

Financial Statements For The Year Ended 31 December 2015
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

	The Group		Change %
	Year ended 31-Dec-15 \$'000	Year ended 31-Dec-14 \$'000	
Revenue	231,441	224,545	3.1%
Cost of sales	(182,524)	(179,105)	1.9%
Gross profit	48,917	45,440	7.7%
Other income	1,864	938	98.7%
Distribution and selling expenses	(13,732)	(13,264)	3.5%
General and administrative expenses	(16,757)	(15,911)	5.3%
Other expenses	(1,355)	(1,330)	1.9%
Finance costs	(1,709)	(2,443)	-30.0%
Profit before tax	17,228	13,430	28.3%
Tax expense	(4,030)	(3,875)	4.0%
Profit for the year	13,198	9,555	38.1%
Profit attributable to:			
Owners of the Company	12,443	9,489	31.1%
Non-controlling interests	755	66	1043.9%
Profit for the year	13,198	9,555	
Consolidated Statement of Comprehensive Income			
Profit for the year	13,198	9,555	38.1%
Other comprehensive income:			
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences	1,652	1,583	4.4%
Net change in fair value of available-for-sale financial assets	190	96	97.9%
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	(648)	-	NM
Effective portion of changes in fair value of cash flow hedges	6	-	NM
Other comprehensive income for the year, net of tax	1,200	1,679	-28.5%
Total comprehensive income for the year	14,398	11,234	28.2%
Total comprehensive income attributable to:			
Owners of the Company	13,535	11,178	21.1%
Non-controlling interests	863	56	1441.1%
Total comprehensive income for the year	14,398	11,234	
Note on profit before tax			
Profit before tax is determined after charging/(crediting) the following:			
Interest income from fixed deposit and others	(372)	(238)	
Interest expense on loans and borrowings	1,579	2,310	
Depreciation of property, plant and equipment	6,485	5,912	
Property, plant and equipment written off	26	82	
Loss/(gain) on disposal of property, plant and equipment (net)	49	(170)	
Amortisation of intangible assets	3	3	
Gain on disposal of available-for-sale financial assets	(648)	-	
Allowances made for doubtful trade receivables (net)	1,110	512	
Allowances for/(reversal of) impairment loss for inventories	33	(33)	
(Gain)/loss on foreign exchange (net)	(150)	123	
Taxation			
Current year income tax	4,245	3,760	
(Over)/under provision of income tax in respect of prior years	(308)	93	
Current year deferred tax	68	(812)	
Under provision of deferred tax in respect of prior years	25	-	
Write-down of deferred tax asset	-	688	
Changes in tax rate	-	146	
	4,030	3,875	

NM - Not Meaningful

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

	The Group		The Company	
	As at 31-Dec-15 \$'000	As at 31-Dec-14 \$'000	As at 31-Dec-15 \$'000	As at 31-Dec-14 \$'000
Non-current assets				
Property, plant and equipment	57,363	56,301	489	557
Investment in subsidiaries	-	-	29,321	29,321
Intangible assets	1,218	1,196	21	24
Investment securities	-	832	-	832
Deferred tax assets	1,565	1,639	796	452
	60,146	59,968	30,627	31,186
Current assets				
Inventories	15,656	14,750	-	-
Trade and other receivables	97,035	103,055	4,573	3,460
Fixed deposits	3,000	1,000	3,000	1,000
Cash and bank balances	34,360	17,812	1,734	2,853
	150,051	136,617	9,307	7,313
Current liabilities				
Trade and other payables	87,504	80,094	4,510	4,082
Loans and borrowings	14,275	20,198	16	16
Deferred income	107	121	-	37
Income tax payable	937	172	-	-
	102,823	100,585	4,526	4,135
Net current assets	47,228	36,032	4,781	3,178
Non-current liabilities				
Deferred income	1,198	1,153	-	68
Loans and borrowings	1,413	1,218	45	61
	2,611	2,371	45	129
Net assets	104,763	93,629	35,363	34,235
Equity attributable to owners of the Company				
Share capital	31,440	31,440	31,440	31,440
Retained earnings	50,851	42,843	3,923	2,337
Capital reserve	3,566	3,566	-	-
Statutory reserve fund	6,229	4,938	-	-
Hedging reserve	6	-	-	-
Fair value adjustment reserve	-	458	-	458
Foreign currency translation reserve	6,518	4,974	-	-
	98,610	88,219	35,363	34,235
Non-controlling interests	6,153	5,410	-	-
Total equity	104,763	93,629	35,363	34,235

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

	As at 31/12/2015		As at 31/12/2014	
	Secured	Unsecured	Secured	Unsecured
Amount repayable in one year or less, or on demand	26,918	5,626	20,156	11,578
Amount repayable after one year	1,413	-	1,218	-

Details of any collateral

The Group's loans and borrowings and bills payable (Included in trade and other payables) are secured by the leasehold land, certain leasehold building, certain plant and machinery and certain motor vehicle with net book value of approximately S\$19.6 million (2014: S\$30.7 million), and cash and bank balances amounted S\$3.9 million (2014: S\$3.2 million) and trade & bills receivables of S\$5.4 million (2014: S\$8.6 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

CONSOLIDATED STATEMENT OF CASH FLOW

	The Group	
	Year ended 31-Dec-15 \$'000	Year ended 31-Dec-14 \$'000
Cash flows from operating activities		
Profit before tax	17,228	13,430
Adjustments for:		
Amortisation of deferred income	(213)	(112)
Depreciation of property, plant and equipment	6,485	5,912
Property, plant and equipment written off	26	82
Net loss/(gain) on disposal of property, plant and equipment	49	(170)
Amortisation of intangible assets	3	3
Gain on disposal of available-for-sale financial assets	(648)	-
Allowances made for doubtful trade receivables (net)	1,110	512
Allowances for/(reversal of) impairment loss for inventories	33	(33)
Finance costs	1,579	2,310
Interest income	(372)	(238)
Net effect of exchange differences	(57)	(56)
	25,223	21,640
Changes in:		
- Inventories	(686)	2,571
- Trade and other receivables	7,100	818
- Trade and other payables	6,287	(6,737)
Cash generated from operations	37,924	18,292
Interest paid	(1,683)	(2,260)
Income taxes paid (net)	(3,168)	(4,997)
Net cash from operating activities	33,073	11,035
Cash flows from investing activities		
Interest received	370	239
Proceeds from sale of available-for-sale financial assets	1,022	-
Acquisition of property, plant and equipment	(6,769)	(9,061)
Proceeds from sale of property, plant and equipment	238	796
Net cash used in investing activities	(5,139)	(8,026)
Cash flows from financing activities		
Proceeds from loans and borrowings	21,849	30,670
Repayment of loan from holding company	-	(6,500)
Repayment of loans and borrowings	(28,069)	(31,539)
Changes in pledge of cash & bank balances	(703)	(112)
Dividends paid	(3,144)	(3,144)
Dividend paid to non-controlling interests	(120)	-
Net cash used in financing activities	(10,187)	(10,625)
Net increase/(decrease) in cash and cash equivalents	17,747	(7,616)
Cash and cash equivalents at 1 January	15,636	23,125
Effect of exchange rate fluctuations on cash held	36	127
Cash and cash equivalents at 31 December	33,419	15,636
Cash and cash equivalents at end of year comprise of:-		
Fixed deposits	3,000	1,000
Cash and bank balances	34,360	17,812
	37,360	18,812
Cash and bank balances pledged as security for bills payable	(3,941)	(3,176)
	33,419	15,636

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

	Share capital	Capital reserve	Statutory reserve fund	Hedging reserve	Fair value adjustment reserve	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interests	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group										
At 1/1/2014	31,440	3,566	4,114	-	362	3,381	37,319	80,182	5,354	85,536
Total comprehensive income for the year										
Profit for the year	-	-	-	-	-	-	9,489	9,489	66	9,555
Other comprehensive income										
Foreign currency translation differences	-	-	-	-	-	1,593	-	1,593	(10)	1,583
Net changes in fair value of available-for-sale financial assets	-	-	-	-	96	-	-	96	-	96
Total comprehensive income for the year	-	-	-	-	96	1,593	9,489	11,178	56	11,234
Transaction with owners of the Company, recognised directly in equity										
Contributions by and distributions to owners of the Company										
Dividends to owners of the Company	-	-	-	-	-	-	(3,144)	(3,144)	-	(3,144)
Unclaimed dividend reversed	-	-	-	-	-	-	3	3	-	3
Transfer to reserve fund	-	-	824	-	-	-	(824)	-	-	-
Total contributions by and distributions to owners	-	-	824	-	-	-	(3,965)	(3,141)	-	(3,141)
Total transactions with owners	-	-	824	-	-	-	(3,965)	(3,141)	-	(3,141)
At 31/12/2014	31,440	3,566	4,938	-	458	4,974	42,843	88,219	5,410	93,629
At 1/1/2015	31,440	3,566	4,938	-	458	4,974	42,843	88,219	5,410	93,629
Total comprehensive income for the year										
Profit for the year	-	-	-	-	-	-	12,443	12,443	755	13,198
Other comprehensive income										
Foreign currency translation differences	-	-	-	-	-	1,544	-	1,544	108	1,652
Net changes in fair value of available-for-sale financial assets	-	-	-	-	190	-	-	190	-	190
Net changes in fair value of available-for-sale financial assets reclassified to profit or loss	-	-	-	-	(648)	-	-	(648)	-	(648)
Effective portion of changes in fair value of cash flow hedges	-	-	-	6	-	-	-	6	-	6
Total comprehensive income for the year	-	-	-	6	(458)	1,544	12,443	13,535	863	14,398
Transaction with owners of the Company, recognised directly in equity										
Contributions by and distributions to owners of the Company										
Dividends to owners of the Company	-	-	-	-	-	-	(3,144)	(3,144)	(120)	(3,264)
Transfer to reserve fund	-	-	1,291	-	-	-	(1,291)	-	-	-
Total contributions by and distributions to owners	-	-	1,291	-	-	-	(4,435)	(3,144)	(120)	(3,264)
Total transactions with owners	-	-	1,291	-	-	-	(4,435)	(3,144)	(120)	(3,264)
At 31/12/2015	31,440	3,566	6,229	6	-	6,518	50,851	98,610	6,153	104,763

	Share capital	Fair value adjustment reserve	Retained earnings	Total Equity
	\$'000	\$'000	\$'000	\$'000
Company				
At 1/1/2014	31,440	362	2,273	34,075
Total comprehensive income for the year				
Profit for the year	-	-	3,205	3,205
Other comprehensive income				
Net changes in fair value of available-for-sale financial assets	-	96	-	96
Total comprehensive income for the year	-	96	3,205	3,301
Transactions with owners, recognised directly in equity				
Dividends to owners of the Company	-	-	(3,144)	(3,144)
Unclaimed dividend reversed	-	-	3	3
Total contributions by and distributions to owners / Total transactions with owners	-	-	(3,141)	(3,141)
At 31/12/2014	31,440	458	2,337	34,235
At 1/1/2015	31,440	458	2,337	34,235
Total comprehensive income for the year				
Profit for the year	-	-	4,730	4,730
Other comprehensive income				
Net changes in fair value of available-for-sale financial assets	-	190	-	190
Net changes in fair value of available-for-sale financial assets reclassified to profit or loss	-	(648)	-	(648)
Total comprehensive income for the year	-	(458)	4,730	4,272
Transactions with owners, recognised directly in equity				
Dividends to owners of the Company	-	-	(3,144)	(3,144)
Total contributions by and distributions to owners / Total transactions with owners	-	-	(3,144)	(3,144)
At 31/12/2015	31,440	-	3,923	35,363

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buybacks, 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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, 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

Since the end of 31 December 2014, there has been no change in the Company's share capital arising from rights issue, bonus issue, shares buy-back, 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.

There were also no outstanding convertibles for which shares may be issued. Neither was there any treasury shares being transferred, transacted, cancelled or held by the Company during or as at the end of the current financial year and the previous financial year.

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 the end of the immediately preceding year.

	As at 31/12/2015	As at 31/12/2014
Total number of issued shares	157,200,000	157,200,000

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 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 and equivalent standard)

The figures have neither been audited nor reviewed by 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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current accounting year as compared to the audited financial statements for the year ended 31 December 2014.

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

	<u>31-Dec-15</u>	<u>31-Dec-14</u>
Basic and diluted earnings per ordinary share (in cents)	7.92	6.04

7. Net asset value (for the issuer and group) per ordinary share based on issued share excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	The Group		The Company	
	<u>31-Dec-15</u>	<u>31-Dec-14</u>	<u>31-Dec-15</u>	<u>31-Dec-14</u>
Net asset value per ordinary share based on no. of ordinary share of the Company (in cents)	62.73	56.12	22.50	21.78

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

The Group's revenue increased by 3.1% or S\$6.9 million from S\$224.5 million in FY2014 to S\$231.4 million in FY2015.

Total revenue of China operations in FY2015 had recorded an increased of 3.5% or S\$6.5 million as compared to FY2014 mainly due to the strengthening of Renminbi ("RMB") against Singapore Dollar ("SGD") by 6.9%.

Despite the contraction of Singapore's manufacturing sector in 2015, total revenue of Singapore entities increased marginally by 1% or S\$0.4 million as compared to FY2014.

The Group's gross profit rose by 7.7% or S\$3.5 million from S\$45.4 million in FY2014 to S\$48.9 million in FY2015. This is mainly attributed to increase in Group's revenue and reduction of factory overhead costs of Singapore operations.

Other income increased by S\$0.9 million in FY2015 as compared to FY2014. The increase was mainly derived from the gains on disposal of available-for-sale financial assets.

The distribution and selling expenses increased by S\$0.5 million or 3.5% was in line with increase in Group's revenue.

General and administrative expenses increased by 5.3% or S\$0.8 million to S\$16.8 million. The increase was mainly due to higher provision of bonus as a results of better performance in FY2015.

Finance costs decreased by S\$0.7 million in FY2015 as compared to FY2014 was primarily due to the Group's strategy to reduce its finance costs by higher utilisation on trade finance facilities via term bill payables with lower borrowing costs.

As a result, the net profit attributable to owners of the Company had increased by S\$3.0 million or 31.1% in FY2015 as compared to FY2014.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Property, plant & equipment increased by S\$1.1 million as compared to FY2014. The increase was mainly attributed to the acquisition of property, plant and equipment amounting to S\$6.7 million, a S\$1.1million upward translation movement due to the strengthening of Renminbi ("RMB") against Singapore Dollar ("SGD") and partially offsetted by depreciation charge amounting to S\$6.5 million.

The Group has realised a gain of S\$648k as a result of disposal of investment securities in April 2015.

Inventories increased by S\$0.9 million as compared to FY2014 was mainly due to the Group stocking up more inventories in anticipation of increase in raw material costs and partly attributable to strengthening of RMB against SGD.

Trade and other receivables decreased by S\$6.0 million as compared to FY2014. This was mainly attributed to the reduction of payment from customers via term bills receivables with 6 months of maturity date.

Cash and cash equivalents, excluding bank balances pledged as security, increased by S\$17.8 million and was mainly generated from operating activities.

Trade & other payables increased by S\$7.4 million as compared to FY2014 was mainly due to increase in bill payables of S\$6.7 million and additional provision of bonus as a results of better performance in FY2015.

The increase of S\$6.7 million in bill payables and the decrease in loans and borrowings by \$5.7 million was primarily due to the Group's strategy to reduce its finance costs by higher utilisation on trade finance facilities via term bill payables with lower borrowing costs.

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

No forecast was previously provided.

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

Singapore's operating environment is expected to remain challenging on the back of weakened demand on manufacturing sector, as well as the increase of raw material costs due to higher US dollars exchange rate.

In view of the continuous slowdown of China economy, the corrugated packaging industries in China will remain very challenging as over-capacity in this industry will increase pressure on selling price and labour shortage will continue to drive the increase in labour costs.

To overcome these challenges, management will continue to explore new sales, invest in machinery upgrade to automate the production process and provide staff training to improve productivity.

11. Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial year reported on Yes

Name of Dividend	Interim Ordinary	Final	Special
Dividend Type	Cash; Tax exempt (1-tier) dividend	Cash; Tax exempt (1-tier) dividend	Cash; Tax exempt (1-tier) dividend
Dividend Amount Per Share	S\$0.01 per ordinary share	S\$0.01 per ordinary share	S\$0.01 per ordinary share
Tax Rate	Exempt (1-tier)	Exempt (1-tier)	Exempt (1-tier)
Date Paid	Paid on 16/9/2015	To be approved by shareholders at the forthcoming AGM	

(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 Ordinary	Final
Dividend Type	Cash; Tax exempt (1-tier) dividend	Cash; Tax exempt (1-tier) dividend
Dividend Amount Per Share	S\$0.01 per ordinary share	S\$0.01 per ordinary share
Tax Rate	Exempt (1-tier)	Exempt (1-tier)
Date Paid	Paid on 16/9/2014	Paid on 15/5/2015

(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

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company has not obtained a general mandate from shareholders for Interested Person Transactions. There were no interested person transactions for the period under review.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited financial statements, with comparative information for the immediately preceding year

	2015			2014		
	Singapore \$'000	PRC \$'000	Group \$'000	Singapore \$'000	PRC \$'000	Group \$'000
Turnover	37,186	194,255	231,441	36,810	187,735	224,545
Segment results	639	18,298	18,937	(1,395)	17,268	15,873
Finance cost			(1,709)			(2,443)
Taxation			(4,030)			(3,875)
Net profit for the year			13,198			9,555
Segment assets	23,162	185,470	208,632	22,301	172,645	194,946
Unallocated assets			1,565			1,639
Total assets			210,197			196,585
Segment liabilities	8,925	95,572	104,497	10,630	92,153	102,783
Unallocated liabilities			937			172
Total liabilities			105,434			102,955
Other segment information:						
Amortisation of intangible assets	3	-	3	3	-	3
Capital expenditure	1,350	5,385	6,735	2,387	5,564	7,951
Depreciation	948	5,537	6,485	785	5,127	5,912

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

Singapore segment results improved by S\$2.0 million from a loss of S\$1.4 million in FY2014 to profit of S\$0.6 million in FY2015. This is mainly attributed to saving or reduction of factory overhead costs due to the termination of Tuas factory's rental, gain on disposal of investment securities and improvement of utility efficiency of Singapore plants.

16. A breakdown of sales

	2015 \$'000	2014 \$'000	% increase/ (decrease)
Sales reported for first half year	114,763	111,255	3.2%
Profit after tax reported for first half year	6,526	4,820	35.4%
Sales reported for second half year	116,678	113,290	3.0%
Profit after tax reported for second half year	6,672	4,735	40.9%

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

	2015 \$'000	2014 \$'000
Interim cash dividend	1,572	1,572
Final cash dividend	1572*	1,572
Special cash dividend	1572*	-
Total annual dividend	4,716	3,144

* To be approved by shareholders at the forthcoming AGM

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.

There are no persons occupying managerial positions in the Company or any of its principal subsidiaries who are a relative to a Director, Chief Executive Officer or Substantial Shareholder of the Company

BY ORDER OF THE BOARD

Loh See Moon
Managing Director
26 February 2016