

Full Year Financial Statements and Dividend Announcement

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 to Date Ended		+ / (-) %
	31 December		
	2017 S\$'000	2016 S\$'000	
Revenue	464,017	399,978	16.0
Cost of sales	(359,235)	(304,716)	17.9
Gross profit	104,782	95,262	10.0
Other income	1,522	1,769	(14.0)
Distribution expenses	(44,217)	(42,584)	3.8
Administrative expenses	(31,946)	(29,739)	7.4
Other expenses	(4,661)	(2,449)	90.3
Results from operating activities	25,480	22,259	14.5
Net finance income	980	1,397	(29.9)
Profit before tax	26,460	23,656	11.9
Tax expense	(5,544)	(6,224)	(10.9)
Profit for the year	20,916	17,432	20.0
Attributable to:			
Owners of the Company	11,103	10,302	7.8
Non-controlling interests	9,813	7,130	37.6
Profit for the year	20,916	17,432	20.0

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

	GROUP	
	Year to Date Ended	
	31 December	
	2017	2016
	S\$'000	S\$'000
Profit before tax is stated after (crediting) / charging:		
Interest income	(2,113)	(2,142)
Dividend income	(2)	(2)
Amortisation of deferred income	(158)	(120)
(Gain)/loss on disposal of property, plant and equipment	(30)	184
Bad debts written off	15	72
Income from liquidation of an associate	-	(914)
Net decrease/(increase) in fair value of financial assets designated at fair value through profit or loss	43	(175)
Allowance for doubtful receivables	443	684
Allowance/(write back) for inventory obsolescence	145	(662)
Impairment allowance on property, plant and equipment	195	-
Depreciation of investment properties	29	20
Depreciation of property, plant and equipment	8,743	8,614
Inventories written off	425	34
Property, plant and equipment written off	123	2,726
Exchange loss/ (gain)	3,874	(1,137)
Change in fair value of financial derivatives	-	102
Interest on borrowings	1,092	922
Taxation		
Current year tax	6,827	5,529
(Over)/ under provision of tax in respect of prior years	(1,523)	213
Withholding tax expenses	505	1,035
Current year deferred tax	(308)	(102)
Over provision of deferred tax in respect of prior years	(11)	(451)
Changes in tax rate	54	-
	<u>5,544</u>	<u>6,224</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	GROUP		
	Year to Date Ended		
	31 December		
	2017	2016	+/(-)
	S\$'000	S\$'000	%
Profit for the year	20,916	17,432	20.0
Other comprehensive income - Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences of foreign operations	(1,635)	(5,967)	(72.6)
Effective portion of changes in fair value of cash flow hedges	(29)	(4)	625.0
Net change in fair value of available-for-sale financial assets	19	1	1,800.0
Other comprehensive income for the year, net of tax	<u>(1,645)</u>	<u>(5,970)</u>	<u>(72.4)</u>
Total comprehensive income for the year	<u>19,271</u>	<u>11,462</u>	<u>68.1</u>
Attributable to:			
Owners of the Company	10,281	6,554	56.9
Non-controlling interests	8,990	4,908	83.2
Total comprehensive income for the year	<u>19,271</u>	<u>11,462</u>	<u>68.1</u>

1(a)(ii) Brief Review of Financial Performance

In year 2017, the Group achieved a total revenue of S\$464.02 million, an increase of 16% or S\$64.04 million compared to the financial year 2016 (FY2016). The increase was attributed to stronger demand in Packaging Business (Tat Seng Group) especially from China, which has an increase of 35.9%. This increase was partially offset by closure of all franchise outlets from Consumer Business in Singapore.

Gross profit margin decreased by 1.24% to 22.58% of total revenue mainly attributed to reduced margin from Packaging business and Malaysia Consumer business. This is partially offset by improved margin from Singapore Consumer Business as it capitalised on its pricing advantage. Despite a lower gross profit margin, gross profit increased by 10% to S\$104.78 million as compared to S\$95.26 million in FY2016. This is mainly attributed to the strong growth in revenue from the Packaging Business.

Other income of S\$1.52 million in FY2017 was lower than S\$1.77 million in FY2016 was mainly due to one-off income from liquidation of an associate in FY2016. However, the decrease was partially offset by income recognised from franchise outlets closure in FY2017 and gain on disposal of fixed asset in FY2017 as compared to loss on disposal of fixed asset in FY2016.

Distribution expenses increased by 3.8% or S\$1.63 million in FY2017 was mainly due to higher transportation cost with the increased revenue from Packaging business.

Administrative expenses increased by 7.4% or S\$2.21 million in FY2017 was mainly due to higher staff incentives as a result of better performance in Packaging business as compared to last year.

Other expenses increased by S\$2.21 million (90.3%) in FY2017 as compared to FY2016 mainly due to exchange loss incurred in FY2017 as compared to an exchange gain in FY2016. This is partially offset by a lower write off of Property, Plant and Equipment in FY2017 as compared to FY2016 due to demolition of existing warehouse and manufacturing plant.

The results from operating activities were S\$25.48 million in FY2017 as compared to S\$22.26 million in FY2016, an increase of S\$3.22 million or 14.5%.

Lower net finance income of S\$0.98 million in FY2017 as compared to S\$1.40 million in FY2016, was mainly due to an increase in interest expense on bank borrowings by S\$0.17 million in Packaging Business and net fair value loss (S\$0.04 million) on financial assets designated at fair value through profit or loss in FY2017 as compared to net fair value gain (S\$0.17 million) on financial assets designated at fair value through profit or loss in FY2016.

The Group achieved a higher profit before tax of S\$26.46 million in FY2017 as compared to S\$23.66 million in FY2016. Tax expense was S\$5.54 million in FY2017 as compared to S\$6.22 million in FY2016.

The Group's net profit after tax for FY2017 was S\$20.92 million as compared to S\$17.43 million reported for FY2016. The net profit attributable to shareholders was S\$11.10 million for FY2017 as compared to S\$10.30 million reported for FY2016.

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

	Note	GROUP		COMPANY	
		31/12/2017 S\$'000	31/12/2016 S\$'000	31/12/2017 S\$'000	31/12/2016 S\$'000
Non-current assets					
Property, plant and equipment	1	115,582	75,307	30,469	9,397
Investment properties	2	7,820	770	-	-
Subsidiaries		-	-	40,009	40,069
Other financial assets		68	49	68	49
Intangible assets		1,116	1,134	-	-
Deferred tax assets		1,980	1,504	-	-
		<u>126,566</u>	<u>78,764</u>	<u>70,546</u>	<u>49,515</u>
Current assets					
Other financial assets, including derivatives	3	1,998	2,041	1,998	2,041
Inventories	4	47,727	39,113	-	258
Trade and other receivables	5	168,541	141,411	45,785	47,901
Cash and cash equivalents	6	147,912	175,389	86,815	105,069
Assets held for sale		46,065	46,847	-	-
		<u>412,243</u>	<u>404,801</u>	<u>134,598</u>	<u>155,269</u>
Total assets		<u>538,809</u>	<u>483,565</u>	<u>205,144</u>	<u>204,784</u>
Equity attributable to equity holders of the Company					
Share capital		200,100	200,100	200,100	200,100
Reserves		77,975	70,460	(9,612)	(8,558)
		<u>278,075</u>	<u>270,560</u>	<u>190,488</u>	<u>191,542</u>
Non-controlling interests		58,488	51,803	-	-
Total equity		<u>336,563</u>	<u>322,363</u>	<u>190,488</u>	<u>191,542</u>
Non-current liabilities					
Loans and borrowings	7	221	1,340	-	-
Deferred income		2,020	1,176	443	-
Deferred tax liabilities		1,328	1,101	-	-
		<u>3,569</u>	<u>3,617</u>	<u>443</u>	<u>-</u>
Current liabilities					
Trade and other payables, including derivatives	8	135,619	118,957	14,213	13,242
Loans and borrowings	7	61,224	35,798	-	-
Deferred income		163	119	-	-
Current tax liabilities		1,671	2,711	-	-
		<u>198,677</u>	<u>157,585</u>	<u>14,213</u>	<u>13,242</u>
Total liabilities		<u>202,246</u>	<u>161,202</u>	<u>14,656</u>	<u>13,242</u>
Total equity and liabilities		<u>538,809</u>	<u>483,565</u>	<u>205,144</u>	<u>204,784</u>

Note:

- Property, plant and equipment increased by S\$40.28 million for the Group in FY2017 mainly due to re-construction of warehouse and factory.
- Investment properties increased by S\$7.05 million due to an acquisition of land and building by an overseas subsidiary.
- Other financial assets decreased by S\$0.04 million for both the Group and the Company mainly due to the decrease in fair value of financial assets designated at fair value through profit or loss.
- At the Group level, inventories increased by S\$8.61 million in FY2017 mainly due to increase in raw material prices for Packaging Business. There is a higher stockholding of the Packaging Business in anticipation of higher business activity. In addition, there was an addition of a new product range for Malaysia Consumer Business.
- The increase of S\$27.13 million in trade and other receivables was mainly due higher revenue achieved by the Packaging Business and Malaysia Consumer Business. This was partially offset by Singapore Consumer Business due to improved collection and outlet closure.
- Refer to the consolidated statement of cash flows on Page 6 for details of movements in cash and cash equivalents.
- Total loans and borrowings increased by S\$24.31 million was mainly due to increase in utilisation of bills payables of S\$17.20 million and term loans of S\$7.14 million by the Packaging Business.
- The increase of S\$16.66 million in trade and other payables was in tandem with higher operating activities for the Packaging business and receipt of non-refundable deposits for the disposal of the assets held-for-sale.

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

	As at	
	31/12/2017	31/12/2016
	S\$'000	S\$'000
Amount repayable in one year or less, or on demand		
- secured	46,869	28,639
- unsecured	14,355	7,159
	<u>61,224</u>	<u>35,798</u>
Amount repayable after one year		
- secured	13	266
- unsecured	208	1,074
	<u>221</u>	<u>1,340</u>
Total	<u>61,445</u>	<u>37,138</u>

Details of any collateral :

The total secured borrowings of S\$46.88 million as at 31 December 2017 include:

Bank loans and bill payables of S\$46.88 million, secured on leasehold land, certain leasehold buildings, certain plant and machinery and certain motor vehicle held by the Packaging Business with net book value of approximately S\$23.54 million and cash and bank balances of S\$12.89 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

	GROUP	
	Year Ended	
	31 December	
Note	2017	2016
	S\$'000	S\$'000
Cash flows from operating activities		
Profit for the year	20,916	17,432
Adjustments for:		
Amortisation of deferred income	(158)	(120)
Depreciation of investment properties	29	20
Depreciation of property, plant and equipment	8,743	8,614
(Gain)/loss on disposal of property plant and equipment	(30)	184
Net finance income	(1,023)	(1,222)
Net decrease/(increase) in fair value of financial assets designated at fair value through profit or loss	43	(175)
Income from liquidation of an associate	-	(914)
Inventories written off	425	-
Property, plant and equipment written off	123	2,726
Change in fair value of financial derivatives	-	102
Tax expense	5,544	6,224
Impairment allowance on property, plant and equipment	195	-
Unrealised exchange loss/(gain)	4,293	(891)
	39,100	31,980
Changes in:		
- Inventories	1 (9,073)	(1,453)
- Trade and other receivables	2 (27,545)	(9,241)
- Trade and other payables	3 9,608	4,312
Cash generated from operations	12,090	25,598
Tax paid	(6,949)	(5,512)
Net cash from operating activities	5,141	20,086
Cash flows from investing activities		
Deposit received in relation to assets held-for-sale	9,028	8,715
Proceeds from liquidation of an associate	-	914
Interest received	1,501	1,452
Proceeds from disposal of property, plant and equipment	483	370
Purchase of property, plant and equipment	(50,599)	(14,316)
Purchase of investment property	(7,062)	-
Net cash used in investing activities	(46,649)	(2,865)
Cash flows from financing activities		
Increase in pledged deposits	(8,392)	(1,335)
Interest paid	(1,093)	(995)
Payment of finance lease liabilities	(16)	(16)
Dividend paid	(5,072)	(1,739)
Proceeds from borrowings	4 92,507	57,623
Repayment of borrowings	4 (67,625)	(52,969)
Net cash from financing activities	10,309	569
Net (decrease)/increase in cash and cash equivalents	(31,199)	17,790
Cash and cash equivalents at beginning of the year	170,888	152,704
Effect of exchange rate fluctuations on cash held	(4,670)	394
Cash and cash equivalents at end of the year	135,019	170,888
Comprising:		
Cash at bank and in hand	52,483	56,652
Fixed deposits with banks	95,429	118,737
	147,912	175,389
Deposits pledged	(12,893)	(4,501)
	135,019	170,888

Note:

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

Group	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
At 1 January 2017	204,327	(4,227)	200,100	7,815	33	3	(3,119)	65,728	270,560	51,803	322,363
Total comprehensive income for the year											
Profit for the year	-	-	-	-	-	-	-	11,103	11,103	9,813	20,916
Other comprehensive income											
Foreign currency translation differences of foreign operations	-	-	-	-	-	-	(820)	-	(820)	(815)	(1,635)
Net change in fair value of available-for-sale financial assets	-	-	-	-	19	-	-	-	19	-	19
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	-	(21)	-	-	(21)	(8)	(29)
Total other comprehensive income	-	-	-	-	19	(21)	(820)	-	(822)	(823)	(1,645)
Total comprehensive income for the year	-	-	-	-	19	(21)	(820)	11,103	10,281	8,990	19,271
Transactions with owners, recognised directly in equity											
Distributions to owners											
Dividends paid	-	-	-	-	-	-	-	(2,766)	(2,766)	(2,305)	(5,071)
Total distributions to owners	-	-	-	-	-	-	-	(2,766)	(2,766)	(2,305)	(5,071)
Transfer between reserves											
Appropriation of accumulated profits to other reserves	-	-	-	2,852	-	-	-	(2,852)	-	-	-
Total transactions with owners	-	-	-	2,852	-	-	-	(5,618)	(2,766)	(2,305)	(5,071)
At 31 December 2017	204,327	(4,227)	200,100	10,667	52	(18)	(3,939)	71,213	278,075	58,488	336,563
At 1 January 2016	204,327	(4,227)	200,100	6,357	32	6	627	56,884	264,006	48,633	312,639
Total comprehensive income for the year											
Profit for the year	-	-	-	-	-	-	-	10,302	10,302	7,130	17,432
Other comprehensive income											
Foreign currency translation differences of foreign operations	-	-	-	-	-	-	(3,746)	-	(3,746)	(2,221)	(5,967)
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	-	(3)	-	-	(3)	(1)	(4)
Net change in fair value of available-for-sale financial assets	-	-	-	-	1	-	-	-	1	-	1
Total other comprehensive income	-	-	-	-	1	(3)	(3,746)	-	(3,748)	(2,222)	(5,970)
Total comprehensive income for the year	-	-	-	-	1	(3)	(3,746)	10,302	6,554	4,908	11,462
Transactions with owners, recognised directly in equity											
Distributions to owners											
Dividends paid	-	-	-	-	-	-	-	-	-	(1,738)	(1,738)
Total distributions to owners	-	-	-	-	-	-	-	-	-	(1,738)	(1,738)
Transfer between reserves											
Appropriation of accumulated profits to other reserves	-	-	-	1,458	-	-	-	(1,458)	-	-	-
Total transactions with owners	-	-	-	1,458	-	-	-	(1,458)	-	(1,738)	(1,738)
At 31 December 2016	204,327	(4,227)	200,100	7,815	33	3	(3,119)	65,728	270,560	51,803	322,363

Company	Issued Capital	Treasury Shares	Share Capital	Other Reserves	Fair Value Reserve	Accumulated Losses	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2017	204,327	(4,227)	200,100	491	32	(9,081)	191,542
Total comprehensive income for the year							
Profit for the year	-	-	-	-	-	1,693	1,693
Other comprehensive income							
Net change in fair value of available-for-sale financial assets	-	-	-	-	19	-	19
Total comprehensive income for the year	-	-	-	-	19	1,693	1,712
Transactions with owners, recognised directly in equity							
Distributions to owners							
Dividends paid	-	-	-	-	-	(2,766)	(2,766)
Total transactions with owners	-	-	-	-	-	(2,766)	(2,766)
At 31 December 2017	204,327	(4,227)	200,100	491	51	(10,154)	190,488
At 1 January 2016	204,327	(4,227)	200,100	491	32	(12,503)	188,120
Total comprehensive income for the year							
Profit for the year	-	-	-	-	-	3,422	3,422
Total comprehensive income for the year	-	-	-	-	-	3,422	3,422
At 31 December 2016	204,327	(4,227)	200,100	491	32	(9,081)	191,542

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

(i) Share Capital

Group and Company

In issue at 1 January and 31 December

	2017	2016
No. of shares	No. of shares	No. of shares
570,996,746	570,996,746	570,996,746

(ii) Treasury shares

Group and Company

Balance as at the end of the period

	2017	2016
No. of shares	No. of shares	No. of shares
17,581,000	17,581,000	17,581,000

(iii) There were no subsidiary holdings as at 31 December 2017 and 31 December 2016.

The total number of issued shares excluding treasury shares and subsidiary holdings as at the end of the current financial year was 553,415,746 (31 December 2016: 553,415,746).

(iv) HANWELL Executives' Share Option Scheme 2003

During the financial year ended 31 December 2017, 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 2017. 10,150,000 shares may be issued on conversion of all the outstanding options at the end of the current 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	
	31/12/2017	31/12/2016
Total number of issued shares	553,415,746	553,415,746

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

There were no sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial year.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. There were no subsidiary holdings during and at the end of the current financial year reported on.

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.

Other than the adoption of the new and revised Financial Reporting Standards (FRS) which took effect from the current financial year, there were no changes in accounting policies and methods of computation adopted in the financial statements for the current reporting period as compared to the most recent audited annual financial statements as at 31 December 2016.

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

The adoption of the new and revised FRSs have no material impact to the financial statements of the Group and of the Company.

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 to Date Ended	
31/12/2017	31/12/2016
cents	cents

Earnings per ordinary share of the group for the financial period based on net profit attributable to shareholders:

Basic earnings per share	2.01	1.86
Diluted earnings per share	1.99	1.85

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	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
	cents	cents	cents	cents
Net asset value per ordinary share based on issued share capital at the end of the period reported on	50.25	48.89	34.42	34.61

- 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*	
	2017 S\$'000	2016 S\$'000	2017 S\$'000	2016 S\$'000
By Business Segments				
Consumer Essentials				
Consumer Business	160,977	171,428	7,543	6,609
Strategic Investments				
Packaging	302,925	228,499	28,121	21,965
Others	115	51	(953)	(1,277)
	<u>464,017</u>	<u>399,978</u>	<u>34,711</u>	<u>27,297</u>
Unallocated amounts:				
- Other corporate expenses, net of income			(9,231)	(5,038)
			<u>25,480</u>	<u>22,259</u>
By Geographical Locations				
Singapore	141,869	147,258	(8,469)	(6,783)
Malaysia	59,016	59,142	4,116	4,163
China	263,017	193,578	29,816	24,879
Japan	115	-	17	-
	<u>464,017</u>	<u>399,978</u>	<u>25,480</u>	<u>22,259</u>

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

Consumer Business

Revenue decreased by S\$10.45 million or 6.1% in FY2017, from S\$171.43 million in FY2016 to S\$160.98 million in FY2017. The decrease was mainly due to lower revenue generated from distribution business in Singapore as a result of closure of all franchise outlets. Additionally, intense competition faced by the Singapore consumer business has resulted in lower revenue.

The Consumer Business recorded a PBIT of S\$7.54 million in FY2017 as compared to PBIT of S\$6.61 million in FY2016. Excluding foreign currency exchange loss of S\$3.50 million in FY 2017 (FY2016: gain S\$2.20 million), the consumer Business recorded a PBIT of S\$11.04 million in FY 2017 as compared to S\$4.41 million in FY 2016. The improvement is due to reduction in losses resulting from closure of franchise outlets and improved margin from pricing advantage.

Packaging Business

Revenue increased by 32.6% or S\$74.4 million from S\$228.5 million in FY2016 to S\$303.0 million in FY2017. Total revenue of China's operations recorded a stronger growth of 35.9% or S\$69.4 million in the Group's reporting currency in FY2017. Total revenue achieved by the Singapore entities in FY2017 were increased by 14.3% or S\$5.0 million from S\$34.9 million in FY2016, mainly attributable to higher demand in biomedical & pharmaceutical and food & beverage industries.

The segment recorded a PBIT of S\$28.12 million in FY 2017 as compared to S\$21.97 million in FY 2016. This is mainly contributed by higher sales growth, continuous effort in rationalising the workflow, investment in automated machines and machineries upgrading, which improves productivity.

- 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 trading environment for FMCG industry is competitive and soft for the year. We saw an upward movement in price for rice and for recycled and pulp paper starting in late 2017. Moving into 2018, we foresee margins may be impacted as taking price increase is lagging behind increase in cost of these commodities.

The Group's Packaging Business expects the operating environment for both Singapore and China to remain challenging with the uncertainty of macro-economic conditions, the volatility of raw materials prices and the competitive environment in this industry. In view of this, the segment will continue to execute improvement strategies in term of cost management, enhance operational efficiency and boosting productivity. It will continue to invest and upgrade its machineries, improve staff skills and IT capabilities in order to achieve long-term competitiveness and to better serve its customers.

11 Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial year reported on		Yes
Name of Dividend	Final	
Dividend Type	Cash; Tax exempt (1-tier) dividend	
Dividend Amount Per Share	S\$0.0025 per ordinary share	
Tax Rate	Exempt (1-tier)	
Date Paid	To be approved by shareholders at the forthcoming AGM	

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend recommended for the current financial year reported on		Yes
Name of Dividend	Final	
Dividend Type	Cash; Tax exempt (1-tier) dividend	
Dividend Amount Per Share	S\$0.005 per ordinary share	
Tax Rate	Exempt (1-tier)	
Date Paid	15 May 2017	

(c) Date payable

To be announced later

(d) Books closure date

To be announced later

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

Not applicable

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.

2017	Consumer Essentials	Strategic Investments	Others	Total
	Consumer Business	Packaging		
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue and expenses				
Total revenue	160,977	302,925	115	464,017
Results from operating activities	7,543	28,121	(953)	34,711
Unallocated amounts - Other corporate expenses				(9,231)
Net finance income				980
Share of losses of associates (net of tax)				-
Profit before tax				26,460
Tax expense				(5,544)
Profit for the year				20,916

2016	Consumer Essentials	Strategic Investments	Others	Total
	Consumer Business	Packaging		
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue and expenses				
Total revenue	171,428	228,499	51	399,978
Results from operating activities	6,609	21,965	(1,277)	27,297
Unallocated amounts - Other corporate expenses				(5,038)
Net finance costs				1,397
Share of losses of associates (net of tax)				-
Profit before tax				23,656
Tax expense				(6,224)
Profit for the year				17,432

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 to Date Ended		
	31/12/2017	31/12/2016	+ / (-)
	S\$'000	S\$'000	%
Sales reported for first half year	212,188	191,646	10.7
Operating profit after tax before deducting non-controlling interests reported for first half year	6,019	4,057	48.4
Sales reported for second half year	251,829	208,332	20.9
Operating profit after tax before deducting non-controlling interests reported for second half year	14,897	13,375	11.4

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\$'000	S\$'000
Final cash dividend	1,384*	2,767

* to be approved by shareholders at the forthcoming AGM

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	45	Brother of Executive Director, Dr. Tang Cheuk Chee and brother-in-law of Executive Chairman, Dr. Allan Yap	Group Vice President with effect from 1 January 2017 Accountable for the new business strategy and development of the Group. Oversees and in charge of Group's various departments, namely Human Resource & Administration, the Management Information System and new business strategy and development of the Group.	-

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
23 February 2018