

## STAMFORD TYRES CORPORATION LTD

### Unaudited 2018 Financial Statements

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

1(a) 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.

#### 1(a)(i) CONSOLIDATED INCOME STATEMENT

	Group			
	FY18 \$'000	FY17 \$'000	Difference \$'000	Difference %
		(Restated)		
Revenue	242,437	235,803	6,634	2.81%
Other revenue	5,418	3,491	1,927	55.20%
<b>Total revenue</b>	<b>247,855</b>	<b>239,294</b>	<b>8,561</b>	<b>3.58%</b>
Cost of goods sold	181,853	173,974	7,879	4.53%
Salaries and employees benefits	24,613	23,673	940	3.97%
Marketing and distribution	7,945	7,114	831	11.68%
Utilities, repairs and maintenance	6,511	6,040	471	7.80%
Finance costs	4,050	4,461	(411)	-9.21%
Depreciation of property, plant and equipment	5,042	4,946	96	1.94%
Operating lease rentals	5,062	4,753	309	6.50%
Other operating expenses	6,190	5,390	800	14.84%
<b>Total expenditure</b>	<b>(241,266)</b>	<b>(230,351)</b>	<b>(10,915)</b>	<b>4.74%</b>
Share of results of joint ventures	1,637	1,987	(350)	-17.61%
<b>Profit before taxation</b>	<b>8,226</b>	<b>10,930</b>	<b>(2,704)</b>	<b>-24.74%</b>
Taxation	(3,033)	(2,818)	215	7.63%
<b>Profit for the financial year</b>	<b>5,193</b>	<b>8,112</b>	<b>(2,919)</b>	<b>-35.98%</b>
Attributable to:				
Equity holders of the company	5,193	8,112	(2,919)	-35.98%
	<b>5,193</b>	<b>8,112</b>	<b>(2,919)</b>	<b>-35.98%</b>

## 1(a)(i) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	FY18 \$'000	FY17 \$'000
Net profit for the financial year	5,193	8,112
Other comprehensive income :		
Translation adjustments arising on consolidation	1,227	632
Other comprehensive income for the financial year, net of tax	1,227	632
Total comprehensive income for the financial year	6,420	8,744
Total comprehensive income attributable to :		
Equity holders of the company	6,420	8,744

	FY18 \$'000	FY17 \$'000
(a) Profit after taxation is stated after charging/(crediting) :		
Depreciation of property, plant and equipment (inclusive of charges included in cost of goods sold)	7,698	7,427
Allowance for doubtful trade receivables	566	1,812
Allowance for inventory obsolescence	881	491
Gain on disposal of property, plant and equipment	(115)	(218)
Foreign exchange loss	1,253	68
Fair value gain on derivatives	(27)	(80)
Bad debts recovered	(5)	(8)
Audit fee for auditors of the company	433	496
Audit fee for other auditors	166	146

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	
	Apr'18 \$'000	Apr'17 \$'000	Apr'18 \$'000	Apr'17 \$'000
<b>Non-current assets</b>				
Property, plant and equipment	69,155	70,679	-	-
Subsidiary companies	-	-	44,764	40,764
Amount due from subsidiary companies	-	-	14,324	14,311
Joint venture companies	17,049	16,862	4,067	6,567
Associated company	238	233	-	-
Deferred tax assets	3,071	3,109	-	-
	<u>89,513</u>	<u>90,883</u>	<u>63,155</u>	<u>61,642</u>
<b>Current assets</b>				
Inventories	86,403	77,869	-	-
Trade receivables	60,191	67,467	-	-
Derivatives	96	70	69	54
Other receivables	4,499	4,665	92	96
Prepayments and advances	3,150	3,890	28	21
Cash and cash equivalents	21,877	21,693	686	1,225
	<u>176,216</u>	<u>175,654</u>	<u>875</u>	<u>1,396</u>
<b>Less: Current liabilities</b>				
Trade payables	25,118	20,465	-	-
Trust receipts (secured)	41,349	50,808	-	-
Derivatives	19	20	-	-
Other payables	17,366	18,711	526	605
Amount due to subsidiary company	-	-	2,000	-
Loans (secured)	15,213	17,980	-	-
Hire-purchase liabilities	907	807	-	-
Provisions	506	689	-	-
Provision for taxation	2,938	2,742	36	12
	<u>103,416</u>	<u>112,222</u>	<u>2,562</u>	<u>617</u>
<b>Net current assets/(liabilities)</b>	<b>72,800</b>	<b>63,432</b>	<b>(1,687)</b>	<b>779</b>
<b>Non-current liabilities</b>				
Amount due to subsidiary companies	-	-	15,541	14,219
Hire-purchase liabilities	284	882	-	-
Provisions	861	861	-	-
Long-term loans (secured)	32,894	27,375	-	-
Deferred tax liabilities	1,495	1,304	108	108
	<u>35,534</u>	<u>30,422</u>	<u>15,649</u>	<u>14,327</u>
<b>Net assets</b>	<b>126,779</b>	<b>123,893</b>	<b>45,819</b>	<b>48,094</b>
<b>Equity</b>				
Share capital	35,722	35,722	35,722	35,722
Reserves	91,057	88,171	10,097	12,372
	<u>126,779</u>	<u>123,893</u>	<u>45,819</u>	<u>48,094</u>

1(b)(ii) In relation to the aggregate amount of 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 30/04/2018		As at 30/04/2017	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
57,469	-	69,595	-

Amount repayable after one year

As at 30/04/2018		As at 30/04/2017	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
33,178	-	28,257	-

#### Details of any collateral

The Group's freehold land, certain leasehold land and buildings, leasehold improvements and certain plant and equipment with a total net book value of \$47,591,007 as at 30 April 2018 (30 April 2017: \$49,034,056) are subject to legal mortgages in connection with bank facilities granted to the Group.

The trust receipts of subsidiary companies are secured primarily by corporate guarantees from the Company.

#### Comparative figures

The Group has re-stated its profit and loss statement, resulting in a reduction of share of profits in joint ventures by S\$827,000 and S\$627,000 in 2018 and 2017 respectively. Correspondingly, other income increased by aforementioned amounts respectively in accordance with FRS 28. The comparative figures in respect of the previous years have been reclassified. No impact to the net profit after tax.

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.

1(c)(i) CONSOLIDATED STATEMENT OF CASH FLOWS (FY2018 vs FY2017)

	Group	
	FY18 \$'000	FY17 \$'000
<b>Cash flows from operating activities:</b>		
Profit before taxation	8,226	10,930
Adjustments for:		
Depreciation of property, plant and equipment	7,698	7,427
Gain on disposal of property, plant and equipment	(115)	(218)
Fair value gain on derivatives	(27)	(80)
Bad debts recovered	(5)	(8)
Foreign currency translation adjustment	1,982	(178)
Interest income	(197)	(77)
Provision for product warranties	(21)	305
Write-back of impairment loss on property, plant and equipment	(8)	(8)
Interest expenses	4,050	4,461
Share of results of joint ventures	(1,637)	(1,987)
<b>Operating cash flows before changes in working capital</b>	<b>19,946</b>	<b>20,567</b>
(Increase)/decrease in inventories	(8,534)	7,151
Decrease/(increase) in receivables	8,187	(1,189)
Increase in payables	3,135	5,326
<b>Cash flows from operations</b>	<b>22,734</b>	<b>31,855</b>
Interest received	197	77
Interest paid	(4,050)	(4,461)
Income tax paid	(2,608)	(2,211)
<b>Net cash flows generated from operating activities</b>	<b>16,273</b>	<b>25,260</b>
<b>Cash flows from investing activities :</b>		
Proceeds from disposal of property, plant and equipment	151	269
Dividend received from joint venture company	352	-
Purchase of property, plant and equipment	(4,927)	(7,248)
<b>Net cash flows used in investing activities</b>	<b>(4,424)</b>	<b>(6,979)</b>
<b>Cash flows from financing activities :</b>		
Proceeds from long-term loans	17,560	1,058
(Repayment of)/proceeds from trust receipts	(9,629)	1,122
Proceeds from/(repayment of) revolving loans	1,371	(2,559)
Repayment of hire purchase creditors	(864)	(889)
Dividend paid to shareholders	(3,534)	(2,356)
Repayment of long-term loans	(16,575)	(10,780)
<b>Net cash flows used in financing activities</b>	<b>(11,671)</b>	<b>(14,404)</b>
Net increase in cash and cash equivalents	178	3,877
Cash and cash equivalents at beginning of financial year	21,693	17,425
Effect of exchange rate changes on cash and cash equivalents at the beginning of the financial year	6	391
<b>Cash and cash equivalents at end of financial year</b>	<b>21,877</b>	<b>21,693</b>

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 year of the immediately preceding financial year.

	Equity, total \$'000	Equity attributable to owners of the Company, total \$'000	Share capital \$'000	Revenue reserve \$'000	Other reserves, total \$'000	Capital reserve \$'000	Employee share option reserve \$'000	Foreign currency translation reserve \$'000	Discount on acquisition of non-controlling interest \$'000
<b>Group</b>									
Balance at 1 May 2016	117,505	117,505	35,722	98,986	(17,203)	424	-	(17,829)	202
Profit for the financial year	8,112	8,112	-	8,112	-	-	-	-	-
Other comprehensive income for the financial year	632	632	-	-	632	-	-	632	-
Total comprehensive income for the financial year	8,744	8,744	-	8,112	632	-	-	632	-
<u>Contributions by and distributions to owners</u>									
Dividend on ordinary shares	(2,356)	(2,356)	-	(2,356)	-	-	-	-	-
Total contributions by and distributions to owners	(2,356)	(2,356)	-	(2,356)	-	-	-	-	-
Total transactions with owners in their capacity as owners	(2,356)	(2,356)	-	(2,356)	-	-	-	-	-
Balance at 30 April 2017	123,893	123,893	35,722	104,742	(16,571)	424	-	(17,197)	202
Balance at 1 May 2017	123,893	123,893	35,722	104,742	(16,571)	424	-	(17,197)	202
Profit for the financial year	5,193	5,193	-	5,193	-	-	-	-	-
Other comprehensive income for the financial year	1,227	1,227	-	-	1,227	-	-	1,227	-
Total comprehensive income for the financial year	6,420	6,420	-	5,193	1,227	-	-	1,227	-
<u>Contributions by and distributions to owners</u>									
Transfer from revenue reserve to capital reserve	-	-	-	(22)	22	22	-	-	-
Dividend on ordinary shares	(3,534)	(3,534)	-	(3,534)	-	-	-	-	-
Total contributions by and distributions to owners	(3,534)	(3,534)	-	(3,556)	22	22	-	-	-
Total transactions with owners in their capacity as owners	(3,534)	(3,534)	-	(3,556)	22	22	-	-	-
Balance at 30 April 2018	126,779	126,779	35,722	106,379	(15,322)	446	-	(15,970)	202

	Equity attributable to			
	Equity, total \$'000	owners of the total \$'000	Share capital \$'000	Revenue reserve \$'000
<b>Company</b>				
Balance at 1 May 2016	49,882	49,882	35,722	14,160
Profit for the financial year	568	568	-	568
Total comprehensive income for the financial year	568	568	-	568
<u>Contributions by and distributions to owners</u>				
Dividend on ordinary shares	(2,356)	(2,356)	-	(2,356)
Total contributions by and distributions to owners	(2,356)	(2,356)	-	(2,356)
Total transactions with owners in their capacity as owners	(2,356)	(2,356)	-	(2,356)
Balance at 30 April 2017	48,094	48,094	35,722	12,372
Balance at 1 May 2017	48,094	48,094	35,722	12,372
Profit for the financial year	1,259	1,259	-	1,259
Total comprehensive income for the financial year	1,259	1,259	-	1,259
<u>Contributions by and distributions to owners</u>				
Dividend on ordinary shares	(3,534)	(3,534)	-	(3,534)
Total contributions by and distributions to owners	(3,534)	(3,534)	-	(3,534)
Total transactions with owners in their capacity as owners	(3,534)	(3,534)	-	(3,534)
Balance at 30 April 2018	45,819	45,819	35,722	10,097

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 number of shares since 30 April 2017.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial year and as at the end of the immediately preceding year.

	Company 30/04/2018	Company 30/04/2017
Ordinary shares (excluding treasury shares)	235,586,244	235,586,244

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. There are no treasury shares and no subsidiary holdings as at the end of the current financial year reported on.

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.

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

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

Except as disclosed in Note 5, the Group and the Company has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial period compared with those of the audited financial statements as at 30 April 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.

On 1 May 2017, the Group and the Company adopted the following new and revised Financial Reporting Standards ("FRS") and Interpretations of Financial Reporting Standards ("INT FRS") that are relevant:

Description

- Amendments to FRS 7: Disclosure Initiative
- Amendments to FRS 12: Recognition of Deferred Tax Assets for Unrealised Losses
- Amendments to FRS 112: Classification of the scope of the standard

The adoption of the above FRS and INT FRS did not result in any substantial changes to the Group's accounting policies and did not have any significant impact on the Group and the Company.

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	
	Apr'18	Apr'17
Earning per share (EPS)		
- Based on the weighted average number of ordinary shares on issue (cents)	2.20	3.44
- On fully diluted basis (cents)	2.20	3.44
	<b>\$'000</b>	<b>\$'000</b>
Group earnings used for the calculation of EPS	5,193	8,112
Profit for the financial year	<b>'000</b>	<b>'000</b>
Number of shares used for the calculation of basic and diluted EPS:		
Weighted average number of ordinary shares in issue used for the calculation of basic EPS	235,586	235,586

Basic earning per share ("EPS") is calculated on the Group's profit for the financial period attributable to the shareholders of the Company divided by the weighted average number of ordinary shares in issue during the financial period.

Diluted EPS is calculated on the same basis as basic EPS as there are no dilutive potential ordinary shares as at 30 April 2018.

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 year reported on; and (b) immediately preceding financial year.

	Group		Company	
	30/04/18	30/04/17	30/04/18	30/04/17
Net asset value per ordinary share (cents)	53.81	52.59	19.45	20.41

The net asset value per share for the Group and the Company as at 30 April 2018 are calculated based on the actual number of shares in issue of 235,586,244 ordinary shares (30 April 2017: 235,586,244 ordinary shares).

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 year 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.

#### **FY18**

##### **Revenue**

The Group's sales revenue was 2.8% higher at S\$242.4 million in FY18 compared to S\$235.8 million in FY17. This was mainly due to new sales in North Asia.

##### **Gross Profit and Gross Profit Margin**

Gross profit was S\$60.6 million in FY18 compared to S\$61.8 million in FY17. Gross profit margin decreased from 26.2% in FY17 to 25.0% in FY18. This was mainly due to higher cost of sales in tyres and higher cost of wheel production.

##### **Operating Expenses**

Total operating expenses increased by 5.4% to S\$59.4 million in FY18 compared to S\$56.4 million in FY17. The increase was mainly due to higher foreign exchange costs, staff costs, marketing and distribution costs and maintenance costs offset by lower finance cost.

##### **Share of Results of Joint Ventures**

In FY18, the share of results of joint ventures amounted to a net profit of S\$1.6 million, compared to S\$2.0 million in FY17, mainly due to net loss from our India joint venture.

##### **Net Profit**

The net profit of the Group was S\$5.2 million in FY18, compared to S\$8.1 million recorded in FY17.

##### **Financial Position**

Property, plant and equipment decreased to S\$69.2 million as at 30 April 2018 from S\$70.7 million as at 30 April 2017.

Receivables decreased to S\$60.2 million as at 30 April 2018 from S\$67.5 million as at 30 April 2017.

Inventories increased to S\$86.4 million as at 30 April 2018 from S\$77.9 million as at 30 April 2017.

Trade payables and trust receipts decreased to S\$66.5 million as at 30 April 2018 from S\$71.3 million as at 30 April 2017.

As at 30 April 2018, the Group's cash and cash equivalents stood at S\$21.9 million compared to S\$21.7 million as at 30 April 2017.

The Group's borrowings which comprise trust receipts, revolving credit, short-term secured loans as well as long-term secured loans stood at S\$89.5 million as at 30 April 2018 compared with S\$96.2 million as at 30 April 2017. The decrease in borrowings was mainly due to the repayment of trust receipts.

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 operating environment in the tyre business remains challenging as a result of global oversupply and intense competition.

To mitigate the impact of this challenging environment, the Group will continue to optimize its product mix, manage operating costs and build on its core markets in South East Asia.

## 11. Dividend

### (a) Current Financial Period Reported On

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

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	1.0 cent per ordinary share (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	Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	1.5 cent per ordinary share (tax exempt)
Annual Dividend (S\$'000)	3,534

### (c) Date payable

Not applicable.

### (d) Books closure date

Not applicable.

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 shareholder 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.

No IPT mandate has been obtained.

## PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR

14. 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.

Geographical segment Group 2018	Southeast				Total segments S\$'000	Elimination S\$'000	Consolidated S\$'000
	Asia S\$'000	North Asia S\$'000	Africa S\$'000	Other S\$'000			
<b>Revenue</b>							
External revenue	197,961	13,786	16,216	14,474	242,437	-	242,437
Inter-segment revenue	24,520	1,709	25	-	26,254	(26,254)	-
<b>Other revenue</b>							
- Interest income	30	8	125	34	197	-	197
- Others	3,133	1,887	107	94	5,221	-	5,221
Total revenue	225,644	17,390	16,473	14,602	274,109	(26,254)	247,855
Finance costs	(4,122)	(29)	(255)	(99)	(4,505)	455	(4,050)
Segment result	7,892	(37)	(438)	(1,226)	6,191	455	6,646
Less : Unallocated expenses							(57)
Share of profits of joint ventures	-	1,972	-	(335)	1,637	-	1,637
Profit before taxation							8,226
Taxation							(3,033)
Profit for the financial year							5,193
<b>Other information</b>							
Segment assets	211,262	12,157	15,088	6,864	245,371	-	245,371
Associated and joint venture companies	238	15,088	-	1,961	17,287	-	17,287
Unallocated assets	2,800	34	-	237	3,071	-	3,071
Total assets	214,300	27,279	15,088	9,062	265,729	-	265,729
Segment liabilities	117,818	8,042	4,547	4,110	134,517	-	134,517
Unallocated liabilities	4,433	-	-	-	4,433	-	4,433
Total liabilities	122,251	8,042	4,547	4,110	138,950	-	138,950
<b>Other segment information</b>							
<b>Additions to non-current assets</b>							
- Property, plant and equipment	3,598	950	648	108	5,304	-	5,304
<b>Significant non-cash expenses :</b>							
Amortisation and depreciation	7,191	191	207	109	7,698	-	7,698
Allowance for/(write-back of) doubtful trade receivables	19	(32)	304	275	566	-	566
Allowance for/(write-back of) inventory obsolescence	906	(43)	(81)	99	881	-	881
Write-back of impairment on property, plant and equipment	(8)	-	-	-	(8)	-	(8)
Bad debts recovered directly to profit and loss account	(5)	-	-	-	(5)	-	(5)

Geographical segment Group 2017	Southeast Asia S\$'000	North Asia S\$'000	Africa S\$'000	Other S\$'000	Total segments S\$'000	Elimination S\$'000	Consolidated S\$'000
<b>Revenue</b>							
External revenue	202,270	2,806	17,062	13,665	235,803	-	235,803
Inter-segment revenue	26,064	995	-	63	27,122	(27,122)	-
<b>Other revenue</b>							
- Interest income	8	-	55	14	77	-	77
- Others	1,696	1,717	1	-	3,414	-	3,414
Total revenue	230,038	5,518	17,118	13,742	266,416	(27,122)	239,294
Finance costs	(4,448)	(17)	(337)	(111)	(4,913)	452	(4,461)
Segment result	7,920	1,375	359	(1,118)	8,536	452	8,988
Less : Unallocated expenses							(45)
Share of profits of joint ventures	-	1,799	-	188	1,987	-	1,987
Profit before taxation							10,930
Taxation							(2,818)
Profit for the financial year							8,112
<b>Other information</b>							
Segment assets	217,298	5,632	16,109	7,294	246,333	-	246,333
Associated and joint venture companies	233	14,362	-	2,500	17,095	-	17,095
Unallocated assets	2,843	36	-	230	3,109	-	3,109
Total assets	220,374	20,030	16,109	10,024	266,537	-	266,537
Segment liabilities	127,750	1,445	4,490	4,913	138,598	-	138,598
Unallocated liabilities	4,046	-	-	-	4,046	-	4,046
Total liabilities	131,796	1,445	4,490	4,913	142,644	-	142,644
<b>Other segment information</b>							
<b>Additions to non-current assets</b>							
- Property, plant and equipment	7,000	-	559	107	7,666	-	7,666
<b>Significant non-cash expenses :</b>							
Amortisation and depreciation	7,118	62	138	109	7,427	-	7,427
Allowance for doubtful trade receivables	1,599	72	66	75	1,812	-	1,812
Allowance for/(w rite-back of) inventory obsolescence	466	56	(75)	44	491	-	491
Write-back of impairment on property, plant and equipment	(8)	-	-	-	(8)	-	(8)
Bad debts recovered directly to profit and loss account	-	-	-	(8)	(8)	-	(8)

**Business Segments**

	<b>Revenue</b>		<b>Non-current Assets</b>	
	<b>FY2018</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2017</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Distribution	218,102	208,656	77,637	78,164
Manufacturing	29,753	30,638	11,876	12,719
	<u>247,855</u>	<u>239,294</u>	<u>89,513</u>	<u>90,883</u>

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.

Please refer to the item no. 8.

16. A breakdown of sales.

	<b>Group</b>		
	<b>Latest year</b>	<b>Previous year</b>	<b>% Increase/</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>(Decrease)</b>
Turnover reported for first half year	117,985	115,778	1.91%
Operating profit/loss after tax before deducting minority interests reported for first half year	3,544	3,018	17.43%
Turnover reported for second half year	124,452	120,025	3.69%
Operating profit/loss after tax before deducting minority interests reported for second half year	1,649	5,094	-67.63%

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

	<b>Latest Full Year</b>	<b>Previous Full Year</b>
	<b>(\$'000)</b>	<b>(\$'000)</b>
Ordinary	<u>2,356</u>	<u>3,534</u>

18. Aggregate value of interested person transactions entered into by the Company and/or its subsidiaries during the year.

The Company does not have a general mandate for IPT.

Name of interested person	Aggregate value of all interested person 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 person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Wah Holdings Pte Ltd**	S\$182,400	Nil

\*\* Mr Wee Kok Wah, Mrs Dawn Wee Wai Ying and Dr Wee Li Ann are directors/shareholders of Wah Holdings Pte Ltd

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(13) 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 held	Details of changes in duties and position held, if any, during the year
Mr Wee Kok Wah	72	See Note (1)	President (1989)	N.A.
Mrs Dawn Wee Wai Ying	69	See Note (1)	Executive Director (1989)	N.A.
Dr Wee Li Ann	47	See Note (1)	Non-Executive Director (2009)	N.A.

Note (1) : Mr Wee Kok Wah and Mrs Dawn Wee Wai Ying are directors and substantial shareholders of the Company.  
Mr Wee Kok Wah and Mrs Dawn Wee Wai Ying are husband and wife.  
Dr Wee Li Ann is the daughter of Mr and Mrs Wee Kok Wah.

20. 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).

The Company confirmed that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

**BY ORDER OF THE BOARD**



Dawn Wee Wai Ying  
Executive Director  
25 June 2018