

PART I INFORMATION REQUIRED FOR ANNOUNCEMENTS OF 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.

CONSOLIDATED INCOME STATEMENTS

(Amount expressed in thousands of Chinese Renminbi ("RMB") currency).

These figures have not been audited.

	Actual 18 August 2004 to 31 December 2004 FY2004 RMB '000	Proforma 1 January 2004 to 31 December 2004 FY2004 RMB '000	Proforma 1 January 2003 to 31 December 2003 FY2003 RMB '000	Proforma Variance Increase/ (Decrease) %
Revenue	109,698	321,421	205,502	56.41 %
Cost of sales	(84,797)	(243,021)	(150,093)	61.91 %
Gross profit	24,901	78,400	55,409	41.49 %
Other Income	1,442	2,965	3,701	(19.89)%
Selling and distribution expenses	(4,364)	(12,439)	(6,631)	87.59 %
Administrative expenses	(6,464)	(11,453)	(6,015)	90.41 %
Other operating expenses	-	(240)	(325)	(26.15)%
Profit from operations	15,515	57,233	46,139	24.04 %
Finance costs	(1,265)	(5,299)	(7,969)	(33.50)%
Profit before taxation	14,250	51,934	38,170	36.06 %
Income tax expense	(2,133)	(6,476)	-	NM
Profit after taxation	12,117	45,458	38,170	19.09 %

NM: Not Meaningful

Notes to Income Statement

A Unaudited proforma consolidated financial statements

Comat Industrial Ltd. (the "Company") was incorporated on 18 August 2004 as a limited liability company and its principal activity is that of investment holding. The comparative figures for the corresponding period of the preceding financial year for the consolidated income statement and consolidated cash flow statement are represented by the unaudited proforma consolidated financial statements of Comat Industrial Ltd. and its subsidiary, Jiangyin Litai Decorative Materials Co., Ltd (collectively, the "Group"). The objective of proforma consolidated financial statements for FY2004 is to show what:

- (i) the financial results, changes in equity and cash flows of the Group would have been if the Group's structure had been in place since 1 January 2004; and
- (ii) the financial position of the Group as at 31 December 2004 would have been if the Group's structure had been in place on 1 January 2004.

The unaudited proforma consolidated financial statements are for illustrative and comparison purposes only and, because of their nature, may not give a true picture of the Group's actual financial results, position, changes in equity and cash flows.

Actual results of the Group include the results of Jiangyin Litai Decorative Materials Co., Ltd. ("Jiangyin Litai") from 22 September 2004 to 31 December 2004 as Jiangyin Litai was effectively acquired by the Company on 21 September 2004.

B Profit from Operations

The following items have been included in arriving at profit from operations:

	Actual 18 August 2004 to 31 December 2004 FY2004 RMB '000	Proforma 1 January 2004 to 31 December 2004 FY2004 RMB '000	Proforma 1 January 2003 to 31 December 2003 FY2003 RMB '000
Interest Income	(63)	(1,306)	(2,514)
Grant from Technology Bureau/ Jiangyin Financial Bureau	-	-	(40)
Allowance for doubtful trade receivables	1,049	1,049	777
Foreign exchange loss	616	667	-
Amortisation of lease prepayment	9	37	36
Amortisation of negative goodwill	(914)	(1,131)	(1,131)
Depreciation of property, plant and equipment	685	3,136	2,622

C Financial Costs

	Actual 18 August 2004 to 31 December 2004 FY2004 RMB '000	Proforma 1 January 2004 to 31 December 2004 FY2004 RMB '000	Proforma 1 January 2003 to 31 December 2003 FY2003 RMB '000
Interest on bank advances, other borrowings & services charges	1,265	5,299	7,666
Interest on discounting of bills receivables	-	-	303
	1,265	5,299	7,969

D Income Tax Expense

	Actual 18 August 2004 to 31 December 2004 FY2004 RMB '000	Proforma 1 January 2004 to 31 December 2004 FY2004 RMB '000	Proforma 1 January 2003 to 31 December 2003 FY2003 RMB '000
Current	2,133	6,476	-

The chargeable income tax represents the applicable corporate income tax in the People's Republic of China ("PRC" or "China") for the financial years ended 31 December 2003 and 2004.

No deferred tax has been provided for, as the Group did not have any significant temporary differences which gave rise to a deferred tax asset or liabilities at the respective balance sheet dates.

The applicable tax rate applied for FY2004 was 12.0%, being the concessionary tax rate granted to our subsidiary, Jiangyin Litai. The chargeable current tax of the Group varies from the amount arrived at by applying the concessionary income tax rates of the PRC, the country of the Group's main operation, on profit before tax due primarily to certain non-deductible items added back for tax purposes.

As a Sino-foreign owned enterprise established under the laws in 1997, Jiangyin Litai is entitled to tax concessions whereby the profits for the first two financial years beginning with the first profit-making year (after setting off tax losses carried forward from prior years) are exempt from income tax in the PRC and are subjected to income tax at 50% of the applicable rate for the following three years. Jiangyin Litai commenced its first profit-making year during the financial year ended 31 December 2002. Pursuant to the acquisition by Comat Manufacturing (Holdings) Pte Ltd in 2003, Jiangyin Litai became a wholly foreign owned enterprise in the PRC and is still entitled to the same tax concessions previously enjoyed as a Sino-foreign owned enterprise. Accordingly, there was no tax charged for FY2003.

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.

CONSOLIDATED BALANCE SHEETS

(Amount expressed in thousands of Chinese Renminbi ("RMB") currency).

These figures have not been audited.

	Group Actual as at 31-Dec-04 RMB'000	Group Proforma as at 31-Dec-04 RMB'000	Group Proforma as at 31-Dec-03 RMB'000	Company Actual as at 31-Dec-04 RMB'000
NON CURRENT ASSETS				
Property, plant and equipment	33,388	33,388	30,752	208
Lease prepayment	1,643	1,643	1,680	-
Investment in subsidiary	-	-	-	88,830
Loan to subsidiary	-	-	-	4,955
Negative goodwill	(46,636)	(13,417)	(14,548)	-
CURRENT ASSETS				
Inventories	35,040	35,040	13,615	-
Trade and bills receivables	60,248	60,248	30,670	-
Other receivables	1,527	1,527	8,411	572
Advances to suppliers	13,624	13,624	1,180	-
Due from related parties	-	-	197,537	-
Pledged bank deposits	-	-	107,500	-
Cash and bank balances	127,522	127,522	41,312	10,964
Total Current Assets	237,961	237,961	400,225	11,536
CURRENT LIABILITIES				
Trade payables	13,057	13,057	11,275	-
Other payables	10,809	10,809	140,838	3,326
Advances from customers	2,380	2,380	11,397	-
Provision for taxation	1,998	1,998	-	-
Due to related parties	190	190	88,801	-
Due to subsidiary	-	-	-	2,283
Due to Directors	111	111	-	-
Short-term borrowings	83,000	83,000	117,000	-
Total Current Liabilities	111,545	111,545	369,311	5,609
Net Current Assets	126,416	126,416	30,914	5,927
Net Assets	114,811	148,030	48,798	99,920
SHAREHOLDERS' EQUITY				
Share capital	54,637	54,637	40,602	54,637
Share Premium	46,973	46,973	8,316	46,973
General reserve fund	1,405	4,706	-	-
Translation reserve	1,084	1,082	-	1,161
Retained profits/ (Accumulated losses)	10,712	40,632	(120)	(2,851)
Total shareholders' funds	114,811	148,030	48,798	99,920

Comparative figures for the balance sheet of the Company are not applicable as the Company was incorporated on 18 August 2004.

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 December 2003		As at 31 December 2004	
Secured	Unsecured	Secured	Unsecured
RMB '000	RMB '000	RMB '000	RMB '000
5,000	112,000	5,000	78,000

Amount repayable after one year

Nil.

Details of any collateral

As at 31 December 2004, the bank loans totaling RMB5,000,000 (2003: RMB5,000,000) were secured by land use rights amounting to RMB1,643,250 (2003: RMB1,679,767) and leasehold buildings with carrying amount of RMB10,523,723 (2003: RMB11,102,760) of the Group as at 31 December 2004 respectively.

As at 31 December 2004, certain unsecured bank loans of the Group were secured by the assets of related parties as follows:

- (i) Bank loans totaling RMB5,000,000 (2003: RMB10,000,000) were secured by land and buildings of an affiliated corporation, Jiangyin Haida Group Co., Ltd.
- (ii) Bank loans totaling RMB8,000,000 (2003: RMB8,000,000) were secured by plant and machinery of an affiliated corporation, Jiangyin Haida Group Co.,Ltd..
- (iii) Bank loan totaling RMB26,000,000 in 2003 were secured by land use rights and leasehold buildings of an affiliated corporation, Jiangyin Haida Special Artificial Leather Co., Ltd..

The effective interest rates of the RMB fixed rate loans of RMB83,000,000 (2003: RMB117,000,000) ranged from 5.04% to 6.138% (2003: 5.04% to 5.31%) per annum.

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

CONSOLIDATED CASH FLOW STATEMENTS

(Amount expressed in thousands of Chinese Renminbi ("RMB") currency).

These figures have not been audited.

	Actual 18 August 2004 to 31 December 2004 FY2004 RMB'000	Proforma 1 January 2004 to 31 December 2004 FY2004 RMB'000	Proforma 1 January 2003 to 31 December 2003 FY2003 RMB'000
Operating activities			
Profit before taxation	14,250	51,934	38,170
Adjustments for:			
Amortisation of lease prepayment	9	37	36
Amortisation of negative goodwill	(914)	(1,131)	(1,131)
Allowance for doubtful trade receivables	1,049	1,049	777
Depreciation of property, plant and equipment	685	3,136	2,622
Interest expense	1,265	5,299	7,969
Interest income	(63)	(1,306)	(2,514)
Operating profit before working capital changes	16,281	59,018	45,929
Changes in working capital:			
Inventories	1,240	(21,425)	(99)
Trade and bills receivables	(1,913)	(30,627)	(11,182)
Deposits, prepayments and other receivables	(10,572)	(5,560)	(4,825)
Trade and other payables	(6,632)	(13,453)	(2,311)
Balances with related parties	190	-	4,296
Cash flows (used in) generated from operating activities	(1,406)	(12,047)	31,808
Interest paid	(1,265)	(5,299)	(8,395)
Interest received	63	1,306	2,514
Income tax paid	(1,976)	(4,478)	-
Net cash (used in) from operating activities	(4,584)	(20,518)	25,927
Investing activities			
Purchase of property, plant and equipment	(2,138)	(5,772)	(10,321)
Net cash inflow on acquisition of subsidiary (see note (A) below)	28,110	-	(32,869)
Net cash from (used in) investing activities	25,972	(5,772)	(43,190)
Financing activities			
Balances with related parties	-	108,926	(1,346)
Bills payables (non-trade)	-	(123,700)	20,050
Pledged bank deposits	-	107,500	(16,550)
Proceeds from (repayment of) bank loans	3,440	(34,000)	(1,000)
Repayment of loans from a director and immediate family members of a directors	-	-	(50)
Repayment of loans from staff and third parties	-	-	(5,465)
Proceeds from issue of convertible bonds	-	-	42,752
Proceeds from issue of shares	101,610	52,692	8,033
Effect of exchange rate changes	1,084	1,082	-
Net cash from financing activities	106,134	112,500	46,424
Net increase in cash and cash equivalents	127,522	86,210	29,161
Cash and cash equivalents at beginning of period	-	41,312	12,151
Cash and cash equivalents at end of period	127,522	127,522	41,312

Note (A) :

Analysis of acquisition of subsidiary:

	RMB'000
Cash and bank balances	50,979
Trade and bills receivables	59,384
Inventories	36,280
Deposits, prepayments and other receivables	4,592
Property, plant and equipment	31,954
Lease Prepayment	1,621
Trade and other payables	(32,989)
Provision for taxation	(1,842)
Short-term bank loans	(79,560)
Net assets acquired	<u>70,419</u>
Negative goodwill arising from acquisition of subsidiary	<u>(47,550)</u>
Total purchase consideration	<u>22,869</u>
Less: cash and cash equivalents acquired	<u>(50,979)</u>
Net cash acquired	<u><u>(28,110)</u></u>

STATEMENTS OF CHANGES IN EQUITY

(Amount expressed in thousands of Chinese Renminbi ("RMB") currency).

These figures have not been audited.

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 capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Share capital	Share premium	General reserve fund	Currency translation reserve	Retained profits / (Accumulated losses)	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<u>Actual</u>						
At date of incorporation, 18 August 2004	^	-	-	-	-	-
Issuance of shares pursuant to the restructuring exercise	24,520	8,316	-	-	-	32,836
Bonus issue	16,082	-	-	-	-	16,082
Profit for the period	-	-	-	-	12,117	12,117
Issue of new shares	14,035	53,333	-	-	-	67,368
Share issue expenses	-	(14,676)	-	-	-	(14,676)
Transfer to general reserve fund	-	-	1,405	-	(1,405)	-
Foreign currency translation difference	-	-	-	1,084	-	1,084
Balance at 31 December 2004	54,637	46,973	1,405	1,084	10,712	114,811

<u>Proforma</u>						
Balance at 1 January 2004	40,602	8,316	-	-	(120)	48,798
Profit for the year	-	-	-	-	45,458	45,458
Issue of new shares	14,035	53,333	-	-	-	67,368
Share issue expenses	-	(14,676)	-	-	-	(14,676)
Transfer to general reserve fund	-	-	4,706	-	(4,706)	-
Foreign currency translation difference	-	-	-	1,082	-	1,082
Balance at 31 December 2004	54,637	46,973	4,706	1,082	40,632	148,030

Company	Share capital	Share premium	General reserve fund	Currency translation reserve	Retained profits / (Accumulated losses)	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<u>Actual</u>						
At date of incorporation, 18 August 2004	^	-	-	-	-	-
Issuance of shares pursuant to the restructuring exercise	24,520	8,316	-	-	-	32,836
Bonus issue	16,082	-	-	-	-	16,082
Loss for the period	-	-	-	-	(2,851)	(2,851)
Issue of new shares	14,035	53,333	-	-	-	67,368
Share issue expenses	-	(14,676)	-	-	-	(14,676)
Foreign currency translation difference	-	-	-	1,161	-	1,161
Balance at 31 December 2004	54,637	46,973	-	1,161	(2,851)	99,920

^ Amount less than RMB1,000

Comparative figures for the statement of changes in equity of the Company are not applicable as the Company was incorporated on 18 August 2004.

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.

The Company was incorporated on 18 August 2004 with an initial paid up capital of S\$1.00 and an authorised share capital of 500,000 ordinary shares of S\$1.00 each. The Company has only one class of shares.

Other than the restructuring exercise undertaken by our Company and the issue of new shares during the initial public offering ("IPO") exercise as described in pages 59 to 61 and 65 to 67 of our prospectus dated 8 November 2004, there has been no change in the Company's share capital for the period from 18 August 2004 (date of incorporation of the Company) to 31 December 2004.

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 the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a 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 Group has applied the same accounting policies and methods of computation in the presentation of the Group's financial statements.

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 financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Actual 18 August 2004 to 31 December 2004 RMB '000	Proforma 1 January 2004 to 31 December 2004 RMB '000	Proforma 1 January 2003 to 31 December 2003 RMB '000
Profit after taxation	12,117	45,458	38,170
Weighted average number of ordinary shares in issue applicable to earnings	180,880,660	222,880,660	166,880,660
Earnings per ordinary share (RMB cents)			
- Basic	6.7	20.4	22.9
- Dilluted	6.7	20.4	22.9

Earnings per share is calculated by dividing the profit after tax attributable to members of the Company by the weighted average of the number of shares.

Earnings per share for the period ended 31 December 2003 is computed using the pre-invitation share capital of 166,880,660 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.

	Group Actual As at 31 December 2004 RMB '000	Group Proforma As at		Company Actual As at 31 December 2004 RMB '000
		As at 31 December 2004 RMB '000	As at 31 December 2003 RMB '000	
Net assets (RMB'000):	114,811	148,030	48,798	99,920
Net asset value per ordinary share based on issued share capital at the end of respective periods (in RMB cents):	51.51	66.42	29.24	44.83

Net asset value per ordinary share was calculated based on the 222,880,660 issued ordinary shares of S\$0.05 each as at 31 December 2004.

Net asset value per ordinary share was calculated based on the 166,880,660 pre-invitation issued ordinary shares of S\$0.05 each as at 31 December 2003.

Comparative figures for the net asset value of the Company is not applicable as the Company was incorporated on 18 August 2004.

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 PERFORMANCE

A Income Statement (Proforma FY2004 vs Proforma FY2003)

The following discussion on the performance of the Group is based on our comparison between the "Proforma 2003" and the "Proforma 2004" results. "Actual 2004" results reflect the Group's results for the financial period from 18 August 2004 (date of incorporation of our Company) to 31 December 2004. As such, "Actual 2004" results are not comparable to the "Proforma 2003" results, which reflect the full year results in FY2003 on a proforma group basis. The Directors are of the view that comparison between the "Proforma 2003" results and the "Proforma 2004" results provides a more meaningful review of the financial performance of the Group.

(i) Revenue

Revenue was RMB321.4 million for FY2004, representing a 56.4% increase over the corresponding financial year of 2003. The increase was primarily due to increase in demand for both our Composite Panels and Single Panels for the PRC and overseas markets, as a result of our continuous marketing efforts.

(ii) Cost of Sales and Gross Profit

Cost of sales was RMB243.0 million for FY2004, representing a 61.9% increase over the corresponding financial year of 2003. The increase was primarily in line with the increase in turnover. In addition, there was also an increase in the price of principal raw materials – namely, aluminium coils and low density polyethylene.

As a result of the foregoing, although gross profit increased by RMB23.0 million or 41.5%, from RMB55.4 million in FY2003 to RMB78.4 million in FY2004; gross profit margin decreased from 27.0% in FY2003 to 24.4% in FY2004.

(iii) Operating Expenses

Selling and distribution expenses amounted to RMB12.4 million for FY2004, representing a 87.6% increase over the corresponding financial year of 2003. This was in line with the increase in turnover.

Administrative expenses amounted to RMB11.5 million for FY2004, representing a 90.4% increase over the corresponding financial year of 2003. This was due mainly to the costs of professional services required following the listing of the Company on the Singapore Exchange Securities Trading Limited and other related expenses, as well as general office expenses of the Company.

Overall, operating expenses increased from RMB13.0 million in FY2003 to RMB24.1 million in FY2004, an increase of RMB 11.1 million or 85.4%.

(iv) Other Income

Other income was RMB3.0 million for FY2004, representing a 19.9% decrease over the corresponding financial year of 2003. The decrease was primarily due to a decrease in interest income as a result of a significant decrease in pledged deposits.

(v) Finance Costs

Finance costs amounted to RMB5.3 million for FY2004, representing a 33.5% decrease over the corresponding financial year of 2003. The decrease was due primarily to a decrease in short-term bank borrowings.

(vi) Income Tax

Please see Part I 1(a) Note D.

(vii) Profit after tax

Profit after tax was RMB45.6 million for FY2004, representing a 19.1% increase over the corresponding financial year of 2003 due to the reasons explained above.

B Balance Sheet (Proforma FY2004 vs Proforma FY2003)

(i) Shareholders' equity

The shareholders' equity as at 31 December 2004 amounted to RMB148.0 million, representing a 203.4% increase over the corresponding financial year of 2003. The increase was primarily due to the issue of 56.0 million new shares at S\$0.24 each pursuant to the IPO and the contributions from the current year's net profit.

(ii) Non-current Assets

Total non-current assets amounted to RMB21.6 million as at 31 December 2004, representing a 20.9% increase over the corresponding financial year of 2003. This was due mainly to additions of new machinery and equipment in FY2004.

(iii) Current assets

Total current assets amounted to RMB238.0 million as at 31 December 2004, representing a 40.5% decrease over the corresponding financial year of 2003. This was due primarily to decreases in amount due from related parties and pledged bank deposits. At the same time, inventories, trade receivables and advances to suppliers increased as a consequence of increase in business volume.

(iv) Current liabilities

Total current liabilities amounted to RMB111.5 million as at 31 December 2004, representing a 69.8% decrease over the corresponding financial year of 2003. This was due primarily to a decrease in short-term bank borrowings, other payables, advances from customers and amounts due to related parties.

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.

For the current financial year (i.e. FY2005), the Group expects to experience growth in sales volume, and as a result, its revenue. However, as the Group operates in a competitive market, the Group may need to make some adjustments to the prices of its products if the competition intensified. Furthermore, if prices of raw materials increase, it would adversely affect the profitability of the Group.

Overall, barring any unforeseen circumstances, executive Directors expect the Group to be profitable for the current financial year.

This release contains certain statements that are not statement of historical fact, i.e. forward-looking statements. Readers can identify some of these statements by forward-looking terms such as 'expect', 'believe', 'plan', 'intend', 'estimate', 'anticipate', 'may', 'will', 'would', 'could' or similar words. However, you should note that these words are not the exclusive means of identifying forward-looking statements. Forward-looking statements are made based on current expectations, projections and assumptions about future events. Although Comat Industrial believes that these expectations, projections and assumptions are reasonable at the time of making them, these forward-looking statements are subject to risks (known and unknown), uncertainties and certain assumptions about Comat Industrial, its business operations, and the environment it operates in. Actual future performance, outcomes and results may therefore differ materially from those expressed in forward-looking statements. Representative examples of these risk factors include (without limitation) general industry and economic conditions, interest rate movements, cost of capital and capital availability, competition from other companies and venues for sales/manufacture/distribution of goods and services, shift in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes. Readers are cautioned

not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

11. Dividend

(a) Current Financial Period Reported On

No dividend has been declared during the financial year.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Not applicable.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared/ recommended in the current financial period.

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.

Our revenue is primarily derived from the manufacture and sale of aluminium composite panels, including interior and exterior composite panels ("Composite Panels") and aluminium single panels ("Single Panels"). Accordingly, no segmental analysis is provided.

The following table shows the distribution of the Group's revenue by the geographical location of customers, whereas all of the Group's segment assets are located in the PRC:

BY GEOGRAPHICAL REGIONS

	Actual 18 August 2004 to 31 December 2004 FY2004 RMB '000	Proforma 1 January 2004 to 31 December 2004 FY2004 RMB '000	Proforma 1 January 2003 to 31 December 2003 FY2003 RMB '000
Revenue			
PRC	90,403	272,065	179,124
Overseas	19,295	49,356	26,378
Total	109,698	321,421	205,502

The geographical segmentation above is based on the country of origin of our customers and not the destination of shipments.

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.

The contribution from overseas continued to grow considerably as a result of the Group's efforts in marketing and business development in its overseas' markets. Overall, the overseas' revenue grew by 87.1%, and represented 15.4% of our total revenue in FY2004, as compared to 12.8% of our total revenue in FY2003.

15. A breakdown of sales comparing between reported results for first half year and reported results for second half year.

Not applicable as this is our first announcement since the Company was only listed on 24 November 2004.

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

Not applicable.

BY ORDER OF THE BOARD

23 February 2005

Xu Youcai, Chief Executive Officer

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