

Full Year Financial Statement And Dividend Announcement for the Year Ended 31 December 2016

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-16

	GROUP				GROUP		
	3 months ended				12 months ended		
	31-Dec-16	31-Dec-15	Variance		31-Dec-16	31-Dec-15	Variance
	S\$'000	S\$'000	%		S\$'000	S\$'000	%
Revenue	28,419	23,662	20%		92,625	84,692	9%
Cost of sales	(18,377)	(15,199)	21%		(59,955)	(54,161)	11%
Gross profit	10,042	8,463			32,670	30,531	
Other income	2,231	2,685	-17%		8,548	9,614	-11%
Expenses							
- Distribution and marketing	(2,790)	(3,926)	-29%		(13,028)	(13,205)	-1%
- Administrative	(5,091)	(4,587)	11%		(22,363)	(20,736)	8%
- Finance	(18)	(37)	-51%		(103)	(177)	-42%
Share of (loss)/profit of joint ventures-net of tax	(2,182)	2,891	-175%		12,903	12,268	5%
Profit before income tax	2,192	5,489			18,627	18,295	
Income tax expense	(1,137)	92			(1,415)	(153)	
Net profit	1,055	5,581			17,212	18,142	
Profit attributable to:							
Equity holders of the Company	488	5,269			15,315	16,675	
Non-controlling interests	567	312			1,897	1,467	
	1,055	5,581			17,212	18,142	

- 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-16

	GROUP				GROUP		
	3 months ended				12 months ended		
	31-Dec-16	31-Dec-15	Variance		31-Dec-16	31-Dec-15	Variance
	S\$'000	S\$'000	%		S\$'000	S\$'000	%
Net profit	1,055	5,581	-81%		17,212	18,142	-5%
Other comprehensive income							
<i>Items that may be reclassified subsequently to profit or loss:</i>							
Currency translation differences arising from consolidation – gains/(losses)	1,402	(238)			694	1,280	
Other comprehensive income /(loss), net of tax	1,402	(238)			694	1,280	
Total comprehensive income	2,457	5,343			17,906	19,422	
Total comprehensive income attributable to:							
Equity holders of the Company	1,514	5,097			15,824	17,618	
Non-controlling interests	943	246			2,082	1,804	
	2,457	5,343			17,906	19,422	

Additional information to the income statement:

	GROUP			GROUP	
	3 months ended			12 months ended	
	31-Dec-16	31-Dec-15		31-Dec-16	31-Dec-15
	S\$'000	S\$'000		S\$'000	S\$'000
1. Other income					
Commission income	7	2		18	8
Fixed deposit interest income	514	430		2,003	1,343
Interest income	5	4		15	62
Management fee from joint ventures	18	13		72	54
Parking fee income	6	21		30	86
Rental income	377	932		1,476	3,729
Amortisation of deferred income	813	813		3,250	3,250
Bad debts recovered	193	66		300	243
Gain on disposal of property, plant and equipment	(3)	-		83	36
Write back of unclaimed trade and other payables more than 7 years old	441	424		1,110	449
Miscellaneous income	(140)	(20)		191	354
	2,231	2,685		8,548	9,614

Note: Rental income decrease is mainly due to the loss of a major tenant.

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

The decrease in distribution and marketing expenses was mainly due to decrease in sales commission which was partially offset by the increase in rental expenses.

	GROUP			GROUP	
	3 months ended			12 months ended	
	31-Dec-16	31-Dec-15		31-Dec-16	31-Dec-15
	S\$'000	S\$'000		S\$'000	S\$'000
3. Finance Expenses					
Bank loan interest	12	27		74	106
Finance lease interest	-	2		2	5
Trust receipts interest	6	8		27	66
	18	37		103	177

	GROUP			GROUP	
	3 months ended			12 months ended	
	31-Dec-16	31-Dec-15		31-Dec-16	31-Dec-15
	S\$'000	S\$'000		S\$'000	S\$'000
4. Profit before income tax					
Profit before income tax is determined after charging/(crediting):-					
Advertising and promotion	825	759		2,995	2,666
Bank charges	41	42		307	191
Depreciation of property, plant and equipment	231	424		891	887
Allowance for impairment of trade and other receivables	22	373		1,108	541
Property tax	178	296		720	1,125
Sales commission	276	748		1,642	2,088
Foreign Exchange loss/(gain) - net	101	(33)		129	432
Legal and professional fee	28	88		152	360
Allowance for stock obsolescence	265	39		740	131
Rental expense on operating leases	2,476	2,495		9,980	9,720
Utilities	118	114		369	427

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-16	31-Dec-15	31-Dec-16	31-Dec-15
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and bank balances	134,822	108,247	117,068	95,944
Available-for-sale financial assets	1	19	1	19
Trade and other receivables	12,390	11,125	4,167	4,949
Loan to associated companies	7,419	8,923	4,935	5,612
Inventories	19,733	19,773	-	-
Gross amount due from customers for contract work-in-progress	319	164	-	-
	174,684	148,251	126,171	106,524
Non-current assets				
Trade and other receivables	140	337	-	-
Investments in associated companies	-	-	-	-
Investments in joint ventures	29,760	38,401	850	1,138
Investments in subsidiaries	-	-	4,155	3,936
Property, plant and equipment	1,879	1,970	633	530
Intangible assets	161	161	161	161
	31,940	40,869	5,799	5,765
Total assets	206,624	189,120	131,970	112,289
LIABILITIES				
Current liabilities				
Trade and other payables	18,456	18,517	3,369	4,218
Advances from joint ventures	6,650	2,565	6,650	2,565
Borrowings	8,971	9,897	8,600	9,636
Obligations under finance leases	34	31	-	-
Gross amount due to customers for contract work-in-progress	1,746	2,658	-	-
Current income tax liabilities	1,281	420	-	-
Deferred income	3,250	3,250	3,250	3,250
	40,388	37,338	21,869	19,669
Non-current liabilities				
Deferred income	1,354	4,604	1,354	4,604
Obligations under finance leases	53	8	-	-
Deferred income tax liabilities	25	25	-	-
	1,432	4,637	1,354	4,604
Total liabilities	41,820	41,975	23,223	24,273
NET ASSETS	164,804	147,145	108,747	88,016
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	35,747	33,745	35,747	33,745
Other reserves	2,694	2,149	812	1,426
Retained earnings	121,314	107,085	72,188	52,845
	159,755	142,979	108,747	88,016
Non-controlling interests	5,049	4,166	-	-
Total equity	164,804	147,145	108,747	88,016

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

- Cash and bank balances increased by \$26.58 million as compared to 31 Dec 2015. The increase is mainly due to dividend received from joint venture companies.
- Loan to associated companies decreased by \$1.50 million as compared to 31 Dec 2015. The decrease is mainly due to repayment from associated companies.

Current and Non-Current Liabilities

- Advances from joint ventures increased by \$4.09 million as compared to 31 Dec 2015. The increase is mainly due to advances from joint venture companies.
- Total borrowings and obligations under finance leases decreased by \$0.88 million as compared to 31 Dec 2015. The decrease is mainly due to repayment of loan and finance leases, partially offset by increase in bill payable and new finance leases taken up during the year.

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-16		As at 31-Dec-15	
Secured	Unsecured	Secured	Unsecured
S\$8,633,913	S\$370,540	S\$9,667,349	S\$260,726

Amount repayable after one year

As at 31-Dec-16		As at 31-Dec-15	
Secured	Unsecured	Secured	Unsecured
S\$53,366	Nil	S\$8,391	Nil

Details of any collateral

The Group's bank loans are 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 of \$370,540 (31 Dec 2015: \$260,726) are unsecured.

Finance leases of \$87,231 (31 Dec 2015: \$39,539) 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-16	31-Dec-15	31-Dec-16	31-Dec-15
	S\$'000	S\$'000	S\$'000	S\$'000
<i>Cash flows from operating activities</i>				
Net profit	1,055	5,581	17,212	18,142
Adjustments for:				
- Income tax expense	1,137	(92)	1,415	153
- Employee share option expense	13	57	74	230
- Amortisation of deferred income	(813)	(813)	(3,250)	(3,250)
- Allowance for impairment of trade and other receivables	22	373	1,108	541
- Bad debts recovered	(193)	(66)	(300)	(243)
- Depreciation	231	424	891	887
- Allowance for stock obsolescence	265	39	740	131
- Loss/(gain) on disposal of property, plant and equipment	3	-	(83)	(36)
- Loss on written off of property, plant and equipment	1	-	1	-
- Loss on disposal of available-for-sale financial assets	-	-	1	-
- Impairment loss of available-for-sale financial assets	-	-	2	5
- Interest income	(519)	(434)	(2,018)	(1,405)
- Finance expenses	18	37	103	177
- Share of loss/(profit) of joint ventures-net of tax	2,182	(2,891)	(12,903)	(12,268)
- Unrealised exchange differences	1,356	(225)	812	1,268
	4,758	1,990	3,805	4,332
<i>Change in working capital:</i>				
- Trade and other receivables	(856)	(612)	(710)	(541)
- Inventories	(805)	(494)	(700)	(1,447)
- Contract work-in-progress	(1,349)	(132)	(1,066)	(1,166)
- Trade and other payables	650	365	(61)	(2,616)
Cash generated from/(used in) operations	2,398	1,117	1,268	(1,438)
- Income tax (paid)/refunded	(114)	15	(554)	(346)
Net cash generated from/(used in) operating activities	2,284	1,132	714	(1,784)
<i>Cash flows from investing activities</i>				
Dividend income received from joint ventures	6,697	-	21,247	4,894
Investment in subsidiary	(239)	-	(239)	-
Proceeds from disposal of investment	288	-	303	-
Disposal of property, plant and equipment	12	-	124	42
Additions to property, plant and equipment	(87)	(46)	(746)	(188)
Fixed deposits with maturity of more than three months	(5,004)	456	(24,168)	(13,890)
Interest received	142	98	1,749	1,083
(Loan to)/repayment of loan by joint ventures	(4,373)	(2,450)	-	14,010
Repayment of loan by/(loan to) associated companies	44	1,310	616	(831)
Net cash (used in)/provided by investing activities	(2,520)	(632)	(1,114)	5,120
<i>Cash flows from financing activities</i>				
Advances from joint ventures	4,085	2,450	4,085	2,450
Proceeds from bank borrowings	318	1,059	7,304	34,413
Repayment of bank borrowings	(1,177)	(2,642)	(8,230)	(36,912)
Net proceeds from issuance of shares	1,420	52	1,420	825
Fixed deposits pledged	-	(3)	455	(2,041)
Repayment of finance leases	(14)	(17)	(43)	(64)
Interest paid	(18)	(37)	(103)	(177)
Dividends paid to equity holders of the Company	-	-	(1,192)	(1,381)
Dividends paid to non-controlling interests	(15)	(300)	(345)	(348)
Disposal of equity interests without a change in control	20	-	20	-
Cash contribution from non-controlling interest	-	-	15	-
Net cash provided by/(used in) financing activities	4,619	562	3,386	(3,235)
Net increase in cash and cash equivalents	4,383	1,062	2,986	101
Cash and cash equivalents				
Beginning of financial year	8,827	9,306	10,367	10,279
Effect of currency translation on cash and cash equivalents	20	(1)	(123)	(13)
End of the financial year	13,230	10,367	13,230	10,367

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-16	31-Dec-15		31-Dec-16	31-Dec-15
	S\$'000	S\$'000		S\$'000	S\$'000
Cash and bank balances	134,822	108,247		134,822	108,247
Less: Bank deposits pledged	(13,424)	(13,880)		(13,424)	(13,880)
Less: Bank deposits with maturity more than 3 months but less than 12 months	(108,168)	(84,000)		(108,168)	(84,000)
Cash and cash equivalents per consolidated statement of cash flows	13,230	10,367		13,230	10,367

For the 12 months ended 31 Dec 2016, the Group generated an operating cash flow before working capital changes of \$3.81 million as compared to cash generated from operation of \$4.33 million for the 12 months ended 31 Dec 2015. Taking into account changes in working capital and income tax paid, the Group generated \$0.71 million from its operating activities as compared to \$1.78 million used in the 12 months ended 31 Dec 2015.

The Group recorded a net cash inflow of \$2.99 million in the 12 months ended 31 Dec 2016 compared to a net cash inflow of \$0.10 million in the 12 months ended 31 Dec 2015. The net increase in cash and cash equivalents was due to net cash generated from operating and financing activities of \$0.71 million and \$3.39 million respectively which was partially offset by net cash used in investing activities of \$1.11 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 financial period ended 31-Dec-16

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	Currency translation reserve S\$'000	Other reserves S\$'000	Retained earnings S\$'000			
Balance as at 1-Jan-16	33,745	1,426	723	-	107,085	142,979	4,166	147,145
Employee share option scheme	-	34	-	-	-	34	-	34
Issue of new shares	-	-	-	-	-	-	-	-
Total comprehensive (loss)/income for the period	-	-	(715)	-	867	152	162	314
Balance as at 31-Mar-16	33,745	1,460	8	-	107,952	143,165	4,328	147,493
Balance as at 1-Apr-16	33,745	1,460	8	-	107,952	143,165	4,328	147,493
Employee share option scheme	-	14	-	-	-	14	-	14
Issue of new shares	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	(1,192)	(1,192)	-	(1,192)
Contribution from Non-controlling interests	-	-	-	-	-	-	15	15
Total comprehensive income for the period	-	-	18	-	13,065	13,083	444	13,527
Balance as at 30-Jun-16	33,745	1,474	26	-	119,825	155,070	4,787	159,857
Balance as at 1-Jul-16	33,745	1,474	26	-	119,825	155,070	4,787	159,857
Employee share option scheme	-	13	-	-	-	13	-	13
Issue of new shares	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	(330)	(330)
Contribution from Non-controlling interests	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	180	-	895	1,075	533	1,608
Balance as at 30-Sep-16	33,745	1,487	206	-	120,720	156,158	4,990	161,148
Balance as at 1-Oct-16	33,745	1,487	206	-	120,720	156,158	4,990	161,148
Employee share option scheme	-	13	-	-	-	13	-	13
Issue of new shares	2,002	(582)	-	-	-	1,420	-	1,420
Dividend paid	-	-	-	-	-	-	(15)	(15)
Employee share option lapsed	-	(106)	-	-	106	-	-	-
Acquisition of non-controlling interests in a subsidiary	-	-	-	657	-	657	(896)	(239)
Disposal of equity interests without a change in control	-	-	-	(7)	-	(7)	27	20
Total comprehensive income for the period	-	-	1,026	-	488	1,514	943	2,457
Balance as at 31-Dec-16	35,747	812	1,232	650	121,314	159,755	5,049	164,804

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

GROUP	Attributable to equity holders of the Company					Total	Non-controlling interests	Total equity
	Share capital	Employee share option reserve	Currency translation reserve	Other reserves	Retained earnings			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	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 period	-	-	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)
Contribution from Non-controlling interests	-	-	-	-	-	-	-	-
Total comprehensive (loss)/income for the period	-	-	(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	-	-	-	-	-	-	-	-
Contribution from Non-controlling interests	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	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	94	(42)	-	-	-	52	-	52
Dividend paid	-	-	-	-	-	-	(300)	(300)
Total comprehensive (loss)/income for the period	-	-	(172)	-	5,269	5,097	246	5,343
Balance as at 31-Dec-15	33,745	1,426	723	-	107,085	142,979	4,166	147,145

Statement of changes in equity for the financial period ended 31-Dec-16

<u>COMPANY</u>	Share capital S\$'000	Employee share option reserve S\$'000	Retained earnings S\$'000	Total equity S\$'000
Balance as at 1-Jan-16	33,745	1,426	52,845	88,016
Employee share option scheme	-	34	-	34
Issue of new shares	-	-	-	-
Total comprehensive income for the period	-	-	1,102	1,102
Balance as at 31-Mar-16	33,745	1,460	53,947	89,152
Balance as at 1-Apr-16	33,745	1,460	53,947	89,152
Employee share option scheme	-	14	-	14
Issue of new shares	-	-	-	-
Dividend paid	-	-	(1,192)	(1,192)
Total comprehensive loss for the period	-	-	(901)	(901)
Balance as at 30-Jun-16	33,745	1,474	51,854	87,073
Balance as at 1-Jul-16	33,745	1,474	51,854	87,073
Employee share option scheme	-	13	-	13
Issue of new shares	-	-	-	-
Dividend paid	-	-	-	-
Total comprehensive income for the period	-	-	12,670	12,670
Balance as at 30-Sep-16	33,745	1,487	64,524	99,756
Balance as at 1-Oct-16	33,745	1,487	64,524	99,756
Employee share option scheme	-	13	-	13
Issue of new shares	2,002	(582)	-	1,420
Dividend paid	-	-	-	-
Employee share option lapsed	-	(106)	106	-
Total comprehensive income for the period	-	-	7,558	7,558
Balance as at 31-Dec-16	35,747	812	72,188	108,747

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

COMPANY	Share capital	Employee share option reserve	Retained earnings	Total equity
	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 period	-	-	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 period	-	-	(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 period	-	-	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	94	(42)	-	52
Dividend paid	-	-	-	-
Total comprehensive income for the period	-	-	2,294	2,294
Balance as at 31-Dec-15	33,745	1,426	52,845	88,016

- 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-16	31-Dec-15
	S\$'000	S\$'000
<u>Issued and paid up capital</u>		
At the end of the financial year	35,747	33,745

Note:

During the financial period;

- (i) 3,095,000 share options were exercised and issued at \$0.3120 each; and
- (ii) 1,136,000 share options were exercised and issued at \$0.4000 each.

The number of share options outstanding as at 31 Dec 2016 is 5,533,000 (31 Dec 2015: 9,764,000)

- 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-16	31-Dec-15
No of issued shares at the beginning of the year	212,722,686	209,531,686
Issue of new shares:		
- exercised of share option by employees and directors	4,231,000	3,191,000
No of issued shares at the end of the year	216,953,686	212,722,686

- 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 for the year ended 31 Dec 2015.

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 2016, where applicable. 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 2016.

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			GROUP	
	3 months ended			12 months ended	
	31-Dec-16	31-Dec-15		31-Dec-16	31-Dec-15
Earnings per share based on consolidated profit after taxation and Non-controlling interests					
Based on existing issued share capital (cents)	0.23	2.49		7.19	7.87
On a fully diluted basis (cents)	0.22	2.43		6.97	7.68

Note:

- The Earnings per share is calculated based on the weighted average number of shares in issue during the period amounting to 212,988,569 and 211,816,697 shares as at 31 Dec 2016 and 31 Dec 2015 respectively.
- 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 on a deemed exercised basis, being 219,870,173 and 217,130,031 shares as at 31 Dec 2016 and 31 Dec 2015 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:-

- current financial period reported on; and
- immediately preceding financial year.

	GROUP		COMPANY	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
Net asset value per share based on the existing issued share capital as at the respective period	73.64 cents	67.21 cents	50.12 cents	41.38 cents

Note:

The net assets value per ordinary shares are calculated based on the issued share capital of the Company of 216,953,686 and 212,722,686 shares as at 31 Dec 2016 and 31 Dec 2015 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 \$92.63 million as compared to \$84.69 million for the 12 months ended 31 Dec 2015.

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 18% from \$49.38 million in 2015 to \$58.45 million in 2016. On the other hand, within the interior and furniture segment, the Group's European imported luxury furniture business recorded lower sales, in line with the slow-down in the Singapore economy and residential property market segment.

The Group's net profit for the current financial year 2016 decreased to \$17.21 million as compared to a net profit of \$18.14 million in 2015. The start-up losses of the now opened Ibis Styles Hotel at Macpherson and the loss of rental from an anchor tenant at Tai Seng and impairment provision for UK development site at Covent Garden, One Surin Ave and Macpherson Mall have contributed to the decrease. The Group's overall profitable performance can be attributed to contributions from the Group's development properties and 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 interior and furniture segment continues to slow down as a result of slow down in the Singapore economy. Parallel import competition in the digital space circumventing traditional retail channels are putting margin pressures on our retail models. Retail business operations are planned to be streamlined over the next 12 months and may results in losses in the retail businesses.

The property development business in Singapore continues to be challenging and opportunities remain limited. The Group has recently invested in the USA and will continue to seek and explore opportunities in property development both locally and in overseas markets. The Singapore tourism market is facing drastic price pressures as a result of increasing supply of hotel rooms and slower tourism growth. Our investment in the Ibis Styles Hotel will be adversely affected by this trend.

The Group's USA distribution and supply chain company, Buylateral Group Pte Ltd, has performed positively for the current financial year 2016. While the Group is optimistic about the growth in the USA market and expects Buylateral to continue to grow its sales and increase its market share in the USA furniture market, it is monitoring closely the current USA government's comments on trade restrictions and protectionism viz a viz export oriented countries in Asia.

In the light of weak economic growth, growing unemployment and property related government policy measures in Singapore which have affected the affordability and spending power of potential customers, the Group is cautious about its prospects for 2017 and anticipates challenging conditions in the furniture retail segment ahead where potential store closures may have a negative impact on this segment. The Group has a master lease commitment to Cambridge Investment Trust amounting to \$5.66 million per annum. The Group has been unable to fully replace the loss of its anchor tenant over the last 12 months. The Group has already substantially recognised its profit arising from its existing end-of-cycle property development investments in 2016 and will continue to review further investment impairments and provisions for unsold units in 2017.

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 : 0.52 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 : 0.56 Cents per ordinary share
Tax Rate : One-tier tax exempt

(c) Date payable

The date payable for the proposed first and final dividend of 0.52 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.**

The segment information for the reportable segments for the year ended 31 December 2016 are as follows:

GROUP	Interior and furniture	Development properties	Hotel division	HQ and other investing activities	Supply chain	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2016						
Sales						
Total segment sales	35,768	-	-	6	58,445	94,219
Less: Inter-segment sales	(1,594)	-	-	-	-	(1,594)
Sales to external parties	34,174	-	-	6	58,445	92,625
Adjusted EBITDA	3,568	2	-	(4,239)	5,369	4,700
Allowance for impairment of trade and other receivables	133	-	-	852	123	1,108
Depreciation	478	-	-	255	158	891
Income tax expense	579	-	-	2	834	1,415
Finance expenses	16	-	-	74	13	103
Interest income	99	-	-	1,883	36	2,018
Bad debts recovered	103	6	-	-	191	300
Allowance for stock obsolescence	307	-	-	-	433	740
Share of profit/(loss) of joint ventures- net of tax	-	13,826	(923)	-	-	12,903
Total assets	22,158	33,126	(868)	124,192	28,016	206,624
Total assets includes:						
Investment in joint ventures	-	30,628	(868)	-	-	29,760
Additions to property, plant and equipment	339	-	-	358	139	836
Available-for-sale financial assets	-	-	-	1	-	1
Intangible assets	-	-	-	161	-	161
Total liabilities	11,087	6,651	-	16,572	7,510	41,820

The segment information for the reportable segments for the year ended 31 December 2015 are as follows:

GROUP	Interior and furniture	Development properties	Hotel division	HQ and other investing activities	Supply chain	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'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	3,683	(19)	-	(1,279)	3,301	5,686
Allowance for impairment of trade and other receivables	174	17	-	-	350	541
Depreciation	466	-	-	252	169	887
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
Allowance for stock obsolescence	157	-	-	-	(26)	131
Share of profit /(loss) of joint ventures-net of tax	-	12,310	(42)	-	-	12,268
Total assets	18,968	46,939	55	102,506	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	12,744	2,566	-	21,679	4,986	41,975

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

	GROUP	
	2016	2015
	\$'000	\$'000
Profit before income tax	18,627	18,295
Depreciation	891	887
Finance expenses	103	177
Interest income	(2,018)	(1,405)
Share of profit of joint ventures-net of tax	(12,903)	(12,268)
Adjusted EBITDA for reportable segments	4,700	5,686

Reportable segments assets are reconciled to total assets as follows:

	GROUP	
	2016	2015
	\$'000	\$'000
Segment assets for reportable segments	206,624	189,120

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

	GROUP	
	2016	2015
	\$'000	\$'000
Segment liabilities for reportable segments	41,820	41,975

Group revenue from major products and services:

	GROUP	
	2016	2015
	\$'000	\$'000
Interior design and residential projects	34,180	35,309
Supply chain	58,445	49,383
	92,625	84,692

Geographical information

	GROUP	
	2016	2015
	\$'000	\$'000
Revenue		
Singapore	32,738	31,578
United States of America	58,445	49,383
Malaysia and Brunei	1,442	3,731
	92,625	84,692

	GROUP	
	2016	2015
	\$'000	\$'000
Non-current assets		
Singapore	31,325	40,302
United States of America	602	551
Malaysia and Brunei	13	16
United Kingdom	*	*
	31,940	40,869

* Less than \$1,000

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-16	31-Dec-15	Variance
	S\$'000	S\$'000	%
Sales reported for first half year	41,135	38,452	7%
Sales reported for second half year	51,490	46,240	11%
Total for the year	92,625	84,692	

	GROUP		
	31-Dec-16	31-Dec-15	Variance
	S\$'000	S\$'000	%
Operating profit after tax before deducting minority interests reported for:			
- first half year	14,794	8,467	75%
- second half year	2,418	9,675	-75%
Total for the year	17,212	18,142	

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 (31/12/2016)	Previous Full Year (31/12/2015)
	S\$'000	S\$'000
Ordinary (net of tax)	1,128	1,192
Preference	-	-
Total	1,128	1,192

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 2016, 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.

- 19. Confirmation of Directors' and Executive Officers' Undertakings**

The Company confirms that it has procured undertakings from all its Directors and Executive Officers in compliance with Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Goon Eu Jin Terence

Group Chief Executive Officer and Managing Director

23 February 2017