



HAFARY HOLDINGS LIMITED

合發利控股有限公司

Company Registration No. 200918637C

Registered Address: 105 Eunos Avenue 3, Hafary Centre, Singapore 409836

Unaudited Financial Statements and Dividend Announcement For the 3 Months ("4Q2016") and Full Year ("12M2016") Ended 31 December 2016

Item No.	Contents	Page No.
1	Statement of Comprehensive Income	2 - 3
1	Statement of Financial Position	4
1	Borrowings	5
1	Statement of Cash Flows	6
1	Statement of Changes in Equity	7 - 8
1	Details of Changes in Share Capital	9
2 - 3	Audit Statement	10
4 - 5	Changes in Accounting Policies	10
6	Earnings Per Ordinary Share ("EPS")	11
7	Net Asset Value ("NAV")	12
8	Review of Performance	13 - 18
9	Variance from Prospect Statement	19
10	Significant Trends and Competitive Conditions	19
11 - 12	Dividend	20
13	Interested Persons Transactions	20
14 - 16	Segmental Revenue and Results	21 - 23
17	Annual Dividend	24
18	Disclosure of Person Occupying a Managerial Position	24
19	Confirmation Pursuant to Rule 720(1) of the Listing Manual	24

HAFARY HOLDINGS LIMITED

For the Financial Year Ended 31 December 2016

1(a)(i) Statement of comprehensive income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group			Group		
	Unaudited 4Q2016	Unaudited 4Q2015	Increase/ (Decrease)	Unaudited 12M2016	Unaudited 12M2015	Increase/ (Decrease)
	(3 months) S\$'000	(3 months) S\$'000	(Decrease) %	(12 months) S\$'000	(12 months) S\$'000	(Decrease) %
Revenue	30,714	32,390	(5.2)	109,635	122,714	(10.7)
Dividend Income	-	-	N.M	12	23	(47.8)
Interest Income	14	14	-	66	70	(5.7)
Other Gains	273	387	(29.5)	533	346	54.0
Changes in Inventories of Finished Goods	2,212	(407)	N.M	4,370	4,715	(7.3)
Purchases and Related Expenses	(20,524)	(19,366)	6.0	(69,632)	(79,715)	(12.6)
Employee Benefits Expenses	(4,704)	(4,253)	10.6	(17,648)	(15,966)	10.5
Depreciation Expense	(1,496)	(845)	77.0	(4,357)	(3,343)	30.3
Impairment Losses	(580)	(484)	19.8	(1,039)	(1,452)	(28.4)
Other Losses	(497)	(475)	4.6	(591)	(1,382)	(57.2)
Finance Costs	(825)	(737)	11.9	(2,717)	(2,713)	0.1
Other Expenses	(2,772)	(2,932)	(5.5)	(11,062)	(10,893)	1.6
Share of Profit from an Equity-Accounted Associate	948	645	47.0	1,899	1,252	51.7
Share of Profit from an Equity-Accounted Joint Venture	91	110	(17.3)	33	95	(65.3)
Profit Before Tax	2,854	4,047	(29.5)	9,502	13,751	(30.9)
Income Tax (Expense) Income	(604)	3,273	N.M	(1,593)	1,986	N.M
Profit, Net of Tax	2,250	7,320	(69.3)	7,909	15,737	(49.7)
Other Comprehensive Income (Loss):						
Items that may be reclassified subsequently to Profit or Loss:						
Exchange Differences on Translating Foreign Operations, Net of Tax	359	(250)	N.M	(607)	208	N.M
Other Comprehensive Income (Loss) for the Period, Net of Tax	359	(250)	N.M	(607)	208	N.M
Total Comprehensive Income	2,609	7,070	(63.1)	7,302	15,945	(54.2)
Profit, Net of Tax Attributable to:						
- Owners of the Parent	2,725	7,073	(61.5)	8,170	14,691	(44.4)
- Non-Controlling Interests	(475)	247	N.M	(261)	1,046	N.M
	2,250	7,320	(69.3)	7,909	15,737	(49.7)
Total Comprehensive Income Attributable to:						
- Owners of the Parent	3,084	6,823	(54.8)	7,563	14,899	(49.2)
- Non-Controlling Interests	(475)	247	N.M	(261)	1,046	N.M
	2,609	7,070	(63.1)	7,302	15,945	(54.2)

Notes:

(1) N.M = Not meaningful.

(2) 12M2015 = Financial period of 12 months ended 31 December 2015.

The 3-month period results ended 31 December 2015 is consolidated in the 18-month period results ended 31 December 2015.

The 12-month period results ended 31 December 2015, which is computed by deducting the results of the 6-month period ended 31 December 2014 (from 1 July 2014 to 31 December 2014) to that of 18-month period ended 31 December 2015, is presented for comparative purposes.

HAFARY HOLDINGS LIMITED

For the Financial Year Ended 31 December 2016

1(a)(ii) Profit, Net of Tax and Total Comprehensive Income is arrived after crediting/ (charging) the following:

	Group			Group		
	Unaudited 4Q2016	Unaudited 4Q2015	Increase/ (Decrease)	Unaudited 12M2016	Unaudited 12M2015	Increase/ (Decrease)
	(3 months) S\$'000	(3 months) S\$'000	(Decrease) %	(12 months) S\$'000	(12 months) S\$'000	(Decrease) %
Interest Expense on Borrowings	(825)	(737)	11.9	(2,717)	(2,713)	0.1
Interest Income on Borrowings	14	14	-	66	70	(5.7)
Depreciation Expense	(1,496)	(845)	77.0	(4,357)	(3,343)	30.3
Allowance for Impairment of Trade Receivables	(419)	(143)	193.0	(567)	(531)	6.8
Bad Debts Recovered - Trade Receivables	-	17	N.M	40	27	48.1
Bad Debts Written Off - Trade Receivables	(47)	(135)	N.M	(40)	(141)	(71.6)
Other Assets Written Off	-	(1)	N.M	-	(1)	N.M
Net Allowance for Impairment of Inventories	(114)	(222)	(48.6)	(472)	(806)	(41.4)
Foreign Exchange Adjustment (Losses) Gain	(191)	314	N.M	(285)	(930)	(69.4)
Fair Value Gains on Derivative Financial Instruments	235	21	N.M	248	141	75.9
Fair Value Loss on Other Financial Asset	(306)	(454)	(32.6)	(306)	(454)	(32.6)
Adjustment for (Under) Over Provision of Tax in respect of Prior Years	(53)	4,051	N.M	(48)	4,051	N.M
Gains (Loss) on Disposal of Property, Plant and Equipment	10	(13)	N.M	16	3	433.3
Dividend Income	-	-	N.M	12	23	(47.8)

HAFARY HOLDINGS LIMITED

For the Financial Year Ended 31 December 2016

1(b)(i) 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	
	Unaudited 31 December 2016 S\$'000	Audited 31 December 2015 S\$'000	Unaudited 31 December 2016 S\$'000	Audited 31 December 2015 S\$'000
ASSETS				
Non-Current Assets:				
Property, Plant and Equipment	114,371	97,871	234	301
Other Asset	4,597	4,950	-	-
Investments in Subsidiaries	-	-	9,239	9,239
Investment in Associate	7,088	5,384	-	-
Investment in Joint Venture	272	318	-	-
Investment Property	4,265	-	-	-
Other Financial Assets	2,569	2,971	488	793
Total Non-Current Assets	133,162	111,494	9,961	10,333
Current Assets:				
Inventories	50,876	46,979	-	-
Trade and Other Receivables	33,615	43,223	26,864	27,055
Derivative Financial Instruments	292	44	-	-
Other Assets	4,250	3,801	4	10
Other Financial Asset	656	-	-	-
Cash and Cash Equivalents	4,438	8,531	30	26
Total Current Assets	94,127	102,578	26,898	27,091
Total Assets	227,289	214,072	36,859	37,424
EQUITY AND LIABILITIES				
Equity:				
Share Capital	26,634	26,634	26,634	26,634
Retained Earnings (Accumulated Losses)	27,204	23,324	(243)	(189)
Other Reserves	337	829	234	119
Equity, Attributable to Owners of the Parent	54,175	50,787	26,625	26,564
Non-Controlling Interests	3,552	4,011	-	-
Total Equity	57,727	54,798	26,625	26,564
Non-Current Liabilities:				
Deferred Tax Liabilities	509	383	-	-
Other Financial Liabilities	90,039	65,868	88	121
Total Non-Current Liabilities	90,548	66,251	88	121
Current Liabilities:				
Provision	523	525	-	-
Income Tax Payable	1,651	3,648	1	4
Trade and Other Payables	22,160	30,182	10,112	10,704
Other Financial Liabilities	53,658	57,773	33	31
Other Liabilities	1,022	895	-	-
Total Current Liabilities	79,014	93,023	10,146	10,739
Total Liabilities	169,562	159,274	10,234	10,860
Total Equity and Liabilities	227,289	214,072	36,859	37,424

HAFARY HOLDINGS LIMITED

For the Financial Year Ended 31 December 2016

1(b)(ii) Aggregate amount of the Group's borrowings and debt securities as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year.**Amount repayable in one year or less, or on demand**

	Group			
	Unaudited		Audited	
	As at 31 December 2016		As at 31 December 2015	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Bank Loans	29,399	-	29,067	-
Trust Receipts and Bills Payable to Banks	23,733	-	28,415	-
Finance Lease Liabilities	526	-	291	-
	53,658	-	57,773	-

Amount repayable after one year

	Group			
	Unaudited		Audited	
	As at 31 December 2016		As at 31 December 2015	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Bank Loans	89,380	-	65,544	-
Finance Lease Liabilities	659	-	324	-
	90,039	-	65,868	-

Details of collaterals relating to the above borrowingsBank Loans

These are covered by:

- (a) corporate guarantees given by Hafary Holdings Limited and a subsidiary;
- (b) secured by first legal mortgage over leasehold properties; and
- (c) legal assignment of current and future rental proceeds and insurance proceeds in respect of a leasehold property.

Borrowing drawn down in relation to the acquisition and development of leasehold property at 18 Sungei Kadut Street 2, Sungei Kadut Industrial Estate, Singapore 729236 is secured by first legal mortgage over the leasehold property and the proposed development to the erected thereon into a 7-storey building of a subsidiary. It is also covered by joint and several corporate guarantees from Hafary Holdings Limited and a subsidiary, personal guarantees from a director and a substantial shareholder.

Borrowings drawn down in relation to acquisition of freehold property at 532 Balestier Road Singapore 329859 is secured by first legal mortgage over the freehold property of a subsidiary. It is also covered by corporate guarantee from Hafary Holdings Limited and personal guarantee from a director.

Trust Receipts and Bills Payable to Banks

These are covered by corporate guarantees given by Hafary Holdings Limited.

HAFARY HOLDINGS LIMITED

For the Financial Year Ended 31 December 2016

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

	Group		Group	
	Unaudited 4Q2016	Unaudited 4Q2015	Unaudited 12M2016	Unaudited 12M2015
	(3 months) S\$'000	(3 months) S\$'000	(12 months) S\$'000	(12 months) S\$'000
Cash Flows From Operating Activities				
Profit Before Income Tax	2,854	4,047	9,502	13,751
Adjustment for:				
Interest Expense	825	737	2,717	2,713
Interest Income	(14)	(14)	(66)	(70)
Dividend income	-	-	(12)	(23)
Share of Profit from Associate	(948)	(645)	(1,899)	(1,252)
Share of Profit from Joint Venture	(91)	(110)	(33)	(95)
Equity-Settled Share-Based Expense	31	119	115	119
Depreciation of Investment Property	11	-	11	-
Depreciation of Property, Plant and Equipment	1,451	823	4,211	3,224
Depreciation of Other Asset	34	22	135	119
(Gain) Loss on Disposal of Property, Plant and Equipment	(10)	13	(16)	(3)
Gain on Disposal of Subsidiary	-	-	-	-
Fair Value Loss on Other Financial Asset	306	454	306	454
Fair Value Gain on Derivative Financial Instruments	(235)	(21)	(248)	(141)
Net Effect of Exchange Rate Changes in Consolidating Subsidiaries	97	(25)	(10)	(215)
Operating Cash Flows Before Changes in Working Capital	4,311	5,400	14,713	18,581
Inventories	(1,998)	623	(3,898)	(3,915)
Trade and Other Receivables	1,171	750	9,570	(9,035)
Other Assets	(560)	(41)	(449)	3,788
Cash Restricted in Use	-	-	-	-
Provision	(26)	116	(2)	(60)
Trade and Other Payables	4,060	3,984	1,373	3,866
Other Liabilities	287	(858)	127	77
Net Cash Flows From Operations	7,245	9,974	21,434	13,302
Income Taxes Paid (Refund)	(603)	13	(3,464)	(574)
Net Cash Flows From Operating Activities	6,642	9,987	17,970	12,728
Cash Flows From Investing Activities				
Purchase of Property, Plant and Equipment	(3,120)	(6,949)	(30,382)	(25,105)
Purchase of Investment Property	-	-	(4,279)	-
Progress Payments Received from Sale of Development Property	-	-	-	-
Proceeds from Disposal of Property, Plant and Equipment	10	4	27	359
Proceeds from Disposal of Subsidiary	-	-	-	-
Loan to Associate	-	-	-	-
Dividend Received from Joint Venture	30	15	79	60
Dividend Income from Associate	194	222	194	222
Dividend Received	-	-	12	23
Interest Received	87	1	103	62
Purchase of Other Asset, Non-Current	-	-	-	-
Investment in Other Financial Assets	(656)	-	(656)	(2,162)
Net Cash Flows Used in Investing Activities	(3,455)	(6,707)	(34,902)	(26,541)
Cash Flows From Financing Activities				
Dividends Paid to Equity Owners	(2,145)	(2,145)	(4,290)	(4,290)
Dividends Paid to Non-Controlling Interests	-	(326)	(348)	(326)
Capital Contribution from Non-Controlling Interests	-	-	150	-
Increase (Decrease) in Trust Receipts and Bills Payable	2,646	(725)	(4,682)	1,258
Net Amount Due to Related Parties	-	1,052	1,681	1,052
Repayment of Finance Lease Liabilities	(145)	(72)	(445)	(384)
Increase from New Borrowings	1,214	4,198	32,048	25,781
Repayment of Bank Loans	(3,948)	(722)	(7,881)	(3,565)
Interest Expense Paid	(832)	(697)	(3,350)	(2,505)
Decrease in Cash Restricted in Use	-	-	-	-
Net Cash Flows (Used in) From Financing Activities	(3,210)	563	12,883	17,021
Net (Decrease) Increase in Cash and Cash Equivalents	(23)	3,843	(4,049)	3,208
Net Effect of Exchange Rate Changes on Cash and Cash Equivalents	67	26	(44)	65
Cash and Cash Equivalents, Beginning Balance	4,394	4,662	8,531	5,258
Cash and Cash Equivalents, Ending Balance	4,438	8,531	4,438	8,531

HAFARY HOLDINGS LIMITED

For the Financial Year Ended 31 December 2016

1(d)(i) 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	Total Equity S\$'000	Attributable to Parent Subtotal S\$'000	Share Capital S\$'000	Retained Earnings S\$'000	Other Reserves (Note 1) S\$'000	Non- Controlling Interests S\$'000
Current Period (Unaudited):						
Opening Balance at 1 January 2016	54,798	50,787	26,634	23,324	829	4,011
Total Comprehensive (Loss) Income for the Period	(433)	(514)	-	188	(702)	81
Equity-Settled Share-Based Expenses	24	24	-	-	24	-
Closing Balance at 31 March 2016	54,389	50,297	26,634	23,512	151	4,092
Total Comprehensive Income for the Period	2,426	2,262	-	2,517	(255)	164
Capital contribution by Non Controlling interest	150	-	-	-	-	150
Equity-Settled Share-Based Expenses	30	30	-	-	30	-
Dividends Paid (Note 2)	(2,145)	(2,145)	-	(2,145)	-	-
Dividends Paid to Non-Controlling Interests	(348)	-	-	-	-	(348)
Closing Balance at 30 June 2016	54,502	50,444	26,634	23,884	(74)	4,058
Total Comprehensive Income (Loss) for the Period	2,700	2,731	-	2,740	(9)	(31)
Equity-Settled Share-Based Expenses	30	30	-	-	30	-
Closing Balance at 30 September 2016	57,232	53,205	26,634	26,624	(53)	4,027
Total Comprehensive Income (Loss) for the Period	2,609	3,084	-	2,725	359	(475)
Equity-Settled Share-Based Expenses	31	31	-	-	31	-
Dividends Paid (Note 2)	(2,145)	(2,145)	-	(2,145)	-	-
Closing Balance at 31 December 2016	57,727	54,175	26,634	27,204	337	3,552
Previous Period (Unaudited):						
Opening Balance at 1 January 2015	43,350	40,059	26,634	12,923	502	3,291
Total Comprehensive Income for the Period	1,673	1,506	-	1,125	381	167
Closing Balance at 31 March 2015	45,023	41,565	26,634	14,048	883	3,458
Total Comprehensive Income (Loss) for the Period	4,249	3,909	-	4,135	(226)	340
Dividends Paid (Note 2)	(2,145)	(2,145)	-	(2,145)	-	-
Closing Balance at 30 June 2015	47,127	43,329	26,634	16,038	657	3,798
Total Comprehensive Income for the Period	2,953	2,661	-	2,358	303	292
Closing Balance at 30 September 2015	50,080	45,990	26,634	18,396	960	4,090
Total Comprehensive Income (Loss) for the Period	7,070	6,823	-	7,073	(250)	247
Equity-Settled Share-Based Expenses	119	119	-	-	119	-
Dividends Paid (Note 2)	(2,145)	(2,145)	-	(2,145)	-	-
Dividends Paid to Non-Controlling Interests	(326)	-	-	-	-	(326)
Closing Balance at 31 December 2015	54,798	50,787	26,634	23,324	829	4,011

HAFARY HOLDINGS LIMITED

For the Financial Year Ended 31 December 2016

1(d)(i) 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.

COMPANY	Total Equity S\$'000	Share Capital S\$'000	Retained Earnings S\$'000	Other Reserves (Note 1) S\$'000
Current Period (Unaudited):				
Opening Balance at 1 January 2016	26,564	26,634	(189)	119
Total Comprehensive Income for the Period	2,336	-	2,336	-
Equity-Settled Share-Based Expenses	24	-	-	24
Closing Balance at 31 March 2016	28,924	26,634	2,147	143
Total Comprehensive Income for the Period	7	-	7	-
Equity-Settled Share-Based Expenses	30	-	-	30
Dividends Paid (Note 2)	(2,145)	-	(2,145)	-
Closing Balance at 30 June 2016	26,816	26,634	9	173
Total Comprehensive Income for the Period	2,183	-	2,183	-
Equity-Settled Share-Based Expenses	30	-	-	30
Closing Balance at 30 September 2016	29,029	26,634	2,192	203
Total Comprehensive Loss for the Period	(290)	-	(290)	-
Equity-Settled Share-Based Expenses	31	-	-	31
Dividends Paid (2)	(2,145)	-	(2,145)	-
Closing Balance at 31 December 2016	26,625	26,634	(243)	234
Previous Period (Unaudited):				
Opening Balance at 1 January 2015	26,776	26,634	142	-
Total Comprehensive Income for the Period	2,168	-	2,168	-
Closing Balance at 31 March 2015	28,944	26,634	2,310	-
Total Comprehensive Income for the Period	71	-	71	-
Dividends Paid (2)	(2,145)	-	(2,145)	-
Closing Balance at 30 June 2015	26,870	26,634	236	-
Total Comprehensive Income for the Period	2,151	-	2,151	-
Closing Balance at 30 September 2015	29,021	26,634	2,387	-
Total Comprehensive Loss for the Period	(431)	-	(431)	-
Equity-Settled Share-Based Expenses	119	-	-	119
Dividends Paid (2)	(2,145)	-	(2,145)	-
Closing Balance at 31 December 2015	26,564	26,634	(189)	119

Note:

Other Reserves	Group		Company	
	31 December 2016 S\$'000	31 December 2015 S\$'000	31 December 2016 S\$'000	31 December 2015 S\$'000
Foreign currency translation reserve	103	710	-	-
Equity-settled share based compensation reserve	234	119	234	119
	337	829	234	119

Dividends on Equity Shares	Unaudited 12M2016 S\$'000	Unaudited 12M2015 S\$'000

Interim tax exempt (1-tier) dividend paid of:

- 0.5 cent per share on total number of issued ordinary shares of 429,000,000	2,145	2,145
- 0.5 cent per share on total number of issued ordinary shares of 429,000,000	2,145	2,145
	<u>4,290</u>	<u>4,290</u>

HAFARY HOLDINGS LIMITED

For the Financial Year Ended 31 December 2016

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.

	Company			
	Unaudited 4Q2016		Unaudited 4Q2015	
	No. of Shares	S\$'000	No. of Shares	S\$'000
Total number of shares at the beginning and end of the period	429,000,000	26,634	429,000,000	26,634

The Company has no outstanding convertibles or treasury shares as at 31 December 2016 and 31 December 2015.

On 1 August 2014, Awards under the Hafary Performance Share Plan ("Hafary PSP") comprising 1,550,000 ordinary shares were granted to certain Group Executives who are not Executive Directors or Independent Directors. This grant of Awards and the details was announced via SGXNET on 1 August 2014. The Awards will be released subject to terms and conditions of the Hafary PSP being met during the Performance Period of three years. In 2015, 250,000 of performance shares were cancelled under the plan.

On 1 March 2016, Awards under the Hafary Performance Share Plan ("Hafary PSP") comprising 250,000 ordinary shares were granted to a Group Executive who is not Executive Director or Independent Director. This grant of Awards and the details was announced via SGXNET on 1 March 2016. The Awards will be released subject to terms and conditions of the Hafary PSP being met during the Performance Period of 16 months.

1(d)(iii) 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.

Company	
Unaudited 31 December 2016	Audited 31 December 2015
429,000,000	429,000,000

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

The Company has no treasury shares as at 31 December 2016 and there were no sale transfer, disposal, cancellation and/ or use of treasury shares during 4Q2016.

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' report (including any qualifications or emphasis of a

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 had adopted the new and/or revised Financial Reporting Standards (the "FRS") and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 January 2016. Changes to the Group's accounting policies have been made in accordance with the transitional provisions in the respective FRS and INT FRS. The adoption of the new and/or revised FRS and INT FRS did not result in any substantial changes or significant impact on the Group's financial statements.

Except for the above, the Group has adopted the same accounting policies and methods of computation as presented in the audited financial statements of the Group for the reporting year ended 31 December 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.

As mentioned above, changes to the Group's accounting policies have been made in accordance with the transitional provisions in the respective FRS and INT FRS. The adoption of the new and/or revised FRS and INT FRS did not result in any substantial changes or significant impact on the Group's financial statements.

HAFARY HOLDINGS LIMITED

For the Financial Year Ended 31 December 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.

Earnings per ordinary shares ("EPS") for the period based on profit, net of tax and total comprehensive income attributable to owners of the parent:

	Group		Group	
	Unaudited 4Q2016 (3 months)	Unaudited 4Q2015 (3 months)	Unaudited 12M2016 (12 months)	Unaudited 12M2015 (12 months)
Earnings per ordinary share				
(a) Basic	0.64 cents	1.65 cents	1.90 cents	3.42 cents
(b) On a fully diluted basis	0.63 cents	1.65 cents	1.90 cents	3.42 cents

Basic earnings per share ratio is calculated by dividing profit, net of tax attributable to owners of the parent by the weighted average number of ordinary shares outstanding during each reporting year.

Diluted earnings per share is calculated by dividing profit, net of tax attributable to owners of the parent by the weighted average number of ordinary shares outstanding during each reporting year and the weighted average number of ordinary shares that would be issued on the conversion of all share options (potential dilutive ordinary shares) into ordinary shares.

HAFARY HOLDINGS LIMITED

For the Financial Year Ended 31 December 2016

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

	Group		Company	
	31 December 2016	31 December 2015	31 December 2016	31 December 2015
Net asset value per ordinary share based on the total number of share in issue	12.6 cents	11.8 cents	6.2 cents	6.2 cents

Note:

Net asset value per ordinary share is calculated based on 429,000,000 ordinary shares as at 31 December 2016 and 31 December 2015.

8 A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business., including 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.**

8(a) Material factors that affected turnover, costs and earnings

Revenue

For 4Q2016, the Group registered a revenue of S\$30.7 million compared to S\$32.4 million during 4Q2015. For 12 months ended, the Group registered a revenue of S\$109.6 million during 12M2016 compared to S\$122.7 million during 12M2015.

General segment

For 3 months ended, revenue from the general segment (where customers include home-owners, architecture, interior design and renovation firms) increased by S\$1.6million or 10.0% from S\$15.6 million during 4Q2015 to S\$ 17.2 million during 4Q2016. For 12 months ended, revenue from general segment decreased by S\$0.1 million or 0.1% from S\$56.2 million during 12M2015 to S\$56.1 million during 12M2016.

Project segment

For 3 months ended, revenue from the project segment (where customers include architecture firms, property developers and construction companies) decreased by S\$3.3 million or 20.3% from S\$16.2 million during 4Q2015 to S\$12.9 million during 4Q2016. For 12 months ended, revenue from project segment decreased by S\$13.0 million or 20% from S\$63.9 million during 12M2015 to S\$50.9 million during 12M2016.

Other Gains

For 3 months ended 31 December 2016, other gains comprised mainly of fair value gain on derivative financial instruments of S\$0.2 million. Other gains during 12M2016 mainly comprised of government grant income of S\$0.2 million and fair value gain on derivative on financial instruments of S\$0.2 million.

For 3 months ended 31 December 2015, other gains comprised mainly of foreign exchange adjustments gains of S\$0.3 million. Other gains during 12M2015 mainly comprised of government grant income of S\$0.2 million and fair value gain on derivative financial instruments of S\$0.1 million.

Cost of Sales

Cost of sales is computed based on purchases and related expenses net of changes in inventories of finished goods for the respective financial years.

For 3 months ended, cost of sales decreased by S\$1.5 million or 7.4% from S\$19.8 million during 4Q2015 to S\$18.3 million during 4Q2016. For 12 months ended, cost of sales decreased by S\$9.7 million or 13.0% from S\$75.0 million during 12M2015 to S\$65.3 million in 12M2016.

The gross profit margin (based on revenue from sale of goods (excluding rental and other income), purchase cost of goods and related costs, without taking into account labour costs and overheads) of 39.1% for 4Q2016 (12M2016: 39.1%) has improved slightly compared to 37.8% for 4Q2015 (12M2015: 37.6%).

8(a) Material factors that affected turnover, costs and earnings (Continued)**Employee Benefits Expenses**

For 3 months ended, employee benefits expenses increased by S\$0.4 million or 10.6% from S\$4.3 million during 4Q2015 to S\$4.7 million during 4Q2016. For 12 months ended, employee benefits expenses increased by S\$1.6 million or 10.5% from S\$16.0 million during 12M2015 to S\$17.6 million during 12M2016.

The increase was mainly due to annual salary increment with effect from July 2016, overtime expenses incurred and increase in headcount in view of the increased scope of business of the Group.

As at the end of 12M2016, the Group had 320 employees (including directors) (12M2015: 298).

Depreciation Expense

For 3 months ended, depreciation expense increased by S\$0.7 million or 77% from S\$0.8 million during 4Q2015 to S\$1.5 million during 4Q2016. For 12 months ended, depreciation expense increased by S\$1.0 million or 30.3% from S\$3.3 million during 12M2015 to S\$4.3 million during 12M2016. The increase was mainly due to commencement of depreciation of 18 Sungei Kadut Street 2 after development of the premise was completed in August 2016.

Impairment Losses

For 3 months ended, impairment losses increased by S\$0.1 million or 19.8% from S\$0.5 during 4Q2015 to S\$0.6 million during 4Q2016. For 12 months ended, impairment losses decreased by S\$0.4 million or 28.4% from S\$1.5 million during 12M2015 to S\$1.1 million during 12M2016.

The impairment losses mainly comprised of allowance for impairment of inventories and trade receivables.

Other Losses

For 3 months ended 2016, other losses comprised mainly of foreign exchange adjustments losses amounting to S\$0.2 million and fair value losses on financial asset amounting to S\$0.3 million. For 12M2016, other losses mainly comprised of foreign exchange adjustments losses amounting to S\$0.3 million and fair value losses on financial asset amounting to S\$0.3 million.

For 3 months ended 2015, other losses comprised mainly of fair value loss on financial asset amounting to S\$0.5 million. For 12M2015, other losses mainly comprised of foreign exchange adjustments losses of S\$0.9 million and fair value losses on financial asset amounting to S\$0.5 million.

Finance Costs

For 3 months ended, finance costs increased by S\$0.1 million or 11.9% from S\$0.7 million during 4Q2015 to S\$0.8 million during 4Q2016. For 12 months ended, finance costs remain constant at S\$2.7 million during 12M2015 and 12M2016.

Other Expenses

For 3 months ended, other expenses decrease by S\$0.2 million or 5.5% from S\$2.9 million during 4Q2015 to S\$2.7 million during 4Q2016. For 12 months ended, other expenses increased by S\$0.2 million or 1.6% from S\$10.9 million during 12M2015 to S\$11.1 million during 12M2016.

8(a) Material factors that affected turnover, costs and earnings (Continued)**Share of Profit from an Equity-Accounted Associate**

For 4Q2016, share of profit from associate, VCI, amounted to S\$0.9 million (4Q2015: S\$0.6 million). For 12M2016, share of profit from associate amounted to S\$1.9 million (12M2015: S\$1.3 million). The increase in share of profit is due to improved financial performance of VCI on the back of a better economic climate and increased construction activities in Vietnam.

Share of Profit from an Equity-Accounted Joint Venture

For 4Q2016, share of profit from joint venture, Melmer Stoneworks Pte. Ltd. ("MSPL"), amounted to S\$0.1 million (4Q2015: S\$0.1 million). For 12M2016, share of profit from joint venture amounted to S\$33,000 (12M2015: S\$95,000).

Profit Before Income Tax

For 3 months ended, profit before income tax decreased by S\$1.2 million or 29.5% from S\$4.1 million during 4Q2015 to S\$2.9 million during 4Q2016. For 12 months ended, profit before income tax decreased by S\$4.2 million or 30.9% from S\$13.7 million during 12M2015 to S\$9.5 million 12M2016.

The lower profit before income tax for 4Q2016 and 12M2016 was largely due to decrease in revenue and increase in employee benefits expenses and depreciation expense. Excluding share of profits from associate and joint venture amounting to S\$1.0 million (4Q2015: S\$0.8 million), profit before income tax generated from recurring activities was S\$1.9 million for 4Q2016 (4Q2015: S\$3.3 million). Excluding share of profits from associate and joint venture amounting to S\$1.9 million (12M2015: S\$1.3 million), profit before income tax generated from recurring activities was S\$7.6 million for 12M2016 (12M2015: S\$12.4 million).

Other Comprehensive Income

This pertained to foreign exchange difference on translating foreign operations.

Income Tax Expense

The effective tax rate (excluding deferred tax, share of results from equity-accounted associate and joint venture) for 4Q2016 was 28.9% (4Q2015: 18.7%). The effective tax rate for 12M2016 and 12M2015 were 18.7% and 16.2% respectively. The income tax income for 12M2015 was mainly due to the finalisation of tax submission for certain years of assessments.

HAFARY HOLDINGS LIMITED

For the Financial Year Ended 31 December 2016

8(b) Material factors that affected cash flow, working capital, assets or liabilities

Non-Current Assets

Non-current assets increased by S\$21.6 million or 19.4% from S\$111.5 million as at 31 December 2015 to S\$133.1 million as at 31 December 2016.

Property, plant and equipment increased by S\$16.4 million from S\$97.9 million as at 31 December 2015 to S\$114.3 million as at 31 December 2016. The increase was mainly due to:

- a) Construction cost and capitalisation of land rents, property tax and borrowing costs during redevelopment to leasehold property at 18 Sungei Kadut Street 2 amounting to S\$18.6 million;
- b) Addition of plant and equipment amounting to S\$1.7 million; and
- c) Addition of motor vehicles amounting to S\$0.6 million.

The above increase in property, plant and equipment was partially offset by depreciation expense amounting to S\$4.3 million and foreign exchange loss adjustment amounting to S\$0.3 million.

During the year, a subsidiary, Hafary Balestier Showroom Pte Ltd, was incorporated and purchased a freehold property at 532 Balestier Road Singapore 329859 for S\$4.3 million (inclusive of stamp duty). The property is classified under investment property.

The decrease in other asset (Land use rights relating to leasehold land in Foshan, China) amounting to S\$0.3 million was due to foreign exchange loss adjustment of S\$0.2 million and amortisation expense of S\$0.1 million.

The increase in investment in associate amounting to S\$1.7 million pertained to share of profits of S\$1.9 million from VCI during 12M2016 and partially offset by dividend of S\$0.2 million paid.

Other financial assets decreased by S\$0.4 million from S\$3.0 million as at 31 December 2015 to S\$2.6 million as at 31 December 2016. The decrease was due to fair value loss on quoted investment of S\$0.3 million and foreign exchange loss adjustment of S\$0.1 million.

Current Assets

Current assets decreased by S\$8.5 million or 8.2% from S\$102.6 million as at 31 December 2015 to S\$94.1 million as at 31 December 2016.

The decrease was mainly due to decrease in trade and other receivables by S\$9.6 million and cash and cash equivalents by S\$4.1 million. The above decrease in current assets was partially offset by an increase in inventories amounting to S\$3.9 million, other financial asset amounting to S\$0.7 million, other assets amounting to S\$0.4 million and derivative financial instruments of S\$0.2 million.

Trade receivables turnover as at 31 December 2016 is 103 days compared to 121 days as at 31 December 2015. Inventory turnover day as at 31 December 2016 is 285 days compared to 235 days as at 31 December 2015.

Non-Current Liabilities

Non-current liabilities increased by S\$24.3 million or 36.7% from S\$66.3 million as at 31 December 2015 to S\$90.6 million as at 31 December 2016.

Other financial liabilities (non-current) increased by S\$24.1 million mainly due to proceeds from drawdown of loans pertaining to development of World Furnishing Hub and acquisition of 532 Balestier Road.

8(b) Material factors that affected cash flow, working capital, assets or liabilities (Continued)

Current Liabilities

Current liabilities decreased by S\$14.0 million or 15.1% from S\$93.0 million as at 31 December 2015 to S\$79.0 million as at 31 December 2016.

The decrease was mainly attributable to decrease in trade and other payables by S\$8.0 million, other financial liabilities by S\$4.1 million and income tax payable by S\$2.0 million which was partially offset against the increase in other liabilities of S\$0.1 million.

Total amount of trade payables and trust receipts and bills payable to banks was S\$38.2 million (31 December 2015: S\$54.0 million). The turnover of the aforesaid items (based on cost of sales) is 190 days as at 31 December 2016 (31 December 2015: 202 days).

The decrease in other financial liabilities was mainly due to decrease in trust receipts and bills payable to banks by S\$4.7 million and net proceed from loan amounting to S\$0.6 million.

Other Reserves

This pertained to foreign exchange difference on translating foreign operations and equity-settled share-based compensation reserve.

8(b) Material factors that affected cash flow, working capital, assets or liabilities (Continued)Cash Flows Review**12M2016**

Net cash flows from operating activities was S\$18.0 million due to operating cash flows before working capital changes of S\$14.7 million and net cash flows from working capital of S\$6.7 million and income taxes paid of S\$3.4 million. The net cash flows from working capital of S\$6.7 million was mainly attributable to a decrease in trade and other receivables of S\$9.6 million, and increase in trade and other payables of S\$1.4 million and decrease in other assets of S\$ 0.1 million. This was partially offset by increase in inventories of S\$3.9 million and increase in other assets of S\$0.5 million.

Net cash flows used in investing activities amounting to S\$34.9 million for 12M2016 was attributable to cash outflows of S\$30.4 million for purchase of property, plant and equipment, S\$4.3 million for purchase of investment property and S\$0.6 million for investment in other financial asset. This was slightly offset by dividend and interest received of S\$0.4 million.

Net cash flows from financing activities amounting to S\$12.9 million for 12M2016 was mainly attributable by the proceeds from new bank loans of S\$32.0 million, amount due to related parties of S\$1.7 million and capital contribution from non-controlling interests of S\$0.1 million.

This was partially offset by the followings:

- a) Repayment of bank loans of S\$7.8 million;
- b) Decrease in trust receipt and bills payables of S\$4.7 million;
- c) Dividend paid to equity owners and non-controlling interests of S\$4.6 million;
- d) Repayment of finance lease liabilities of S\$0.4 million; and
- e) Interest expenses paid of S\$3.4 million.

As a result of the above, there was a net decrease of S\$4.0 million in cash and cash equivalents for 12M2016. Cash and cash equivalents as at 31 December 2016 was S\$4.4 million.

4Q2016

Net cash flows from operating activities was S\$6.6 million due to operating cash flows before working capital changes of S\$4.3 million and net cash flows from working capital of S\$2.9 million and income taxes paid of S\$0.6 million. The net cash flows from working capital of S\$2.9 million was mainly attributable to an increase in trade and other payables of S\$4.0 million, decrease in trade and other receivables of S\$1.2 million, and increase in other liabilities of S\$0.3 million. This was partially offset by a decrease in inventories of S\$2.0 million and decrease in other assets of S\$0.6 million.

Net cash flows used in investing activities amounting to S\$3.4 million for 4Q2016 was attributable to cash outflow for purchase of property, plant and equipment of S\$3.1 million and S\$0.6 million for investment in other financial asset. This was partially offset by dividend and interest received of S\$0.3 million.

Net cash flows used in financing activities amounting to S\$3.2 million for 4Q2016 was mainly attributable by the repayment of bank loan and finance lease liabilities of S\$4.1 million, dividend paid to equity owner of S\$2.1 million and interest expenses paid of S\$0.9 million.

This was partially offset by the followings:

- a) proceeds from new bank loan of S\$1.2 million; and
- b) increase in trust receipt and bills payable of S\$2.6 million.

As a result of the above, there was a net decrease of S\$23,000 in cash and cash equivalents for 4Q2016. Cash and cash equivalents as at 31 December 2016 was S\$4.4 million.

9 Where a forecast, or a prospect statement, had been previously disclosed to shareholders, any variance between it and

None.

10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in

The Building and Construction Authority of Singapore (BCA) projected construction demand of between S\$28 billion and S\$35 billion for 2017, with about 70% contributed by public sector demand. Key projects in 2017 include a steady pipeline of new public housing construction, upgrading works for HDB flats, redevelopment projects such as Funan DigitalLife Mall, Golden Shoe Carpark and CPF Building and healthcare facilities such as an Integrated Intermediate Care Hub at Jalan Tan Tock Seng.

For 2018 and 2021, BCA expects construction demand to range between S\$26 billion and S\$37 billion each year, with about 65% from public projects and the remaining from private projects.

The Group remains vigilant to market changes and alert to take on any opportunities locally and overseas to grow our business.

HAFARY HOLDINGS LIMITED

For the Financial Year Ended 31 December 2016

11 Dividend**(a) Dividend declared for the current financial period**

No dividend has been declared for 4Q2016.

(b) Dividend declared for the corresponding period of the immediately preceding financial year

No dividend was declared during 4Q2015.

(c) Date Payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared/ recommended for 4Q2016.

13 Interested Person Transactions ("IPTs")

Name of Interested Person and nature of IPT	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000)	
	Not conducted under shareholders' mandate pursuant to Rule 920	Conducted under shareholders' mandate pursuant to Rule 920
	12M2016 S\$'000	12M2016 S\$'000
Incorporation of Hafary Balestier Showroom Pte Ltd with Hafary Pte Ltd for purpose of purchasing a freehold property:		
- Low See Ching (Non-Executive Director and controlling shareholder)	2,066	-
Purchases of goods:		
MML Marketing Pte Ltd	481	1,216
Malaysian Mosaics Sdn Bhd	394	3,169

Incorporation of Hafary Balestier Showroom Pte Ltd with Hafary Pte Ltd for purpose of purchasing a freehold property:

- Low See Ching (Non-Executive Director and controlling shareholder) 2,066 -

Purchases of goods:

MML Marketing Pte Ltd 481 1,216
 Malaysian Mosaics Sdn Bhd 394 3,169

The Group has obtained a general mandate from shareholders of the Company for interested person transactions in the Extraordinary General Meeting held on 11 April 2016.

HAFARY HOLDINGS LIMITED

For the Financial Year Ended 31 December 2016

14(a) 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.

(a) By Business Segments**12M2016**

	General	Project	Others ⁽¹⁾	Unallocated	Group
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue by segment					
Total revenue by segment	74,428	74,481	4,937	48	153,894
Inter-segment sales	(18,252)	(23,561)	(2,446)	-	(44,259)
Total revenue	56,176	50,920	2,491	48	109,635
Recurring EBITDA*					
	8,912	3,752	1,932	48	14,644
Non-recurring EBITDA					
Finance costs	(2,230)	(453)	(34)	-	(2,717)
Depreciation expense	(2,770)	(1,576)	(11)	-	(4,357)
Share of profit from equity-accounted associate	-	-	1,899	-	1,899
Share of profit from equity-accounted joint venture	-	-	33	-	33
ORBIT**	3,912	1,723	3,819	48	9,502
Income tax expense					(1,593)
Profit, net of tax					7,909
For year ended 31 December 2016					
Assets and Reconciliations					
Segment assets	148,261	66,734	12,294	-	227,289
Liabilities and Reconciliations					
Segment liabilities	117,893	46,419	3,090	-	167,402
Deferred tax liabilities					509
Income tax payable					1,651
Total liabilities					169,562
Other Material Items and Reconciliations					
Impairment of assets, net - reversal/ (made)	(736)	(303)	-	-	(1,039)
Non-current expenditure	13,321	7,637	4,276	-	25,234

* Earnings Before Interest, Tax & Depreciation

** Operating Results Before Tax

Note:

(1) The operating segment 'Others' relates to investing activities including property development.

HAFARY HOLDINGS LIMITED

For the Financial Year Ended 31 December 2016

14(a) 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.

(b) By Business Segments
12M2015

	General	Project	Others ⁽¹⁾	Unallocated	Group
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue by segment					
Total revenue by segment	78,793	94,651	4,806	239	178,489
Inter-segment sales	(22,559)	(30,748)	(2,468)	-	(55,775)
Total revenue	56,234	63,903	2,338	239	122,714
Recurring EBITDA*					
	7,614	8,895	1,712	239	18,460
Non-recurring EBITDA					
Finance costs	(2,499)	(214)	-	-	(2,713)
Depreciation expense	(2,318)	(1,025)	-	-	(3,343)
Share of profit from equity-accounted associate	-	-	1,252	-	1,252
Share of profit from equity-accounted joint venture	-	-	95	-	95
ORBIT**	2,797	7,656	3,059	239	13,751
Income tax expense					1,986
Profit, net of tax					15,737
For year ended 31 December 2015					
Assets and Reconciliations					
Segment assets	144,222	64,148	5,702	-	214,072
Liabilities and Reconciliations					
Segment liabilities	118,530	36,713	-	-	155,243
Deferred tax liabilities					383
Income tax payable					3,648
Total liabilities					159,274
Other Material Items and Reconciliations					
Impairment of assets, net - reversal/ (made)	(1,319)	(133)	-	-	(1,452)
Non-current expenditure	20,606	12,823	-	-	33,429

* Earnings Before Interest, Tax & Depreciation

** Operating Results Before Tax

Note:

(1) The operating segment 'Others' relates to investing activities including property development.

HAFARY HOLDINGS LIMITED

For the Financial Year Ended 31 December 2016

14 (b) By Geographical Segments

	Revenue		Non-current assets	
	12M2016	12M2015	31 December 2016	31 December 2015
	S\$'000	S\$'000	S\$'000	S\$'000
Group				
Singapore	106,655	118,146	114,362	93,541
People's Republic of China	109	204	11,712	12,569
Vietnam	289	29	7,088	5,384
Myanmar	769	2,649	-	-
Indonesia	646	794	-	-
Others	1,167	892	-	-
Total	109,635	122,714	133,162	111,494

Revenues are attributed to countries on the basis of the customer's location. The non-current assets are analysed by the geographical area in which the assets are located.

15 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

The decrease in revenue contributed by the project segment from S\$ 63.0 million in 12M2015 to S\$50.9 million in 12M2016 is due to slowdown of construction activities in the private project sector.

16 Breakdown of sales and profit after tax as follows:

	Group		
	12M2016	12M2015	Increase/ (Decrease)
	1 January 2016 to 31 December 2016	1 January 2015 to 31 December 2015	
	S\$'000	S\$'000	%
Sales reported for first half year	49,219	59,423	(17.2)
Operating profit after tax before deducting non-controlling interests reported for first half year	2,950	5,774	(48.9)
Sales reported for second half year	60,416	63,291	(4.5)
Operating profit after tax before deducting non-controlling interests reported for second next year	4,959	9,963	(50.2)

The 12-month period results ended 31 December 2015, which is computed by deducting the results of the 6-month period ended 31 December 2014 (from 1 July 2014 to 31 December 2014) to that of 18-month period ended 31 December 2015, is presented for comparative purposes.

HAFARY HOLDINGS LIMITED

For the Financial Year Ended 31 December 2016

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

	Unaudited For the 12 months ended 31 December 2016 S\$'000	Unaudited For the 12 months ended 31 December 2015 S\$'000
Ordinary	4,290	4,290
Preference	-	-
Total	4,290	4,290

18 Disclosure of persons 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) of the Listing Manual.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Low Kok Ann	68	Father of Low See Ching	Executive Director (since 2009) and Chief Executive Officer ("CEO") (since 2014)	Not applicable
Low See Ching	41	Son of Low Kok Ann	Non-Executive Director (since 2014)	Not applicable

19 Confirmation Pursuant to Rule 720(1) of the Listing Manual

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

BY ORDER OF THE BOARD

Low Kok Ann
Executive Director and CEO

17 February 2017