



Unaudited Full Year Financial Statement And Dividend Announcement for the Year Ended 30/06/2018

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

- 1(a) **A statement of comprehensive income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

(a)(i)

	Group \$'000 30-Jun-18	Group \$'000 30-Jun-17	+ / (-) %
Revenue	27,206	24,185	12.5%
Cost of sales	(13,879)	(12,040)	15.3%
Gross profit	13,327	12,145	9.7%
Other income	1,932	506	281.8%
Distribution costs	(3,512)	(3,436)	2.2%
Administrative expenses	(7,859)	(7,318)	7.4%
Other operating expenses	(449)	(519)	-13.5%
Finance costs	(1)	(1)	0.0%
Profit before income tax	3,438	1,377	149.7%
Income tax expense	(326)	-	n/m
Profit for the year	3,112	1,377	126.0%
Other comprehensive loss:			
Items that may be reclassified subsequently to profit or loss			
Exchange differences arising on translation of foreign subsidiaries	(20)	19	-205.3%
Fair value loss on available-for-sale investments	(77)	(22)	250.0%
Other comprehensive loss for the year	(97)	(3)	n/m
Total comprehensive income for the year	3,015	1,374	119.4%

n/m = not meaningful

- (a)(ii) **Notes to the Income Statement**
Other disclosure items included in the above statement

	GROUP \$'000 30-Jun-18	GROUP \$'000 30-Jun-17
Other Income:		
Government grants	162	262
Dividend income from available-for-sales investments	124	82
Interest income	107	113
Gain on disposal of plant and equipment	-	7
Fair value gain of investment properties	1,530	-
Others	9	42
	1,932	506
Depreciation of plant and equipment	(645)	(576)
Allowance for doubtful debts - trade receivables	(35)	(18)
Allowance for inventories	(145)	(98)
Net foreign exchanges losses	(6)	(39)
Fair value loss of investment properties	-	(50)

- 1(b)(i) **A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

	GROUP \$'000 30-Jun-18	GROUP \$'000 30-Jun-17	COMPANY \$'000 30-Jun-18	COMPANY \$'000 30-Jun-17
<u>ASSETS</u>				
Current Assets				
Cash and cash equivalents	14,459	13,298	11,931	10,336
Trade receivables	1,035	1,219	451	540
Amount due from subsidiaries	-	-	295	422
Other receivables and prepayments	484	393	422	328
Inventories	2,112	2,485	1,298	1,621
Total Current Assets	18,090	17,395	14,397	13,247
Non - Current Assets				
Subsidiaries	-	-	3,089	3,089
Other Investments	165	165	165	165
Available-for-sale investments	3,152	2,245	3,152	2,228
Plant and equipment	1,518	1,722	953	1,033
Deposits	-	103	-	103
Investment properties	15,827	14,297	15,827	14,297
Total Non - Current Assets	20,662	18,532	23,186	20,915
Total Assets	38,752	35,927	37,583	34,162
<u>LIABILITIES AND EQUITY</u>				
Current Liabilities				
Trade payables	528	559	395	464
Amount due to related companies, associates and related parties	-	-	989	1,068
Other payables	2,714	2,128	1,881	1,427
Finance lease	-	10	-	-
Income tax payable	356	48	288	37
Total Current Liabilities	3,598	2,745	3,553	2,996
Non-Current Liability				
Other payables	226	221	175	167
Deferred tax liability	152	175	84	104
Total Non-Current Liabilities	378	396	259	271
Capital and Reserves				
Share capital	10,251	10,251	10,251	10,251
Currency translation deficit	(97)	(77)	-	-
Fair value adjustment	(12)	65	(12)	65
Accumulated profits	24,634	22,547	23,532	20,579
Total Equity	34,776	32,786	33,771	30,895
Total Liabilities and Equity	38,752	35,927	37,583	34,162

- 1(b)(ii) **In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year.**

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

As at 30 June 2018	
Secured	Unsecured
S\$'000	S\$'000
0	0

As at 30 June 2017	
Secured	Unsecured
S\$'000	S\$'000
0	10

Detail of any collateral - Not applicable

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

	GROUP \$'000 30-Jun-18	GROUP \$'000 30-Jun-17
Operating activities:		
Profit before income tax	3,438	1,377
Adjustments for:		
Loss on disposal of available-for-sale investment	-	22
Reversal of Impairment on other investment	-	(20)
Impairment loss on available-for sale investment	17	-
Impairment loss on plant and equipment	1	26
Depreciation of plant and equipment	645	576
Dividend income	(124)	(82)
Interest income	(107)	(113)
Fair value (gain) loss of investment properties	(1,530)	50
Loss on disposal of associate	-	27
Allowance for doubtful debts - trade receivables	35	18
Allowance for inventories	145	98
Net foreign exchange (gain) losses	(16)	16
Gain on disposal of plant and equipment	-	(7)
Operating cash flows before movements in working capital	2,504	1,988
Trade receivables	149	18
Other receivables and prepayments	12	(92)
Inventories	228	392
Amount due from associates and related parties - net	-	(46)
Trade payables	(32)	(57)
Other payables	591	(762)
Cash generated from operations	3,452	1,441
Interest received	107	113
Income tax paid (net)	(43)	(304)
Net cash from operating activities	3,516	1,250
Investing activities		
Dividend income	124	82
Proceeds from disposal of asset held for sale	-	4
Proceeds on disposal of plant and equipment	-	13
Proceeds on disposal of available-for-sale investments	-	259
Purchase of plant and equipment	(443)	(450)
Purchase of available-for-sale investments	(1,001)	(1,093)
Deposits	-	(103)
Net cash used in investing activities	(1,320)	(1,288)
Financing activities		
Dividend paid	(1,025)	(1,537)
Repayment of the hire purchase facility	(10)	(20)
Net cash used in financing activities	(1,035)	(1,557)
Net increase (decrease) in cash and cash equivalents	1,161	(1,595)
Cash and cash equivalents at beginning of year	13,298	14,893
Cash and cash equivalents at end of year	14,459	13,298
Cash and cash equivalents consist of :		
Cash and bank balances	3,220	2,577
Fixed deposits	11,239	10,721
Total	14,459	13,298

- 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	Currency translation deficit	Fair value adjustment (deficit) surplus	Accumulated profits	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Lastest Period					
Balance as at July 1, 2017	10,251	(77)	65	22,547	32,786
Total comprehensive income for the year					
Profit for the year	-	-	-	3,112	3,112
Other comprehensive income for the year	-	(20)	(77)	-	(97)
Total	-	(20)	(77)	3,112	3,015
Dividends, representing transaction with owners, recognised directly in equity	-	-	-	(1,025)	(1,025)
Balance as at June 30, 2018	<u>10,251</u>	<u>(97)</u>	<u>(12)</u>	<u>24,634</u>	<u>34,776</u>

Previous Corresponding Period

Balance as at July 1, 2016	10,251	(93)	24	22,707	32,889
Total comprehensive income for the year					
Profit for the year	-	-	-	1,377	1,377
Other comprehensive income for the year	-	16	41	-	57
Total	-	16	41	1,377	1,434
Dividends, representing transaction with owners, recognised directly in equity	-	-	-	(1,537)	(1,537)
Balance as at June 30, 2017	<u>10,251</u>	<u>(77)</u>	<u>65</u>	<u>22,547</u>	<u>32,786</u>

Company

Lastest Period

Balance as at July 1, 2017	10,251	-	65	20,579	30,895
Total comprehensive income for the year					
Profit for the year	-	-	-	3,978	3,978
Other comprehensive income for the year	-	-	(77)	-	(77)
Total	-	-	(77)	3,978	3,901
Dividends, representing transaction with owners, recognised directly in equity	-	-	-	(1,025)	(1,025)
Balance as at June 30, 2018	<u>10,251</u>	<u>-</u>	<u>(12)</u>	<u>23,532</u>	<u>33,771</u>

Previous Corresponding Period

Balance as at July 1, 2016	10,251	-	24	21,257	31,532
Total comprehensive income for the year					
Profit for the year	-	-	-	859	859
Other comprehensive income for the year	-	-	41	-	41
Total	-	-	41	859	900
Dividends, representing transaction with owners, recognised directly in equity	-	-	-	(1,537)	(1,537)
Balance as at June 30, 2017	<u>10,251</u>	<u>-</u>	<u>65</u>	<u>20,579</u>	<u>30,895</u>

- 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, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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 immediate preceding financial year.**

	Number of shares	Paid-up Capital S\$
Balance at 30 June 2018	<u>102,476,024</u>	<u>10,251,458</u>
Balance at 30 June 2017	<u>102,476,024</u>	<u>10,251,458</u>

The Company does not have any share option scheme in place after the expiry of the last share option as at 30 June 2018.

- 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.**

	<u>As at 30/06/2018</u>	<u>As at 30/06/2017</u>
Number of shares in issue	<u>102,476,024</u>	<u>102,476,024</u>

- 1(d)(iv) **A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at end of the current financial period reported on.**

The Company has no treasury shares. There were no sales, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

- 2 **Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited and reviewed.

- 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 adopted the same accounting policies and methods of computation for the current financial year as those adopted for the audited financial statements for the financial year ended 30 June 2017.

- 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:-**

	Group 30-Jun-18	Group 30-Jun-17
Earning per ordinary share for the year : -		
(i) Based on weighted average number of ordinary shares in issued	3.04 cents	1.34 cents
(ii) On a fully diluted basis	3.04 cents	1.34 cents

Note to item (6i) :

Earnings per share is calculated based on the weighted average number of 102,476,024 (30 Jun 17: 102,476,024) ordinary shares in issue.

The basic and fully diluted earnings per ordinary share are the same as the Group did not have any potential dilutive ordinary share outstanding as at 30 June 2018.

- 7 **Net asset value (for the issuer and group) per ordinary share based on the total number of shares excluding treasury shares of the issuer at the end of the: -**
(a) current financial period reported on; and
(b) immediately preceding financial year

	As at 30-Jun-18 Cents	As at 30-Jun-17 Cents
Group	33.94	31.99
Company	32.96	30.15

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.

Statement of comprehensive income

Revenue increased by \$3.0 million to \$27.2 million due to a major contract for the design/supply of gift sets. Gross Profit increased correspondingly by \$1.2 million or 9.7% in FY2018.

Total distribution, administrative and other operating expense increased by \$0.5 million to \$11.8 million due mainly to higher manpower cost.

Excluding the \$1.5 million gain in fair value of the investment properties, the operating profit before income tax increased by \$0.5 million to \$2.0 million.

The \$1.5 million fair value gain on investment properties arose on all the investment properties held as compared to the slight fair value loss of \$0.05 million in FY2017.

Income tax increased by \$0.3 million due mainly to higher profit in FY2018. In FY2017, there was no expense due to the utilisation of tax losses and tax incentives as well as reversal of over-provision of tax made in prior years.

Profit after income tax increased by \$1.7 million to \$3.1 million as compared to \$1.4 million in FY2017.

Statement of financial position and cash flows

For the financial year ended 30 June 2018, the Group generated cash from operating activities of \$3.5 million (FY2017: \$1.2 million). This was mainly attributable to the profit generated by the Group after accounting for changes in working capital in FY2018.

Other receivables and prepayment increased due to an accrued government grant.

Inventories decreased by \$0.4 million mainly due to improved inventory management and fulfillment of project sales. Correspondingly, trade payables declined.

During the year, the group invested a total of \$1.0 million in available-for-sales investments.

There was no deposit made for non-current asset in FY2018.

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.**

The economic outlook is uncertain, and the Group expects the operating environment to be challenging.

11 **Dividend**

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes

Name of Dividend	First & Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.30 cent per ordinary share
Tax Rate	One-Tier Tax-Exempt

Name of Dividend	Special dividend
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.70 cent per ordinary share
Tax Rate	One-Tier Tax-Exempt

(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 & Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.30 cent per ordinary share
Tax Rate	One-Tier Tax-Exempt
Date of payment	17 November 2017

Name of Dividend	Special dividend
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.70 cent per ordinary share
Tax Rate	One-Tier Tax-Exempt
Date of payment	17 November 2017

(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 **Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual.**

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

- 14 **If the Company has obtained a general mandate from shareholders for interested person transaction (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 an IPT mandate from shareholders. It does not have any interested person transaction (excluding transaction less than \$100,000) in the financial year ended 30 June 2018 that is discloseable under Rule 920(1)(a)(ii) of the SGX-ST Listing Manual.

- 15 **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.**

(a) Business Segments

The Group is organised into two main operating divisions, namely gifts and properties.

	Gifts \$'000 30-Jun-18	Properties \$'000 30-Jun-18	Group \$'000 30-Jun-18	Gifts \$'000 30-Jun-17	Properties \$'000 30-Jun-17	Group \$'000 30-Jun-17
SEGMENT REVENUE AND RESULTS						
Revenue	26,707	499	27,206	23,687	498	24,185
Results:						
Segment result	1,436	224	1,660	963	166	1,129
Other operating Income	187	-	187	314	-	314
Gain (Loss) on fair value adjustment of investment properties	-	1,530	1,530	-	(50)	(50)
Finance cost	(1)	-	(1)	(1)	-	(1)
Share of results of associate	-	-	-	-	-	-
Unallocated operating income			214			183
Unallocated expenses			(152)			(198)
Profit before income tax			3,438			1,377
Income tax expense			(326)			-
Profit after income tax			3,112			1,377
Other information:						
Capital expenditure on plant and equipment and investment properties	435	8	443	446	4	450
Depreciation	636	9	645	567	9	576

(b) Geographical segments

The Group's two business segments are managed on a regional basis through two main geographical areas, namely Singapore and Asia.

	Revenue		Non-current assets		Capital expenditure	
	2018	2017	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Singapore	26,829	23,757	20,634	18,493	442	450
Malaysia	377	428	28	39	1	-
Total	27,206	24,185	20,662	18,532	443	450

16 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Apart from the comments made under section 8, there are no other factors leading to material changes.

17 A breakdown of sales

	Group \$'000 2018	Group \$'000 2017	% increase/ (decrease)
(a) Sales reported for first half year	10,263	9,207	11.5%
(b) Operating profit/(loss) after tax before deducting minority interests reported for first half year	279	(242)	-215.3%
(c) Sales reported for second half year	16,943	14,978	13.1%
(d) Operating profit after tax before deducting minority interests reported for second half year	2,833	1,619	75.0%

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

	Latest Full Year \$'000	Previous Full Year \$'000
Ordinary Shares	<u>1,025</u>	<u>1,537</u>

19 Disclosure of person occupying managerial positions in the issuer or any of its principal subsidiaries who is a relative of a director, CEO or substantial shareholders of the issuer pursuant to Rule 704(B) in the format below.

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Alfred Wong Siu Hong	65	Brother of Wong Phui Hong (non-executive Director) and spouse of Lim Julian (Substantial Shareholder)	Managing Director since 1983	NIL
Wong Lai Kuan, Kim	38	Daughter of Mr Wong Siu Hong (Managing Director & substantial shareholder)	Group Marketing Manager: overseeing the Group Marketing, effective 1 April 2018	Previously responsible for business developing and executing business development strategies
Wong Ho Hon, Keith	34	Son of Mr Wong Siu Hong (Managing Director & substantial shareholder)	Group Sales Manager: overseeing the Group Sales, effective 1 April 2018	Previously responsible for overseeing day to day of several sales channels of the Company.

BY ORDER OF THE BOARD

Alfred Wong Siu Hong
Managing Director

27 August 2018