50.30 cents

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

The Group recorded a profit attributable to equity holders of S\$0.8 million in Q4 FY09 after incurring a loss of S\$2.6 million in Q3 FY09. Revenue in Q4 FY09 was 17.2% lower than that in Q4 FY08 but 13.6% higher than that in Q3 FY09.

Group revenue for the financial year ended 31 July 2009 ("FY09") increased by 11.3% to S\$1.57 billion as compared to the previous financial year ("FY08") of S\$1.41 billion mainly due to a full year's revenue contribution of the Seagate PCBA business as compared to only 7 months' contribution in FY08.

Revenue from the Electronic Manufacturing Services ("EMS") division increased by 16.7% to S\$1.44 billion in FY09 as compared to FY08 mainly due to the Seagate PCBA business.

Revenue from the Precision Engineering Services (“PES”) division decreased by 26.1% to S\$131.3 million in FY09 as compared to FY08 mainly due to the sharp economic downturn which resulted in a significant contraction in the hard disk drive and automotive industries.

Despite higher Group revenue, gross profit for FY09 decreased by 38.4% to S\$32.7 million as compared to FY08 mainly due to lower revenue and lower capacity utilization from the PES division.

Selling, General and Administrative expenses decreased by 27.0% to S\$26.0 million in FY09 as compared to FY08 mainly due to exchange gains (versus exchange losses in the last financial year) arising from inter-company loans and trade balances. However, this was partly offset by increases in general and administrative expenses from the Seagate PCBA operation.

Group profit attributable to equity holders of the Company for FY09 decreased by 75.5% to S\$4.2 million. Accordingly, basic earnings per share (“EPS”) for FY09 decreased to 0.78 cents from 3.17 cents in FY08.

Inventories, trade debtors and trade creditors balances were lower as at 31 July 2009 due to the lower manufacturing activities in the last quarter of FY09.

The Group’s continuous focus on working capital management resulted in a higher cash and bank balances and lower bank borrowings as at 31 July 2009.

**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**

We operate in a highly competitive environment. Our revenue is largely dependent on the demand for our customers’ products. While we are seeing improvement in the general economic environment, we expect our businesses to be challenging with price volatility in energy, raw materials and foreign exchange rates.

**11. Dividend**

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

Any dividend recommended for the current financial period reported on? None

**(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	First and Final
Dividend Type	Cash
Dividend Rate	1.2 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**

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**

	Precision Engineering		Electronic Manufacturing		Others		Elimination		Consolidation	
	2009 S\$'000	2008 S\$'000	2009 S\$'000	2008 S\$'000	2009 S\$'000	2008 S\$'000	2009 S\$'000	2008 S\$'000	2009 S\$'000	2008 S\$'000
Segment Revenue										
Sales to External Customers	131,261	177,547	1,443,009	1,236,896	-	-	-	-	1,574,270	1,414,443
Intersegment Sales	109	172	3,358	2,051	-	-	(3,467)	(2,223)	-	-
<b>Total Revenue</b>	<b>131,370</b>	<b>177,719</b>	<b>1,446,367</b>	<b>1,238,947</b>	<b>-</b>	<b>-</b>	<b>(3,467)</b>	<b>(2,223)</b>	<b>1,574,270</b>	<b>1,414,443</b>
(Loss)/Profit Before Interest and Taxation	(5,418)	6,282	13,935	14,818	157	(816)	-	-	8,674	20,284
Finance Costs									(3,694)	(3,488)
Profit Before Taxation									4,980	16,796
Taxation									(701)	(1)
Net Profit									<b>4,279</b>	<b>16,795</b>

**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**

Refer to Section 8 above.

**15. A breakdown of sales**

	Latest Financial Year S\$'000	Previous Financial Year (S\$'000)	Increase / (Decrease) %
Sales reported for first half year	822,345	469,282	75.2
Operating profit after tax before deducting minority interests reported for first half year	5,988	7,562	(20.8)
Sales reported for second half year	751,925	945,161	(20.4)
Operating profit after tax before deducting minority interests reported for second half year	(1,709)	9,233	(118.5)

**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)

	<b>Latest Full Year (S\$'000)</b>	<b>Previous Full Year (S\$'000)</b>
<b>Ordinary</b>	<b>0</b>	<b>6,425</b>
<b>Preference</b>	<b>0</b>	<b>0</b>
<b>Total:</b>	<b>0</b>	<b>6,425</b>

**Confirmation by the Board of Directors**

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the above unaudited financial results for the year ended 31 July 2009 to be false or misleading in any material respect.

**BY ORDER OF THE BOARD**

Tay Peng Huat  
Company Secretary  
25/09/09