



SINJIA LAND LIMITED
FULL YEAR FINANCIAL STATEMENT AND DIVIDEND
ANNOUNCEMENT FOR YEAR ENDED 31 DECEMBER 2016
(UNAUDITED)

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

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

	FY2016 S\$'000	FY2015 S\$'000	Change
<u>Continuing operations</u>			
Revenue	16,135	15,304	5.4%
Cost of sales	(10,653)	(10,211)	4.3%
Gross profit	5,482	5,093	7.6%
Other income	394	310	27.1%
Other credits	228	710	(67.9%)
Expenses			
- Distribution and marketing	(1,555)	(1,647)	(5.6%)
- Administrative	(4,469)	(5,029)	(11.1%)
- Finance	(15)	(236)	(93.6%)
- Other charges	(42)	(226)	(81.4%)
Profit/(loss) before tax	23	(1,025)	NM
Income tax expense	(624)	(784)	(20.4%)
Loss from continuing operations	(601)	(1,809)	(66.8%)
<u>Discontinued operations</u>			
Profit/(loss) from discontinued operations, net of tax	41	(1,282)	NM
Total loss	(560)	(3,091)	(81.9%)
Other comprehensive (loss)/income, net of tax:			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation			
- Losses	(153)	(533)	(71.3%)
Available-for-sale financial assets			
- Fair value (losses)/gains	(313)	3,447	NM
Items that will not be reclassified subsequently to profit or loss:			
Defined benefit obligation re-measurement			
	(45)	6	
Other comprehensive (loss)/income, net of tax	(511)	2,920	NM
Total comprehensive loss	(1,071)	(171)	526.3%
Loss attributable to:			
Equity holders of the company	(485)	(2,534)	(80.9%)
Non-controlling interests	(75)	(557)	(86.5%)
	(560)	(3,091)	(81.9%)
Total comprehensive (loss)/income attributable to:			
Equity holders of the company	(996)	386	NM
Non-controlling interests	(75)	(557)	(86.5%)
	(1,071)	(171)	526.3%
(Loss)/profit per share for loss attributable to equity holders of the Company (cents per share)			
Basic and diluted (loss)/profit per share			
From continuing operations	(0.42)	(1.29)	(67.1%)
From discontinued operations	0.08	(0.51)	NM
	(0.34)	(1.80)	(80.9%)

Note: Refer to paragraph 8 - Review of the performance of the Group, found on pages 9 to 10 of this announcement.

Loss net of income tax is arrived at after (charging)/crediting the following:

	FY2016	FY2015	Change
	S\$'000	S\$'000	
Depreciation of plant and equipment	(701)	(961)	(27.1%)
Foreign exchange adjustment gain	87	33	163.6%
Reversal for impairment on inventories	16	10	60.0%
Allowance for impairment on trade and other receivables	(39)	(31)	25.8%
(Loss)/gain on disposal of plant and equipment	(13)	564	NM
Plant and equipment written off	(62)	(11)	463.6%
Forfeiture of deposit	-	(134)	NM
Reversal of fair value adjustment on bank borrowings	-	(20)	NM
Impairment loss on assets of disposal group classified as held-for-sale	-	(1,068)	NM

NM – not meaningful

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

(In S\$'000)

	<u>Group</u>		<u>Company</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
ASSETS				
Current assets				
Inventories	1,541	1,250	-	-
Trade and other receivables	5,991	5,541	6,944	5,433
Other current assets	530	768	61	69
Financial assets, at fair value through profit or loss	2,051	-	2,051	-
Cash and cash equivalents	6,550	10,130	1,167	6,223
	<u>16,663</u>	<u>17,689</u>	<u>10,223</u>	<u>11,725</u>
Assets of disposal group classified as held for sale	3,258	3,327	3,207	3,069
	<u>19,921</u>	<u>21,016</u>	<u>13,430</u>	<u>14,794</u>
Non-current assets				
Available-for sale financial assets	13,882	14,194	13,882	14,194
Investments in subsidiary corporations	-	-	12,060	11,396
Plant and equipment	2,325	2,045	110	223
Intangible Assets	758	-	-	-
	<u>16,965</u>	<u>16,239</u>	<u>26,052</u>	<u>25,813</u>
Total assets	<u>36,886</u>	<u>37,255</u>	<u>39,482</u>	<u>40,607</u>
LIABILITIES				
Current liabilities				
Trade and other payables	13,357	13,111	11,176	11,517
Current income tax liabilities	192	377	-	-
Borrowings	901	284	5,891	5,763
	<u>14,450</u>	<u>13,772</u>	<u>17,067</u>	<u>17,280</u>
Liabilities directly associated with disposal group classified as held-for-sale	1,256	1,317	-	-
	<u>15,706</u>	<u>15,089</u>	<u>17,067</u>	<u>17,280</u>
Non-current liabilities				
Borrowings	303	581	304	581
Provisions	244	146	-	-
Deferred income tax liabilities	23	57	-	-
	<u>570</u>	<u>784</u>	<u>304</u>	<u>581</u>
Total liabilities	<u>16,276</u>	<u>15,873</u>	<u>17,371</u>	<u>17,861</u>
EQUITY				
Capital and reserves attributable to equity holders of the company				
Share capital	23,147	23,014	23,147	23,014
Treasury shares	(2,602)	(2,602)	(2,602)	(2,602)
Retained profits	(570)	(85)	(1,568)	(1,113)
Other reserves	1,557	2,068	3,134	3,447
	<u>21,532</u>	<u>22,395</u>	<u>22,111</u>	<u>22,746</u>
Non-controlling interests	<u>(922)</u>	<u>(1,013)</u>	-	-
	<u>20,610</u>	<u>21,382</u>	<u>22,111</u>	<u>22,746</u>
Total equity and liabilities	<u>36,886</u>	<u>37,255</u>	<u>39,482</u>	<u>40,607</u>

Note: Refer to paragraph 8 - Review of the performance of the Group, found on pages 9 to 10 of this announcement.

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

Amount repayable in one year or less, or on demand

(In S\$'000)

	As at 31.12.2016		As at 31.12.2015	
	Secured	Unsecured	Secured	Unsecured
Finance lease liabilities	35	-	38	-
Borrowings	624	242	-	246
Total	659	242	38	246

Amount repayable after one year

(In S\$'000)

	As at 31.12.2016		As at 31.12.2015	
	Secured	Unsecured	Secured	Unsecured
Finance lease liabilities	221	-	256	-
Borrowings	-	82	-	325
Total	221	82	256	325

Details of any collateral

Finance lease liabilities refer to a hire purchase for motor vehicles.

Bank borrowings amounting to S\$948,000 (31 December 2015: S\$571,000) consist of:

- Term loans of S\$624,000 (31 December 2015: NIL) by one of our subsidiary corporations in China, secured by corporate guarantee from one of our subsidiary corporations in Singapore.
- Unsecured term loans of S\$324,000 (31 December 2015: S\$571,000) by our Company.

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

(In \$'000)

	Group	
	2016	2015
Cash flows from operating activities		
- From continuing operations	(601)	(1,809)
- From discontinued operation	41	(1,282)
Total loss	(560)	(3,091)
Adjustments for :		
- Income tax expenses	624	784
- Depreciation of plant and equipment	701	961
- (Loss)/gain on disposal of plant and equipment	13	(564)
- Plant and equipment written-off	62	11
- Interest income	(394)	(310)
- Finance expense	67	214
- Amortisation of transaction costs	-	105
- Impairment loss on assets of disposal group classified as held-for-sale	-	1,068
- Gain on disposal of a subsidiary corporation	(160)	-
- Unrealised currency translation losses	(92)	(139)
	261	(961)
Change in working capital, net of effects from disposal of subsidiary corporations:		
- Inventories	(291)	95
- Trade and other receivables	(356)	1,515
- Other current assets	238	1
- Financial assets, at fair value through profit or loss	(2,051)	-
- Trade and other payables and provisions	224	913
Cash generated from operations	(1,975)	1,563
Income tax paid	(848)	(663)
Net cash (used in)/provided by operating activities	(2,823)	900
Cash flows from investing activities		
Additions to plant and equipment	(1,045)	(579)
Additions to assets under construction	-	(1,246)
Disposal of plant and equipment	1	3,004
Acquisition of a subsidiary corporation, net of cash acquired	(649)	-
Disposal of a subsidiary corporation, net of cash disposed of	150	-
Interest received	394	146
Net cash (used in)/provided by investing activities	(1,149)	1,325
Cash flows from financing activities		
Proceeds from issuance of new shares	133	-
Cash restricted in use	(723)	-
Release of cash restricted in use	32	4,500
Interest paid	(67)	(214)
Repayment of lease liabilities	(38)	(47)
Proceeds from borrowings	1,549	1,206
Repayment of borrowings	(1,171)	(8,162)
Net cash used in financing activities	(285)	(2,717)
Net decrease in cash and cash equivalents	(4,257)	(492)
Cash and cash equivalents		
Beginning of the period	10,165	15,429
Less: bank deposits pledged	(32)	(4,532)
Effects of currency translation on cash and cash equivalents	(49)	(272)
End of the period	5,827	10,133
Balance as in statement of financial position	6,550	10,165
Less: bank deposits pledged	(723)	(32)
Cash and cash equivalent as in consolidated statement of cash flows	5,827	10,133

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

	Attributable to Equity Holders of the Company					Non-Controlling Interest	Total Equity
	Shares Capital	Treasury Shares	(Accumulated Losses)/ Retained Profits	Other Reserves	Subtotal		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
Group							
2016							
Beginning of financial year	23,014	(2,602)	(85)	2,068	22,395	(1,013)	21,382
Total loss for the year	-	-	(485)	-	(485)	(75)	(560)
Other comprehensive loss for the year	-	-	-	(511)	(511)	-	(511)
Total comprehensive loss for the year	-	-	(485)	(511)	(996)	(75)	(1,071)
Acquisition of a subsidiary corporation	-	-	-	-	-	166	166
Issue of new shares	133	-	-	-	133	-	133
Total transactions with owners, recognised directly in equity	133	-	-	-	133	166	299
End of financial year	23,147	(2,602)	(570)	1,557	21,532	(922)	20,610
2015							
Beginning of financial year	23,014	(2,602)	2,443	(846)	22,009	(456)	21,553
Total loss for the year	-	-	(2,534)	-	(2,534)	(557)	(3,091)
Other comprehensive income for the year	-	-	6	2,914	2,920	-	2,920
Total comprehensive (loss)/income for the year	-	-	(2,528)	2,914	386	(557)	(171)
End of financial year	23,014	(2,602)	(85)	2,068	22,395	(1,013)	21,382
Company							
2016							
Beginning of financial year	23,014	(2,602)	(1,113)	3,447	22,746	-	22,746
Total loss for the year	-	-	(455)	-	(455)	-	(455)
Other comprehensive loss for the year	-	-	-	(313)	(313)	-	(313)
Total comprehensive loss for the year	-	-	(455)	(313)	(768)	-	(768)
Issue of new shares	133	-	-	-	133	-	133
Total transactions with owners, recognised directly in equity	133	-	-	-	133	-	133
End of financial year	23,147	(2,602)	(1,568)	3,134	22,111	-	22,111
2015							
Beginning of financial year	23,014	(2,602)	86	-	20,498	-	20,498
Total loss for the year	-	-	(1,199)	-	(1,199)	-	(1,199)
Other comprehensive income for the year	-	-	-	3,447	3,447	-	3,447
Total comprehensive (loss)/income for the year	-	-	(1,199)	3,447	2,248	-	2,248
End of financial year	23,014	(2,602)	(1,113)	3,447	22,746	-	22,746

- 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**

In connection with the Company's acquisition of G4 Station Pte. Ltd. (please refer to the Company's circular to shareholders dated 7 September 2016 and the Company's announcements dated 3 October 2016, 7 September 2016, 5 July 2016, 4 April 2016 and 28 December 2015), 1,412,765 new ordinary shares ("Consideration Shares") were allotted and issued by the Company to Mr. Tan Sze Seng. On 3 October 2016, the Company received the Listing and Quotation Notice from the Singapore Exchange Securities Trading Limited for the listing and quotation of the Consideration Shares. Following this, the issued and paid-up share capital of the Company has increased from 140,659,920 Shares to 142,072,685 Shares.

As at 31 December 2016, there were 14,978,000 shares held as Treasury Shares (31 December 2015: 14,978,000 shares).

- 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**

Total number of issued shares excluding treasury shares as at 31 December 2016 was 142,072,685 (31 December 2015: 140,659,920)

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

There was no sale, transfer, disposal, cancellation and/or use of treasury share for the year ended 31 December 2016.

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

The figures have not been audited or reviewed by external auditors.

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

As disclosed in Note 5 below, the Group had applied the same accounting policies and methods of computation in the financial statements for the current period as those for the audited financial statements for the year ended 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**

In the current period, the Group adopted the new/revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 January 2016.

- FRS 114 *Regulatory Deferral Accounts*
- Amendments to FRS 1 *Disclosure Initiative*
- Amendments to FRS 27 *Equity Method in Separate Financial Statements*
- Amendments to FRS 16 and FRS 38 *Clarification of Acceptable Methods of Depreciation and Amortisation*
- Amendments to FRS 16 and FRS 41 *Agriculture: Bearer Plants*
- Amendments to FRS 111 *Accounting for Acquisitions of Interests in Joint Operations*
- Amendments to FRS 110, FRS 112 and FRS 28 *Investment Entities: Applying the Consolidation Exception*
- Improvements to FRSs (November 2014)
 - Amendments to FRS 105 *Non-current Assets Held for Sale and Discontinued Operations*
 - Amendments to FRS 107 *Financial Instruments: Disclosures*
 - Amendment to FRS 19 *Employee Benefits*
 - Amendment to FRS 34 *Interim Financial Reporting*

The adoption of the above did not result in any material change to the Group's accounting policies nor have any significant impact on the financial statements.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

Basic and diluted earnings per share based on (loss)/profit attributable to shareholders (in cent):	12 months ended 31.12.2016	12 months ended 31.12.2015
Continuing operations	(0.42)	(1.29)
Discontinued operations	0.08	(0.51)
Total	(0.34)	(1.80)

The basic earnings per share and fully diluted earnings per share for continuing operations have been calculated based on net loss attributable to shareholders of S\$596,000 (FY2015: S\$1,809,000) and the weighted average number of ordinary shares during the period of 141,008,273 (FY2015: 140,659,920).

The basic earnings per share and fully diluted earnings per share for discontinued operations have been calculated based on net profit attributable to shareholders of S\$112,000 (FY2015: Loss: S\$727,000) and the weighted average number of ordinary shares during the period of 141,008,273 (FY2015: 140,659,920).

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

As at	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Net asset value per ordinary share (cents)	15.16	15.92	15.56	16.17

The net asset value per share of the Group has been calculated based on shareholders' equity of S\$21,532,000 (31 December 2015: S\$22,395,000) and 142,072,685 shares (31 December 2015: 140,659,920 shares).

The net asset value per share of the Company has been calculated based on shareholders' equity of S\$22,111,000 (31 December 2015: S\$22,746,000) and issued share capital of 142,072,685 shares (31 December 2015: 140,659,920 shares).

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

Income Statement

In accordance with the FRS, the results of the disposed group are presented separately as "Discontinued Operations".

(i) Continuing Operations

Group revenue for FY2016 increased by 5.4% to S\$16.14 million from S\$15.30 million for FY2015. It was contributed by key customers of the Group's Elastomeric business units in Singapore, Suzhou and Batam and new revenue stream of S\$0.1 million from G4 Station Pte. Ltd. ("G4") following its acquisition on 3 October 2016. This was partly offset by a decrease of orders from key customers of the Elastomeric business units in Malaysia.

Gross profit in FY2016 grew by 7.6% or S\$0.39 million, from S\$5.09 million for FY2015 to S\$5.48 million in FY2016 due to higher gross margin recorded in FY2016. Gross profit margin accordingly increased from 33.3% for FY2015 to 34.0% for FY2016.

Distribution costs and administrative expenses decreased by 9.8% to S\$6.02 million in FY2016 from S\$6.68 million in FY2015 mainly due to decrease of staff related cost and legal fees.

Finance costs for FY2016 were S\$0.02 million as compared to S\$0.24 million for FY2015 largely due to the interest cost-savings from the repayment of debenture loans in FY2015.

The Group recorded other charges of S\$0.04 million in FY2016 mainly due to allowance for impairment on trade and other receivables of S\$17,000, plant and equipment written off of S\$5,000 and loss on disposal of plant and equipment of S\$13,000. This compares to other charges of S\$0.23 million in FY2015.

Other credits in FY2016 was S\$0.23 million compared to S\$0.71 million in FY2015 mainly due to foreign exchange gains of S\$85,000, government grants of S\$76,000 (FY2015: S\$39,000), gain on fair value of investment fund (Fortune Asia Long Short Fund) of S\$51,000 and reversal for impairment on inventories of S\$16,000 (FY2015: S\$10,000). In FY2015, the Group recorded a gain on its disposal of power generation system equipment of S\$0.66 million in Myanmar and operating lease income from Process Innovation Technology SE Asia Pte Ltd of S\$80,000.

In FY2016, the Group registered a net profit before tax of S\$0.02 million (FY2015: net loss before tax of S\$1.03 million) and a loss after tax of S\$0.60 million (FY2015: S\$1.81 million). The Group posted a loss attributable to equity holders of the Company of S\$0.49 million in FY2016 compared to S\$2.53 million in FY2015.

(ii) Discontinued Operations

The Group announced the voluntary liquidation of a dormant subsidiary corporation in Malaysia on 3 January 2017 and classified the energy/power segment as discontinued operations. The discontinued operations reported a profit attributable to owners of S\$0.04 million (FY2015: loss attributable to owners of S\$1.28 million).

Financial Position

Non-current Assets

As at 31 December 2016, the total non-current assets of the Group increased by S\$0.72 million to S\$16.97 million from S\$16.24 million as at 31 December 2015. The Group purchased new plant and equipment of S\$1.05 million, offset by the depreciation of plant and equipment of S\$0.70 million. The fair value of quoted securities in Abterra Ltd previously transferred by Mr. Tan Jian You decreased by S\$0.31 million. The Group completed the acquisition of G4 on 5 October 2016 and recorded provisional goodwill of \$0.79 million.

Current Assets

The Group's current assets amounted to S\$19.92 million as at 31 December 2016, a decrease of S\$1.10 million compared to 31 December 2015. Inventories and trade and other receivables increased by S\$0.29 million and S\$0.21 million, respectively, due to the increase of orders from key customers of the Group's Elastomeric business units. The Group also subscribed for 20,000 "SGD Class A" redeemable participating shares at the price of S\$100.00 per share in an investment fund (Fortune Asia Long Short Fund), for the total subscription amount of S\$2.00 million and its fair value increased by S\$0.05 million to S\$2.05 million

Cash and cash equivalents declined by S\$3.57 million mainly due to the investment in Fortune Asia Long Short Fund of S\$2.00 million, purchase of new plant and equipment of S\$1.05 million, new investment into G4 of S\$0.66 million, repayment of borrowings and lease liabilities of S\$1.21 million and the payment of income tax of S\$0.83 million.

Total Liabilities

The Group had S\$16.28 million total liabilities as at 31 December 2016, with approximately S\$0.57 million under non-current liabilities. The increase of financial liabilities in FY2016 was mainly due to higher utilisation of trade finance facilities that were extended to the Group's subsidiary corporation in China. During the financial year, the Group has repaid bank borrowings of approximately S\$1.17 million but taken additional borrowings of S\$1.55 million. As at 31 December 2016, income tax was recorded at S\$0.19 million compared to S\$0.38 million as at 31 December 2015. Additional income tax was provided for one of the subsidiary corporations in Singapore after a tax review by the tax authority, IRAS. The Group has also paid income tax of S\$0.85 million.

Deferred tax liabilities as at 31 December 2016 was recorded at S\$23,000.

The Group was in a net cash position as at 31 December 2016.

Total Equity

Total equity decreased by S\$0.77 million to S\$20.61 million as at 31 December 2016 from S\$21.38 million as at 31 December 2015. On 3 October 2016, the Company received the Listing and Quotation Notice from the Singapore Exchange Securities Trading Limited for the listing and quotation of the Consideration Shares. Following this, the issued and paid-up share capital of the Company has increased from 140,659,920 Shares to 142,072,685 Shares.

Retained earnings decreased by S\$0.48 million during the financial year. There was an increase in losses from foreign currency translation reserves of S\$153,000 mainly due to the weakening of China's Renminbi and Malaysia Ringgit against the Singapore Dollar, against the strengthening of Indonesia Rupiah against the Singapore Dollar. The changes in the fair value of available-for-sale financial assets of S\$0.31 million are recognised in other comprehensive income and accumulated in the fair value reserve. The loss attributable to non-controlling interest reduced the effect of higher retained earnings on total equity.

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

Not applicable. No forecast or prospect statement had been previously disclosed to shareholders.

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

While recent economic indicators point to a possible bottoming out of the recession, the Group expects to operate in a very challenging business environment characterized by slow recovery and uncertain financial environment.

The Group faces rising cost pressures due to the increase in minimum wages in some of its countries of operations namely, China, Indonesia and Malaysia.

The Group has implemented various measures to stay lean and cash flow positive in order to stay competitive in the challenging business environment.

The Group has diversified its core business to include the property business and the Group intends to further participate as and when suitable opportunities arise. The Group may also invest in or acquire or dispose of shares or interests in any entity that is in the property business. The Company does not plan to restrict the property business to any specific geographical market as each project and investment will be evaluated and assessed by the Board on its merits. The Group may also explore joint ventures and/or strategic alliances with third parties who have the relevant expertise and resources to carry out the property business as and when the opportunity arises.

Nevertheless, the Company has, and will continue to explore new business opportunities which can enhance long term shareholder value. These include geographical expansion, mergers and acquisitions, divestment and partnering with long term strategic investor(s) who can add depth and breadth to the Group's existing business portfolio.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No dividend has been declared for this period.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No dividend was declared for previous period.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared/recommendeded.

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 the shareholders. There was no interested person transaction exceeding S\$100,000 as at 31 December 2016.

14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

15. NEGATIVE CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5)

Not applicable for full year results announcement.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

16. **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.**

Operating Segments

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance.

Segment Information

For management purposes, the Group is organized into controlling business units ("CBU") based on their products and services which are further aggregated into five reportable segments as follows:

- 1) The *Office Automation* ("OA") segment manufactures and distributes polymeric components, polymeric die-cutting services and precision turned parts for the office automation end products including printers, copiers, electronic devices, computers, note books and peripheral accessories.
- 2) The *Lifestyle Products* ("LP") segment manufactures and distributes compound rubber and precision molded rubber parts and components for the consumer and lifestyle products including household electrical appliances, consumer electronic devices, vibration control components and peripheral accessories.
- 3) The *Energy/Power* ("EP") segment procures, assembles and installs fuel cell systems in commercial and other buildings for the generation of electricity and production of synthetic diesel in Singapore.
- 4) The *Hospitality Management* ("HM") segment manages and operates lodging and boarding houses and backpackers hostels.
- 5) The *Corporate* ("IH") segment is involved in Group level corporate services, treasury functions and investments. It derives its income substantially from inter-company transactions.

Management monitors the operating results of its CBU separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects is measured differently from operating profit or loss in the consolidated financial statements. Financing cost (interest expense) and income taxes are managed on a group basis and are not allocated to operating segments. Transfer pricing between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Financial Information by Operating Segments from Continuing Operations

	OA S\$'000	LP S\$'000	HM S\$'000	IH S\$'000	Total S\$'000
2016					
Sales:					
Total sales segment	-	19,886	118	-	20,004
Inter-segment sales	-	(3,869)	-	-	(3,869)
Sales to external parties	-	16,017	118	-	16,135
Adjusted EBITDA	103	1,047	(22)	(527)	601
Depreciation	-	(585)	-	(112)	(697)
ORBIT	103	462	(22)	(639)	(96)
Finance costs	-	(24)	-	(43)	(67)
Other items	-	10	2	174	186
Loss before tax from operations					23
Income tax expense					(624)
Profit from continuing operations					(601)
Loss from discontinued operations					41
					(560)
2015					
Sales:					
Total sales segment	-	18,137	-	-	18,137
Inter-segment sales	-	(2,833)	-	-	(2,833)
Sales to external parties	-	15,304	-	-	15,304
Adjusted EBITDA	97	(112)	-	(338)	(353)
Depreciation	(71)	(747)	-	(139)	(957)
ORBIT	26	(859)	-	(477)	(1,310)
Finance costs	-	(129)	-	(51)	(180)
Other items	(4)	(49)	-	518	465
Loss before tax from operations					(1,025)
Income tax expense					(784)
Loss from continuing operations					(1,809)
Loss from discontinued operations					(1,282)
					(3,091)

Assets and Reconciliations

	OA S\$'000	LP S\$'000	HM S\$'000	IH S\$'000	Unallocated S\$'000	Group S\$'000
2016						
Segment assets for reportable segments	1	8,607	834	17,636	-	27,078
Unallocated:						
Add: Cash and cash equivalents	-	-	-	-	6,550	6,550
	1	8,607	834	17,636	6,550	33,628
2015						
Segment assets for reportable segments	1	7,999	-	15,798	-	23,798
Unallocated:						
Add: Cash and cash equivalents	-	-	-	-	10,130	10,130
	1	7,999	-	15,798	10,130	33,928

Liabilities and Reconciliations

	OA S\$'000	LP S\$'000	HM S\$'001	IH S\$'000	Unallocated S\$'000	Group S\$'000
2016						
Segment liabilities for reportable segments	5	2,411	17	11,168	-	13,601
Unallocated:						
Deferred and current tax liabilities	-	-	-	-	215	215
Other financial liabilities	-	-	-	-	949	949
Finance lease liabilities	-	-	-	-	255	255
	5	2,411	17	11,168	1,419	15,020
2015						
Segment liabilities for reportable segments	17	1,720	-	11,520	-	13,257
Unallocated:						
Deferred and current tax liabilities	-	-	-	-	434	434
Other financial liabilities	-	-	-	-	570	570
Finance lease liabilities	-	-	-	-	295	295
	17	1,720	-	11,520	1,299	14,556

Geographical Information

The Group's main operations are located in Singapore, Malaysia, Indonesia and China. Revenue from external customers are attributed to the Group's countries of domicile and all foreign countries in total from which the Group derived revenues. Non-current assets are attributed to countries based on the Group's country of domicile and all foreign countries in total in which the entity holds assets.

The Group's reportable segments are based on differences in products and services, no additional disclosure of revenue information about products and services are required.

	Revenue		Non-Current Assets	
	2016 S\$'000	2015 S\$'000	2016 S\$'000	2015 S\$'000
Malaysia	6,709	7,251	624	800
Singapore	4,663	3,193	14,887	14,624
China	3,048	2,503	1,145	383
Indonesia	1,715	2,357	309	432
Total	16,135	15,304	16,965	16,239

Revenues from the top two customers of the Group represent approximately \$2,569,000 (FY2015: \$2,708,000) and \$2,468,000 (FY2015: \$2,186,000) of the Group's total revenue respectively.

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

Refer to paragraph 8 - Review of the performance of the Group, found on pages 9 to 10 of this announcement.

18. A breakdown of sales

(In \$'000)	Group		% Increase/(Decrease)
	FY2016	FY2015	
Sales reported for first half year	7,573	7,615	(0.6%)
Operating loss after tax before deducting non-controlling interest reported for first half year	(470)	(984)	(52.2%)
Sales reported for second half year	8,562	7,689	11.4%
Operating loss after tax before deducting non-controlling interest reported for second half year	(131)	(825)	(84.1%)

19. 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
(In \$'000)	31 December 2016	31 December 2015
Total annual dividend – ordinary	NIL	NIL

20. 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) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(13) of the Listing Manual, there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Cheong Weixiong
Executive Director
27 February 2017

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Stamford Corporate Services Pte Ltd, for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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