

Full Year Financial Statement And Dividend Announcement for the Year Ended 31 December 2015

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.

Consolidated income statement for the financial period ended 31 Dec 15

	GROUP				GROUP		
	3 months ended				12 months ended		
	31-Dec-15	31-Dec-14 (Restated)	Variance		31-Dec-15	31-Dec-14 (Restated)	Variance
	S\$'000	S\$'000	%		S\$'000	S\$'000	%
Revenue	23,662	22,932	3%		84,692	77,702	9%
Cost of sales	(15,199)	(14,456)	5%		(54,161)	(49,328)	10%
Gross profit	8,463	8,476			30,531	28,374	
Other income	2,685	2,157	24%		9,614	8,803	9%
Expenses							
- Distribution and marketing	(3,926)	(3,819)	3%		(13,205)	(12,425)	6%
- Administrative	(4,587)	(5,428)	-15%		(20,736)	(20,302)	2%
- Finance	(37)	(51)	-27%		(177)	(145)	22%
Share of profit of joint ventures	2,891	8,188	-65%		12,268	19,037	-36%
Share of profit of associated companies	-	-			-	38	
Profit before income tax	5,489	9,523			18,295	23,380	
Income tax expense	92	104			(153)	(277)	
Net profit	5,581	9,627			18,142	23,103	
Profit attributable to:							
Equity holders of the Company	5,269	9,334			16,675	22,066	
Non-controlling interests	312	293			1,467	1,037	
	5,581	9,627			18,142	23,103	

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

Consolidated Statement of Comprehensive income for the financial period ended 31 Dec 15

	GROUP				GROUP		
	3 months ended				12 months ended		
	31-Dec-15	31-Dec-14 (Restated)	Variance		31-Dec-15	31-Dec-14 (Restated)	Variance
	S\$'000	S\$'000	%		S\$'000	S\$'000	%
Net profit	5,581	9,627	-42%		18,142	23,103	-21%
Other comprehensive income							
<i>Items that may be reclassified subsequently to profit or loss:</i>							
Available-for-sale financial assets – fair value gain	-	-			-	8	
Currency translation differences arising from consolidation – gains	(238)	557			1,280	628	
Other comprehensive income, net of tax	(238)	557			1,280	636	
Total comprehensive income	5,343	10,184			19,422	23,739	
Total comprehensive income attributable to:							
Equity holders of the Company	5,097	9,742			17,618	22,535	
Non-controlling interests	246	442			1,804	1,204	
	5,343	10,184			19,422	23,739	

Additional information to the income statement:

	GROUP		GROUP	
	3 months ended		12 months ended	
	31-Dec-15	31-Dec-14 (Restated)	31-Dec-15	31-Dec-14 (Restated)
	S\$'000	S\$'000	S\$'000	S\$'000
1. Other income				
Commission income	2	5	8	17
Fixed deposit interest	430	238	1,343	827
Interest income from financial assets	4	(81)	62	365
Parking fee income	21	22	86	98
Management fee	13	13	54	54
Rental income	932	932	3,729	3,648
Miscellaneous income	404	208	803	461
Amortisation of deferred income	813	813	3,250	3,250
Bad debts recovered	66	7	243	83
Gain on disposal of property, plant and equipment	-	-	36	-
	2,685	2,157	9,614	8,803

Additional information to the income statement (continued):**2. Distribution and marketing expenses**

The increase in distribution and marketing expenses was mainly due to increase in rental of showroom, staff cost and marketing cost.

	GROUP		GROUP	
	3 months ended		12 months ended	
	31-Dec-15	31-Dec-14 (Restated)	31-Dec-15	31-Dec-14 (Restated)
	S\$'000	S\$'000	S\$'000	S\$'000
3. Finance Expenses				
Bank loan interest	27	28	106	62
Finance lease interest	2	2	5	8
Trust receipts interest	8	21	66	75
	37	51	177	145

	GROUP		GROUP	
	3 months ended		12 months ended	
	31-Dec-15	31-Dec-14 (Restated)	31-Dec-15	31-Dec-14 (Restated)
	S\$'000	S\$'000	S\$'000	S\$'000
4. Profit before income tax				
Profit before income tax is determined after charging/(crediting):-				
Depreciation of property, plant and equipment	171	146	634	543
Amortisation of reinstatement cost	252	-	252	-
Allowance for impairment of trade and other receivables	373	138	541	212
Provision for stock obsolescence	131	259	131	259
Foreign exchange loss/(gain) – net	(33)	112	432	164

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		COMPANY	
	31-Dec-15	31-Dec-14 (Restated)	31-Dec-15	31-Dec-14 (Restated)
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	108,247	92,228	95,944	76,790
Available-for-sale financial assets	19	24	19	24
Trade and other receivables	11,470	10,475	5,293	5,843
Loans to associated companies	8,578	8,092	5,268	4,789
Loans to joint ventures	-	14,010	-	14,010
Inventories	19,773	18,457	-	-
Gross amount due from customers for contract work-in-progress	164	89	-	-
	148,251	143,375	106,524	101,456
Non-current assets				
Trade and other receivables	337	421	-	-
Investments in associated companies	-	-	-	-
Investments in joint ventures	38,401	31,026	1,138	1,138
Investments in subsidiaries	-	-	3,936	3,716
Property, plant and equipment	1,970	1,770	530	182
Intangible assets	161	161	161	161
	40,869	33,378	5,765	5,197
Total assets	189,120	176,753	112,289	106,653
LIABILITIES				
Current liabilities				
Trade and other payables	18,517	20,281	4,218	4,419
Advances from joint ventures	2,565	115	2,565	115
Borrowings	9,897	12,395	9,636	8,470
Obligations under finance leases	31	59	-	19
Gross amount due to customers for contract work-in-progress	2,658	3,748	-	-
Current income tax liabilities	420	544	-	-
Deferred income	3,250	3,250	3,250	3,250
	37,338	40,392	19,669	16,273
Non-current liabilities				
Deferred income	4,604	7,854	4,604	7,854
Obligations under finance leases	8	16	-	-
Deferred income tax liabilities	25	94	-	69
	4,637	7,964	4,604	7,923
Total liabilities	41,975	48,356	24,273	24,196
NET ASSETS	147,145	128,397	88,016	82,457
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	33,775	32,460	33,775	32,460
Other reserves	2,119	1,436	1,396	1,656
Retained earnings	107,085	91,791	52,845	48,341
	142,979	125,687	88,016	82,457
Non-controlling interests	4,166	2,710	-	-
Total equity	147,145	128,397	88,016	82,457

Additional Information to the Statement of financial position:**Current Assets**

- Cash and cash equivalents increased by \$16.02 million as compared to 31 Dec 2014. The increase is mainly due to funds received from joint venture companies.
- Loans to joint ventures decreased by \$14.01 million as compared to 31 Dec 2014. The decrease is mainly due to repayment by joint venture companies.

Current and Non-Current Liabilities

- Total borrowings decreased by \$2.53 million as compared to 31 Dec 2014. The decrease is mainly due to repayment of bank borrowings.

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-Dec-15		As at 31-Dec-14 (Restated)	
Secured	Unsecured	Secured	Unsecured
S\$9,667,347	S\$260,726	S\$11,980,784	S\$472,490

Amount repayable after one year

As at 31-Dec-15		As at 31-Dec-14 (Restated)	
Secured	Unsecured	Secured	Unsecured
S\$8,391	Nil	S\$16,998	Nil

Details of any collateral

The Group's bank loan is secured by a charge on certain fixed deposit(s) in Singapore Dollar/other acceptable currencies placed/ to be placed from time to time with the bank.

The Group's bills payable are secured, except for an amount of \$260,726 (31 Dec 2014: \$472,490) which is unsecured. The bills payable is secured by a pledge over fixed deposits of a subsidiary amounting to about \$603,393 (31 Dec 2014: \$602,484); a deed of debenture by way of fixed and floating charge over the subsidiary's present and future undertakings; and a deed of assignment of credit insurance policies of a subsidiary and proportionate corporate guarantee by the Company.

Finance leases of \$39,538 (31 Dec 2014: \$74,803) are secured over some of the Group's motor vehicles.

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		GROUP	
	3 months ended		12 months ended	
	31-Dec-15	31-Dec-14 (Restated)	31-Dec-15	31-Dec-14 (Restated)
	S\$'000	S\$'000	S\$'000	S\$'000
<i>Cash flows from operating activities</i>				
Net profit	5,581	9,627	18,142	23,103
Adjustments for:				
- Income tax expense	(92)	(104)	153	277
- Employee share option expense	57	135	230	557
- Amortisation of deferred income	(813)	(813)	(3,250)	(3,250)
- Amortisation of reinstatement cost	252	-	252	-
- Bad debts recovered	(66)	(7)	(243)	(83)
- Depreciation	171	146	634	543
- Gain on disposal of property, plant and equipment	-	-	(36)	-
- Property, plant and equipment written off	-	-	-	89
- Allowance for impairment of trade and other receivables	373	138	541	212
- Provision for stock obsolescence	131	259	131	259
- Gain on disposal of club membership	-	-	-	(14)
- Loss on disposal of available-for-sale financial assets	(5)	-	-	9
- Reversal of impairment loss on available-for-sale financial assets	5	(3)	5	(3)
- Interest income	(434)	(157)	(1,405)	(1,192)
- Finance expenses	37	51	177	145
- Share of profit of joint ventures	(2,891)	(8,188)	(12,268)	(19,037)
- Share of profit of associated companies	-	-	-	(38)
- Unrealised currency translation losses	(226)	532	1,267	610
	2,080	1,616	4,330	2,187
<i>Change in working capital:</i>				
- Trade and other receivables	(956)	(695)	(885)	686
- Inventories	(586)	(916)	(1,447)	(3,165)
- Contract work-in-progress	(132)	(1,134)	(1,166)	108
- Trade and other payables	367	2,380	(2,614)	346
Cash generated from/(used in) operations	773	1,251	(1,782)	162
- Income tax paid	15	84	(346)	(664)
Net cash provided by/(used in) operating activities	788	1,335	(2,128)	(502)
<i>Cash flows from investing activities</i>				
Dividend income received from associated companies	-	-	-	396
Dividend income received from joint ventures	-	719	4,894	719
Loans to associated companies	1,654	784	(487)	(8,092)
Repayment of loans and advances from joint ventures	-	57	16,460	4,107
Proceeds from redemption of available-for-sale financial assets	-	-	-	500
Proceeds from disposal of club membership	-	-	-	202
Disposal of property, plant and equipment	-	1	42	1
Additions to property, plant and equipment	(47)	(526)	(189)	(728)
Fixed deposits with maturity of more than three months	456	(4,013)	(13,890)	1,007
Interest received	98	95	1,083	1,105
Net cash provided by/(used in) investing activities	2,161	(2,883)	7,913	(783)
<i>Cash flows from financing activities</i>				
Proceeds from bank borrowings	1,059	(1,226)	34,413	33,694
Repayment of bank borrowings	(2,641)	1,537	(36,911)	(24,199)
Net proceeds from issuance of shares	52	2,542	825	4,403
Fixed deposits pledged	(3)	247	(2,041)	(10,520)
Repayment of finance leases	(17)	(25)	(64)	(94)
Interest paid	(37)	(51)	(177)	(145)
Dividends paid to equity holders of the Company	-	-	(1,381)	(1,159)
Dividends paid to non-controlling interests	(300)	(443)	(348)	(991)
Net cash (used in)/provided by financing activities	(1,887)	2,581	(5,684)	989
Net increase/(decrease) in cash and cash equivalents	1,062	1,033	101	(296)
Cash and cash equivalents				
Beginning of financial year	9,306	9,226	10,279	10,560
Effect of currency translation on cash and cash equivalents	(1)	20	(13)	15
End of financial year	10,367	10,279	10,367	10,279

Notes to Cash Flow Statement

For the purpose of presenting in the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	GROUP		GROUP	
	3 months ended		12 months ended	
	31-Dec-15	31-Dec-14 (Restated)	31-Dec-15	31-Dec-14 (Restated)
	S\$'000	S\$'000	S\$'000	S\$'000
Cash and cash equivalents	108,247	92,228	108,247	92,228
Less: Bank deposits pledged	(13,880)	(11,839)	(13,880)	(11,839)
Less: Bank deposits with maturity more than three months	(84,000)	(70,110)	(84,000)	(70,110)
Cash and cash equivalents per consolidated statement of cash flows	10,367	10,279	10,367	10,279

For the 12 months ended 31 Dec 2015, the Group generated an operating cash flow before working capital changes of \$4.33 million as compared to cash generated from operation of \$2.19 million for the 12 months ended 31 Dec 2014. Taking into account changes in working capital and income tax paid, the Group used \$2.13 million for its operating activities as compared to \$0.50 million used in the 12 months ended 31 Dec 2014.

The Group recorded a net cash inflow of \$0.10 million in the 12 months ended 31 Dec 2015 compared to a net cash outflow of \$0.30 million in the 12 months ended 31 Dec 2014. The net increase in cash and cash equivalents was due to net cash used in operating and financing activities of \$2.13 million and \$5.68 million respectively and was offset by net cash provided by investing activities of \$7.91 million.

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.

Consolidated statement of changes in equity for the period ended 31 Dec 15

GROUP	Attributable to equity holders of the Company						Total S\$'000	Non- controlling interests S\$'000	Total equity S\$'000
	Share capital S\$'000	Employee share option reserve S\$'000	Warrant reserve S\$'000	Fair value reserve S\$'000	Currency translation reserve S\$'000	Retained earnings S\$'000			
Balance as at 1-Jan-15	32,460	1,656	-	-	(220)	91,791	125,687	2,710	128,397
Employee share option scheme	-	58	-	-	-	-	58	-	58
Issue of new shares	948	(320)	-	-	-	-	628	-	628
Total comprehensive income for the year	-	-	-	-	443	3,638	4,081	462	4,543
Balance as at 31-Mar-15	33,408	1,394	-	-	223	95,429	130,454	3,172	133,626
Balance as at 1-Apr-15	33,408	1,394	-	-	223	95,429	130,454	3,172	133,626
Employee share option scheme	-	57	-	-	-	-	57	-	57
Issue of new shares	243	(98)	-	-	-	-	145	-	145
Dividend paid	-	-	-	-	-	(1,381)	(1,381)	(48)	(1,429)
Total comprehensive (loss)/income for the year	-	-	-	-	(225)	4,086	3,861	358	4,219
Balance as at 30-Jun-15	33,651	1,353	-	-	(2)	98,134	133,136	3,482	136,618
Balance as at 1-Jul-15	33,651	1,353	-	-	(2)	98,134	133,136	3,482	136,618
Employee share option scheme	-	58	-	-	-	-	58	-	58
Issue of new shares	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	897	3,682	4,579	738	5,317
Balance as at 30-Sep-15	33,651	1,411	-	-	895	101,816	137,773	4,220	141,993
Balance as at 1-Oct-15	33,651	1,411	-	-	895	101,816	137,773	4,220	141,993
Employee share option scheme	-	57	-	-	-	-	57	-	57
Issue of new shares	124	(72)	-	-	-	-	52	-	52
Dividend paid	-	-	-	-	-	-	-	(300)	(300)
Total comprehensive (loss)/income for the year	-	-	-	-	(172)	5,269	5,097	246	5,343
Balance as at 31-Dec-15	33,775	1,396	-	-	723	107,085	142,979	4,166	147,145

Consolidated statement of changes in equity for the period ended 31 Dec 14

GROUP	Attributable to equity holders of the Company						Total S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
	Share capital S\$'000	Employee share option reserve S\$'000	Warrant reserve S\$'000	Fair value reserve S\$'000	Currency translation reserve S\$'000	Retained earnings S\$'000			
Balance as at 1-Jan-14	27,310	1,591	255	(8)	(681)	70,884	99,351	2,497	101,848
Employee share option scheme	-	141	-	-	-	-	141	-	141
Issue of new shares	16	-	(1)	-	-	-	15	-	15
Total comprehensive income/(loss) for the year	-	-	-	8	(54)	3,120	3,074	230	3,304
Balance as at 31-Mar-14	27,326	1,732	254	-	(735)	74,004	102,581	2,727	105,308
Balance as at 1-Apr-14	27,326	1,732	254	-	(735)	74,004	102,581	2,727	105,308
Employee share option scheme	-	140	-	-	-	-	140	-	140
Issue of new shares	909	(236)	(14)	-	-	-	659	-	659
Dividend paid	-	-	-	-	-	(1,159)	(1,159)	(533)	(1,692)
Total comprehensive (loss)/income for the year	-	-	-	-	(86)	7,193	7,107	273	7,380
Balance as at 30-Jun-14	28,235	1,636	240	-	(821)	80,038	109,328	2,467	111,795
Balance as at 1-Jul-14	28,235	1,636	240	-	(821)	80,038	109,328	2,467	111,795
Employee share option scheme	-	141	-	-	-	-	141	-	141
Issue of new shares	1,503	(256)	(60)	-	-	-	1,187	-	1,187
Dividend paid	-	-	-	-	-	-	-	(15)	(15)
Total comprehensive income for the year	-	-	-	-	193	2,419	2,612	259	2,871
Balance as at 30-Sep-14	29,738	1,521	180	-	(628)	82,457	113,268	2,711	115,979
Balance as at 1-Oct-14	29,738	1,521	180	-	(628)	82,457	113,268	2,711	115,979
Employee share option scheme	-	135	-	-	-	-	135	-	135
Issue of new shares	2,722	-	(180)	-	-	-	2,542	-	2,542
Dividend paid	-	-	-	-	-	-	-	(443)	(443)
Total comprehensive income for the year	-	-	-	-	408	9,334	9,742	442	10,184
Balance as at 31-Dec-14	32,460	1,656	-	-	(220)	91,791	125,687	2,710	128,397

Statement of changes in equity for the period ended 31 Dec 15

COMPANY	Share capital	Employee share option reserve	Warrant reserve	Fair value reserve	Retained earnings	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1-Jan-15	32,460	1,656	-	-	48,341	82,457
Employee share option scheme	-	58	-	-	-	58
Issue of new shares	948	(320)	-	-	-	628
Total comprehensive income for the year	-	-	-	-	3,582	3,582
Balance as at 31-Mar-15	33,408	1,394	-	-	51,923	86,725
Balance as at 1-Apr-15	33,408	1,394	-	-	51,923	86,725
Employee share option scheme	-	57	-	-	-	57
Issue of new shares	243	(98)	-	-	-	145
Dividend paid	-	-	-	-	(1,381)	(1,381)
Total comprehensive loss for the year	-	-	-	-	(556)	(556)
Balance as at 30-Jun-15	33,651	1,353	-	-	49,986	84,990
Balance as at 1-Jul-15	33,651	1,353	-	-	49,986	84,990
Employee share option scheme	-	58	-	-	-	58
Issue of new shares	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	565	565
Balance as at 30-Sep-15	33,651	1,411	-	-	50,551	85,613
Balance as at 1-Oct-15	33,651	1,411	-	-	50,551	85,613
Employee share option scheme	-	57	-	-	-	57
Issue of new shares	124	(72)	-	-	-	52
Dividend paid	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	2,294	2,294
Balance as at 31-Dec-15	33,775	1,396	-	-	52,845	88,016

Statement of changes in equity for the period ended 31 Dec 14

COMPANY	Share capital	Employee share option reserve	Warrant reserve	Fair value reserve	Retained earnings	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1-Jan-14	27,310	1,591	255	(8)	45,324	74,472
Employee share option scheme	-	141	-	-	-	141
Issue of new shares	16	-	(1)	-	-	15
Total comprehensive income/(loss) for the year	-	-	-	8	(508)	(500)
Balance as at 31-Mar-14	27,326	1,732	254	-	44,816	74,128
Balance as at 1-Apr-14	27,326	1,732	254	-	44,816	74,128
Employee share option scheme	-	140	-	-	-	140
Issue of new shares	909	(236)	(14)	-	-	659
Dividend paid	-	-	-	-	(1,159)	(1,159)
Total comprehensive income for the year	-	-	-	-	1,986	1,986
Balance as at 30-Jun-14	28,235	1,636	240	-	45,643	75,754
Balance as at 1-Jul-14	28,235	1,636	240	-	45,643	75,754
Employee share option scheme	-	141	-	-	-	141
Issue of new shares	1,503	(256)	(60)	-	-	1,187
Dividend paid	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	105	105
Balance as at 30-Sep-14	29,738	1,521	180	-	45,748	77,187
Balance as at 1-Oct-14	29,738	1,521	180	-	45,748	77,187
Employee share option scheme	-	135	-	-	-	135
Issue of new shares	2,722	-	(180)	-	-	2,542
Dividend paid	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	2,593	2,593
Balance as at 31-Dec-14	32,460	1,656	-	-	48,341	82,457

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 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.

	GROUP AND COMPANY	
	31-Dec-15	31-Dec-14
	S\$'000	S\$'000
<u>Issued and paid up capital</u>		
At the end of the financial period/year	33,775	32,460

Note: During the financial period;

- (i) 1,609,000 share options were exercised and issued at \$0.2061 each; and
- (ii) 1,582,000 share options were exercised and issued at \$0.3120 each.

The number of share options outstanding as at 31 Dec 2015 is 9,764,000 (31 Dec 2014: 13,247,716)

- 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 preceding year.**

	GROUP AND COMPANY	
	31-Dec-15	31-Dec-14
No of issued shares at the beginning of the period/year	209,531,686	190,481,700
Issue of new shares:		
- exercised of share option by employees and directors	3,191,000	3,242,000
- exercised of Warrant by warrant-holders	-	15,807,986
No of issued shares at the end of the period/year	212,722,686	209,531,686

- 1(d)(iv) A statement showing all sales, transfers, disposals, 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 auditing standard or practice.**

The financial statements have not been audited nor reviewed by the Company's 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 adopted the same accounting policies and method of computation in the financial statements for the current reporting period compared with the audited financial statements dated 11 Aug 2015 for the year ended 31 Dec 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.**

The Group has adopted the new and revised Singapore Financial Reporting Standards ("FRSs") that are mandatory for financial years beginning on and after 1 Jan 2015, where applicable. Save as referred to in paragraph 4, the adoption of these standards did not result in substantial changes to the Group's accounting policies, and there is no material impact on the retained earnings of the Group as at 1 Jan 2015.

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.

	<u>GROUP</u>		<u>GROUP</u>	
	3 months ended		12 months ended	
	31-Dec-15	31-Dec-14 (Restated)	31-Dec-15	31-Dec-14 (Restated)
Earnings per share based on consolidated profit after taxation and Non-controlling interests				
Based on existing issued share capital (cents)	2.49	4.74	7.87	11.22
On a fully diluted basis (cents)	2.43	4.41	7.68	10.42

Note:

- a) The Earnings per share is calculated based on the weighted average number of shares in issue during the period amounting to 211,816,697 and 196,745,111 shares as at 31 Dec 2015 and 31 Dec 2014 respectively.
- b) In calculating Earnings per share on a fully diluted basis, the weighted average number of shares in issue during the period is adjusted to take into account the employee share options and warrants issued on a deemed exercised basis, being 217,130,031 and 211,847,748 shares as at 31 Dec 2015 and 31 Dec 2014 respectively.

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.

	<u>GROUP</u>		<u>COMPANY</u>	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
Net asset value per share based on the existing issued share capital as at the respective period	67.21 cents	59.98 cents	41.38 cents	39.35 cents

Note:

The net assets value per ordinary shares are calculated based on the issued share capital of the Company of 212,722,686 and 209,531,686 shares as at 31 Dec 2015 and 31 Dec 2014 respectively.

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.**

Group revenue for the current financial year increased by 9% to \$84.69 million as compared to \$77.70 million for the 12 months ended 31 Dec 2014.

This increase is mainly attributable to the Group's supply chain division under Buylateral Group which sells to the USA market, which achieved a sales increase of 31% from \$37.70 million in 2014 to \$49.38 million in 2015. However the European imported luxury furniture business within interior and furniture segment in Singapore, recorded lower sales, tracking the slow down in the high end residential market.

The Group's net profit for the current financial year 2015 decreased to \$18.14 million as compared to a net profit of \$23.10 million in 2014. This was mainly due to a fall in net profit from the Group's property investments which was partially offset by the increase in contribution from the supply chain division.

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 global economic outlook remains uncertain and continues to be affected by the turmoil in the banking, energy, commodity, oil and gas industries. Stock market volatility remains high. The outlook for emerging markets and Asian economies remains weak.

The global environment of gloom and doom has added to the existing unfavourable conditions of a slowing domestic economy, tighter domestic credit, declining purchasing power and negative sentiments in the property market and has made the furniture retail, interior design and project markets in Singapore even tougher.

In the light of the deteriorating stock market conditions that will continue to affect investors and home buyers globally, we continue to remain cautious and patient in the property development market. We will continue to derisk our development projects and sell down our property inventory. We will conserve cash and strengthen our balance sheet in these difficult times so that when market conditions turn and the right opportunities appear, we will be in a good position to seize them.

The Group's USA distribution and supply chain company, Buylateral Group Pte Ltd, has performed positively in 2015. The Group is positive about the growth in the USA market and expects Buylateral to continue to grow its sales and increase its market share in the USA market.

The Group is also preparing and planning for the scheduled opening of Macpherson Ibis Styles in 1st Quarter 2016. The Group is cautious about the performance of the hotel in the light of weak tourist arrivals into Singapore and intense competition arising from an increased supply of hotel rooms.

Against a backdrop of a slow down in the global financial and asset markets, rising interest rates and fragile investor and customer sentiments, the Group remains cautious about its prospects moving forward.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes
Name of dividend : First and Final
Dividend type : Cash
Dividend amount per ordinary share : 0.56 Cents 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 and Final
Dividend type : Cash
Dividend amount per ordinary share : 0.65 Cents per ordinary share
Tax Rate : One-tier tax exempt

(c) Date payable

The date payable for the proposed first and final dividend of 0.56 Cents per share will be announced at a later date.

(d) Books closure date

To be announced at a later date

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.**

GROUP	Interior and Furniture	Development properties	Hotel Division	HQ and other investing activities	Supply chain	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2015						
Sales						
Total segment sales	36,874	-	-	-	49,383	86,257
Less: Inter-segment sales	(1,565)	-	-	-	-	(1,565)
Sales to external parties	35,309	-	-	-	49,383	84,692
Adjusted EBITDA	3,682	(19)	-	(1,279)	3,301	5,685
Amortisation of reinstatement cost	41	-	-	176	35	252
Allowance for impairment of trade and other receivables	174	17	-	-	350	541
Depreciation	425	-	-	76	133	634
Income tax expense	219	-	-	(66)	-	153
Finance expenses	24	-	-	108	45	177
Interest income	93	-	-	1,311	1	1,405
Bad debts recovered	218	-	-	-	25	243
Provision for stock obsolescence	157	-	-	-	(26)	131
Share of profit of joint ventures	-	12,310	(42)	-	-	12,268
Share of profit of associated companies	-	-	-	-	-	-
Total assets	18,967	46,939	55	102,507	20,652	189,120
Total assets includes:						
Investment in joint ventures	-	38,346	55	-	-	38,401
Additions to property, plant and equipment	252	-	-	600	213	1,065
Available-for-sale financial assets	-	-	-	19	-	19
Intangible assets	-	-	-	161	-	161
Total liabilities	12,743	2,566	-	21,680	4,986	41,975

GROUP	Interior and Furniture	Development properties	Hotel Division	HQ and other investing activities	Supply chain	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2014						
Sales						
Total segment sales	40,705	-	-	-	37,697	78,402
Less: Inter-segment sales	(700)	-	-	-	-	(700)
Sales to external parties	40,005	-	-	-	37,697	77,702
Adjusted EBITDA	3,777	(4)	-	(1,865)	1,893	3,801
Amortisation of reinstatement cost	-	-	-	-	-	-
Allowance for impairment of trade and other receivables	177	-	-	-	35	212
Depreciation	373	-	-	107	63	543
Income tax expense	275	-	-	2	-	277
Finance expenses	22	-	-	66	57	145
Interest income	132	-	-	1,059	1	1,192
Bad debts recovered	83	-	-	-	-	83
Provision for stock obsolescence	253	-	-	-	6	259
Share of profit of joint ventures	-	19,056	(19)	-	-	19,037
Share of profit of associated companies	-	38	-	-	-	38
Total assets	26,651	53,043	97	77,881	19,081	176,753
Total assets includes:						
Investment in joint ventures	-	30,929	97	-	-	31,026
Additions to property, plant and equipment	335	-	-	16	423	774
Available-for-sale financial assets	-	-	-	24	-	24
Intangible assets	-	-	-	161	-	161
Total liabilities	16,428	115	-	24,053	7,760	48,356

Note:

Interior and Residential Projects and Furniture Retail segments reported in the previous financial year have been consolidated into one segment and renamed Interior and Furniture segment. The reason for this consolidation is because the nature of product and service offerings between the 2 original segments have been converging to a higher degree as a result of the Furniture Retail segment having to enhance its styling and design service offering to its customers.

A reconciliation of adjusted EBITDA to profit before tax and operations is provided as follows:

	GROUP	
	31-Dec-15	31-Dec-14 (Restated)
	S\$'000	S\$'000
Adjusted EBITDA for reportable segments	5,685	3,801
Amortisation of reinstatement cost	(252)	-
Depreciation	(634)	(543)
Finance expenses	(177)	(145)
Interest income	1,405	1,192
Share of profit of joint ventures	12,268	19,037
Share of profit of associated companies	-	38
	18,295	23,380

Reportable segments assets are reconciled to total assets as follows:

	GROUP	
	2015	2014 (Restated)
	S\$'000	S\$'000
Segment assets for reportable segments	189,120	176,753

Reportable segments' liabilities are reconciled to total liabilities as follows:

	GROUP	
	2015	2014 (Restated)
	S\$'000	S\$'000
Segment liabilities for reportable segments	41,975	48,356

Group revenue from major products and services

	GROUP	
	2015	2014 (Restated)
	S\$'000	S\$'000
Interior and furniture	35,309	40,005
Supply chain	49,383	37,697
	84,692	77,702

Group geographical information

	GROUP	
	2015	2014 (Restated)
	S\$'000	S\$'000
Revenue		
Singapore	31,578	37,613
United States of America	49,383	37,697
Malaysia and Brunei	3,731	2,392
	84,692	77,702

	GROUP	
	2015	2014 (Restated)
	S\$'000	S\$'000
Non-current assets		
Singapore	40,302	32,882
United States of America	551	479
Malaysia and Brunei	16	17
	40,869	33,378

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.

Not applicable.

15. A breakdown of sales.

	GROUP		
	31-Dec-15	31-Dec-14	Variance
	S\$'000	S\$'000	%
Sales reported for first half year	38,452	36,321	6%
Sales reported for second half year	46,240	41,381	12%
Total for the year	84,692	77,702	
	GROUP		
	31-Dec-15	31-Dec-14	Variance
	S\$'000	S\$'000	%
Operating profit after tax before deducting minority interests reported for:			
- first half year	8,467	10,868	-22%
- second half year	9,675	12,235	-21%
Total for the year	18,142	23,103	

16. 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 (31/12/2015)	Previous Full Year (31/12/2014)
	S\$'000	S\$'000
Ordinary (net of tax)	1,191	1,381
Preference	-	-
Total	1,191	1,381

17. Interest Person Transaction

Name of Interested Person	Aggregate value of all Interested Persons Transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' Mandate pursuant to Rule 920)	Aggregate value of all Interested Persons Transactions conducted during the financial year under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	Nil	Nil

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.

The Company confirms that as at 31 Dec 2015, there was no person occupying any managerial position in the Company or any of its subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Goon Eu Jin Terence
Group Chief Executive Officer and Managing Director

29 February 2016