

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3), HALF-YEAR AND FULL YEAR RESULTS

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

CONSOLIDATED INCOME STATEMENT

	GROUP Year Ended 31 December		+ / (-) %
	2015 S\$'000	2014 S\$'000	
Revenue	414,521	418,417	(0.9)
Cost of sales	(324,323)	(333,130)	(2.6)
Gross profit	90,198	85,287	5.8
Other income	3,555	3,847	(7.6)
Distribution expenses	(44,101)	(43,731)	0.8
Administrative expenses	(30,152)	(30,154)	(0.0)
Other expenses	(6,766)	(1,334)	407.2
<b>Results from operating activities</b>	<b>12,734</b>	<b>13,915</b>	(8.5)
Net finance income/(costs)	3,364	(2,725)	n.m.
Share of loss of associates (net of tax)	-	-	n.m.
<b>Profit before tax</b>	<b>16,098</b>	<b>11,190</b>	43.9
Tax expense	(4,736)	(4,922)	(3.8)
<b>Profit for the period</b>	<b>11,362</b>	<b>6,268</b>	81.3
<b>Attributable to:</b>			
Owners of the Company	5,756	2,448	135.1
Non-controlling interests	5,606	3,820	46.8
<b>Profit for the period</b>	<b>11,362</b>	<b>6,268</b>	81.3

n.m. - not meaningful

## 1(a)(ii) Notes to the Income Statement

	<b>GROUP</b>	
	<b>Year Ended</b>	
	<b>31 December</b>	
	<b>2015</b>	<b>2014</b>
	S\$'000	S\$'000
<b>Profit before tax is stated after crediting:</b>		
Interest income	1,954	1,709
Dividend income	2	2
Amortisation of deferred income	214	112
Gain on disposal of:		
- investment properties	-	14
- property, plant and equipment	90	208
- available-for-sale financial assets	2,069	-
- financial assets designated at fair value through profit or loss	1,018	-
Exchange gain	1,123	1,186
Change in fair value of financial derivatives	102	-
<b>and after charging:</b>		
Allowance made for doubtful receivables	5,966	1,061
Bad debts written off	13	176
Depreciation of investment properties	21	24
Depreciation of property, plant and equipment	9,107	8,502
Net decrease in fair value of financial assets designated at fair value through profit or loss	100	1,917
Allowance for stock obsolescence	172	2,019
Impairment losses on property, plant and equipment	737	-
Inventories written off	667	533
Property, plant and equipment written off	46	92
Interest on borrowings	1,579	2,348
<b>Taxation</b>		
Current year tax	5,216	4,810
(Over)/Under provision of tax in respect of prior years	(336)	19
Current year deferred tax	748	(756)
Write-down of deferred tax assets	-	688
(Over)/Under provision of deferred tax in respect of prior years	(892)	14
Changes in tax rate	-	147
	<u>4,736</u>	<u>4,922</u>

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>GROUP</b>		
	<b>Year Ended</b>		
	<b>31 December</b>		
	<b>2015</b>	<b>2014</b>	<b>+ / (-)</b>
	S\$'000	S\$'000	%
Profit for the period	11,362	6,268	81.3
<b>Other comprehensive income</b>			
<b>Items that are or may be reclassified subsequently to profit or loss:</b>			
Foreign currency translation differences - foreign operations	(461)	1,506	n.m.
Effective portion of changes in fair value of cash flow hedges	6	-	n.m.
Net change in fair value of available-for-sale financial assets	(9)	312	(102.9)
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	(1,473)	-	n.m.
Other comprehensive income for the period, net of tax	<u>(1,937)</u>	<u>1,818</u>	n.m.
<b>Total comprehensive income for the period</b>	<u><b>9,425</b></u>	<u><b>8,086</b></u>	16.6
<b>Attributable to:</b>			
Owners of the Company	3,787	3,700	2.4
Non-controlling interests	5,638	4,386	28.5
<b>Total comprehensive income for the period</b>	<u><b>9,425</b></u>	<u><b>8,086</b></u>	16.6

n.m. - not meaningful

## **Brief Review of Financial Performance**

Total revenue from continuing operations for the current financial year ended 31 December 2015 was \$414.52 million, a decrease of 0.9% compared with \$418.42 million recorded in the previous financial year (FY 2014). Lower revenue was mainly affected by the discontinuation of agencies and lower sales volume on its products for the distribution segment of the Consumer Business. However, the decrease of revenue was partially off-set by the increase revenue in the packaging business (Tat Seng Group).

Despite lower revenue, gross profit for FY 2015 has increased by 5.8% from \$85.29 million in FY 2014 to \$90.20 million in FY 2015. The increase in gross profit margin was mainly due to higher margin achieved by the Packaging Business.

Other income was lower in FY 2015 (\$3.56 million) as compared to FY 2014 (\$3.85 million) mainly due to lower warehouse and delivery fees income by \$0.35 million for Consumer Business in Singapore. In addition, there was lower gain on disposal of property, plant and equipment by \$0.12 million as compared to FY 2014. However, the decrease was partially off-set by increase in rental income of \$0.20 million as compared to FY 2014.

The distribution expenses increased by \$0.37 million (0.8%) from \$43.73 million in FY 2014 to \$44.10 million in FY 2015 was mainly due to higher maintenance cost and additional staff costs for the opening of 'Go2Mart' outlets in FY 2015. In addition, there was higher transport and delivery costs incurred for the Packaging Business in China. The slight decreased in administrative expenses was mainly due to cost savings in staff cost in the Consumer Business in Singapore. This was off-set by the higher staff cost in the Packaging business.

Other expenses increased by \$5.43 million (407.2%) in FY 2015 as compared to FY 2014 mainly due to increase of \$3.52 million in allowance made for doubtful receivables from third party and \$1.22 million in allowance made for doubtful receivables from an associate in Malaysia. In addition, there was impairment loss on property, plant and equipment of \$0.74 million incurred during the FY 2015.

The results from operating activities were \$12.73 million in FY 2015 as compared to \$13.92 million in FY 2014, a decrease of 8.5%.

Net finance income of \$3.36 million in FY 2015 comprising gain on disposal of available-for-sale financial assets of \$ 3.09 million and higher interest income on fixed deposits of \$0.41 million as compared to net finance costs of \$2.73 million in FY 2014 as a result of net fair value loss of financial assets designated at fair value through profit or loss.

The Group achieved higher profit before tax of \$16.10 million in FY 2015 as compared to \$11.19 million in FY2014. Tax expense was \$4.74 million in FY 2015 as compared to \$4.92 million in FY 2014.

The Group's net profit after tax for FY 2015 was \$11.36 million as compared to \$6.27 million reported for FY 2014. The net profit attributable to shareholders was \$5.76 million for FY 2015 as compared to \$2.45 million reported for FY 2014.

1(b)(i) CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	GROUP		COMPANY	
		31/12/2015 S\$'000	31/12/2014 S\$'000	31/12/2015 S\$'000	31/12/2014 S\$'000
<b>Non-current assets</b>					
Property, plant and equipment		76,108	76,095	9,548	10,435
Investment properties		808	949	-	-
Subsidiaries		-	-	40,189	41,241
Other financial assets	3	47	2,732	47	1,900
Intangible assets		1,188	1,162	-	-
Deferred tax assets		1,608	1,681	-	-
		<u>79,759</u>	<u>82,619</u>	<u>49,784</u>	<u>53,576</u>
<b>Current assets</b>					
Inventories	1	38,393	42,125	8,734	9,025
Trade and other receivables	2	136,514	146,948	50,388	70,012
Other financial assets	3	1,972	5,777	1,972	5,777
Cash and cash equivalents	4	155,871	119,735	95,204	78,687
Assets held for sale		49,043	48,009	-	-
		<u>381,793</u>	<u>362,594</u>	<u>156,298</u>	<u>163,501</u>
<b>Total assets</b>		<u>461,552</u>	<u>445,213</u>	<u>206,082</u>	<u>217,077</u>
<b>Equity attributable to equity holders of the Company</b>					
Share capital		200,100	200,100	200,100	200,100
Reserves		63,906	60,119	(11,980)	(3,521)
		<u>264,006</u>	<u>260,219</u>	<u>188,120</u>	<u>196,579</u>
<b>Non-controlling interests</b>					
<b>Total equity</b>		<u>312,639</u>	<u>304,386</u>	<u>188,120</u>	<u>196,579</u>
<b>Non-current liabilities</b>					
Loans and borrowings	5	1,413	1,218	-	-
Deferred income		1,198	1,153	-	-
Deferred tax liabilities		1,781	2,042	-	-
		<u>4,392</u>	<u>4,413</u>	<u>-</u>	<u>-</u>
<b>Current liabilities</b>					
Trade and other payables	6	110,446	103,831	17,962	20,498
Loans and borrowings	5	32,543	31,734	-	-
Deferred income		107	121	-	-
Current tax payable		1,425	728	-	-
		<u>144,521</u>	<u>136,414</u>	<u>17,962</u>	<u>20,498</u>
<b>Total liabilities</b>		<u>148,913</u>	<u>140,827</u>	<u>17,962</u>	<u>20,498</u>
<b>Total equity and liabilities</b>		<u>461,552</u>	<u>445,213</u>	<u>206,082</u>	<u>217,077</u>

Note:

- Inventories decreased by \$3.73 million was mainly due to better stock management in the Consumer Business in Malaysia and reduction in stockholding of Consumer Business in Singapore as a result of discontinuation of distributorships for some agency products.
- The decrease of \$10.43 million in trade and other receivables was mainly due to additional impairment losses on doubtful receivables of \$4.74 million, coupled with maturity of bills receivables in the current period. In addition, there was a partial settlement of a debt security held by a subsidiary in Singapore of \$1.40 million in FY 2015. However, it was partially off-set by higher advance payment to upgrade the corrugator machine of the Packaging Business in China.
- Other financial assets decreased by \$6.49 million and \$5.66 million in FY 2015 for the Group and Company respectively, mainly due to maturity of loan note of \$2.80 million and disposal of available-for-sale financial assets of \$3.41 million, partially off-set by an increase in fair value of financial assets designated at fair value through profit or loss.
- Refer to the consolidated statement of cash flow on Page 6 for details of movements in cash and cash equivalents.
- Total loans and borrowings increased by \$1.00 million mainly due to higher usage of S\$6.7 million in bills payable and the decrease in loans and borrowings by \$5.7 million by the Packaging Business in China.
- The increase of \$6.62 million in trade and other payables for the Group was due to additional non-refundable deposits of \$8.90 million received for the disposal of the assets held-for-sale. The increase was partially off-set by lower purchases by the Consumer Business in Singapore as a result of weaker sales demand.

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

	As at	
	31/12/2015	31/12/2014
	S\$'000	S\$'000
Amount repayable in one year or less, or on demand		
- secured	26,917	20,156
- unsecured	<u>5,626</u>	<u>11,578</u>
	32,543	31,734
Amount repayable after one year		
- secured	<u>1,413</u>	<u>1,218</u>
	1,413	1,218
Total	<u><u>33,956</u></u>	<u><u>32,952</u></u>

**Details of any collateral :**

The total secured borrowings of \$28.33 million as at 31 December 2015 include:

(a) Bank loans and bill payables of \$28.27 million, secured by leasehold land, certain leasehold buildings and certain plant and machinery held by the Packaging Business with carrying amount of approximately \$28.17 million, cash and bank balances of \$3.17 million and trade and bills receivables of \$8.65 million.

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

**CONSOLIDATED STATEMENT OF CASH FLOWS**

	Note	GROUP	
		Year Ended	
		2015	2014
		S\$'000	S\$'000
<b>Operating activities</b>			
Profit for the period		11,362	6,268
Adjustments for:			
Tax expense		4,736	4,922
Depreciation of investment properties		21	24
Depreciation of property, plant and equipment		9,107	8,502
Gain on disposal of:			
- property plant and equipment		(90)	(208)
- investment properties		-	(14)
- available-for-sale financial assets		(2,069)	-
- financial assets designated at fair value through profit or loss		(1,018)	-
Property, plant and equipment written off		46	92
Impairment losses on property, plant and equipment		737	-
Amortisation of deferred income		(214)	(112)
Change in fair value of financial derivatives		(102)	-
Unrealised exchange (gain)/loss		(1,618)	184
Net decrease in fair value of financial assets designated at fair value through profit or loss		100	1,917
Net finance (income)/costs		(377)	808
		<b>20,621</b>	<b>22,383</b>
Changes in:			
- Inventories	1	2,747	(1,694)
- Trade and other receivables	2	10,432	2,841
- Trade and other payables	3	(3,520)	(5,135)
<b>Cash generated from operations</b>		<b>30,280</b>	<b>18,395</b>
Tax paid		(4,219)	(6,346)
<b>Net cash from operating activities</b>		<b>26,061</b>	<b>12,049</b>
<b>Investing activities</b>			
Interest received		1,321	976
Proceeds from sale of:			
- property, plant and equipment		302	924
- investment properties		-	119
Proceeds from disposal of financial assets		5,378	-
Purchase of financial assets		-	(6)
Proceeds from maturity of financial assets designated at fair value through profit or loss		2,800	-
Proceeds from partial settlement of debt security		1,397	818
Purchase of property, plant and equipment		(9,212)	(10,984)
Deposit received in relation to assets held-for-sale		9,030	8,276
<b>Net cash from investing activities</b>		<b>11,016</b>	<b>123</b>
<b>Financing activities</b>			
Interest paid		(1,683)	(2,638)
Dividends paid		(1,172)	(1,172)
Payment of finance lease liabilities		(16)	(679)
Decrease in pledged deposits		133	2,574
Proceeds from borrowings	4	59,072	63,323
Repayment of borrowings	4	(58,728)	(67,158)
Proceeds from exercise of share options		-	80
<b>Net cash used in financing activities</b>		<b>(2,394)</b>	<b>(5,670)</b>
<b>Net increase in cash and cash equivalents</b>		<b>34,683</b>	<b>6,502</b>
Cash and cash equivalents at beginning of the period		116,435	110,272
Effect of exchange rate fluctuations on cash held		1,586	(339)
<b>Cash and cash equivalents at end of the period</b>		<b>152,704</b>	<b>116,435</b>
Comprising:			
Cash at bank and in hand		52,412	46,201
Fixed deposits with banks		103,459	73,534
		155,871	119,735
Deposits pledged		(3,167)	(3,300)
		<b>152,704</b>	<b>116,435</b>

Note:

- 1 Please refer to note 1 in consolidated statement of financial position.
- 2 Please refer to note 2 in consolidated statement of financial position.
- 3 Please refer to note 6 in consolidated statement of financial position.
- 4 Please refer to note 5 in consolidated statement of financial position.

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.

	Issued Capital	Treasury Shares	Share Capital	Other Reserves	Fair Value Reserve	Hedging Reserve	Translation Reserve	Retained Earnings	Total	Non-Controlling Interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>At 1 January 2015</b>	<b>204,327</b>	<b>(4,227)</b>	<b>200,100</b>	<b>5,066</b>	<b>1,348</b>	<b>-</b>	<b>1,286</b>	<b>52,419</b>	<b>260,219</b>	<b>44,167</b>	<b>304,386</b>
<b>Total comprehensive income for the period</b>											
Profit for the period	-	-	-	-	-	-	-	5,756	5,756	5,606	11,362
<b>Other comprehensive income</b>											
Foreign currency translation differences - foreign operations	-	-	-	-	-	-	(659)	-	(659)	198	(461)
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	-	6	-	-	6	-	6
Net change in fair value of available-for-sale financial assets	-	-	-	-	(9)	-	-	-	(9)	-	(9)
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	-	-	-	-	(1,307)	-	-	-	(1,307)	(166)	(1,473)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,316)</b>	<b>6</b>	<b>(659)</b>	<b>5,756</b>	<b>3,787</b>	<b>5,638</b>	<b>9,425</b>
<b>Transactions with owners, recognised directly in equity</b>											
<b>Distributions to owners</b>											
Dividends paid	-	-	-	-	-	-	-	-	-	(1,172)	(1,172)
Share options exercised	-	-	-	-	-	-	-	-	-	-	-
Share-based payment transactions	-	-	-	-	-	-	-	-	-	-	-
Unclaimed dividend reversed	-	-	-	-	-	-	-	-	-	-	-
<b>Total distributions to owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,172)</b>	<b>(1,172)</b>
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,172)</b>	<b>(1,172)</b>
<b>Transfer between reserves</b>											
Appropriation of accumulated profits to other reserves	-	-	-	1,291	-	-	-	(1,291)	-	-	-
<b>At 31 December 2015</b>	<b>204,327</b>	<b>(4,227)</b>	<b>200,100</b>	<b>6,357</b>	<b>32</b>	<b>6</b>	<b>627</b>	<b>56,884</b>	<b>264,006</b>	<b>48,633</b>	<b>312,639</b>
<b>At 1 January 2014</b>	<b>204,229</b>	<b>(4,227)</b>	<b>200,002</b>	<b>4,262</b>	<b>1,071</b>	<b>-</b>	<b>311</b>	<b>50,790</b>	<b>256,436</b>	<b>40,953</b>	<b>297,389</b>
<b>Total comprehensive income for the period</b>											
Profit for the period	-	-	-	-	-	-	-	2,448	2,448	3,820	6,268
<b>Other comprehensive income</b>											
Foreign currency translation differences - foreign operations	-	-	-	-	-	-	975	-	975	531	1,506
Net change in fair value of available-for-sale financial assets	-	-	-	-	277	-	-	-	277	35	312
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>277</b>	<b>-</b>	<b>975</b>	<b>2,448</b>	<b>3,700</b>	<b>4,386</b>	<b>8,086</b>
<b>Transactions with owners, recognised directly in equity</b>											
<b>Contributions by and distributions to owners</b>											
Dividends paid	-	-	-	-	-	-	-	-	-	(1,172)	(1,172)
Share options exercised	98	-	98	(18)	-	-	-	-	80	-	80
Share-based payment transactions	-	-	-	(2)	-	-	-	2	-	-	-
Unclaimed dividend reversed	-	-	-	-	-	-	-	3	3	-	3
<b>Total contributions by and distributions to owners</b>	<b>98</b>	<b>-</b>	<b>98</b>	<b>(20)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>83</b>	<b>(1,172)</b>	<b>(1,089)</b>
<b>Total transactions with owners</b>	<b>98</b>	<b>-</b>	<b>98</b>	<b>(20)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>83</b>	<b>(1,172)</b>	<b>(1,089)</b>
<b>Transfer between reserves</b>											
Appropriation of accumulated profits to other reserves	-	-	-	824	-	-	-	(824)	-	-	-
<b>At 31 December 2014</b>	<b>204,327</b>	<b>(4,227)</b>	<b>200,100</b>	<b>5,066</b>	<b>1,348</b>	<b>-</b>	<b>1,286</b>	<b>52,419</b>	<b>260,219</b>	<b>44,167</b>	<b>304,386</b>

Company	Issued Capital S\$'000	Treasury Shares S\$'000	Share Capital S\$'000	Other Reserves S\$'000	Fair Value Reserve S\$'000	Retained Earnings S\$'000	Total Equity S\$'000
<b>At 1 January 2015</b>	<b>204,327</b>	<b>(4,227)</b>	<b>200,100</b>	<b>491</b>	<b>1,056</b>	<b>(5,068)</b>	<b>196,579</b>
<b>Total comprehensive income for the period</b>							
Loss for the period	-	-	-	-	-	(7,435)	(7,435)
<b>Other comprehensive income</b>							
Net change in fair value of available-for-sale financial assets	-	-	-	-	(9)	-	(9)
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	-	-	-	-	(1,015)	-	(1,015)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,024)</b>	<b>(7,435)</b>	<b>(8,459)</b>
<b>Transactions with owners, recognised directly in equity</b>							
<b>Contributions by and distributions to owners</b>							
Share options exercised	-	-	-	-	-	-	-
Share-based payment transactions	-	-	-	-	-	-	-
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>At 31 December 2015</b>	<b>204,327</b>	<b>(4,227)</b>	<b>200,100</b>	<b>491</b>	<b>32</b>	<b>(12,503)</b>	<b>188,120</b>
<b>At 1 January 2014</b>	<b>204,229</b>	<b>(4,227)</b>	<b>200,002</b>	<b>511</b>	<b>840</b>	<b>(2,193)</b>	<b>199,160</b>
<b>Total comprehensive income for the period</b>							
Loss for the period	-	-	-	-	-	(2,877)	(2,877)
<b>Other comprehensive income</b>							
Net change in fair value of available-for-sale financial assets	-	-	-	-	216	-	216
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>216</b>	<b>(2,877)</b>	<b>(2,661)</b>
<b>Transactions with owners, recognised directly in equity</b>							
<b>Contributions by and distributions to owners</b>							
Share options exercised	98	-	98	(18)	-	-	80
Share-based payment transactions	-	-	-	(2)	-	2	-
<b>Total transactions with owners</b>	<b>98</b>	<b>-</b>	<b>98</b>	<b>(20)</b>	<b>-</b>	<b>2</b>	<b>80</b>
<b>At 31 December 2014</b>	<b>204,327</b>	<b>(4,227)</b>	<b>200,100</b>	<b>491</b>	<b>1,056</b>	<b>(5,068)</b>	<b>196,579</b>

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.

(i) <u>Share Capital</u> Group and Company	2015	2014
	No. of shares	No. of shares
In issue at 1 January	570,996,746	570,496,746
Exercise of share options	-	500,000
In issue at 31 December	<u>570,996,746</u>	<u>570,996,746</u>
<b>(ii) <u>Treasury shares</u></b> Group and Company	<b>2015</b>	<b>2014</b>
	No. of shares	No. of shares
Balance as at the end of the period	<u>17,581,000</u>	<u>17,581,000</u>

The total number of issued shares excluding treasury shares as at the end of the current financial period was 553,415,746 (31 December 2014: 553,415,746).

(iii) HANWELL Executives' Share Option Scheme 2003

During the current financial year, there was no new issuance nor exercise of share options in respect of unissued ordinary shares under the HANWELL Executives' Share Option Scheme 2003. The balance of issued non-discounted options, including options issued in 2003 was 10,150,000 as at 31 December 2015. 10,150,000 shares may be issued on conversion of all the outstanding options at the end of the financial year.



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.

	As at	
	31/12/2015	31/12/2014
Total number of issued shares	<u>553,415,746</u>	<u>553,415,746</u>

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, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period.

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

The figures have not been audited nor reviewed.

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

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and computation methods used in the preparation of the financial statements for the current reporting period compared with the audited financial statements as at 31 December 2014, except for the adoption of the new and revised Financial Reporting Standards (FRS) which become effective for the financial year beginning on or after 1 January 2015.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The adoption of the new and revised accounting standards referred to in section 4 did not give rise to any significant changes to the financial statements.

6 Earning 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.

	GROUP	
	Year Ended	
	31/12/2015	31/12/2014
	cents	cents
Earnings per ordinary share of the group for the financial period based on net profit attributable to shareholders:		
Based on the weighted average number of ordinary shares in issue	1.04	0.44
On a fully diluted basis	1.03	0.44

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

	GROUP		COMPANY	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
	cents	cents	cents	cents
Net asset value per ordinary share based on issued share capital at the end of the period reported on	47.70	47.02	33.99	35.51

- 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 cashflow, working capital, assets or liabilities of the group during the current financial period reported on.

#### Comparatives on Performance by Business Segments

	Turnover		PBIT*	
	For the year		For the year	
	2015	2014	2015	2014
	S\$'000	S\$'000	S\$'000	S\$'000
<b>By Business Segments</b>				
<b>Consumer Essentials</b>				
Consumer Business	181,535	193,741	(515)	(364)
Health Solutions <sup>#</sup>	-	-	-	-
<b>Strategic Investments</b>				
Packaging	231,415	224,524	17,614	15,342
Others	1,571	152	(4,365)	(1,063)
	<u>414,521</u>	<u>418,417</u>	<u>12,734</u>	<u>13,915</u>

<sup>#</sup>restatement made on Health Solutions to Others for FY 2014 as contribution by Health Solutions is insignificant to disclose as separate segment which was reviewed by the Group's Board of Directors.

#### By Geographical Locations

Singapore	164,219	174,603	(8,768)	(6,849)
Malaysia	56,047	56,079	3,332	3,503
China	194,255	187,735	18,170	17,261
	<u>414,521</u>	<u>418,417</u>	<u>12,734</u>	<u>13,915</u>

\* Profits before net finance costs, share of results of associates and tax expense

#### Consumer Business

Revenue decreased by \$12.21 million or 6.3% in FY 2015, from \$193.74 million in FY 2014 to \$181.54 million in FY 2015. The decrease was attributable to lower revenue generated from distribution business in Singapore, partially off-set by higher revenue from its distribution business of new products in Malaysia.

The Consumer Business recorded a loss of \$0.52 million in FY 2015 as compared to a profit of \$0.36 million in FY 2014. The loss was mainly due to impairment loss on property, plant and equipment of \$0.74 million and additional staff costs incurred for the opening of 'Go2Mart' outlets in FY 2015.

#### Health Solutions

The contribution from Health Solutions business was not material to the Group's performance in FY 2015 to be disclosed as a separate business segment.

#### Packaging

The Packaging Business reported revenue of \$231.42 million in FY 2015 as compared to \$224.52 million in FY 2014. The increase was mainly due to the strengthening of Renminbi ("RMB") against Singapore Dollar ("SGD") by 6.9% as compared to FY2014.

The division recorded a profit of \$17.61 million in FY 2015 as compared to \$15.34 million in FY 2014. The increase of \$2.27 million (14.8%) mainly attributed to the increase of sales and reduction of factory overhead costs of its Singapore operations.

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

Not applicable.

- 10 A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Group will continue to focus on strengthening its presence in the highly competitive FMCG market by expanding its range of home brand products while refreshing its existing house brands such as Sobe. New distributorship for Greenfields range of products will commence its distribution in March 2016 which will further solidify Consumer business and operations.

The Group's packaging business in Singapore is expected to remain challenging due to weaker demand in the manufacturing sector, as well as higher raw material costs due to strengthening of US dollars against Singapore dollar. The corrugated packaging industries in China will remain challenging as over-capacity in this industry will increase pressure on selling price with the slowdown in the China economy. Labour shortage will further increase the labour costs in China operations. To overcome these challenges, management will continue to explore new sales, invest in machinery upgrade to automate the production process and provide staff training to improve productivity.

- 11 Dividend

#### (a) Current Financial Period Reported On

The directors do not recommend any declaration of dividend for the current financial period reported on.

#### (b) Corresponding Period of the Immediately Preceding Financial Year

No dividend was declared for the corresponding period of the preceding financial year.

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

No dividend was declared / recommended for the current financial period reported on.

**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 has not obtained a general mandate from shareholders pursuant to Rule 920 of the Listing Manual.

**14 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

2015	Consumer Essentials	Strategic Investments	Others	Total
	Consumer Business	Packaging		
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Revenue and expenses</b>				
Total revenue	181,535	231,415	1,571	414,521
Results from operating activities	(515)	17,614	(4,365)	12,734
Net finance income				3,364
Share of losses of associates (net of tax)				-
Profit before tax				16,098
Tax expense				(4,736)
Profit for the year				11,362

2014	Consumer Essentials	Strategic Investments	Others	Total
	Consumer Business	Packaging		
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Revenue and expenses</b>				
Total revenue	193,741	224,524	152	418,417
Results from operating activities	(364)	15,342	(1,063)	13,915
Net finance costs				(2,725)
Share of losses of associates (net of tax)				-
Loss before tax				11,190
Tax expense				(4,922)
Loss for the year				6,268

**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.**

This has been addressed in section 8.

**16 A breakdown of sales**

	GROUP		
	Year Ended		+ / (-) %
	31/12/2015	31/12/2014	
	S\$'000	S\$'000	
Sales reported for first half year	208,078	207,601	0.2
Operating profit after tax before deducting non-controlling interests reported for first half year	8,062	3,161	n.m.
Sales reported for second half year	206,443	210,816	(2.1)
Operating profit after tax before deducting non-controlling interests reported for second half year	3,300	3,107	n.m.

n.m. - not meaningful

**17 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	Previous Full Year
	S\$	S\$
Total annual dividend	-	-

**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).**

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
Tang Chi Ming	43	Brother of Executive Director, Dr. Tang Cheuk Chee and brother-in-law of Executive Chairman, Dr. Allan Yap	Assistant Vice President since 2012, Oversees the Group Human Resource & Administration, Management Information System, Facilities and Research & Development departments and to focus on new business strategy and development of Topseller Pte Ltd (Chilled and Dry division) and manufacturing team of Fortune Food Manufacturing Pte Ltd.	No change in position except for assignment of additional duties during the year, to focus on new business strategy and development for Chilled and Dry divisions of Topseller Pte Ltd.

**19 Confirmation of Undertakings from Directors and Executive Officers pursuant to Rule 720(1) of the Listing Manual**

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

**BY ORDER OF THE BOARD**

Dr Allan Yap  
Chairman  
26 February 2016