

Unaudited Full Year Financial Statement and Related Dividend Announcement for the Financial Year Ended 30 September 2017

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

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Statement of Profit or Loss and Other Comprehensive Income (Unaudited financial year ended 30 September 2017 "FY2017" vs Audited financial year ended 30 September 2016 "FY2016")

| | FY2017 (Unaudited) S\$'000 | FY2016 (Audited) S\$'000 | Increase/ (Decrease) % |
|---------------------------------------|----------------------------------|--------------------------------|------------------------------|
| Revenue | 33,923 | 31,598 | 7 |
| Other income | 980 | 28,639 | (97) |
| Changes in inventories | 196 | (917) | NM |
| Purchase of materials | (6,413) | (3,665) | 75 |
| Employee benefits expense | (4,839) | (5,318) | (9) |
| Depreciation and amortisation expense | (455) | (496) | (8) |
| Rental expenses | (101) | (118) | (14) |
| Amortisation of biological assets | (15,166) | (15,590) | (3) |
| Other operating expenses | (3,812) | (4,506) | (15) |
| Finance costs | (42) | (119) | (65) |
| Profit before income tax | 4,273⁽¹⁾ | 29,508 | (86) |
| Income tax expense | (825) | (1,570) | (47) |
| Profit for the year | 3,447⁽¹⁾ | 27,938 | (88) |

⁽¹⁾ As a result of rounding differences, numbers or percentages may not add up to the total.
NM – Not Meaningful

Consolidated Statement of Profit or Loss and Other Comprehensive Income

| | FY2017 (Unaudited) S\$'000 | FY2016 (Audited) S\$'000 | Increase/ (Decrease) % |
|--|----------------------------------|--------------------------------|------------------------------|
| Other comprehensive income : | | | |
| <i>Items that may be reclassified subsequently to profit or loss</i> | | | |
| Exchange differences on translation of foreign operation | (9) | 7 | NM |
| Other comprehensive income for the year, net of tax | (9) | 7 | NM |
| Total comprehensive income for the year | 3,439⁽¹⁾ | 27,945 | (88) |
| Profit attributable to: | | | |
| Owners of the Company | 3,421 | 27,910 | (88) |
| Non-controlling interests | 26 | 28 | (7) |
| | 3,447 | 27,938 | (88) |
| Total comprehensive income attributable to: | | | |
| Owners of the Company | 3,413 | 27,918 | (88) |
| Non-controlling interests | 26 | 28 | (7) |
| | 3,439 | 27,945⁽¹⁾ | (88) |

Notes to Consolidated Statement of Profit or Loss and Other Comprehensive Income

| | FY2017 (Unaudited) S\$'000 | FY2016 (Audited) S\$'000 | Increase/ (Decrease) % |
|---|----------------------------------|--------------------------------|------------------------------|
| Interest Income | 352 | 136 | 159 |
| (Loss) Gain on disposal of land use rights, property, plant and equipment | (2) | 24,353 | NM |
| Government grants | 278 | 3,805 | (93) |
| (Allowance for) Reversal of doubtful trade receivables, net | (1) | 2 | NM |
| Biological assets written off | (1,278) | (2,166) | (41) |
| Net foreign exchange gain (loss) | 153 | (55) | NM |

⁽¹⁾ As a result of rounding differences, numbers or percentages may not add up to the total.
NM – Not Meaningful

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

| Statement of Financial Position | Group | | Company | |
|--|------------------------------------|----------------------------------|------------------------------------|----------------------------------|
| | 30/09/2017 Unaudited S\$'000 | 30/09/2016 Audited S\$'000 | 30/09/2017 Unaudited S\$'000 | 30/09/2016 Audited S\$'000 |
| ASSETS | | | | |
| Current assets | | | | |
| Cash and bank balances | 44,932 | 45,310 | 3,072 | 3,341 |
| Trade receivables | 5,250 | 4,489 | - | - |
| Other receivables | 412 | 356 | 985 | 842 |
| Inventories | 1,394 | 1,200 | - | - |
| Total current assets | 51,988 | 51,354 ⁽¹⁾ | 4,057 | 4,183 |
| Non-current assets | | | | |
| Other receivables | 149 | 37 | - | - |
| Property, plant and equipment | 3,606 | 4,251 | 18 | 24 |
| Land use rights | 3,912 | 4,049 | - | - |
| Biological assets | 7,634 | 6,544 | - | - |
| Investment in subsidiary corporations | - | - | 10,284 | 10,300 |
| Deferred tax assets | - | 31 | - | - |
| Total non-current assets | 15,301 | 14,912 | 10,301 ⁽¹⁾ | 10,324 |
| Total assets | 67,289 | 66,266 | 14,358 | 14,507 |
| LIABILITIES AND EQUITY | | | | |
| Current liabilities | | | | |
| Current portion of bank loans | 1,081 | 1,431 | - | - |
| Trade payables | 1,985 | 1,818 | 9 | - |
| Other payables | 8,158 | 8,426 | 560 | 687 |
| Current portion of finance leases | 172 | 179 | - | - |
| Income tax payable | 703 | 2,101 | - | - |
| Total current liabilities | 12,098 ⁽¹⁾ | 13,955 | 569 | 687 |
| Non-current liabilities | | | | |
| Bank loans | 13 | 91 | - | - |
| Other payables | 390 | 302 | - | - |
| Finance leases | 34 | 206 | - | - |
| Deferred tax liabilities | 16 | - | - | - |
| Total non-current liabilities | 453 | 599 | - | - |
| Capital, reserves and non-controlling interests | | | | |
| Share capital | 13,292 | 13,292 | 13,292 | 13,292 |
| Capital reserve | 2 | 2 | - | - |
| Foreign exchange translation deficit | (18) | (9) | - | - |
| Retained earnings | 41,430 | 38,423 | 497 | 528 |
| Equity attributable to owners of the Company | 54,706 | 51,707 ⁽¹⁾ | 13,789 | 13,820 |
| Non-controlling interests | 32 | 6 | - | - |
| Total equity | 54,738 | 51,713 | 13,789 | 13,820 |
| Total liabilities and equity | 67,289 | 66,266⁽¹⁾ | 14,358 | 14,507 |

⁽¹⁾ As a result of rounding differences, numbers or percentages may not add up to the total.

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

Amount repayable in one year or less, or on demand

| As at 30/09/2017 (Unaudited) | | As at 30/09/2016 (Audited) | |
|------------------------------|----------------------|----------------------------|----------------------|
| Secured S\$'000 | Unsecured S\$'000 | Secured S\$'000 | Unsecured S\$'000 |
| 1,253 | - | 1,610 | - |

Amount repayable after one year

| As at 30/09/2017 (Unaudited) | | As at 30/09/2016 (Audited) | |
|------------------------------|----------------------|----------------------------|----------------------|
| Secured S\$'000 | Unsecured S\$'000 | Secured S\$'000 | Unsecured S\$'000 |
| 47 | - | 297 | - |

Details of any collateral

Obligations under finance leases are secured over the leased assets and corporate guarantees provided by the Company to the financial institutions. Obligations under the bank loans are secured over the property at 8A Admiralty Street #07-18 Singapore 757437 and corporate guarantees provided by the Company.

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

Consolidated Statement of Cash Flows

| | FY2017 Unaudited S\$'000 | FY2016 Audited S\$'000 |
|--|--------------------------------|------------------------------|
| Operating activities | | |
| Profit before income tax | 4,273 | 29,508 |
| Adjustments for: | | |
| Interest expense | 42 | 119 |
| Interest income | (352) | (136) |
| Biological assets written off, net | 1,278 | 2,166 |
| Depreciation of property, plant and equipment | 318 | 443 |
| Amortisation of land use rights | 137 | 53 |
| Amortisation of biological assets | 15,166 | 15,590 |
| Allowance for (Reversal of) doubtful trade receivables, net | 1 | (2) |
| Loss (Gain) on disposal of land use rights, property, plant and equipment, net | 2 | (24,353) |
| Government grant income | (278) | (3,805) |
| Operating cash flows before movements in working capital | 20,587 | 19,584 ⁽¹⁾ |
| Trade receivables | (762) | 707 |
| Other receivables | (56) | 233 |
| Inventories | (194) | 919 |
| Trade payables | 167 | (386) |
| Other payables | 97 | 654 |
| Cash generated from operations | 19,839 | 21,712 ⁽¹⁾ |
| Interest paid | (42) | (119) |
| Income tax paid | (2,176) | (188) |
| Net cash from operating activities | 17,621 | 21,405 |
| Investing Activities | | |
| Proceeds on disposal of land use rights, property, plant and equipment | 11 | 38,639 |
| Purchases of property, plant and equipment ⁽²⁾ | (101) | (344) |
| Deposits for property, plant and equipment | (112) | (37) |
| Purchase of land use rights | - | (4,094) |
| Proceeds on disposal of biological assets | 574 | 433 |
| Purchases of biological assets | (17,693) | (17,490) |
| Interest received | 352 | 136 |
| Net cash (used in) from investing activities | (16,969) | 17,243 |

Consolidated Statement of Cash Flows

| | FY2017 Unaudited S\$'000 | FY2016 Audited S\$'000 |
|--|--------------------------------|------------------------------|
| Financing activities | | |
| Government grant deferred | - | 6,167 |
| Repayments of bank loans | (428) | (413) |
| Repayments of obligations under finance leases | (179) | (4,239) |
| Dividends paid | (414) | (414) |
| Net cash (used in) from financing activities | (1,022)⁽¹⁾ | 1,101 |
| Net (decrease) increase in cash and cash equivalents | (369) | 39,749 |
| Cash and cash equivalents at beginning of the year | 45,207 | 5,450 |
| Effects of exchange rate changes on the balance of cash held in foreign currencies | (9) | 8 |
| Cash and cash equivalents at end of the year⁽³⁾ | 44,829 | 45,207 |

Notes:

⁽¹⁾ As a result of rounding differences, numbers or percentages may not add up to the total.

⁽²⁾ During FY2017, the Group acquired property, plant and equipment at an aggregate cost of \$100,767 fully paid in cash. During FY2016, the Group acquired property, plant and equipment at an aggregate cost of \$451,696, of which \$108,000 was acquired under finance lease arrangements and \$343,696 was paid in cash.

⁽³⁾ Cash and cash equivalents as at 30 September 2017 and 30 September 2016 comprised fixed deposits and cash and bank balances as below. Fixed deposits (except for those that were pledged) matured during FY2017 and were transferred to interest bearing current account, to maximise interest income and allow flexibility for use.

| | FY2017 Unaudited S\$'000 | FY2016 Audited S\$'000 |
|--|--------------------------------|------------------------------|
| Cash at bank | 44,829 | 7,984 |
| Fixed deposits | 103 | 37,326 |
| Cash and bank balances | 44,932 | 45,310 |
| Less: Pledged fixed deposits | (103) | (103) |
| Cash and cash equivalents in the consolidated statement of cash flows | 44,829 | 45,207 |

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 | Foreign exchange translation deficit | Retained earnings | Attributable to owners of the Company | Non- controlling interests | Total |
|---|------------------|--------------------|---|----------------------|---|----------------------------------|-----------------------|
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Group (Unaudited) | | | | | | | |
| Balance as at 1 October 2016 | 13,292 | 2 | (9) | 38,423 | 51,707 ⁽¹⁾ | 6 | 51,713 |
| Total comprehensive income for the year: | | | | | | | |
| Profit for the year | - | - | - | 3,421 | 3,421 | 26 | 3,447 |
| Other comprehensive loss for the year | - | - | (9) | - | (9) | - | (9) |
| Total | - | - | (9) | 3,421 | 3,413 ⁽¹⁾ | 26 | 3,439 ⁽¹⁾ |
| Transactions with owners, recognised directly in equity: | | | | | | | |
| Dividends paid | - | - | - | (414) | (414) | - | (414) |
| Total | - | - | - | (414) | (414) | - | (414) |
| Balance as at 30 September 2017 | 13,292 | 2 | (18) | 41,430 | 54,706 | 32 | 54,738 |
| Group (Audited) | | | | | | | |
| Balance as at 1 October 2015 | 13,292 | 2 | (17) | 10,927 | 24,203 ⁽¹⁾ | (22) | 24,182 ⁽¹⁾ |
| Total comprehensive income for the year: | | | | | | | |
| Profit for the year | - | - | - | 27,910 | 27,910 | 28 | 27,938 |
| Other comprehensive income for the year | - | - | 7 | - | 7 | - | 7 |
| Total | - | - | 7 | 27,910 | 27,918 ⁽¹⁾ | 28 | 27,945 |
| Transactions with owners, recognised directly in equity: | | | | | | | |
| Dividends paid | - | - | - | (414) | (414) | - | (414) |
| Total | - | - | - | (414) | (414) | - | (414) |
| Balance as at 30 September 2016 | 13,292 | 2 | (9)⁽¹⁾ | 38,423 | 51,707⁽¹⁾ | 6 | 51,713 |

| | Share capital S\$'000 | Retained earnings S\$'000 | Total S\$'000 |
|---|--------------------------|---------------------------------|------------------|
| <u>Company (Unaudited)</u> | | | |
| Balance as at 1 October 2016 | 13,292 | 528 | 13,820 |
| Profit for the year, representing total comprehensive income for the year | - | 383 | 383 |
| Dividends paid, representing transactions with owners recognised directly in equity | - | (414) | (414) |
| Balance as at 30 September 2017 | 13,292 | 497 | 13,789 |
| <u>Company (Audited)</u> | | | |
| Balance as at 1 October 2015 | 13,292 | 512 | 13,804 |
| Profit for the year, representing total comprehensive income for the year | - | 430 | 430 |
| Dividends paid, representing transactions with owners recognised directly in equity | - | (414) | (414) |
| Balance as at 30 September 2016 | 13,292 | 528 | 13,820 |

Note:

⁽¹⁾ As a result of rounding differences, numbers or percentages may not add up to the total.

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 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 immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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.

There was no change in the Company's share capital since 31 March 2017. The issued and paid-up capital of the Company as at 30 September 2017 and 31 March 2017 was \$13,292,106 comprising 84,498,000 shares.

There were no outstanding options, convertibles treasury shares or subsidiary holdings as at 30 September 2017 and 30 September 2016.

1(d)(iii) To show the 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

| | Company 30/9/2017 | Company 30/09/2016 |
|---|------------------------------|-------------------------------|
| Total number of issued shares excluding treasury shares | 84,498,000 | 84,498,000 |

There were no treasury shares as at 30 September 2017 and 30 September 2016.

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

Not applicable. The Company did not have treasury shares during and as at the end of the financial year ended 30 September 2017.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. There were no subsidiary holdings during and as at the end of the financial year ended 30 September 2017.

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

The figures have not been audited or reviewed by the Company's independent 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

Save as disclosed in item 5 below, the FY2017 financial results have been prepared using the same accounting policies and methods of computation as presented in the Group's audited financial statements for the financial year ended 30 September 2016.

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 all new and/or revised Singapore Financial Reporting Standards ("**FRSs**") and interpretation of FRSs ("**INT FRSs**") that are relevant to its operations and effective for the financial period beginning on or after 1 October 2016.

The adoption of these new/revised FRSs and INT FRSs does not result in changes in the Group's accounting policies and has no material impact on the financial statements reported for the current financial period or prior financial periods.

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

| | Group | |
|---|--------|--------|
| | FY2017 | FY2016 |
| Profit attributable to owners of the Company (S\$'000) | 3,421 | 27,910 |
| Basic and diluted earnings per share (" EPS ") in Singapore cents ⁽¹⁾ | 4.05 | 33.03 |

Note:

⁽¹⁾ The basic and diluted EPS are computed based on the total number of issued shares in the Company of 84,498,000.

The basic and diluted EPS were the same as there were no potentially dilutive ordinary shares existing during the respective financial periods.

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

| | Group | | Company | |
|---|-------------------------|-----------------------|-------------------------|-----------------------|
| | 30/09/2017 Unaudited | 30/09/2016 Audited | 30/09/2017 Unaudited | 30/09/2016 Audited |
| Net asset value per ordinary share based on total number of issued shares excluding treasury shares (Singapore cents) | 64.74 | 61.19 | 16.32 | 16.36 |
| Number of ordinary share in issue | 84,498,000 | 84,498,000 | 84,498,000 | 84,498,000 |

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss 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 the Financial Performance of the Group (FY2017 vs FY2016)

The Group recorded revenue of \$33.9 million in FY2017, an increase of \$2.3 million or 7% as compared to \$31.6 million in FY2016. This was attributable to higher sales of designer and generic eggs by \$2.1 million and trading spent grains of \$0.2 million. The higher revenue from sales of eggs was mainly due to an increase in sales volume which was partially attributable to the launch of our cage-free eggs in FY2017. The higher revenue from the trading of spent grains was due to an increase in the quantity sold to a certain customer.

Other income of the Group decreased by \$27.7 million from \$28.6 million in FY2016 to \$1.0 million in FY2017 mainly due to (a) absence in FY2017 of \$24.4 million one-time gain on disposal and \$3.2 million immediate recognition of government grants in relation to the disposal of its land use rights and a substantial part of its property, plant and equipment (the "Disposed Assets") in FY2016; (b) decline in sundry income of \$0.1 million (mainly due to a drop in wage credit from the government in FY2017) and (c) decrease in other government grants of \$0.3 million in FY2017. Specifically, in FY2016, the Group received grants for the investment in laser printing machines on our eggs and funding for our research and development initiatives on vegetable farming. These are offset by an increase in interest income of \$0.2 million and foreign exchange gain of \$0.2 million.

The Group's inventories as at 30 September 2017 increased by \$0.2 million to \$1.4 million, mainly in feed raw materials.

Purchase of materials increased by \$2.7 million or 75% from \$3.7 million in FY2016 to \$6.4 million in FY2017. The increase was mainly due to (i) higher feed raw materials of about \$1.4 million to support the higher sales/production volume in FY2017 and (ii) feeds inventories of about \$0.9 million purchased in FY2015 was used in FY2016, which resulted in lower purchase of materials in FY2016 as compared to FY2017. The increase was also attributable to higher (i) usage of packaging materials of \$0.2 million and (ii) purchase of spent grains of \$0.2 million, in tandem with the higher sales volume.

Employee benefits expense decreased by \$0.5 million or 9% from \$5.3 million in FY2016 to \$4.8 million in FY2017. This was mainly attributable to lower bonus accrual in FY2017 and a reduction in headcount in the support unit.

Other operating expenses decreased by \$0.7 million or 15% from \$4.5 million in FY2016 to \$3.8 million in FY2017. This was mainly due to the lower loss from the disposal/write off of biological assets by \$0.8 million, as the Group was able to (i) lower the degeneration/disposal costs by \$0.7 million and (ii) raise its revenue from the sales of spent hens by \$0.1 million.

The Group's finance expenses decreased by about \$77,000, to \$42,000 in FY2017. The decrease in interest paid in FY2017 was mainly due to early settlement of finance leases on the Disposed Assets in May 2016.

The Group's income tax expense amounted to \$0.8 million in FY2017 (of which \$0.1 million was additional tax levied on prior years) as compared to \$1.6 million in FY2016. In FY2016, the Group had provided for income tax on the balancing charge of the Disposed Assets of \$1.8 million and partially offset by a reduction in deferred tax of \$0.8 million.

Profit for the year decreased by \$24.5 million or 88% from \$27.9 million in FY2016 to \$3.4 million in FY2017, primarily due to the \$24.4 million one-time gain on the Disposed Assets in FY2016.

Review of the Financial Position of the Group

The Group's total assets increased by \$1.0 million, from \$66.3 million as at 30 September 2016 to \$67.3 million as at 30 September 2017. The Group's current assets as at 30 September 2017 was \$52.0 million which accounted for 77.3% of the Group's total assets and represents an increase of \$0.7 million from \$51.3 million as at 30 September 2016. The increase was mainly due to the increase in (i) trade receivables of \$0.8 million in tandem with sales growth in FY2017 and (iii) increase in inventories of feed raw materials of \$0.2 million. These are partially offset by a reduction in bank balance of \$0.4 million.

The Group's non-current assets of \$15.3 million as at 30 September 2017, accounted for 22.7% of the Group's total assets, an increase of \$0.4 million from \$14.9 million as at 30 September 2016. The increase was due to increase in the value of biological assets of \$1.1 million as the Group was able to increase the average production cycle of its biological assets and partial offset by a decrease in property, plant and equipment of \$0.8 million due to depreciation.

The Group's total liabilities decreased by \$2.0 million, from \$14.6 million as at 30 September 2016 to \$12.6 million as at 30 September 2017. The decrease was mainly due to (i) reduction in income tax payable of \$1.4 million as the Group made payment of \$2.1 million in FY2017 and partially offset by the current year tax provision of \$0.7 million and (ii) repayments of bank loans and finance leases of \$0.6 million in FY2017.

The Group maintained a positive working capital of about \$39.9 million as at 30 September 2017.

Review of the Statement of Cash Flows for the Group

The Group's cash and cash equivalents decreased by \$0.4 million, from \$45.2 million as at 30 September 2016 to \$44.8 million as at 30 September 2017.

In FY2017, the Group recorded net cash from operating activities of \$17.6 million mainly due to operating profit before working capital changes of \$20.6 million and net working capital changes of \$0.7 million and interest and income tax payments of \$2.2 million. The net working capital change was mainly due to an increase in trade and other receivables, inventories and trade and other payables.

The Group utilised \$17.0 million in FY2017 in investing activities mainly due to the purchases of biological assets amounting to \$17.7 million.

Net cash used in financing activities amounted to \$1.0 million in FY2017 mainly due to the repayments of bank loans and finance leases, and payment of dividends.

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

No forecast or prospect statement has been previously disclosed.

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

While the Group continues to operate at the existing site, resources have been channelled towards developing farm facilities at the new site and construction is expected to commence in the first half of FY2018.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

| Name of Dividend | Proposed Final Dividend |
|------------------------------------|-------------------------|
| Dividend type | Cash |
| Dividend amount per ordinary share | 0.50 Singapore cents |
| Tax rate | One-tier tax exempt |

The proposed dividend is subject to shareholders' approval at the forthcoming Annual General Meeting.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

| Name of Dividend | Final Dividend |
|------------------------------------|----------------------|
| Dividend type | Cash |
| Dividend amount per ordinary share | 0.49 Singapore cents |
| Tax rate | One-tier tax exempt |

(c) Date payable: To 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.

13. On-going Interested Person Transactions

There were no interested person transactions for FY2017. The Company does not have a general mandate from its shareholders for recurrent interested person transactions.

14. Confirmation pursuant to Rule 720 (1) of the SGX-ST Listing Manual

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7H) pursuant to Rule 720 (1) of the SGX-ST Listing Manual.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

15. Segmented revenue and results for operating 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.

Business Segments

| FY2017 (Unaudited) (S\$'000) | Designer & generic eggs | Liquid Eggs | Spent Grains | Food Processing | Others | Total |
|-----------------------------------|-------------------------|-------------|--------------|-----------------|--------|---------|
| REVENUE | | | | | | |
| External revenue | 29,712 | 739 | 2,804 | 12 | 656 | 33,923 |
| RESULT | | | | | | |
| Segment result | 5,896 | 31 | 161 | (210) | 234 | 6,112 |
| Unallocated other income | | | | | | 785 |
| Unallocated corporate expenses | | | | | | (2,582) |
| Finance costs | | | | | | (42) |
| Profit before income tax | | | | | | 4,273 |
| SEGMENT ASSETS | | | | | | |
| Segment assets | 14,815 | 102 | 173 | 2,245 | 481 | 17,816 |
| Unallocated corporate assets | | | | | | 49,473 |
| Total assets | | | | | | 67,289 |
| SEGMENT LIABILITIES | | | | | | |
| Segment liabilities | 2,507 | 4 | 236 | 1,146 | 149 | 4,042 |
| Unallocated corporate liabilities | | | | | | 8,509 |
| Total liabilities | | | | | | 12,551 |

| FY2016 (Audited) (S\$'000) | Designer & generic eggs | Liquid Eggs | Spent Grains | Food Processing | Others | Total |
|-----------------------------------|-------------------------|-------------|--------------|-----------------|--------|-----------------------|
| REVENUE | | | | | | |
| External revenue | 27,623 | 685 | 2,625 | 5 | 660 | 31,598 |
| RESULT | | | | | | |
| Segment result | 5,767 | 33 | 151 | (150) | 37 | 5,838 |
| Unallocated other income | | | | | | 27,099 ⁽²⁾ |
| Unallocated corporate expenses | | | | | | (3,310) |
| Finance costs | | | | | | (119) |
| Profit before income tax | | | | | | 29,508 |
| SEGMENT ASSETS | | | | | | |
| Segment assets | 13,301 | 123 | 269 | 2,424 | 339 | 16,456 |
| Unallocated corporate assets | | | | | | 49,810 |
| Total assets | | | | | | 66,266 |
| SEGMENT LIABILITIES | | | | | | |
| Segment liabilities | 2,243 | 4 | 220 | 1,425 | 131 | 4,024 ⁽¹⁾ |
| Unallocated corporate liabilities | | | | | | 10,530 |
| Total liabilities | | | | | | 14,554 |

Geographical Segments:

| FY2017 (Unaudited) (S\$'000) | Singapore | Hong Kong | Total |
|--|-----------|-----------|--------|
| REVENUE | | | |
| External revenue | 31,289 | 2,634 | 33,923 |
| NON-CURRENT ASSETS | | | |
| Non-current assets (excluding non-current other receivables) | 15,137 | 15 | 15,152 |

| FY2016 (Audited) (S\$'000) | Singapore | Hong Kong | Total |
|--|-----------|-----------|--------|
| REVENUE | | | |
| External revenue | 29,396 | 2,202 | 31,598 |
| NON-CURRENT ASSETS | | | |
| Non-current assets (excluding non-current other receivables) | 14,867 | 8 | 14,875 |

Note:

⁽¹⁾ As a result of rounding differences, numbers or percentages may not add up to the total.

⁽²⁾ Other unallocated income in FY2016 include gain of \$24.4 million on the disposal of the Group's land use rights and a substantial part of its property, plant and equipment.

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

Please refer to Paragraph 8.

17. **A breakdown of sales.**

| | FY2017 (Unaudited) S\$'000 | FY2016 (Audited) S\$'000 | Increase/ (Decrease) % |
|--|---|---|---------------------------------------|
| Sales reported in the first half year | 16,561 | 16,050 | 3 |
| Sales reported in the second half year | 17,362 | 15,548 | 12 |
| Profit after tax for first half year | 1,659 | 1,090 | 52 |
| Profit after tax for second half year | 1,788 | 26,848 | (93) |

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

| | FY2017 S\$ | FY2016 S\$ |
|------------------------------------|-----------------------|-----------------------|
| Ordinary Final and Total | 422,490 | 414,040 |

Note:

- ⁽¹⁾ FY2017's final dividend of 0.50 Singapore cents per share was calculated based on the number of ordinary shares in issue as at 30 September 2017, and is subject to the approval of shareholders at the forthcoming Annual General Meeting.

19. **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(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

| Name | Age | Family relationship with any director 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 |
|---------------|------------|---|--|--|
| Chew Eng Keng | 54 | Brother of Managing Director, Mr Chew Eng Hoe | Maintenance and Engineering Manager, 2007 | Not Applicable |
| Chew Eng Kiat | 56 | Brother of Managing Director, Mr Chew Eng Hoe | Production Manager, 2010 | Not Applicable |
| Chew Suu Hai | 62 | Brother of substantial shareholder, Mr Chew Chu Hoo | Chief Hatchery Supervisor, 1987 | Not Applicable |

By Order of the Board
Chew Chee Bin
Executive Chairman
28 November 2017

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Jennifer Tan, Senior Manager, Continuing Sponsorship (Mailing address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).