

An aerial night photograph of a city skyline. A tall, modern skyscraper with a blue glass facade and a distinctive wavy, undulating top section is the central focus. The building is illuminated from within, and its reflection is visible on the surrounding city lights. The city below is densely packed with various buildings, some of which are also lit up. The sky is a deep blue with some light clouds. The overall scene is a vibrant representation of a modern urban environment.

ASPIAL

CORPORATION LIMITED

REACHING NEW HEIGHTS



(cover, this page)
Australia 108 by WORLD CLASS LAND
Artist's Impression

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Destinée Niessing Heaven Collection by LEE HWA

While in 2013 we delivered record financial results and primed our businesses to take advantage of substantial opportunities for growth in the years ahead, 2014 turned out to be different. The challenging business environment in Singapore has impacted us, due to the substantial slowdown in residential property sales and concurrently, a weaker retail environment amidst declining tourist arrivals.

Despite challenging conditions, we recorded only a slightly lower revenue of S\$510.1 million in 2014, compared to revenue of S\$515.3 million in 2013. Notwithstanding the marginal dip, we have managed to remain consistent, performing at a level similar to 2013.

While the Group managed to record a relatively consistent revenue, net profit declined approximately 37%, or S\$31.8 million, to S\$53.6 million in FY2014, primarily due to lower profit from associates (Parc Rosewood project had obtained TOP), exchange loss due to the falling Australia Dollar, and higher sales and marketing costs for property launches in 2014 – these included The Hillford, Waterfront@Faber, CityGate and Australia 108.

Nonetheless, the Group’s financial position continued to remain strong, with our cash and cash equivalents as at 31 December 2014 rising to S\$83.6 million, a 23.9% increase from S\$67.5 million in the preceding period.

Based on the Group’s latest financial results and weighted average number of ordinary shares, earnings per share for FY2014 was 2.41 Singapore cents, declining from 4.08 Singapore cents previously.

Even with the tepid macro environment in 2014, the Group remains optimistic about its future prospects. The directors have recommended a final dividend of 0.8 Singapore cent and a special dividend in specie on the basis of 0.04 Maxi-Cash Financial Services Corporation Ltd share for each share in the Company, which is equivalent to a market value of approximately 0.8 Singapore cent per share tax exempt one-tier.

Together with the interim dividend of 1.0 Singapore cent per share, declared and paid out earlier this year, our shareholders will be rewarded with a total distribution of about 2.6 Singapore cents per share.

PROPERTY BUSINESS

The Group's Property Business continues to be the main revenue driver as we recorded a 5.1% increase in revenue, from S\$241.8 million in FY2013 to S\$254.1 million in FY2014. The increase in revenue was contributed by the progressive recognition of sales from the Group's property development projects such as Waterfront@Faber, Urban Vista, The Hillford and 8 Bassein, coupled with the final recognition of sales from East Village and Cardiff Residence.

Net profit for the Property Business declined 38.2% from S\$88.0 million in FY2013 to S\$54.4 million in FY2014, largely due to lower margin of the sales, higher sales and marketing expenses for the property launches in 2014, exchange losses of S\$9.0 million arising from the unfavourable exchange rate of Singapore dollar against the Australian dollar, and lower profits of associated companies.

Despite the soft residential property market in Singapore, the Group continued to record encouraging sales for all its projects. To date, the Group has achieved 100% sales for all its residential units in Urban Vista and Kensington Village which were launched in 2013, and The Hillford which was launched in January 2014 as Singapore's first retirement resort.

The Group has also achieved encouraging sales for its Waterfront@Faber and CityGate projects, which were launched in 2Q2014 and 3Q2014, respectively, projects which have since seen more than 50% of all combined units sold, demonstrating strong demand for the Group's quality projects.







CITY GATE
Artist's Impression

PROPERTY BUSINESS

We had another challenging year in 2014 mainly due to protracted effect of the property cooling measures in Singapore. Buyers' sentiments remained weak throughout the year. Amidst a challenging market condition, we have launched four projects in Singapore and the sales of these projects are very encouraging.

Revenue from our Property Business grew by 5.1% from S\$241.8 million in 2013 to S\$254.1 million in 2014. The growth in revenue was contributed by the progress recognition of sales from Waterfront@Faber, Urban Vista, The Hillford and 8 Bassein and final recognition of sales from East Village and Cardiff Residence.

Our pre-tax profit was, however, declined by 37.8% to S\$63.9 million mainly due to higher sales and marketing expenses and foreign exchanges losses. We incurred higher sales and marketing expenses for our property launches in 2014 which include The Hillford, Waterfront@Faber, CityGate and Australia 108. We had also recorded about S\$9.0 million of exchange losses mainly due to unfavourable exchange rate of Singapore dollar against Australian dollar.



CITYGATE
Artist's Impression



Yoko London Blossom collection
by LEE HWA

JEWELLERY BUSINESS

Retail environment continued to remain challenging in 2014 mainly due to declining tourist arrivals and consumer spending. Our ongoing consolidation of retail stores had resulted in a net reduction of twelve stores in 2014.

As our jewellery business was affected by the weak consumer spending, sales declined 10.9% year on year for 2014 as compared to previous year.

Despite the decline in revenue, we had recorded only a marginal decline in pre-tax profit from S\$4.5 million in 2013 to S\$4.3 million in 2014 as our operating costs such as staff cost, rental expense and depreciation had also declined in tandem with the smaller retail network.



(Anti-clockwise from top)
Natural Pink Diamond collection by LEE HWA
Noble Diamond for Forevermark by LEE HWA
Queen of Magnificence collection by CITIGEMS
Celestial collection by GOLDHEART



FINANCIAL SERVICE BUSINESS

Our Financial Service Business continued to expand in 2014 by adding another 7 new shops. Being the largest network of pawnshops in Singapore, we have a total of 39 pawnshops most of which are strategically located near bus interchanges and MRT stations.

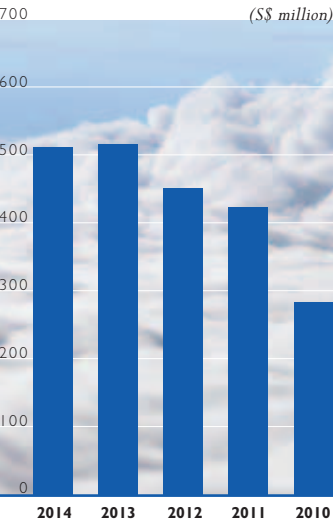
Our revenue of S\$109.6 million for 2014 was marginally lower by S\$3.5 million as compared to 2013. Although our pawnbroking business continued to record higher interest income from its growing pledge book, sales from the retail and trading of pre-owned jewellery and watches declined 5.1% in 2014.

Our Financial Service Business recorded a pre-tax profit of S\$1.8 million in 2014 as compared to S\$2.1 million in 2013. The lower pre-tax profit was mainly due to higher operating expenses such as rental and staff costs as we opened 7 new shops in 2014.

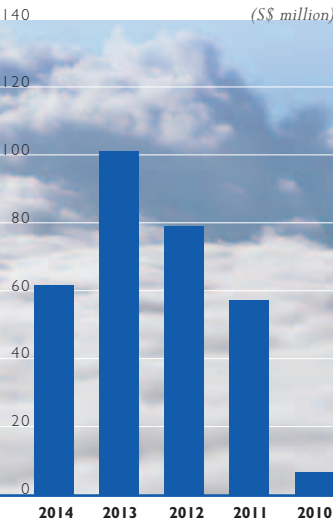


MAXI-CASH

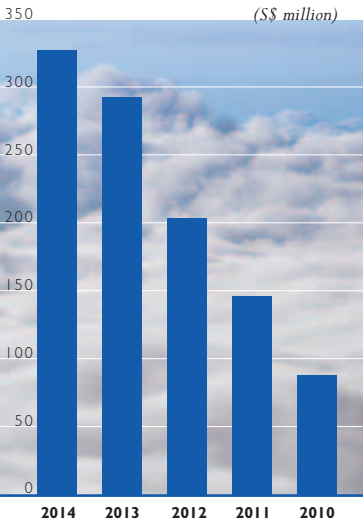
TOTAL TURNOVER



PROFIT BEFORE TAX



NET ASSET VALUE



GROUP’S 5-YEAR FINANCIAL HIGHLIGHTS

(S\$)	2014 ('000)	2013 ('000)	2012 ('000)	2011 ('000)	2010 ('000)
Total Turnover	510,061	515,262	451,941	420,324	280,258
Profit Before Tax	61,669	100,996	79,042	57,228	6,662
Profit After Tax	53,631	85,466	66,303	47,618	5,595
Paid-up Capital	202,179	152,611	76,801	42,721	28,141
Capital and Reserves	369,745	330,281	231,703	155,807	98,458
Net Asset Value	325,358	292,509	203,346	146,263	89,699
Earnings Per Share (cents)	2.41	4.08	3.71	3.15	1.08



Koh Wee Seng is our CEO and is responsible for the strategic planning, overall management and business development of the Group. Since late 1994, when the new management led by him took over the reins, the Group has overcome the challenges posed by changing consumer demand by implementing wide ranging and fundamental changes in its jewellery business. Mr Koh has also successfully led the Group's diversification into the property business and financial service business. Mr Koh holds a Bachelor degree in Business Administration from the National University of Singapore.

Ko Lee Meng is our Executive Director. Ms Ko has accumulated more than 30 years of experience in the jewellery industry and has been with the Group since 1983. Ms Ko is currently heading the Group's retail merchandising and manufacturing departments where she oversees the management, manufacturing, replenishment and distribution of merchandise to the various retail stores and ensures the Group and its team of designers are kept up to date with the latest jewellery trend and designs. Ms Ko holds a Bachelor degree in Arts from the National University of Singapore.

Koh Lee Hwee is our Non-Executive Director. Ms Koh was also the CEO for our subsidiary Maxi-Cash Financial Services Corporation Limited ("Maxi-Cash") which is listed on Catalist of SGX. Ms Koh stepped down from the position on 5 January 2015 and remains as the Executive Director of Maxi-Cash. Prior to her appointment as the CEO of Maxi-Cash, Ms Koh was the vice president (manufacturing) of the Group, where she oversaw and spearheaded the growth of our manufacturing division and was responsible for the overall production plans, technology, management and development. Ms Koh has more than 20 years of experience in the jewellery industry. Ms Koh holds a Bachelor degree in Arts from the National University of Singapore.

Wong Soon Yum is our Independent Director. Mr Wong is the Chairman of our Audit Committee. Mr Wong started his career in the banking industry in 1971 with Chase Manhattan Bank, N.A. and retired from his position as a Senior Vice President of Oversea-Chinese Banking Corporation Limited in late 1998. Mr Wong holds a Professional Diploma in Accountancy from Singapore Polytechnic Management Programme, Stanford-National University of Singapore

Kau Jee Chu is our Independent Director. Mr Kau is the Chairman of our Nominating Committee. Mr Kau is a former Chief Executive Officer of Overseas Union Trust Limited and has also held various senior positions, including General Manager of Singapura Building Society Ltd, Chairman of OUB Securities Pte Ltd and Chairman of Finance House Association of Singapore. Mr Kau graduated from the National University of Singapore with a Bachelor in Accountancy.

Ng Bie Tjin @ Djuniarti Intan is our Independent Director. Ms Ng is the Chairman of our Remuneration Committee. Ms Ng is a former finance director of Datapulse Technology Limited (a company listed on the mainboard of the SGX-ST). Ms Ng holds a Master in Business Administration from University of Sourthen California.



Le Pure Platinum Collection by GOLDHEART

DIRECTORS

Koh Wee Seng
Chief Executive Officer
Ko Lee Meng
Koh Lee Hwee
Wong Soon Yum
Kau Jee Chu
Ng Bie Tjin @ Djuniarti Intan

AUDIT COMMITTEE

Wong Soon Yum
Chairman
Kau Jee Chu
Koh Lee Hwee
Ng Bie Tjin @ Djuniarti Intan

COMPANY SECRETARY

Lim Swee Ann Felix
CPA, ACIS

REGISTERED OFFICE

50 Raffles Place #32-01
Singapore Land Tower
Singapore 048623

SHARE REGISTRAR

B.A.C.S. Private Limited
63 Cantonment Road
Singapore 089758

PRINCIPAL BANKERS

United Overseas Bank Limited
Oversea-Chinese Banking Corporation
Limited
DBS Bank Ltd.
Hong Leong Finance Limited
The Hongkong and Shanghai Banking
Corporation Limited
Malayan Banking Berhad
CIMB Bank Berhad
RHB Bank Singapore
National Australia Bank

AUDITOR

Ernst & Young LLP
One Raffles Quay
North Tower, Level 18
Singapore 048583

Partner in charge:
Tan Peck Yen
(Chartered Accountant,
a member of the Institute of Singapore
Chartered Accountants)
(Since the financial year ended
31 December 2011)