

Full Year Financial Statement and Dividend Announcement for the Year Ended 31/12/2017

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

Group			
		S\$'000	%
Financial year ended 31 December			
Note	2017	2016	Change
Revenue	18,526	14,862	24.65
Cost of sales	(17,509)	(14,819)	18.15
Gross profit	1,017	43	NM
Other operating income	1,476	2,728	(45.89)
Income from investments	5,173	1,001	NM
Administrative expenses	(7,516)	(9,190)	(18.22)
Distribution costs	(481)	(336)	43.15
Other operating expenses	(1,100)	(584)	88.36
Finance costs	(56)	(67)	(16.42)
Foreign exchange losses	(1,386)	(1,541)	(10.06)
Share of results of associate	(75)	(83)	(9.64)
Loss before income tax	(2,948)	(8,029)	(63.28)
Income tax expense	(868)	(969)	(10.42)
Loss for the year	(3,816)	(8,998)	(57.59)
Attributable to:			
Owners of the Company	(4,007)	(9,304)	(56.93)
Non-controlling interests	191	306	(37.58)
	(3,816)	(8,998)	(57.59)

NM – Not Meaningful

Statement of Comprehensive Income

Statement of Comprehensive Income

Group			
		S\$'000	%
Financial year ended 31 December			
Note	2017	2016	Change
Loss for the year	(3,816)	(8,998)	(57.59)
Other comprehensive (loss)/income			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences	(2,433)	(6,629)	(63.30)
Net fair value gains on available-for-sale financial assets	2,022	1,071	88.80
Net fair value changes on available-for-sale financial assets reclassified to profit or loss	(1,788)	-	NM
Other comprehensive loss for the year, net of tax	(2,199)	(5,558)	(60.44)
Total comprehensive loss for the year	(6,015)	(14,556)	(58.68)
Attributable to:			
Owners of the Company	(6,057)	(14,501)	(58.23)
Non-controlling interests	42	(55)	NM
	(6,015)	(14,556)	(58.68)

NM – Not Meaningful

Other information

	Group		
	S\$'000		%
	Financial year ended 31 December		
	2017	2016	Change
Depreciation and amortisation	3,942	4,127	(4.48)
Impairment loss on trade receivables	-	408	(100.00)
Impairment loss on other receivables	48	49	(2.04)
Write-down of inventories	699	-	NM
Loss on disposal of property, plant and equipment	301	213	41.31
Impairment loss on property, plant and equipment	-	814	(100.00)
Provision for litigation and claims	105	1,394	(92.47)

The write-down of inventories is in respect of construction materials kept at the construction site which is a restricted area under the control of the main contractor with whom the Group is engaged in a legal proceeding in Dali. Unlike the previous years, the Group's request for access to the site to conduct a stocktake of the inventories was not acceded by the main contractor so as not to affect the on-going legal proceeding. As the stock take is a necessary procedure to confirm the existence of the inventories, the Group has taken a prudent view and made a full write-down of the inventories.

Note 1

	Group		
	S\$'000		%
	Financial year ended 31 December		
	2017	2016	Change
Other operating income:			
Rental income	231	231	-
Incentive and allowance income	16	28	(42.86)
Reversal of impairment loss on property, plant and equipment	-	83	(100.00)
Reversal of impairment loss on other receivables	-	76	(100.00)
Trade and other payables written off	-	36	(100.00)
Project income	1,060	1,863	(43.10)
Sundry income	169	411	(58.88)
	1,476	2,728	(45.89)

Other operating income decreased due mainly to the lower interest income from the Anxi build-and-transfer ("BT") project. The interest income has reduced because of lower outstanding contract sum. As at the balance sheet date, all contract sum from the project has been fully received.

NM – Not Meaningful

Note 2

Group		
	S\$'000	%
Financial year ended 31 December		
	2017	2016
	今年	去年
Change		
		增加/(减少)
Income from investments:		
Interest income	1,430	1,028
Gain on liquidation of subsidiary	-	9
Loss on disposal of associate	-	(2)
Gain on disposal of investment securities	1,774	8
Dividend income from investment securities	305	239
Net fair value gains/(losses) on held for trading investment securities	1,664	(281)
	5,173	1,001
		NM

Income from investments has increased due to: (i) net fair value gains on held for trading investment securities of \$1.7 million in 2017 compared to net fair value losses of \$0.3 million in 2016, (ii) gain on disposal of investment securities increased by \$1.8 million; and (iii) higher interest income from placement of short-term deposits.

Note 3

Administrative expenses decreased mainly because of the \$1.4 million provision made in respect of the several legal actions involved by Shanghai San Teh Xing with its tenants and the property management company in 2016.

Note 4

The increase in distribution costs was because of the higher revenue recorded in 2017.

Note 5

Other operating expenses increased due to reclassification of depreciation charges of \$0.6 million in respect of Suzhou hotel from cost of sales to other operating expenses, as the hotel ceased operation in late January 2017 for redevelopment work.

Note 6

The Group reported an exchange loss of \$1.4 million in 2017 mainly due to the weakening of the US dollar and Renminbi against the Singapore dollar. The currency translation loss of \$2.4 million reported in other comprehensive income was attributable to the strengthening of the Singapore dollar against the Renminbi.

NM – Not Meaningful

Note 7

2019

Group			
	S\$'000	%	
Financial year ended 31 December			
	2017	2016	Change
Income tax expense:			
Current tax expense	(517)	(665)	(22.26)
Overseas withholding tax	(224)	(33)	NM
Over/(Under) provision in prior years	37	(117)	NM
Deferred tax	(164)	(154)	6.49
	(868)	(969)	(10.42)

The current tax expense arose despite of a loss sustained by the Group as certain subsidiaries within the Group were profitable and that losses incurred by other entities within the Group could not be used to offset against the profits of these subsidiaries for income tax purposes.

NM – Not Meaningful

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

AS AT	Note	Group		Company	
		31/12/2017	31/12/2016	31/12/2017	31/12/2016
		\$'000	\$'000	\$'000	\$'000
ASSETS					
Current assets:					
Cash and cash equivalents		48,211	43,937	13,057	11,110
Trade and other receivables	1	16,368	23,070	32,069	37,586
Inventories	2	2,136	3,491	-	-
Investment securities		12,328	11,537	12,328	7,057
Total current assets		79,043	82,035	57,454	55,753
Non-current assets:					
Subsidiaries		-	-	162,157	162,157
Associate	3	280	361	-	-
Other investments		1,066	1,084	41	41
Property, plant and equipment	4	30,592	19,437	1,237	1,314
Investment properties	4	59,027	69,456	887	914
Property under development		32,913	33,501	-	-
Deferred tax assets		-	168	-	-
Investment securities	5	2,448	5,633	2,448	5,633
Other receivables		-	-	4,282	-
Land use rights		8,989	9,472	-	-
Total non-current assets		135,315	139,112	171,052	170,059
Total assets		214,358	221,147	228,506	225,812
LIABILITIES AND EQUITY					
Current liabilities:					
Trade and other payables		15,050	14,150	349	381
Income tax payable		266	271	102	84
Short-term bank borrowings	6	1,843	1,329	-	-
Provision		1,475	1,394	-	-
Total current liabilities		18,634	17,144	451	465
Non-current liabilities:					
Provision for retirement benefits		527	468	527	468
Total non-current liabilities		527	468	527	468
Equity attributable to owners of the Company:					
Share capital		71,856	71,856	71,856	71,856
Treasury shares		(1,929)	(1,929)	(1,929)	(1,929)
Fair value adjustment reserve		1,239	1,005	1,239	1,005
Foreign currency translation reserve		6,077	8,361	-	-
Statutory reserve		1,110	1,110	-	-
Capital reserve		48	48	-	-
Retained earnings		109,834	114,867	156,362	153,947
		188,235	195,318	227,528	224,879
Non-controlling interests		6,962	8,217	-	-
Total equity		195,197	203,535	227,528	224,879
Total liabilities and equity		214,358	221,147	228,506	225,812

Notes:

1. Decrease in trade and other receivables was due mainly to the receipt of instalment payments from the Anxi BT project. As at the balance sheet date, all contract sum from the project has been fully received.
2. Inventories decreased mainly because of: (i) write-down of inventories of \$0.7 million; and (ii) lower raw materials and finished goods carried by the PVC pipes and fittings operation.
3. Decrease in investment in associate was attributable to operating losses recorded by the associate.
4. The increase of property, plant and equipment and the corresponding decrease of investment properties were due to reclassification of the property at the Nantong Hotel following the change in operational model from an investment property to an owner-operated hotel.
5. Long-term investment securities decreased due to disposal of bonds and equities.
6. Short-term bank borrowings increased because of drawing down of bank loan to maintain the banking facility line.

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 December 2017		As at 31 December 2016	
Secured S\$	Unsecured S\$	Secured S\$	Unsecured S\$
-	1,843,000	-	1,329,000

Amount repayable after one year

As at 31 December 2017		As at 31 December 2016	
Secured S\$	Unsecured S\$	Secured S\$	Unsecured S\$
-	-	-	-

Details of any collateral

None

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

	Group	
	S\$'000	
	Financial year ended 31 Dec	
	2017	2016
Cash flows from operating activities:		
Loss before tax	(2,948)	(8,029)
Adjustments for:		
Depreciation of property, plant and equipment	1,278	1,561
Amortisation of land use rights	320	326
Depreciation of investment properties	2,344	2,240
Impairment loss on property, plant and equipment	-	814
Reversal of impairment loss on property, plant and equipment	-	(83)
Loss on disposal of property, plant and equipment	301	213
Gain on disposal of investment securities	(1,774)	(8)
Property, plant and equipment written off	60	12
Write-down of inventories	699	-
Impairment loss on trade receivables	-	408
Impairment loss on other receivables	48	49
Trade and other payables written off	-	(36)
Gain on liquidation of subsidiary	-	(9)
Loss on disposal of associate	-	2
Share of results of associate	75	83
Provision for retirement benefits	59	59
Provision for litigation and claims	105	1,394
Dividend income from investment securities	(305)	(239)
Interest income	(1,430)	(1,028)
Interest expense	56	67
Net fair value (gains)/losses on held for trading investment securities	(1,664)	281
Operating cash flows before changes in working capital	(2,776)	(1,923)
Trade and other receivables	5,735	15,810
Inventories	600	272
Trade and other payables	2,053	(2,268)
Cash generated from operations	5,612	11,891
Interest paid	(53)	(67)
Income tax paid	(705)	(1,540)
Net cash from operating activities	4,854	10,284
Cash flows from investing activities:		
Increase in property under development	-	(281)
Increase in investment properties	(1,874)	(1,223)
Purchase of property, plant and equipment	(4,372)	(195)
Purchase of investment securities	(7,158)	(4,168)
Proceeds from disposal of property, plant and equipment	31	60
Proceeds from disposal of associate	-	1,049
Proceeds from disposal of investment securities	13,147	3,620
Dividends received from investment securities	305	226
Interest received	1,696	962
Net cash from investing activities	1,775	50

Group		
S\$'000		
Financial year ended 31 Dec		
	2017	2016
Cash flows from financing activities:		
Proceeds from bank borrowings	1,843	1,329
Repayment of bank borrowings	(1,307)	-
Dividends paid	(1,026)	(1,026)
Dividends paid to non-controlling interests by a subsidiary	(1,297)	-
Contribution from non-controlling interests	-	68
Net cash (used in)/from financing activities	(1,787)	371
Net increase in cash and cash equivalents	4,842	10,705
Cash and cash equivalents at beginning of financial year	43,937	33,884
Effect of exchange rate changes on cash and cash equivalents	(568)	(652)
Cash and cash equivalents at end of financial year	48,211	43,937

The Group had a net cash inflow of \$4.9 million from its operating activities in 2017 as compared to \$10.3 million in 2016. Net cash received from investing activities of \$1.8 million in 2017 was due mainly to receipts of \$13.1 million sale proceeds from the disposal of investment securities offset by payment of \$11.5 million for the purchase of investment securities and property, plant and equipment.

Net cash used in financing activities of \$1.8 million in 2017 was mainly because of the: (i) payment of \$2.3 million dividends to the shareholders of the Company and non-controlling shareholders of a subsidiary, (ii) repayment of bank borrowings of \$1.3 million; and after netting receipts of \$1.8 million proceeds from bank borrowings.

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

Group	Attributable to owners of the Company								Non-controlling interests	Total equity
	Share capital	Treasury shares	Fair value adjustment	Capital reserve	Foreign currency translation reserve	Statutory reserve	Retained earnings	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2017	71,856	(1,929)	1,005	48	8,361	1,110	114,867	195,318	8,217	203,535
Net (loss)/profit for the year	-	-	-	-	-	-	(4,007)	(4,007)	191	(3,816)
Other comprehensive (loss)/income for the year										
Currency translation differences	-	-	-	-	(2,284)	-	-	(2,284)	(149)	(2,433)
Net fair value gains on available-for-sale financial assets	-	-	2,022	-	-	-	-	2,022	-	2,022
Net fair value changes of available-for-sale financial assets reclassified to profit or loss	-	-	(1,788)	-	-	-	-	(1,788)	-	(1,788)
Total comprehensive income/(loss) for the year	-	-	234	-	(2,284)	-	(4,007)	(6,057)	42	(6,015)
Dividends paid	-	-	-	-	-	-	(1,026)	(1,026)	(1,297)	(2,323)
Balance at 31 December 2017	71,856	(1,929)	1,239	48	6,077	1,110	109,834	188,235	6,962	195,197

Attributable to owners of the Company

Group	Share capital S\$'000	Treasury shares S\$'000	Fair value adjustment reserve S\$'000	Capital reserve S\$'000	Foreign currency translation reserve S\$'000	Statutory reserve S\$'000	Retained earnings S\$'000	Total S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Balance at 1 January 2016	71,856	(1,929)	(66)	48	14,629	1,039	125,268	210,845	8,204	219,049
Net (loss)/profit for the year	-	-	-	-	-	-	(9,304)	(9,304)	306	(8,998)
Other comprehensive (loss)/income for the year										
Currency translation differences	-	-	-	-	(6,268)	-	-	(6,268)	(361)	(6,629)
Net fair value gains on available-for-sale financial assets	-	-	1,071	-	-	-	-	1,071	-	1,071
Total comprehensive income/(loss) for the year	-	-	1,071	-	(6,268)	-	(9,304)	(14,501)	(55)	(14,556)
Transfer to statutory reserve	-	-	-	-	-	71	(71)	-	-	-
Contribution from non-controlling interests	-	-	-	-	-	-	-	-	68	68
Dividends paid	-	-	-	-	-	-	(1,026)	(1,026)	-	(1,026)
Balance at 31 December 2016	71,856	(1,929)	1,005	48	8,361	1,110	114,867	195,318	8,217	203,535

Company	Share capital S\$'000	Treasury shares S\$'000	Fair value adjustment reserve S\$'000	Retained earnings S\$'000	Total Equity S\$'000
Balance at 1 January 2017	71,856	(1,929)	1,005	153,947	224,879
Net profit for the year	-	-	-	3,441	3,441
Other comprehensive income/(loss) for the year					
Net fair value gains on available-for-sale financial assets	-	-	2,022	-	2,022
Net fair value changes of available-for-sale financial assets reclassified to profit or loss	-	-	(1,788)	-	(1,788)
Total comprehensive income for the year	-	-	234	3,441	3,675
Dividends paid	-	-	-	(1,026)	(1,026)
Balance at 31 December 2017	71,856	(1,929)	1,239	156,362	227,528
Balance at 1 January 2016	71,856	(1,929)	(66)	157,301	227,162
Net loss for the year	-	-	-	(2,328)	(2,328)
Other comprehensive income for the year					
Net fair value gains on available-for-sale financial assets	-	-	1,071	-	1,071
Total comprehensive income/(loss) for the year	-	-	1,071	(2,328)	(1,257)
Dividends paid	-	-	-	(1,026)	(1,026)
Balance at 31 December 2016	71,856	(1,929)	1,005	153,947	224,879

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 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

Share Capital

There were no changes in the Company's issued and paid-up share capital during the fourth quarter ended 31 December 2017.

As at 31 December 2017, the Company has 342,024,763 issued ordinary shares, excluding treasury shares.

Treasury Shares

As at 31 December 2017, there were 5,414,000 (2016: 5,414,000) treasury shares held 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 the immediately preceding year

The total number of issued ordinary shares excluding treasury shares as at 31 December 2017 was 342,024,763 (31 December 2016: 342,024,763).

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 sales, transfer, disposal, cancellation and/or use of treasury shares as at 31 December 2017.

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

The figures have not been audited or reviewed.

3 Where the figures have been audited or reviewed, the auditors’ report (including any qualifications or emphasis of matter)

N/A

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 applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 December 2016, except as disclosed in paragraph 5 below.

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 Financial Reporting Standards (FRS) and Interpretations of FRS (INT FRS) that are relevant to its operations and effective for annual periods beginning on or after 1 January 2017. The adoption of these new/revised FRS and INT FRS did not result in any substantial change to the Group's and Company's accounting policies or have any significant impact on the financial statements.

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	
	Financial year ended 31 December	
	2017	2016
Loss per ordinary share for the year		
(i) Based on weighted average number of ordinary shares on issue	(1.17) cent	(2.72) cents
Weighted average number of ordinary shares	342,024,763	342,024,763
(ii) On a fully diluted basis	(1.17) cent	(2.72) cents
Adjusted weighted average number of ordinary shares	342,024,763	342,024,763

7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:
(a) current financial period reported on; and
(b) immediately preceding financial year

	Group		Company	
	As At 31/12/2017	As At 31/12/2016	As At 31/12/2017	As At 31/12/2016
Net asset value per ordinary share based on issued share capital at the end of the period reported on (S\$)	0.55	0.57	0.67	0.66
Total number of issued shares, excluding treasury shares, at the end of the period reported on	342,024,763	342,024,763	342,024,763	342,024,763

- 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.**

PERFORMANCE REVIEW

Revenue of the Group increased by \$3.6 million from \$14.9 million in 2016 to \$18.5 million in 2017 mainly because of higher revenue recorded in the PVC pipes and fittings operation. Net loss decreased from \$9.0 million in 2016 to \$3.8 million in 2017 principally due to higher income from investment and lower administrative expenses.

Hotel and Property Operation

Hotel and property operation reported a decrease in revenue of \$0.3 million from \$4.2 million in 2016 to \$3.9 million in 2017 due mainly to the temporary closure of Suzhou hotel operation since January 2017 for redevelopment work. Loss of the operation decreased by \$2.3 million to \$3.7 million mainly because there was a provision of \$1.4 million for legal claims against Shanghai San Teh Xing and an impairment loss of \$0.8 million pertaining to the property, plant and equipment of Suzhou hotel recorded in 2016.

PVC Pipes and Fittings Operation

Revenue of the PVC pipes and fittings operation increased from \$10.7 million in 2016 to \$14.7 million in 2017 owing to higher sales quantity and selling price resulting from more projects secured to supply pipes and fittings. Despite the higher revenue, operating profit decreased from \$0.7 million in 2016 to \$0.2 million in 2017 because: (i) there was an one-off gain on disposal of subsidiary amounted to \$0.8 million recognized in 2016; and (ii) the substantial increase in raw material costs.

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

The Group's performance in the financial year 2017 is in line with our previous announcement.

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

Fun Mall, the shopping mall at the San Teh Commercial Plaza at Shanghai Anting, commenced business in December 2017. The Mall is now more than 80% let out.

The redevelopment work of Suzhou hotel has commenced in April 2017. The Hotel which will be operated under the Novotel franchise is targeted for re-opening in the second half of 2018.

With regards to the Nantong hotel, as the third party hotel operator has breached the contract and ceased the hotel operation in January 2016, the Group has decided to re-possess the hotel and operate it again. The Group is in discussion with a hotel management company for it to manage the hotel under an international hotel franchise.

Due to the challenging market conditions, the progress in securing tenants for the shopping mall at the Nantong hotel premise has been slow. The Group has recently engaged a real estate consultancy company as our marketing agent to secure new tenants.

The legal proceedings of Shanghai San Teh Xing and Dali San Teh Xing, and the arbitration proceeding of Nantong Hotel are still on-going.

The Group expects its PVC pipes and fittings operation to continue to face difficult business environment due to the keen competition and rising raw material costs.

11 Dividend

(a) Current Financial Period Reported On

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

Recommended First and Final Dividend

Name of Dividend	First and Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.3 cent per ordinary share
Tax Rate	Tax exempt (1-Tier)

(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 Share (in cents)	0.3 cent per ordinary share
Tax Rate	Tax exempt (1-Tier)

(c) Date payable

The date payable will be announced at a later date.

(d) Books closure date

The books closure date will be announced at a later date.

12 If no dividend has been declared/recommended, a statement to that effect

N/A

13 If the Group has obtained a general mandate from shareholders 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.

The Company did not obtain any general mandate from its shareholders for interested person transactions.

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

The Company confirms that it has procured undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 under Rule 720(1).

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

15 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

Period ended 31 December 2017

	Investment Holding S\$'000	Hotel and Property S\$'000	PVC Pipes and Fittings S\$'000	Others S\$'000	Elimination S\$'000	Total S\$'000
Revenue						
External sales	-	3,850	14,676	-	-	18,526
Intersegment sales	-	-	-	-	-	-
Total sales	-	3,850	14,676	-	-	18,526
Results						
Segment results	(755)	(3,684)	229	(37)	-	(4,247)
Interest income	496	779	21	296	(162)	1,430
Interest expense	-	(213)	(5)	-	162	(56)
Share of results of associate	(75)	-	-	-	-	(75)
(Loss)/Profit before tax	(334)	(3,118)	245	259	-	(2,948)
Income tax expense	(248)	(595)	37	(62)	-	(868)
(Loss)/Profit for the year	(582)	(3,713)	282	197	-	(3,816)
Assets						
Segment assets	235,068	173,369	23,282	21,788	(239,429)	214,078
Investment in associate	280	-	-	-	-	280
Total assets	235,348	173,369	23,282	21,788	(239,429)	214,358
Liabilities						
Segment liabilities	941	69,252	1,253	5,574	(58,125)	18,895
Income tax payable	106	76	-	84	-	266
Total liabilities	1,047	69,328	1,253	5,658	(58,125)	19,161
Other segment information						
Additions to property, plant and equipment	4	4,253	115	-	-	4,372
Additions to investment properties	-	1,874	-	-	-	1,874
Depreciation and amortisation	122	3,480	290	50	-	3,942
Foreign exchange losses/(gains)	2,106	(720)	-	-	-	1,386

Period ended 31 December 2016

	Investment Holding	Hotel and Property	PVC Pipes and Fittings	Others	Elimination	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue						
External sales	-	4,166	10,696	-	-	14,862
Intersegment sales	-	10	1,080	-	(1,090)	-
Total sales	-	4,176	11,776	-	(1,090)	14,862
Results						
Segment results	(3,559)	(5,974)	658	(32)	-	(8,907)
Interest income	532	279	89	289	(161)	1,028
Interest expense	-	(228)	-	-	161	(67)
Share of results of associate	(83)	-	-	-	-	(83)
(Loss)/Profit before tax	(3,110)	(5,923)	747	257	-	(8,029)
Income tax expense	(184)	(680)	(39)	(66)	-	(969)
(Loss)/Profit for the year	(3,294)	(6,603)	708	191	-	(8,998)
Assets						
Segment assets	232,494	178,055	22,600	21,918	(234,449)	220,618
Investment in associate	361	-	-	-	-	361
Deferred tax assets	-	168	-	-	-	168
Total assets	232,855	178,223	22,600	21,918	(234,449)	221,147
Liabilities						
Segment liabilities	861	63,427	569	5,629	(53,145)	17,341
Income tax payable	90	105	-	76	-	271
Total liabilities	951	63,532	569	5,705	(53,145)	17,612
Other segment information						
Additions to property, plant and equipment	13	238	10	-	-	261
Additions to property under development	-	281	-	-	-	281
Additions to investment properties	-	1,223	-	-	-	1,223
Depreciation and amortisation	148	3,580	349	50	-	4,127
Foreign exchange losses	766	775	-	-	-	1,541

16 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 paragraph 8 above.

17 A breakdown of sales

		Group		
		Year ended 31/12/2017	Year ended 31/12/2016	% Increase/ (Decrease)
		S\$'000	S\$'000	
(a)	Sales reported for first half year	8,208	7,467	9.92
(b)	Operating loss after tax before deducting non-controlling interests reported for first half year	(1,604)	(6,069)	(73.57)
(c)	Sales reported for second half year	10,318	7,395	39.53
(d)	Operating loss after tax before deducting non-controlling interests reported for second half year	(2,212)	(2,929)	(24.48)

18 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 31/12/2017 S\$'000	Previous full year 31/12/2016 S\$'000
Ordinary	1,026	1,026
Preference	-	-
Total:	<u>1,026</u>	<u>1,026</u>

19 Disclosure of person occupying a managerial position in the issuer or any of its principle subsidiaries who is a relative of a director or chief executive office 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
Kao Chuan Trong	39	Mr Kao Chuan Trong is the son of Mrs Kao Ching Fong nee Pan, the Director and substantial shareholder of the Company.	Mr Kao Chuan Trong was appointed as an Executive Director on 31 December 2007. He was appointed as the Managing Director on 1 March 2011. He oversees the operation of the Group.	Nil
Kao Chuan Chi	43	Mr Kao Chuan Chi is the son of Mrs Kao Ching Fong nee Pan, the Director and substantial shareholder of the Company.	Mr Kao Chuan Chi was appointed as an Executive Director on 13 July 2009. He was appointed as the Executive Chairman cum Chief Executive Officer (“CEO”) on 1 September 2014. He is responsible for the overall management, day-to-day operations, strategic direction and business development of the Group.	Nil
Chang Yen-Chun	43	Mr Chang Yen-Chun is the nephew of Mrs Kao Ching Fong nee Pan, the Director and substantial shareholder of the Company. He is also the cousin of Mr Kao Chuan Chi and Mr Kao Chuan Trong, the Executive Chairman cum CEO and Managing Director of the Company respectively.	Mr Chang Yen-Chun was appointed as the Deputy General Manager on 1 February 2013. He is responsible for the Administration Department of Dali San Teh Xing Real Estate Co., Ltd.	Nil

BY ORDER OF THE BOARD

LIM WEE TZIANG
COMPANY SECRETARY
28 February 2018