

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		+ / (-) %
	2013 S\$'000	2012 S\$'000	
Revenue	403,316	378,504	6.6
Cost of sales	(317,331)	(303,217)	4.7
Gross profit	85,985	75,287	14.2
Other income	2,128	3,790	(43.9)
Distribution expenses	(42,755)	(41,258)	3.6
Administrative expenses	(29,664)	(30,255)	(2.0)
Other expenses	(709)	(14,951)	(95.3)
Results from operating activities	14,985	(7,387)	n.m.
Net finance income/(costs)	1,046	(8,751)	n.m.
Share of loss of associates (net of tax)	(769)	(6,729)	(88.6)
Profit/(Loss) before tax	15,262	(22,867)	n.m.
Tax expense	(3,615)	(2,546)	42.0
Profit/(Loss) for the year	11,647	(25,413)	n.m.
Attributable to:			
Owners of the Company	6,638	(27,224)	n.m.
Non-controlling interests	5,009	1,811	176.6
Profit/(Loss) for the year	11,647	(25,413)	n.m.

n.m. - not meaningful

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

	GROUP	
	Year Ended	
	31 December	
	2013	2012
	S\$'000	S\$'000
Profit/(Loss) before tax is stated after crediting:		
Interest income	2,082	1,920
Dividend income	2	1
Amortisation of deferred income	104	28
Net increase in fair value of financial assets designated at fair value through profit or loss	1,306	1,103
(Loss)/Gain on disposal of:		
- property, plant and equipment	(193)	701
- financial assets	-	668
Gain on reclassification of investment in associates to available-for-sale investment	-	328
Impairment allowance reversed on property, plant and equipment	42	-
and after charging:		
Allowance (reversed)/made for doubtful receivables:		
- trade receivables	(186)	2,410
- other receivables	1,156	1,454
- amounts due from associates	(564)	9,128
Bad debts (recovered)/written off	(4)	195
Depreciation	8,341	9,869
Exchange (gain)/loss	(3)	659
Allowance for inventory obsolescence	604	3,178
Impairment loss on available-for-sale financial assets	-	10,572
Impairment loss on associates	-	6,588
Property, plant and equipment impaired/written off	-	820
Loss on disposal of associate	-	604
Interest on borrowings	2,343	1,871
Taxation		
Current year tax	5,087	4,246
Under/(Over)provision of tax in respect of prior years	71	(800)
Current year deferred tax	(648)	(702)
Over provision of deferred tax in respect of prior years	(895)	(198)
	<u>3,615</u>	<u>2,546</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	GROUP		
	Year Ended		
	31 December		
	2013	2012	+/(-) %
	S\$'000	S\$'000	%
Profit/(Loss) for the year	11,647	(25,413)	n.m.
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences of foreign operations	3,657	(4,950)	n.m.
Share of foreign currency translation differences of associates	2,885	4	n.m.
Reserves of an associate reclassified to profit or loss on reclassification to available-for-sale investment	-	(1,338)	n.m.
Reserves of an associate transferred to profit or loss on disposal	-	1,217	n.m.
Net change in fair value of available-for-sale financial assets	620	608	2.0
Share of other reserve movement of an associate	-	(37)	n.m.
Other comprehensive income for the year, net of tax	<u>7,162</u>	<u>(4,496)</u>	n.m.
Total comprehensive income for the year	<u>18,809</u>	<u>(29,909)</u>	n.m.
Attributable to:			
Owners of the Company	12,029	(30,684)	n.m.
Non-controlling interests	6,780	775	774.8
Total comprehensive income for the year	<u>18,809</u>	<u>(29,909)</u>	n.m.

n.m. - not meaningful

Brief Review of Financial Performance

The Group's turnover for the financial year ended 31 December 2013 (FY 2013) of \$403.32 million was \$24.82 million (6.6%) higher than the previous financial year ended 31 December 2012 (FY 2012) of \$378.50 million. The increase was contributed by the packaging business (Tat Seng Group) partially offset by lower turnover from the Consumer Business.

Gross profit for FY 2013 increased by 14.2% from \$75.29 million in FY 2012 to \$85.99 million in FY 2013. The increase was contributed from higher margin generated by the packaging business and consumer business and higher turnover achieved by the Packaging business.

Other income was \$2.13 million in FY 2013 as compared to \$3.79 million in FY 2012 mainly due to absence of warehouse rental income and compensation income from termination of stockist agreement which was non-recurring. In addition, there was a gain on disposal of investment properties recognised in FY 2012.

Distribution expenses increased by 3.6% (\$1.50 million) from \$41.26 million in FY2012 to \$42.76 million in FY 2013, mainly due to higher warehousing costs for rental of external warehouse. Administrative expenses of \$29.66 million was lower compared to FY 2012 of \$30.26 million mainly due to an accelerated depreciation charge of \$1.8 million recorded in FY2012 arising from the refurbishment of one of the warehouses.

Other expenses decreased by \$14.24 million (95.3%) in FY 2013 as compared to FY 2012 mainly due to lower allowance for doubtful debts and impairment of property, plant and equipment in FY 2013 as compared to FY 2012.

Net finance income of \$1.05 million in FY 2013 was mainly attributable to fair value gain on financial assets designated at fair value through profit or loss and interest income on debt security as compared to net finance costs of \$8.75 million reported in FY 2012 mainly arising from impairment loss recognised on an available-for-sale financial asset of \$10.57 million.

The results from operating activities in FY 2013 was \$14.99 million as compared to an operating loss of \$7.39 million in FY2012. Share of loss after tax of associates was \$0.77 million in FY 2013 as compared to \$6.73 million in FY 2012.

As a result, the Group recorded a net profit after tax of \$11.65 million for FY 2013 as compared to a net loss of \$25.41 million reported for FY 2012. The net profit attributable to shareholders was \$6.64 million for FY 2013 as compared to loss of \$27.22 million for FY 2012.

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

	Note	GROUP		COMPANY	
		31/12/2013 S\$'000	31-12-12 S\$'000	31/12/2013 S\$'000	31-12-12 S\$'000
Non-current assets					
Property, plant and equipment	1	74,425	70,111	11,627	13,050
Investment properties		1,096	1,163	-	-
Subsidiaries		-	-	45,661	50,347
Associates	2	-	44,929	-	-
Other financial assets		5,030	4,319	4,294	3,775
Intangible assets		1,139	1,070	-	-
Deferred tax assets		1,795	892	-	-
		<u>83,485</u>	<u>122,484</u>	<u>61,582</u>	<u>67,172</u>
Current assets					
Inventories	3	40,459	33,889	6,438	4,067
Trade and other receivables	4	147,363	126,312	80,311	88,488
Other financial assets		4,969	3,663	4,969	3,663
Cash and cash equivalents	5	118,861	110,398	68,428	57,074
Assets held for sale	6	47,046	11,520	-	-
		<u>358,698</u>	<u>285,782</u>	<u>160,146</u>	<u>153,292</u>
Total assets		<u>442,183</u>	<u>408,266</u>	<u>221,728</u>	<u>220,464</u>
Equity attributable to equity holders of the Company					
Share capital		200,002	200,969	200,002	200,969
Reserves		56,434	44,403	(842)	(1,192)
		<u>256,436</u>	<u>245,372</u>	<u>199,160</u>	<u>199,777</u>
Non-controlling interests		40,953	34,778	-	-
Total equity		<u>297,389</u>	<u>280,150</u>	<u>199,160</u>	<u>199,777</u>
Non-current liabilities					
Loans and borrowings	7	2,494	3,591	-	-
Deferred income		1,175	1,212	-	-
Deferred tax liabilities		2,071	2,730	-	397
		<u>5,740</u>	<u>7,533</u>	<u>-</u>	<u>397</u>
Current liabilities					
Trade and other payables	8	99,960	82,021	22,568	20,290
Loans and borrowings	7	37,173	36,673	-	-
Deferred income		110	106	-	-
Current tax payable		1,811	1,783	-	-
		<u>139,054</u>	<u>120,583</u>	<u>22,568</u>	<u>20,290</u>
Total liabilities		<u>144,794</u>	<u>128,116</u>	<u>22,568</u>	<u>20,687</u>
Total equity and liabilities		<u>442,183</u>	<u>408,266</u>	<u>221,728</u>	<u>220,464</u>

Note:

- The increase of \$4.31 million was mainly due to capital additions by the packaging business.
- The decrease in Associates was due to a reclassification to assets held for sale in Q3 2013.
- Inventories increased by \$6.57 million mainly due to higher stock pile in anticipation of increase in sales due to promotional activities, new products and agency brands.
- The increase of \$21.05 million in trade and other receivables was mainly due to an increase in trade receivables attributable to higher turnover contributed by the Packaging business offset by redemption of \$9.1 million of debt security.
- Please refer to the consolidated statement of cash flow below for details on the increase of \$8.46 million in cash and cash equivalents.
- The assets held for sale as at 31 December 2012 were disposed in Q1 2013. The 31 December 2013 balance relates to the reclassification from Associates (see note 2).
- Total loans and borrowings decreased by \$0.6 million was mainly due to repayment of loans.
- Trade and other payables increased by \$17.94 million was mainly contributed by the packaging subsidiaries in China, in line with their higher turnover.

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

	As at	
	31/12/2013	31-12-12
	S\$'000	S\$'000
Amount repayable in one year or less, or on demand		
- secured	17,751	20,956
- unsecured	19,422	15,717
	<u>37,173</u>	<u>36,673</u>
Amount repayable after one year		
- secured	2,494	3,591
	<u>2,494</u>	<u>3,591</u>
Total	<u>39,667</u>	<u>40,264</u>

Details of any collateral :

The total secured borrowings of \$20.25 million as at 31 December 2013 include:

- (a) Bank loans of \$10.66 million, secured by certain leasehold buildings held by the packaging subsidiary in China with carrying amount of approximately \$21.14 million.
- (b) Bills payable of \$6.18 million, secured by the securities in (a) above and certain plant and machinery held by the subsidiaries with carrying amount of approximately \$5.00 million and bank deposits of \$3.00 million.
- (c) Bank overdraft of \$2.71 million utilised by a subsidiary, secured by a fixed deposit of \$0.30 million and a standby letter of credit of \$2.75 million from a bank which is secured by a fixed deposit placed by a subsidiary of the Company.
- (d) Outstanding obligations under finance lease of \$0.69 million, secured by property, plant and equipment with carrying amount of \$5.11 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 31 December	
		2013	2012
		S\$'000	S\$'000
Operating activities			
Profit/(Loss) for the year		11,647	(25,413)
Adjustments for:			
Tax expense		3,615	2,546
Depreciation		8,341	9,869
Loss/(Gain) on disposal of:			
- associate		-	604
- property plant and equipment		193	(701)
Gain on reclassification of investment in associates to available-for sale investment		-	(328)
Impairment allowance (reversed)/made on property, plant and equipment		(42)	820
Unrealised exchange loss		1,099	163
Net finance (income)/costs		(1,046)	8,751
Share of losses of associates (net of tax)		769	6,729
Operating profit before working capital changes		24,576	3,040
Changes in working capital:			
Inventories	1	(6,069)	27,837
Trade and other receivables	2	(23,851)	15,080
Trade and other payables	3	20,085	(9,536)
Tax paid		(5,140)	(2,992)
Net cash from operating activities		9,601	33,429
Investing activities			
Interest received		825	1,688
Dividend received		2	1
Proceeds from liquidation of an associate		-	250
Investment in an associate		(4,024)	(41,204)
Proceeds from sale of:			
- an associate		-	19,166
- investment properties		-	2,715
- property, plant and equipment		825	587
- property interest		-	43,224
- financial assets		-	760
- assets held for sale		11,602	-
Proceeds from partial redemption of debt security		9,073	1,911
Purchase of property, plant and equipment		(11,779)	(11,420)
Purchase of financial assets		-	(713)
Net cash from investing activities		6,524	16,965
Financing activities			
Interest paid		(2,760)	(2,374)
Dividends paid		(605)	(6,161)
Payment of finance lease liabilities		(2,665)	(911)
Decrease/(Increase) in pledged deposits		827	(1,619)
Proceeds from borrowings	4	66,169	71,228
Repayment of borrowings	4	(66,897)	(60,554)
Proceeds from exercise of share options		242	205
Capital contribution into a subsidiary by non-controlling shareholder		-	2,970
Repurchase of own shares		(1,209)	(438)
Net cash (used in)/from financing activities		(6,898)	2,346
Net increase in cash and cash equivalents		9,227	52,740
Cash and cash equivalents at beginning of the year		101,332	49,372
Effect of exchange rate fluctuations on cash held		(287)	(780)
Cash and cash equivalents at end of the year		110,272	101,332
Comprising:			
Cash at bank and in hand		44,648	43,041
Fixed deposits with banks		74,213	67,357
		118,861	110,398
Bank overdrafts		(2,715)	(2,365)
Deposits pledged		(5,874)	(6,701)
		110,272	101,332

Note:

- 1 Please refer to note 3 in consolidated statement of financial position.
- 2 Please refer to note 4 in consolidated statement of financial position.
- 3 Please refer to note 8 in consolidated statement of financial position.
- 4 Please refer to note 7 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	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
At 1 January 2013	203,987	(3,018)	200,969	3,661	520	(4,529)	44,751	245,372	34,778	280,150
Total comprehensive income for the year										
Profit for the year	-	-	-	-	-	-	6,638	6,638	5,009	11,647
Other comprehensive income										
Foreign currency translation differences of foreign operations	-	-	-	-	-	1,955	-	1,955	1,702	3,657
Share of foreign currency translation differences of associates	-	-	-	-	-	2,885	-	2,885	-	2,885
Net change in fair value of available-for-sale financial assets	-	-	-	-	551	-	-	551	69	620
Total comprehensive income for the year	-	-	-	-	551	4,840	6,638	12,029	6,780	18,809
Transactions with owners, recognised directly in equity										
Contributions by and distributions to owners										
Dividends paid	-	-	-	-	-	-	-	-	(605)	(605)
Share options exercised	242	-	242	-	-	-	-	242	-	242
Repurchase of own shares	-	(1,209)	(1,209)	-	-	-	-	(1,209)	-	(1,209)
Unclaimed dividend reversed	-	-	-	-	-	-	2	2	-	2
Total contributions by and distributions to owners	242	(1,209)	(967)	-	-	-	2	(965)	(605)	(1,570)
Transfer between reserves										
Appropriation of accumulated profits to other reserves	-	-	-	601	-	-	(601)	-	-	-
Total transactions with owners	242	(1,209)	(967)	601	-	-	(599)	(965)	(605)	(1,570)
At 31 December 2013	204,229	(4,227)	200,002	4,262	1,071	311	50,790	256,436	40,953	297,389
At 1 January 2012	203,742	(2,580)	201,162	3,964	47	(1,045)	77,717	281,845	31,638	313,483
Total comprehensive income for the year										
(Loss)/Profit for the year	-	-	-	-	-	-	(27,224)	(27,224)	1,811	(25,413)
Other comprehensive income										
Foreign currency translation differences of foreign operations	-	-	-	-	-	(3,895)	-	(3,895)	(1,055)	(4,950)
Share of foreign currency translation differences of associates	-	-	-	-	-	25	-	25	(21)	4
Reserves of an associate reclassified to profit or loss on reclassification to available-for-sale investment	-	-	-	(351)	-	(966)	-	(1,317)	(21)	(1,338)
Reserves of an associate transferred to profit or loss on disposal	-	-	-	(61)	(74)	1,352	-	1,217	-	1,217
Net change in fair value of available-for-sale financial assets	-	-	-	-	547	-	-	547	61	608
Share of other reserve movement of an associate	-	-	-	(37)	-	-	-	(37)	-	(37)
Total comprehensive income for the year	-	-	-	(449)	473	(3,484)	(27,224)	(30,684)	775	(29,909)
Transactions with owners, recognised directly in equity										
Contributions by and distributions to owners										
Dividends paid	-	-	-	-	-	-	(5,556)	(5,556)	(605)	(6,161)
Share-based payment transactions	245	-	245	(303)	-	-	263	205	-	205
Repurchase of own shares	-	(438)	(438)	-	-	-	-	(438)	-	(438)
Total contributions by and distributions to owners	245	(438)	(193)	(303)	-	-	(5,293)	(5,789)	(605)	(6,394)
Transfer between reserves										
Appropriation of retained earnings to other reserves	-	-	-	449	-	-	(449)	-	-	-
Changes in ownership interests in subsidiaries										
Capital contribution by non-controlling interests in a subsidiary	-	-	-	-	-	-	-	-	2,970	2,970
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	2,970	2,970
Total transactions with owners	245	(438)	(193)	146	-	-	(5,742)	(5,789)	2,365	(3,424)
At 31 December 2012	203,987	(3,018)	200,969	3,661	520	(4,529)	44,751	245,372	34,778	280,150

Company	Issued Capital	Treasury Shares	Share Capital	Other Reserves	Fair Value Reserve	Retained Earnings	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2013	203,987	(3,018)	200,969	511	410	(2,113)	199,777
Total comprehensive income for the year							
Loss for the year	-	-	-	-	-	(80)	(80)
Other comprehensive income							
Net change in fair value of available-for-sale financial assets	-	-	-	-	430	-	430
Total comprehensive income for the year	-	-	-	-	430	(80)	350
Transactions with owners, recognised directly in equity							
Contributions by and distributions to owners							
Share options exercised	242	-	242	-	-	-	242
Repurchase of own shares	-	(1,209)	(1,209)	-	-	-	(1,209)
Total transactions with owners	242	(1,209)	(967)	-	-	-	(967)
At 31 December 2013	204,229	(4,227)	200,002	511	840	(2,193)	199,160
At 1 January 2012	203,742	(2,580)	201,162	814	48	10,839	212,863
Total comprehensive income for the year							
Loss for the year	-	-	-	-	-	(7,396)	(7,396)
Other comprehensive income							
Net change in fair value of available-for-sale financial assets	-	-	-	-	362	-	362
Total comprehensive income for the year	-	-	-	-	362	(7,396)	(7,034)
Transactions with owners, recognised directly in equity							
Contributions by and distributions to owners							
Dividends paid	-	-	-	-	-	(5,556)	(5,556)
Share-based payment transactions	245	-	245	(303)	-	-	(58)
Repurchase of own shares	-	(438)	(438)	-	-	-	(438)
Total transactions with owners	245	(438)	(193)	(303)	-	(5,556)	(6,052)
At 31 December 2012	203,987	(3,018)	200,969	511	410	(2,113)	199,777

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Group and Company	As at 31/12/2013		As at 31/12/2012	
	Number of Treasury Shares	Treasury Shares	Number of Treasury Shares	Treasury Shares
	('000)	(S\$'000)	('000)	(S\$'000)
Balance as at the end of the financial year	17,581	(4,227)	13,568	(3,018)

The total number of issued shares excluding treasury shares as at the end of the current financial year was 552,915,746 (31 December 2012: 555,828,746).

(a) HANWELL Executives' Share Option Scheme 2003

During the current financial year, there was no new issuance 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 10,700,000 as at 31 December 2013, following the exercise of 1,100,000 options during the year. 10,700,000 shares may be issued on conversion of all the outstanding options at the end of the current financial year. There was an increase of 1,100,000 shares at the subscription price of \$0.22 per share in the share capital of the Company arising from the exercise of the said share options during the 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	
	31/12/2013	31-12-12
Total number of issued shares	<u>552,915,746</u>	<u>555,828,746</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 year.

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 year compared with the audited financial statements as at 31 December 2012, 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 2013.

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 paragraph 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	
	31/12/2013	31/12/2012
	cents	cents
Earnings per ordinary share of the group for the financial year based on net profit attributable to shareholders:		
Based on the weighted average number of ordinary shares in issue	1.20	(4.90)
On a fully diluted basis	1.19	(4.86)

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	
	31/12/2013	31-12-12	31/12/2013	31-12-12
	cents	cents	cents	cents
Net asset value per ordinary share based on issued share capital at the end of the year reported on	46.38	44.15	36.02	35.94

- 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 For the year		PBIT*	
	2013 S\$'000	2012 S\$'000	2013 S\$'000	2012 S\$'000
By Business Segments				
Consumer Essentials				
Consumer Business	187,544	198,277	1,017	(3,866)
Health Solutions	198	393	(1,849)	(12,206)
Strategic Investments				
Packaging	215,574	179,834	16,795	10,196
Others				
	-	-	(978)	(1,511)
	<u>403,316</u>	<u>378,504</u>	<u>14,985</u>	<u>(7,387)</u>
By Geographical Locations				
Singapore	167,802	178,693	(6,322)	(11,293)
Malaysia	60,359	60,696	5,386	(4,534)
China	175,155	139,115	15,921	8,440
	<u>403,316</u>	<u>378,504</u>	<u>14,985</u>	<u>(7,387)</u>

* Profits before net finance (costs)/income, share of results of associates and taxation

Consumer Business

This business segment recorded lower turnover of \$187.54 million in FY 2013, a decrease of \$10.73 million or 5.41% over FY 2012. The decrease was mainly attributable to lower turnover generated by the distribution business in Singapore and partially offset by higher turnover from new agency brands in Malaysia.

The PBIT for FY 2013 recorded a profit of \$1.02 million as compared to a loss of \$3.87 million in FY 2012. The increase was mainly due to lower allowance for doubtful receivables.

Health Solutions

The turnover in FY 2013 decreased by 49.6% from \$0.39 million in FY 2012 to \$0.20 million in FY 2013.

The division recorded an operating loss of \$1.85 million in FY 2013 as compared to a loss of \$12.21 million in FY 2012. The FY 2012 losses were mainly due to impairment loss on available-for-sale financial assets and amount due from associates.

Packaging

This Packaging business segment reported turnover of \$215.57 million in FY 2013 as compared to \$179.83 million in FY 2012. The increase was mainly contributed by the higher demand from customers in China.

The PBIT for FY 2013 was a profit of \$16.80 million as compared to \$10.20 million in FY 2012, an increase of 64.7%. The increase was generated from higher turnover and better profit margin.

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

Not applicable.

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

The Group will continue to focus on strengthening its presence in the highly competitive FMCG market by expanding its range of house brand products while refreshing its existing house brands such as Royal Umbrella, Golden Peony and Beautex tissue paper. A new packaging has been rolled out for Beautex tissue paper in September 2013. New agencies are also being sought to enlarge the Group's range of products coverage. The Group will also continue to make inroads with its new retail concept stores to intensify its distribution coverage.

Our packaging business expects the business environment in Singapore will remain challenging and competitive. We also anticipate that China's corrugated packaging industry will remain very competitive as competitors have upgraded or are upgrading their production facilities and would enhance their competitiveness. This could lead to pricing competition. To overcome these challenges, our China plants will continue to reduce operating costs via improvement in supply chain processes, research & development, products and process innovation and centralised on certain procurement function.

- 11 Dividend

(a) Current Financial Period Reported On

The directors do not recommend any declaration of dividend for the current financial year.

(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 year 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.

No IPT general mandate has been obtained from shareholders of the Company.

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Nil	Nil	Nil

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.**

2013	Consumer Essentials		Strategic Investments	Others	Total
	Consumer Business	Health Solutions	Packaging		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue and expenses					
Total revenue	187,544	198	215,574	-	403,316
Results from operating activities	1,017	(1,849)	16,795	(978)	14,985
Net finance income					1,046
Share of losses of associates (net of tax)					(769)
Profit before tax					15,262
Tax expense					(3,615)
Profit for the year					11,647
2012					
2012	Consumer Essentials		Strategic Investments	Others	Total
	Consumer Business	Health Solutions	Packaging		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue and expenses					
Total revenue	198,277	393	179,834	-	378,504
Results from operating activities	(3,866)	(12,206)	10,196	(1,511)	(7,387)
Net finance costs					(8,751)
Share of losses of associates (net of tax)					(6,729)
Loss before tax					(22,867)
Tax expense					(2,546)
Loss for the year					(25,413)

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 note 8.

16 **A breakdown of sales**

	GROUP		
	Year Ended		
	31/12/2013	31-12-12	+ / (-)
	S\$'000	S\$'000	%
Sales reported for first half year	194,552	193,351	0.6
Operating profit/(loss) after tax before deducting non-controlling interests reported for first half year	658	(1,548)	n.m.
Sales reported for second half year	208,764	185,153	12.8
Operating profit/(loss) after tax before deducting non-controlling interests reported for second half year	10,989	(23,865)	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	41	Brother of Executive Director, Mdm. Tang Cheuk Chee and brother-in-law of Executive Chairman, Dr. Allan Yap	AVP, Consumer Business. Overall in charge of purchasing and sales teams since 2012	Nil

BY ORDER OF THE BOARD

Dr Allan Yap
Chairman
21 February 2014