

STAMFORD TYRES CORPORATION LTD

2017 Financial Statements

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1,Q2,&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.

1(a)(i) CONSOLIDATED INCOME STATEMENT

	Group		Difference \$'000	Difference %
	FY2017	FY2016		
	Apr'17 \$'000	Apr'16 \$'000		
Revenue	235,803	239,878	(4,075)	-1.70%
Other revenue	2,864	2,333	531	22.76%
Total revenue	238,667	242,211	(3,544)	-1.46%
Cost of goods sold	173,974	180,747	(6,773)	-3.75%
Salaries and employees benefits	23,673	23,307	366	1.57%
Marketing and distribution	7,114	7,739	(625)	-8.08%
Utilities, repairs and maintenance	6,040	5,723	317	5.54%
Finance costs	4,461	5,449	(988)	-18.13%
Depreciation of property, plant and equipment	4,946	5,116	(170)	-3.32%
Operating lease rentals	4,753	4,494	259	5.76%
Other operating expenses	5,390	6,418	(1,028)	-16.02%
Total expenditure	(230,351)	(238,993)	8,642	-3.62%
Share of results of joint ventures	2,614	1,767	847	47.93%
Profit before taxation	10,930	4,985	5,945	119.26%
Taxation	(2,818)	(2,398)	420	17.51%
Profit for the financial year	8,112	2,587	5,525	213.57%
Attributable to:				
Equity holders of the company	8,112	2,587	5,525	213.57%
	8,112	2,587	5,525	213.57%

N.M - Not meaningful.

1(a)(i) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	FY2017 Apr'17 \$'000	FY2016 Apr'16 \$'000
Net profit for the financial period	8,112	2,587
Other comprehensive income :		
Translation adjustments arising on consolidation	632	(3,760)
Other comprehensive income for the financial year, net of tax	632	(3,760)
Total comprehensive income for the financial year	8,744	(1,173)
Total comprehensive income attributable to :		
Equity holders of the company	8,744	(1,173)

	FY2017 Apr'17 \$'000	FY2016 Apr'16 \$'000
(a) Profit after taxation is stated after charging/(crediting) :		
Depreciation of property, plant and equipment (inclusive of charges included in cost of goods sold)	7,427	7,877
Allowance for doubtful trade receivables	1,812	1,903
Allowance for/(write-back of) inventory obsolescence	491	(533)
Gain on disposal of property, plant and equipment	(218)	(28)
Foreign exchange loss	68	1,076
Fair value (gain)/loss on derivatives	(80)	205
Bad debts recovered	(8)	(32)
Audit fee for auditors of the company	496	437
Audit fee for other auditors	146	185

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.

	Group		Company	
	Apr'17 \$'000	Apr'16 \$'000	Apr'17 \$'000	Apr'16 \$'000
Non-current assets				
Property, plant and equipment	70,679	70,625	-	-
Subsidiary companies	-	-	40,764	40,789
Amount due from subsidiary companies	-	-	14,311	14,259
Joint venture companies	16,862	14,299	6,567	6,567
Associated company	233	233	-	-
Deferred tax assets	3,109	2,468	-	-
	<u>90,883</u>	<u>87,625</u>	<u>61,642</u>	<u>61,615</u>
Current assets				
Inventories	77,869	85,020	-	-
Trade receivables	67,467	67,618	-	-
Derivatives	70	66	54	-
Other receivables	4,665	4,232	96	94
Prepayments and advances	3,890	2,975	21	21
Cash and cash equivalents	21,693	17,425	1,225	373
	<u>175,654</u>	<u>177,336</u>	<u>1,396</u>	<u>488</u>
Less: Current liabilities				
Trade payables	20,465	17,184	-	-
Trust receipts (secured)	50,808	49,686	-	-
Derivatives	20	96	-	39
Other payables	18,711	16,396	605	711
Loans (secured)	17,980	10,570	-	-
Hire-purchase liabilities	807	878	-	-
Provisions	689	639	-	-
Provision for taxation	2,742	1,871	12	22
	<u>112,222</u>	<u>97,320</u>	<u>617</u>	<u>772</u>
Net current assets/(liabilities)	63,432	80,016	779	(284)
Non-current liabilities				
Amount due to subsidiary companies	-	-	14,219	11,341
Hire-purchase liabilities	882	1,323	-	-
Provisions	861	820	-	-
Long-term loans (secured)	27,375	47,066	-	-
Deferred tax liabilities	1,304	927	108	108
	<u>30,422</u>	<u>50,136</u>	<u>14,327</u>	<u>11,449</u>
Net assets	123,893	117,505	48,094	49,882
Equity				
Share capital	35,722	35,722	35,722	35,722
Reserves	88,171	81,783	12,372	14,160
	<u>123,893</u>	<u>117,505</u>	<u>48,094</u>	<u>49,882</u>

1(b)(ii) In relation to the aggregate amount of group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-

Amount repayable in one year or less, or on demand

As at 30/04/2017		As at 30/04/2016	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
69,595	-	61,134	-

Amount repayable after one year

As at 30/04/2017		As at 30/04/2016	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
28,257	-	48,389	-

Details of any collateral

The Group's freehold land, certain leasehold land and buildings, leasehold improvements and certain plant and equipment with a total net book value of \$49,034,056 as at 30 April 2017 (30 April 2016: \$54,696,014) are subject to legal mortgages in connection with bank facilities granted to the Group.

The trust receipts of subsidiary companies are secured primarily by corporate guarantees from the Company.

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

1(c)(i) CONSOLIDATED STATEMENT OF CASH FLOWS (FY2017 vs FY2016)

	Group	
	FY2017 Apr'17 \$'000	FY2016 Apr'16 \$'000
Cash flows from operating activities:		
Profit before taxation	10,930	4,985
Adjustments for:		
Depreciation of property, plant and equipment	7,427	7,877
Gain on disposal of property, plant and equipment	(218)	(28)
Fair value (gain)/loss on derivatives	(80)	205
Bad debts recovered	(8)	(32)
Foreign currency translation adjustment	449	(1,436)
Interest income	(77)	(162)
Provision for product warranties	305	488
Write-back of impairment loss on property, plant and equipment	(8)	(8)
Interest expenses	4,461	5,449
Share of results of joint ventures	(2,614)	(1,767)
Operating cash flows before changes in working capital	<u>20,567</u>	<u>15,571</u>
Decrease in inventories	7,151	18,727
(Increase)/decrease in receivables	(1,189)	11,591
Increase/(decrease) in payables	5,316	(2,301)
Cash flows from operations	<u>31,845</u>	<u>43,588</u>
Interest received	77	162
Interest paid	(4,461)	(5,449)
Income tax paid	(2,211)	(1,894)
Net cash flows from operating activities	<u>25,250</u>	<u>36,407</u>
Cash flows from investing activities :		
Proceeds from disposal of property, plant and equipment	269	99
Dividend received from joint ventures company	-	2,864
Purchase of property, plant and equipment	(7,238)	(13,023)
Net cash flows used in investing activities	<u>(6,969)</u>	<u>(10,060)</u>
Cash flows from financing activities :		
Proceeds from long-term loans	1,058	19,528
Proceeds from/(repayment of) trust receipts	1,122	(20,955)
Repayment of revolving loans	(2,559)	(11,584)
Repayment of hire purchase creditors	(889)	(1,310)
Dividend paid to shareholders	(2,356)	(2,356)
Repayment of long-term loans	(10,780)	(7,212)
Net cash flows used in financing activities	<u>(14,404)</u>	<u>(23,889)</u>
Net increase in cash and cash equivalents	3,877	2,458
Cash and cash equivalents at beginning of financial year	17,425	15,850
Effect of exchange rate changes on cash and cash equivalents at the beginning of the financial year	391	(883)
Cash and cash equivalents at end of financial year	<u>21,693</u>	<u>17,425</u>

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 year of the immediately preceding financial year.

	Equity attributable to owners of the Company, total					Other reserves, total	Employee share option reserve	Foreign currency translation reserve	Discount on acquisition of non-controlling interest
	Equity, total	\$'000	Share capital	Revenue reserve	\$'000				
Group									
Balance at 1 May 2015	121,034	121,034	35,722	98,501	(13,189)	424	254	(14,069)	202
Profit for the financial year	2,587	2,587	-	2,587	-	-	-	-	-
Other comprehensive income for the financial year	(3,760)	(3,760)	-	-	(3,760)	-	-	(3,760)	-
Total comprehensive income for the financial year	(1,173)	(1,173)	-	2,587	(3,760)	-	-	(3,760)	-
<u>Contributions by and distributions to owners</u>									
Forfeiture of employee share options	-	-	-	254	(254)	-	(254)	-	-
Dividend on ordinary shares	(2,356)	(2,356)	-	(2,356)	-	-	-	-	-
Total contributions by and distributions to owners	(2,356)	(2,356)	-	(2,102)	(254)	-	(254)	-	-
Total transactions with owners in their capacity as owners	(2,356)	(2,356)	-	(2,102)	(254)	-	(254)	-	-
Balance at 30 April 2016	117,505	117,505	35,722	98,986	(17,203)	424	-	(17,829)	202
Balance at 1 May 2016	117,505	117,505	35,722	98,986	(17,203)	424	-	(17,829)	202
Profit for the financial year	8,112	8,112	-	8,112	-	-	-	-	-
Other comprehensive income for the financial year	632	632	-	-	632	-	-	632	-
Total comprehensive income for the financial year	8,744	8,744	-	8,112	632	-	-	632	-
<u>Contributions by and distributions to owners</u>									
Dividend on ordinary shares	(2,356)	(2,356)	-	(2,356)	-	-	-	-	-
Total contributions by and distributions to owners	(2,356)	(2,356)	-	(2,356)	-	-	-	-	-
Total transactions with owners in their capacity as owners	(2,356)	(2,356)	-	(2,356)	-	-	-	-	-
Balance at 30 April 2017	123,893	123,893	35,722	104,742	(16,571)	424	-	(17,197)	202

	Equity, total \$'000	Equity attributable to owners of the Company, total \$'000	Share capital \$'000	Revenue reserve \$'000	Other reserves total \$'000
Company					
Balance at 1 May 2015	55,852	55,852	35,722	19,876	254
Loss for the financial year	(3,614)	(3,614)	-	(3,614)	-
Total comprehensive income for the financial year	(3,614)	(3,614)	-	(3,614)	-
<u>Contributions by and distributions to owners</u>					
Forfeiture of employee share options	-	-	-	254	(254)
Dividend on ordinary shares	(2,356)	(2,356)	-	(2,356)	-
Total contributions by and distributions to owners	(2,356)	(2,356)	-	(2,102)	(254)
Total transactions with owners in their capacity as owners	(2,356)	(2,356)	-	(2,102)	(254)
Balance at 30 April 2016	49,882	49,882	35,722	14,160	-
Balance at 1 May 2016	49,882	49,882	35,722	14,160	-
Profit for the financial year	568	568	-	568	-
Total comprehensive income for the financial year	568	568	-	568	-
<u>Contributions by and distributions to owners</u>					
Total contributions by and distributions to owners	(2,356)	(2,356)	-	(2,356)	-
Total transactions with owners in their capacity as owners	(2,356)	(2,356)	-	(2,356)	-
Balance at 30 April 2017	48,094	48,094	35,722	12,372	-

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.

There was no change in the Company's number of shares since 30 April 2016.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial year and as at the end of the immediately preceding year.

	Company 30/04/2017	Company 30/04/2016
Ordinary shares (excluding treasury shares)	235,586,244	235,586,244

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.

Not applicable. There are no treasury shares and no subsidiary holdings as at the end of the current financial year reported on.

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.

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

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the 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.

Except as disclosed in Note 5, the Group and the Company has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial period compared with those of the audited financial statements as at 30 April 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.

On 1 May 2016, the Group and the Company adopted the following new and revised Financial Reporting Standards ("FRS") and Interpretations of Financial Reporting Standards ("INT FRS") that are relevant:

Description

- FRS 114 Regulatory Deferral Accounts
- 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 111 Accounting for Acquisitions of Interests in Joint Operations
- 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
 - Amendments to FRS 19 Employee Benefits
 - Amendments to FRS 34 Interim Financial Reporting
- Amendments to FRS 1 Disclosure Initiative
- Amendments to FRS 110, FRS 112, FRS 28 Investment Entities: Applying the Consolidation Exception

The adoption of the above FRS and INT FRS did not result in any substantial changes to the Group's accounting policies and did not have any significant impact on the Group and the Company.

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:—

	Group	
	FY2017	FY2016
	Apr'17	Apr'16
Earning per share (EPS)		
- Based on the weighted average number of ordinary shares on issue (cents)	3.44	1.10
- On fully diluted basis (cents)	3.44	1.10
	<u>\$'000</u>	<u>\$'000</u>
Group earnings used for the calculation of EPS		
Profit for the financial year	8,112	2,587
	<u>'000</u>	<u>'000</u>
Number of shares used for the calculation of basic and diluted EPS:		
Weighted average number of ordinary shares in issue used for the calculation of basic EPS	235,586	235,586

Basic earning per share ("EPS") is calculated on the Group's profit for the financial period attributable to the shareholders of the Company divided by the weighted average number of ordinary shares in issue during the financial year.

Diluted EPS is calculated on the same basis as basic EPS as there are no dilutive potential ordinary shares as at 30 April 2017.

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

	Group		Company	
	30/04/17	30/04/16	30/04/17	30/04/16
Net asset value per ordinary share (cents)	52.59	49.88	20.41	21.17

The net asset value per share for the Group and the Company as at 30 April 2017 are calculated based on the actual number of shares in issue of 235,586,244 ordinary shares (30 April 2016: 235,586,244 ordinary 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 year 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.

FY17

Revenue

The Group's sales revenue was 1.7% lower at S\$235.8 million in FY17 compared to S\$239.9 million in FY16. This was mainly due to lower sales in Africa and South East Asian markets.

Gross Profit and Gross Profit Margin

Gross profit was S\$61.8 million in FY17 compared to S\$59.1 million in FY16. Gross profit margin increased from 24.7% in FY16 to 26.2% in FY17, mainly attributable to value-added activities at its Stamford Tyres Mart retail chain and truck tyre centres.

Operating Expenses

Total operating expenses decreased by 3.2% to S\$56.4 million in FY17 compared to S\$58.2 million in FY16. The decrease was attributed to lower finance costs, marketing and distribution costs and foreign exchange costs; offset by higher allowance for inventory obsolescence.

Share of Results of Joint Ventures

In FY17, the share of results of joint ventures amounted to a net profit of S\$2.6 million, compared to S\$1.8 million in FY16, mainly attributable to improved performance from our Hong Kong and India joint ventures.

Net Profit

The net profit of the Group more than tripled to S\$8.1 million in FY17, compared to S\$2.6 million recorded in FY16.

Financial Position

Property, plant and equipment increased to S\$70.7 million as at 30 April 2017 from S\$70.6 million as at 30 April 2016.

Receivables decreased to S\$67.5 million as at 30 April 2017 from S\$67.6 million as at 30 April 2016.

Inventories decreased to S\$77.9 million as at 30 April 2017 from S\$85.0 million as at 30 April 2016. This decrease was in line with lower purchases during the year.

Trade payables and trust receipts increased to S\$71.3 million as at 30 April 2017 from S\$66.9 million as at 30 April 2016.

As at 30 April 2017, the Group's cash and cash equivalents stood at S\$21.7 million compared to S\$17.4 million as at 30 April 2016.

The Group's borrowings which comprise trust receipts, revolving credit, short-term secured loans as well as long-term secured loans stood at S\$96.2 million as at 30 April 2017 compared with S\$107.3 million as at 30 April 2016. The decrease in borrowings was mainly due to the repayment of long term loans.

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 global economic outlook continues to remain uncertain. As a result, our operating environment will continue to be challenging.

To mitigate the impact of this challenging environment, the Group will continue to optimize its product mix, manage operating costs and build on its core markets in South East Asia.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	1.5 cent per ordinary share (tax exempt)

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	1.0 cent per ordinary share (tax exempt)
Annual Dividend (S\$'000)	2,356

(c) Date payable

To be announced at a later date, subject to shareholders' approval at the forthcoming Annual General Meeting.

(d) Books closure date

Notice will be given later regarding the date of closure of transfer books and register of members.

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 shareholder 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 mandate has been obtained.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR

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.

Geographical segment Group 2017	Southeast Asia S\$'000	North Asia S\$'000	Africa S\$'000	Other S\$'000	Total segments S\$'000	Elimination S\$'000	Consolidated S\$'000
Revenue							
External revenue	202,270	2,806	17,062	13,665	235,803	-	235,803
Inter-segment revenue	26,064	995	-	63	27,122	(27,122)	-
Other revenue							
- Interest income	8	-	55	14	77	-	77
- Others	1,606	1,180	1	-	2,787	-	2,787
Total revenue	229,948	4,981	17,118	13,742	265,789	(27,122)	238,667
Finance costs							
Segment result	(4,448)	(17)	(337)	(111)	(4,913)	452	(4,461)
	7,830	838	359	(1,118)	7,909	452	8,361
Less : Unallocated expenses							
Share of profits of joint ventures	-	1,799	-	188	1,987	627	(45)
Profit before taxation							2,614
Taxation							10,930
Profit for the financial year							(2,818)
							8,112
Other information							
Segment assets	217,298	5,632	16,109	7,294	246,333	-	246,333
Associated and joint venture companies	233	14,362	-	2,500	17,095	-	17,095
Unallocated assets	2,843	36	-	230	3,109	-	3,109
Total assets	220,374	20,030	16,109	10,024	266,537	-	266,537
Segment liabilities							
Unallocated liabilities	127,750	1,445	4,490	4,913	138,598	-	138,598
Total liabilities	4,046	-	-	-	4,046	-	4,046
	131,796	1,445	4,490	4,913	142,644	-	142,644
Other segment information							
Additions to non-current assets							
- Property, plant and equipment	7,000	-	559	107	7,666	-	7,666
Significant non-cash expenses :							
Amortisation and depreciation	7,118	62	138	109	7,427	-	7,427
Allowance for doubtful trade receivables	1,599	72	66	75	1,812	-	1,812
Allowance for/(write-back of) inventory obsolescence	466	56	(75)	44	491	-	491
Write-back of impairment on property, plant and equipment	(8)	-	-	-	(8)	-	(8)
Bad debts recovered directly to profit and loss account	-	-	-	(8)	(8)	-	(8)

Geographical segment Group 2016	Southeast Asia S\$'000	North Asia S\$'000	Africa S\$'000	Other S\$'000	Total segments S\$'000	Elimination S\$'000	Consolidated S\$'000
Revenue							
External revenue	203,947	2,204	22,614	11,113	239,878	-	239,878
Inter-segment revenue	26,595	527	-	-	27,122	(27,122)	-
Other revenue							
- Interest income	40	-	78	44	162	-	162
- Others	1,396	772	2	1	2,171	-	2,171
Total revenue	<u>231,978</u>	<u>3,503</u>	<u>22,694</u>	<u>11,158</u>	<u>269,333</u>	<u>(27,122)</u>	<u>242,211</u>
Finance costs	(5,540)	(3)	(253)	(104)	(5,900)	451	(5,449)
Segment result	<u>5,450</u>	<u>430</u>	<u>(336)</u>	<u>(2,708)</u>	<u>2,836</u>	<u>451</u>	<u>3,287</u>
Less : Unallocated expenses							(69)
Share of profits of joint ventures	-	1,146	-	34	1,180	587	1,767
Profit before taxation							4,985
Taxation							(2,398)
Profit for the financial year							<u>2,587</u>
Other information							
Segment assets	220,589	4,906	16,708	5,758	247,961	-	247,961
Associated and joint venture companies	233	12,160	-	2,139	14,532	-	14,532
Unallocated assets	2,188	35	-	245	2,468	-	2,468
Total assets	<u>223,010</u>	<u>17,101</u>	<u>16,708</u>	<u>8,142</u>	<u>264,961</u>	<u>-</u>	<u>264,961</u>
Segment liabilities	133,560	715	6,368	4,015	144,658	-	144,658
Unallocated liabilities	2,798	-	-	-	2,798	-	2,798
Total liabilities	<u>136,358</u>	<u>715</u>	<u>6,368</u>	<u>4,015</u>	<u>147,456</u>	<u>-</u>	<u>147,456</u>
Other segment information							
Additions to non-current assets							
- Property, plant and equipment	<u>13,139</u>	<u>155</u>	<u>89</u>	<u>9</u>	<u>13,392</u>	<u>-</u>	<u>13,392</u>
Significant non-cash expenses :							
Amortisation and depreciation	<u>7,549</u>	<u>71</u>	<u>155</u>	<u>102</u>	<u>7,877</u>	<u>-</u>	<u>7,877</u>
Allowance for/(write-back of) doubtful trade receivables	<u>1,265</u>	<u>-</u>	<u>(77)</u>	<u>715</u>	<u>1,903</u>	<u>-</u>	<u>1,903</u>
(Write-back of)/allowance for inventory obsolescence	<u>(820)</u>	<u>42</u>	<u>8</u>	<u>237</u>	<u>(533)</u>	<u>-</u>	<u>(533)</u>
Write-back of impairment on property, plant and equipment	<u>(8)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8)</u>	<u>-</u>	<u>(8)</u>
Bad debts recovered directly to profit and loss account	<u>(21)</u>	<u>(1)</u>	<u>(10)</u>	<u>-</u>	<u>(32)</u>	<u>-</u>	<u>(32)</u>

Business Segments

	Revenue		Non-current Assets	
	FY2017	FY2016	FY2017	FY2016
	S\$'000	S\$'000	S\$'000	S\$'000
Distribution	208,029	212,178	78,164	76,163
Manufacturing	30,638	30,033	12,719	11,462
	<u>238,667</u>	<u>242,211</u>	<u>90,883</u>	<u>87,625</u>

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.

Please refer to the item no. 8.

16. A breakdown of sales.

	Group		
	Latest year \$'000	Previous year \$'000	% Increase/ (Decrease)
Turnover reported for first half year	115,778	123,295	-6.10%
Operating profit/loss after tax before deducting minority interests reported for first half year	3,018	999	202.10%
Turnover reported for second half year	120,025	116,583	2.95%
Operating profit/loss after tax before deducting minority interests reported for second half year	5,094	1,588	220.78%

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 (\$'000)	Previous Full Year (\$'000)
Ordinary	<u>3,534</u>	<u>2,356</u>

18. Aggregate value of interested person transactions entered into by the Company and/or its subsidiaries during the year.

The Company does not have a general mandate for IPT.

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 under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Wah Holdings Pte Ltd**	S\$182,400	Nil

** Mr Wee Kok Wah, Mrs Dawn Wee Wai Ying and Dr Wee Li Ann are directors/shareholders of Wah Holdings Pte Ltd

19. 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:

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
Mr Wee Kok Wah	71	See Note (1)	President (1989)	N.A.
Mrs Dawn Wee Wai Ying	68	See Note (1)	Executive Director (1989)	N.A.
Dr Wee Li Ann	45	See Note (1)	Non-Executive Director (2009)	N.A.

Note (1) : Mr Wee Kok Wah and Mrs Dawn Wee Wai Ying are directors and substantial shareholders of the Company.
Mr Wee Kok Wah and Mrs Dawn Wee Wai Ying are husband and wife.
Dr Wee Li Ann is the daughter of Mr and Mrs Wee Kok Wah.

20. 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 confirmed that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD



Dawn Wee Wai Ying
Executive Director
28 June 2017