

UNAUDITED FULL YEAR FINANCIAL STATEMENT ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2017

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

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

Income Statement for the year ended 31 December 2017	Group		
	US\$'000		%
	Full year to 31/12/2017	Full year to 31/12/2016	Change
Revenue	125,810	114,569	10%
Cost of sales	(116,279)	(104,805)	-11%
Gross profit	9,531	9,764	-2%
Distribution and marketing expenses	(4,995)	(6,140)	19%
Administrative expenses	(4,251)	(4,039)	-5%
Results from operating activities	285	(415)	169%
Other income / (expenses)	252	(1,256)	120%
Finance income	8	13	-38%
Finance expenses	(448)	(395)	-13%
Net profit / (loss) before income tax	97	(2,053)	105%
Income tax (expense) / credit	(81)	89	-191%
Profit / (Loss) for the year	16	(1,964)	101%

	Group		
	US\$'000		%
	Full year to 31/12/2017	Full year to 31/12/2016	Change
Profit / (Loss) for the year	16	(1,964)	101%
Other comprehensive income			
Foreign currency translation differences for foreign operations	1,049	(1,289)	181%
Total comprehensive income / (loss) for the year	1,065	(3,253)	133%

- (ii) The income statement includes the followings items:

	Group		
	US\$'000		%
	Full year to 31/12/2017	Full year to 31/12/2016	Change
Depreciation of property, plant and equipment	436	525	-17%
Redundancy payout	83	1,316	-94%
Impairment loss / (Write back) on trade receivables	25	(8)	N/M
Provision for slow-moving inventories	1,680	924	82%
Gain arising on liquidation and strike off of subsidiaries	-	(10)	N/M
Exchange (gain) / loss	(318)	276	N/M
(Gain) / loss on sale of property, plant and equipment	(79)	2	N/M

N/M denotes Not Meaningful

1(b)(i) A statements 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	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
	US\$'000	US\$'000	US\$'000	US\$'000
Non-Current Assets				
Property, plant and equipment	3,882	4,232	3,815	4,184
Investment in subsidiaries	-	-	16,512	16,512
	<u>3,882</u>	<u>4,232</u>	<u>20,327</u>	<u>20,696</u>
Current Assets				
Inventories	4,537	4,174	589	677
Trade receivables	33,825	20,591	152	534
Amounts due from subsidiaries	-	-	1,985	2,759
Amounts due from related companies	9,724	5,228	-	-
Other receivables, deposits and prepayments	3,060	1,658	499	151
Cash and bank balances	11,634	16,401	2,061	736
	<u>62,780</u>	<u>48,052</u>	<u>5,286</u>	<u>4,857</u>
Current Liabilities				
Trade payables	30,432	16,014	623	583
Amounts due to subsidiaries	-	-	1,251	2,012
Amounts due to related companies	113	682	11	11
Other payables and accruals	3,426	3,928	600	525
Loans and borrowings	-	43	-	43
Provisions	194	185	50	-
	<u>34,165</u>	<u>20,852</u>	<u>2,535</u>	<u>3,174</u>
Net Current Assets	<u>28,615</u>	<u>27,200</u>	<u>2,751</u>	<u>1,683</u>
Non-Current Liabilities				
Deferred taxation	210	210	210	210
	<u>210</u>	<u>210</u>	<u>210</u>	<u>210</u>
Net Assets	<u>32,287</u>	<u>31,222</u>	<u>22,868</u>	<u>22,169</u>
Capital and Reserves				
Share capital	36,817	36,817	36,817	36,817
Asset revaluation reserve	748	748	748	748
Foreign currency translation reserve	(6,394)	(7,443)	-	-
Accumulated profit / (losses)	1,116	1,100	(14,697)	(15,396)
	<u>32,287</u>	<u>31,222</u>	<u>22,868</u>	<u>22,169</u>

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

(a) Amount repayable in one year or less, or on demand;

As at 31/12/2017		As at 31/12/2016	
US\$'000	US\$'000	US\$'000	US\$'000
Secured	Unsecured	Secured	Unsecured
-	-	-	43

(b) Amount repayable after one year;

As at 31/12/2017		As at 31/12/2016	
US\$'000	US\$'000	US\$'000	US\$'000
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of any collaterals:

Not applicable.

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

	Group	
	Full year ended	
	31/12/2017	31/12/2016
	US\$'000	US\$'000
Cash flow from operating activities		
Profit / (Loss) before tax	97	(2,053)
Adjustments for :		
Depreciation of property, plant and equipment	436	525
(Gain) / Loss on sale of property, plant and equipment	(79)	2
Gain arising on liquidation and strike off of subsidiaries	-	(10)
Interest expenses	448	395
Interest income	(8)	(13)
Impairment loss / (Write back) on trade receivables	25	(8)
Provision for slow-moving inventories	1,680	924
Operating profit / (loss) before changes in working capital	2,599	(238)
Changes in working capital:		
Trade and other receivables	(18,628)	9,269
Inventories	(1,764)	242
Trade and other payables	12,916	(8,618)
Cash (used in) / generated from operations	(4,877)	655
Income tax paid (net of tax refund)	(81)	(115)
Net cash (used in) / generated from operating activities	(4,958)	540
Cash flow from investing activities		
Interest received	8	13
Purchase of property, plant and equipment	(154)	(73)
Proceeds from sale of property, plant and equipment	152	23
Net cash generated from / (used in) investing activities	6	(37)
Cash flow from financing activities		
Deposits pledged	(77)	(44)
Interest paid	(448)	(395)
Repayment of bills payable	(43)	(13)
Proceeds from bills payable	-	43
Net cash used in financing activities	(568)	(409)
Net (decrease) / increase in cash and cash equivalents	(5,520)	94
Effects of exchange rate changes on cash and cash equivalents	676	(1,231)
Cash and cash equivalents at beginning of the year	14,378	15,515
Cash and cash equivalents at end of the year	9,534	14,378
Cash and cash equivalents at end of the year comprises of:		
Cash and bank balances	11,567	15,858
Short term bank deposits	67	543
Deposits pledged	11,634	16,401
Cash and cash equivalents in the statement of cash flows	(2,100)	(2,023)
	9,534	14,378

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.

The Group

(US\$'000)	Share capital	Asset revaluation reserve	Foreign currency translation reserve	Accumulated profit / (losses)	Total
As at 1 January 2016	31,688	644	78	2,065	34,475
Total comprehensive loss for the year	-	-	-	(1,964)	(1,964)
Other comprehensive loss	-	-	-	-	-
Currency translation differences	-	-	(1,289)	-	(1,289)
Total comprehensive loss for the year	-	-	(1,289)	(1,964)	(3,253)
Effect of changes in functional and presentation currency	5,129	104	(6,232)	999	-
Balance as at 31 December 2016	36,817	748	(7,443)	1,100	31,222
As at 1 January 2017	36,817	748	(7,443)	1,100	31,222
Total comprehensive income for the year	-	-	-	16	16
Other comprehensive income	-	-	-	-	-
Currency translation differences	-	-	1,049	-	1,049
Total comprehensive income for the year	-	-	1,049	16	1,065
Balance as at 31 December 2017	36,817	748	(6,394)	1,116	32,287

The Company

(US\$'000)	Share capital	Asset revaluation reserve	Foreign currency translation reserve	Accumulated (losses) / profit	Total
As at 1 January 2016	31,688	644	5,972	(12,749)	25,555
Total comprehensive income for the year	-	-	-	(3,646)	(3,646)
Loss for the year	-	-	-	(3,646)	(3,646)
Currency translation differences	-	-	260	-	260
	-	-	260	(3,646)	(3,386)
Effect of changes in functional currency	5,129	104	(6,232)	999	-
Balance as at 31 December 2016	36,817	748	-	(15,396)	22,169
As at 1 January 2017	36,817	748	-	(15,396)	22,169
Total comprehensive loss for the year	-	-	-	(1,211)	(1,211)
Loss for the year	-	-	-	(1,211)	(1,211)
Dividend income from subsidiary	-	-	-	1,910	1,910
	-	-	-	699	699
Balance as at 31 December 2017	36,817	748	-	(14,697)	22,868

- 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 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.

The Company has no treasury shares as at 31 December 2017 and 31 December 2016. The Company does not have any subsidiary that holds shares issued by the Company.

- 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 immediately preceding year.

	The Group	
	31/12/2017	31/12/2016
Total number of issued shares	351,398,000	351,398,000

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

There were no treasury shares at the end of the financial year ended 31 December 2017 and 31 December 2016.

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 auditors.

3. Where the figures have been audited or reviewed, the auditor's 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 and Company have applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial year as the most recent audited financial statements as at 31 December 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.

Not applicable.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:

	The Group	
	31/12/2017	31/12/2016
	US\$	US\$
Profit / (Loss) per ordinary share for the period based on net profit attributable to shareholders:		
(i) Based on the weighted average number of ordinary shares in issue; and		
(ii) On a fully diluted basis (detailing any adjustments made to the earnings).		
	0.005 cts	(0.559) cts
	0.005 cts	(0.559) cts

Notes:

Profit / (Loss) per share for years ended 31 December 2017 and 31 December 2016 were based on 351,398,000 shares.

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.

	31/12/2017	31/12/2016
Net assets value per ordinary share based on issued share capital at the end of the period - The Group	US\$ 0.09	US\$ 0.09
Net assets value per ordinary share based on issued share capital at the end of the period - The Company	US\$ 0.07	US\$ 0.06

Note:

Net assets value per share for years ended 31 December 2017 and 31 December 2016 were based on 351,398,000 shares.

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.**

Consolidated Income Statement

A Revenue

Stationery Business
Trading Business

FY2017	FY2016	Variance	
US\$'000	US\$'000	US\$'000	%
21,967	24,440	(2,473)	-10.1%
103,843	90,129	13,714	15.2%
125,810	114,569	11,241	9.8%

The Group recorded revenue of US\$125.8 million in FY2017; an increase of US\$11.2 million or 9.8% against FY2016 attributable mainly to the trading business.

Stationery business revenue declined by US\$2.5 million or 10.1%. Sales in Australia and UK declined by 10.9% and 4.2% respectively in terms of local currency. This was due to (i) weak 4th quarter general market demand in the Australia and UK markets resulting in slower replenishments; (ii) the Group shifted away from customers that contribute low margin to the stationery businesses and (iii) decline in revenue from the international markets by US\$0.5 million. This was part of the restructuring exercise in FY2016 where the Company sold slow moving stocks and raw materials to some of its international customers. No such significant sales materialised in FY2017.

Trading business revenue increased by US\$13.7 million or 15.2% to US\$103.8 million. This was due to increase in sales orders from third party customers.

B Gross Profit

Stationery Business
Trading Business

FY2017		FY2016		Variance	
US\$'000	Margin	US\$'000	Margin	US\$'000	%
6,779	30.9%	7,239	29.6%	(460)	(6.4%)
2,752	2.7%	2,525	2.8%	227	9.0%
9,531	7.6%	9,764	8.5%	(233)	(2.4%)

The Group recorded a lower gross profit of US\$9.5 million; a decrease of US\$0.2 million or 2.4% mainly due to the decline in gross profit for stationery business by US\$0.5 million.

Decline in stationery business gross profit was due to reduction in sales as set out above and was offset by the improvement in gross profit margin from 29.6% to 30.9%. The improvement in gross profit margin was due to:

- (i) increase in average selling price and different product mix sold. The Group shifted away from customers that contribute low margin to the stationery business;
- (ii) scaled down of production activities at the Singapore plant in 2016 as part of the Group's restructuring plans. Production savings arising from lower production wage costs;
- (iii) offset by customers claims amounted to US\$0.5 million received in FY2017 as a result of FY2016 shipment delays. Had these claims not incurred, the adjusted gross profit margin for FY2017 would be 33.0%; and
- (iv) provision for slow-moving inventories recognised under cost of sales amounted to US\$1.7 million in FY2017 as a result of weak sales replenishments.

Gross profit margin for trading business remained consistent at the range of 2.7% to 2.8% during the year.

C Distribution and Marketing and General Administration Expenses

Distribution and marketing expenses
Administrative expenses

FY2017	FY2016	Variance	
US\$'000	US\$'000	US\$'000	%
4,995	6,140	(1,145)	-18.6%
4,251	4,039	212	5.2%
9,246	10,179	(933)	-9.2%

Distribution and marketing expenses decreased by US\$1.1 million or 18.6% in FY2017 compared to FY2016. No significant air freight costs incurred in current year due to on time delivery of products by outsourcing vendors. In 2017, the Group switched to local material suppliers in order to reduce outsourcing lead time but at the same time maintaining the products' quality standards. The Group also successfully negotiated the terms with third party logistics and warehouse providers to reduce the warehouse and devanning costs in Australia and the United Kingdom. This is part of the Group's effort to increase efficiency in logistics operations. Better control on marketing spent and headcount also attributed to the decline in distribution and marketing expenses.

Administrative expenses increased by US\$0.2 million or 5.2% in FY2017 compared to FY2016. The increase was mainly due to reclassification of HR, Finance and IT related costs from cost of sales commencing from 2H2016. The Group also incurred additional legal costs of US\$0.1 million pertaining to the extension of financial watch lists and holding extraordinary meeting to approve the IPT and share buy mandates.

D Finance costs increased by US\$ 0.1 million due to increase in discounting interest rates.

E Other income / (expenses)

Redundancy payout
Gain arising on liquidation and strike off of subsidiaries
Exchange gain / (loss)
Others

FY2017	FY2016	Variance	
US\$'000	US\$'000	US\$'000	%
(83)	(1,316)	1,233	-93.7%
-	10	(10)	N/M
318	(276)	594	-215.2%
17	326	(309)	-94.8%
252	(1,256)	1,508	-120.1%

- (i) Redundancy payout relates mostly to downsizing of the Singapore and Australia entities as result of the restructuring exercise.
- (ii) Others consist of subletting income, wage credit scheme and gain or loss arising from the sale of property, plant and equipments. Lower other income was mainly due to lower wage credit scheme in FY2017 as a result of lower headcount post restructuring.

Group	FY2017	FY2016	Variance	
	US\$'000	US\$'000	US\$'000	%
Net profit / (loss) before tax for the year	97	(2,053)	2,150	104.7%
Add Redundancy payout	83	1,316	(1,233)	-93.7%
Less Gain arising on liquidation and strike off of subsidiaries	-	(10)	10	N/M
Adjusted net profit / (loss) before tax	180	(747)	927	124.1%
Add depreciation	436	525	(89)	-17.0%
Add finance costs	448	395	53	13.4%
Adjusted EBITDA (Earnings before income tax, depreciation, amortisation, interest costs and exceptional items)	1,064	173	891	515.0%

N/M denotes Not Meaningful

Adjusted EBITDA improved by US\$0.9 million from US\$0.2 million in FY2016 to US\$1.1 million in FY2017 mainly due to the reduction in operating expenses by US\$0.9 million from FY2016.

Nippecraft (Company)

Company - Profit and Loss (Extract)	FY2017	FY2016	Variance	
	US\$'000	US\$'000	US\$'000	%
Sales	10,681	11,254	(573)	-5.1%
Gross Profit / (Loss)	315	(189)	504	-266.7%
Net Profit / (Loss) before tax	699	(3,646)	4,345	(119.2%)
Less Dividend income	(1,910)	-	(1,910)	N/M
Add Redundancy payout	33	1,272	(1,239)	N/M
Adjusted net loss before tax	(1,178)	(2,374)	1,196	-50.4%
Add depreciation	406	477	(71)	-14.9%
Add finance costs	-	-	-	0.0%
Adjusted EBITDA	(772)	(1,897)	1,125	-59.3%

Nippecraft, the Company, is the outsourcing arm for the Nippecraft Group. The Company designs, outsource and distribute stationery products to Australia, US and UK markets. New product developments and marketing are also done by the Company.

Decrease in sales was mainly due to decline in revenue from the international markets of US\$0.5 million as a result of the restructuring exercise in 2016, where the Group sold slow moving goods and raw materials to some of its international customers.

Gross profit improved by US\$0.5 million gross loss in FY2016 to US\$0.3 million gross profit in FY2017. Gross margin improvement was mainly due to efficiencies gained from increased outsource production activities and lower production costs (post restructuring).

Adjusted EBITDA improved by US\$1.1 million to -US\$0.8 million in FY2017. Improved EBITDA was due to improvement in gross margin (as a result of outsourcing) and reduction in operating expenses post restructuring.

Review of Statement of Financial Position

Group

Fixed assets declined due to depreciation charges incurred.

Current assets increased by US\$14.7 million mainly due to increase in third party trade receivables and amount due to related companies. This was mainly due to timing of billing and receipts from trading customers, which resulted in the decline in cash from operating activities as at 31 December 2017. Stocks increased by US\$0.4 million due to timing of shipment of stocks to Australia.

Current liabilities increased by US\$13.3 million primarily due to timing of payments to third party trading suppliers.

Company

Decline in fixed assets due to depreciation charges incurred.

Increase in current assets by US\$0.4 million mainly due to increase in cash and bank balances by US\$1.3 million due to timing of collection from debtors and payout to suppliers; offset by lower receivable balance due from subsidiaries by US\$0.8 million during the year.

Decrease in current liabilities by US\$0.6 million due to timing of payments to subsidiaries.

Group Cash Flow

The Group reported a net decrease in cash balance of US\$4.8 million from US\$16.4 million as at 31 December 2016 to US\$11.6 million as at 31 December 2017. This was due to timing of receivables collection as evident in the increase in trade receivables balance by US\$13.2 million during the year.

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

No forecast or prospect statement was disclosed to shareholders previously.

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.**

In the medium term, the Group's next focus will be to transition the business to more profitable products and segments. In addition to new markets, the Group will be launching new products that are more design and lifestyle oriented. The Group has also commenced a portfolio review to streamline the product ranges. The strength of the Collins and Debden brands remains one of the Group's strongest assets.

The Company will continue to outsource its production, streamline costs, and improve operational efficiencies and profitability.

The Company will continue to work with current vendors to improve their efficiency and achieve more outsourcing savings. The Company is also developing new vendors to reduce over-reliance risks on certain vendors. The Company will continue to operate in the Singapore premises and sublet more area to third party tenants. The subletting income will partially offset the current fixed costs (depreciation of land and building and property tax).

For the year ended 31 December 2017, the Group achieved a profit before tax of US\$0.1 million. However, the Group is unable to meet the market capitalisation requirements of the Financial Exit Criteria for the Financial Watch List. The Company will be seeking a transfer of its listing from the Mainboard to the Catalist.

The Company would like to remind all shareholders that there is no assurance that the SGX-ST will grant the abovementioned transfer. As such, shareholders of the Company are advised to exercise caution when dealing in the shares of the Company and to refrain from taking any action in relation to their shares which may be prejudicial to their interests. Persons who are in doubt, as to the action they should take, should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers.

11. **Dividend**

(a) Any dividend declared for the current financial period reported on?

None.

(b) Corresponding period of the immediately preceding financial year

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

None.

(c) Whether the dividend is before tax, net of tax or tax exempt.

Not applicable.

(d) Date payable

Not applicable.

(e) Books closing date

Not applicable.

12. **If no dividend has been declared/recommendeded, a statement to that effect.**

No dividend has been declared.

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.**

Reportable segment

	31/12/2017	31/12/2016
	Turnover	Turnover
	US\$'000	US\$'000
Stationery business	21,967	24,440
Trading	103,843	90,129
Total	125,810	114,569

Information about reportable segments

	FY2017			FY2016		
	Stationery	Trading	Total	Stationery	Trading	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
External revenue	21,967	103,843	125,810	24,440	90,129	114,569
Finance income	7	1	8	13	-	13
Finance expenses	-	(448)	(448)	-	(395)	(395)
Depreciation	436	-	436	525	-	525
Reportable segment (loss) / profit before tax	(1,085)	1,182	97	(3,339)	1,286	(2,053)
Reportable segment assets	27,084	39,578	66,662	28,410	23,874	52,284
Capital expenditure	154	-	154	73	-	73
Reportable segment liabilities	5,800	28,575	34,375	7,009	14,053	21,062

Geographical information

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers and segment assets are based on geographical location of the assets.

Revenue

	31/12/2017	31/12/2016
	US\$'000	US\$'000
Singapore	29,676	14,445
United Kingdom	13,173	10,129
Europe	136	1,264
Australia	10,895	11,782
United States of America	925	4,006
Indonesia	45,369	47,959
Hong Kong	12,234	24,220
Malaysia	13,402	-
Others	-	764
Total	125,810	114,569

Non-current assets

	31/12/2017	31/12/2016
	US\$'000	US\$'000
Singapore	3,815	4,184
United Kingdom	42	34
Australia	25	14
Total	3,882	4,232

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.**

Refer to performance review on item 8.

15. **A breakdown of sales.**

	US\$'000		%
	FY2017	FY2016	Change
Sales reported for first half year	49,467	56,941	-13%
Operating loss after tax before minority interests reported for the first half year	(421)	(2,335)	82%
Sales reported for second half year	76,343	57,628	32%
Operating profit after tax before minority interests reported for the second half year	437	371	18%

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

Not applicable.

17. **Interested Person Transactions**

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	
	Full year ended 31/12/2017 US\$'000	Full year ended 31/12/2016 US\$'000	Full year ended 31/12/2017 US\$'000	Full year ended 31/12/2016 US\$'000
<u>Purchases</u>				
PT Pabrik Kertas Tjiwi Kimia Tbk	-	-	18	2,826
Toprint Computer Supplies Pte Ltd	-	-		11
<u>Sales</u>				
PT Pabrik Kertas Tjiwi Kimia Tbk	-	-		258
PT Paramitra Gunakarya Cemerlang	-	-	45,369	47,702
Total Interested Person Transactions	-	-	45,387	50,797

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.**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Board of Nippecraft Limited ("the Company") hereby confirms that to the best of its knowledge, as at the date of this announcement, none of the persons occupying managerial positions in the Company or any of its subsidiaries is a relative of a director or chief executive officer or a substantial shareholder of the Company.

19. **Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format) set out in Appendix 7.7 pursuant to rule 720(1)**

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

BY ORDER OF THE BOARD

Connie Oi Yan Chan
Chairlady and Chief Executive Officer

Date: 23 February 2018