

IPC CORPORATION LTD
(Company Registration No. 198501057M)
Full Year Financial Statement & Dividend Announcement

**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.

**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

	2015	Group 2014	Increase/ (decrease) %
	S\$'000	Audited S\$'000	
Sales	22,889	33,366	(31.4)
Cost of sales	(6,714)	(18,986)	(64.6)
Gross profit/(loss)	16,175	14,380	12.5
Other income	1,479	1,347	9.8
Other gains/(losses), net	36,638	38,760	(5.5)
Expenses			
Distribution and marketing	(567)	(1,628)	(65.2)
Administrative	(11,179)	(12,263)	(8.8)
Finance	(3,582)	(3,524)	1.6
Other	(3)	(2)	50.0
	(15,331)	(17,417)	(12.0)
Profit/(loss) before income tax	38,961	37,070	5.1
Income tax credit/(expense)	(13,913)	(6,197)	NM
Total profit/(loss)	25,048	30,873	(18.9)
Other comprehensive income/(loss)			
Items that may be reclassified subsequently to profit or loss:			
Financial assets, available-for-sale			
- Fair value gain/(loss)	648	425	52.5
- Reclassification	(1,961)	-	NA
Currency translation gain/(loss) arising from consolidation	7,376	(1,806)	NM
Other comprehensive income/(loss), net of tax	6,063	(1,381)	NM
Total comprehensive income/(loss)	31,111	29,492	5.5
Profit/(loss) attributable to:			
- Equity holders of the Company	21,891	28,634	(23.6)
- Non-controlling interests	3,157	2,239	41.0
	25,048	30,873	(18.9)
Total comprehensive income/(loss) attributable to:			
- Equity holders of the Company	27,954	27,253	2.6
- Non-controlling interests	3,157	2,239	41.0
	31,111	29,492	5.5

(i) Profit/(loss) for the year is arrived at after charging/(crediting) the following:

	2015	Group 2014	Increase/ (decrease)
	S\$'000	Audited S\$'000	%
Amortisation of leasehold properties	82	77	6.5
Depreciation (Note 4)	593	414	43.2
Foreign exchange losses/(gains), net (Note 7)	282	(1,438)	NM
Fair value gain on asset revaluation	–	(22,704)	NA
Gain on disposal of financial assets, available-for-sale	(1,056)	–	NA
Gain on disposal of fixed assets	(123)	–	NA
Gain on disposal of investment properties (Note 5)	(41,286)	(14,769)	NM
Impairment loss on financial assets, available-for-sale (Note 6)	5,506	148	NM
Impairment loss on other assets	40	–	NA
Interest income	(1,030)	(941)	9.5
Interest expenses	3,582	3,524	1.6

Notes

1. Gross profit/(loss)
The increase in gross profit for the financial year under review as compared to the previous year was mainly contributed by Grand nest HOTEL zhuhai, China which started operation at the end of April 2014.
2. Distribution and marketing
The decrease was mainly related to lower marketing and advertising expenses incurred in Japan.
3. Income tax expense
The increase was mainly related to income tax expense in Japan.
4. The increase in depreciation was mainly due to the addition of property, plant and equipment for the operation of Grand nest HOTEL zhuhai, China.
5. The increase was due to the disposal of 7 hotels in Japan.
6. Impairment loss was recorded due to the impact arising mainly from the uncertain economic climate to the fair value of the financial asset, available-for-sale.
7. The movement in the exchange rates of United States Dollar, Japanese Yen and Renminbi against the Singapore Dollar resulted in exchange differences. The exchange differences were mainly unrealised, due to recorded monetary balances denominated in foreign currencies that were adjusted to reflect the Singapore Dollars equivalent at the end of the reporting period.

NM:Not meaningful (change more than 100%)
NA:Not applicable

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

STATEMENTS OF FINANCIAL POSITION

	<u>Group</u>		<u>Company</u>	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents (i)	168,392	101,311	102,236	53,697
Trade and other receivables (ii)	10,019	4,475	286	303
Tax recoverable (iii)	675	802	–	–
Properties developed for sale (iv)	21,175	71,092	–	–
Properties held for sale (v)	3,306	–	–	–
Other assets	54	53	–	–
Non-current asset held for sale (iv)	47,080	–	–	–
	<u>250,701</u>	<u>177,733</u>	<u>102,522</u>	<u>54,000</u>
Non-current assets				
Financial assets, available-for-sale (vi)	12,904	22,092	10,039	13,480
Other receivables	–	–	63,232	60,279
Prepayment	3	10	–	–
Other asset	110	153	–	–
Investment in associated companies	–	–	–	–
Investment in subsidiaries	–	–	82,784	98,827
Investment properties (vii)	–	118,081	–	–
Prepaid leasehold properties	4,274	4,243	–	–
Land held for development	6,422	6,422	6,422	6,422
Property, plant and equipment (viii)	9,470	7,186	1,459	93
Deferred income tax assets	–	1	–	–
	<u>33,183</u>	<u>158,188</u>	<u>163,936</u>	<u>179,101</u>
Total assets	<u>283,884</u>	<u>335,921</u>	<u>266,458</u>	<u>233,101</u>
LIABILITIES				
Current liabilities				
Borrowings (ix)	10,940	64,197	5,326	40,923
Trade and other payables (ii)	28,741	8,507	3,498	1,366
Current income tax liabilities (x)	1,635	611	–	–
	<u>41,316</u>	<u>73,315</u>	<u>8,824</u>	<u>42,289</u>
Non-current liabilities				
Borrowings (ix)	3,937	39,230	–	–
Deferred income tax liabilities (xi)	2,877	10,392	–	–
	<u>6,814</u>	<u>49,622</u>	<u>–</u>	<u>–</u>
Total liabilities	<u>48,130</u>	<u>122,937</u>	<u>8,824</u>	<u>42,289</u>
NET ASSETS	<u>235,754</u>	<u>212,984</u>	<u>257,634</u>	<u>190,812</u>
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	169,658	169,658	169,658	169,658
Currency translation reserve	(13,137)	(20,513)	–	–
Fair value reserve	507	1,820	507	1,249
Retained earnings	74,028	57,255	87,469	19,905
	<u>231,056</u>	<u>208,220</u>	<u>257,634</u>	<u>190,812</u>
Non-controlling interests	4,698	4,764	–	–
Total equity	<u>235,754</u>	<u>212,984</u>	<u>257,634</u>	<u>190,812</u>

Notes

- (i) The increase in cash and cash equivalents was mainly attributable to the proceeds from the disposal of investment properties in Japan.
- (ii) The increase was mainly due to other receivables and accruals resulting from the disposal of 7 hotels in Japan.
- (iii) The decrease in tax recoverable was mainly from operations in Japan.
- (iv) The decrease in properties developed for sale was mainly due to the reclassification to non-current asset held for sale.
- (v) The increase was due to the purchase of properties in China.
- (vi) The decrease was mainly due to the disposal and impairment of financial assets, available-for-sale during the year.
- (vii) The decrease was due to the disposal of the 7 hotels in Japan.
- (viii) The increase of property, plant and equipment was mainly due to the addition of motor vehicles and leasehold improvement in Zhuhai, China.
- (ix) The decrease was mainly due to repayment of borrowings.
- (x) The increase was mainly related to the taxation in Japan.
- (xi) The decrease was mainly due to the utilisation of deferred tax liability in Japan.

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

Amount repayable in one year or less, or on demand

<u>Group</u>		<u>Group</u>	
As at 31 Dec 2015		As at 31 December 2014	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
10,940	Nil	64,197	Nil

Amount repayable after one year

<u>Group</u>		<u>Group</u>	
As at 31 Dec 2015		As at 31 December 2014	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
3,937	Nil	39,230	Nil

Details of any collateral

The Group's borrowings were secured by pledge of non-current asset held for sale in Zhuhai, China and certain bank deposits.

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.

CONSOLIDATED STATEMENT OF CASH FLOWS

	2015	2014
	S\$'000	S\$'000
<u>Group</u>		
		Audited
		S\$'000
Cash flows from operating activities		
Total profit/(loss)	25,048	30,873
Adjustments for		
- Income tax expense/(credit)	13,913	6,197
- Depreciation	593	414
- Amortisation of prepaid leasehold properties	82	77
- Unrealised translation losses/(gains)	3,406	214
- Gain on disposal of financial assets, available-for-sale	(1,056)	-
- Fair value gain on asset revaluation	-	(22,704)
- Gain on disposal of investment properties	(41,286)	(14,769)
- Gain on disposal of property, plant and equipment	(123)	-
- Impairment loss on financial assets, available-for-sale	5,506	148
- Impairment loss on other assets	40	-
- Interest income	(1,030)	(941)
- Interest expenses	3,582	3,524
	<u>8,675</u>	<u>3,033</u>
Change in working capital		
- Other assets	(1)	(53)
- Properties	891	13,910
- Trade and other receivables	(5,163)	(698)
- Trade and other payables	21,353	(512)
Cash generated/(used in) from operations	<u>25,755</u>	<u>15,680</u>
Interest received	783	926
Income tax paid, net	(20,446)	(1,046)
Net cash provided by/(used in) operating activities	<u>6,092</u>	<u>15,560</u>
Cash flows from investing activities		
Purchases of property, plant and equipment	(2,871)	(467)
Purchases of financial assets, available-for-sale	(3,723)	(343)
Proceeds from disposal of property, plant and equipment	240	4
Proceeds from disposal of investment properties	158,332	27,703
Proceeds from disposal of financial assets, available-for-sale	8,303	-
Net cash provided by/(used in) investing activities	<u>160,281</u>	<u>26,897</u>
Cash flows from financing activities		
Bank deposit (pledged)	29,747	13,979
Interest paid	(4,701)	(3,353)
Proceeds from borrowings	5,521	7,544
Repayment of borrowings	(93,871)	(29,469)
Distribution to non-controlling interests	(3,223)	(472)
Dividends paid to equity holders of the Company	(5,118)	(2,985)
Net cash provided by/(used in) financing activities	<u>(71,645)</u>	<u>(14,756)</u>
Net increase/(decrease) in cash and cash equivalents	94,728	27,701
Cash and cash equivalents at beginning of financial year	65,564	36,495
Effects of currency translation on cash and cash equivalents	2,100	1,368
Cash and cash equivalents at end of financial year	<u>162,392</u>	<u>65,564</u>

Notes:

- (i) For the purpose of the consolidated statement of cash flows, the consolidated cash and cash equivalents comprise the following:

	<u>2015</u>	<u>2014</u>
	S\$'000	Audited S\$'000
Cash and bank balances	168,392	101,311
Less: bank deposit pledged	(6,000)	(35,747)
Cash and cash equivalents per consolidated statement of cash flows	<u>162,392</u>	<u>65,564</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 period of the immediately preceding financial year.

STATEMENT OF CHANGES IN EQUITY – GROUP	Attributable to Equity Holders of the Company					Non-controlling interests S\$'000	Total Equity S\$'000
	Share capital S\$'000	Currency translation reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000		
2015							
As at 1 January	169,658	(20,513)	1,820	57,255	208,220	4,764	212,984
Total comprehensive income/(loss) for the year							
Profit/(loss) for the year	–	–	–	21,891	21,891	3,157	25,048
Other comprehensive income/(loss) for the year	–	7,376	(1,313)	–	6,063	–	6,063
	–	7,376	(1,313)	21,891	27,954	3,157	31,111
Total transactions with owners, recognised directly in equity							
Distribution to non-controlling interests	–	–	–	–	–	(3,223)	(3,223)
Dividend paid	–	–	–	(5,118)	(5,118)	–	(5,118)
	–	–	–	(5,118)	(5,118)	(3,223)	(8,341)
As at 31 December	169,658	(13,137)	507	74,028	231,056	4,698	235,754

STATEMENT OF CHANGES IN EQUITY – GROUP	Attributable to Equity Holders of the Company					Non-controlling interests S\$'000	Total Equity S\$'000
	Share capital S\$'000	Currency translation reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000		
2014							
As at 1 January	169,658	(18,707)	1,395	31,606	183,952	2,997	186,949
Total comprehensive income/(loss) for the year							
Profit/(loss) for the year	–	–	–	28,634	28,634	2,239	30,873
Other comprehensive income/(loss) for the year	–	(1,806)	425	–	(1,381)	–	(1,381)
	–	(1,806)	425	28,634	27,253	2,239	29,492
Total transactions with owners, recognised directly in equity							
Distribution to non-controlling interests	–	–	–	–	–	(472)	(472)
Dividend paid	–	–	–	(2,985)	(2,985)	–	(2,985)
	–	–	–	(2,985)	(2,985)	(472)	(3,457)
As at 31 December	169,658	(20,513)	1,820	57,255	208,220	4,764	212,984

STATEMENT OF CHANGES IN EQUITY – COMPANY	Share capital S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total Equity S\$'000
2015				
As at 1 January	169,658	1,249	19,905	190,812
Total comprehensive income/(loss) for the year				
Profit/(loss) for the year	–	–	72,682	72,682
Other comprehensive income/(loss) for the year	–	(742)	–	(742)
	–	(742)	72,682	71,940
Total transactions with owners, recognised directly in equity				
Dividend paid	–	–	(5,118)	(5,118)
	–	–	(5,118)	(5,118)
As at 31 December	169,658	507	87,469	257,634

STATEMENT OF CHANGES IN EQUITY – COMPANY

	Share capital S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total Equity S\$'000
2014				
As at 1 January	169,658	829	21,253	191,740
Total comprehensive income/(loss) for the year				
Profit/(loss) for the year	–	–	1,637	1,637
Other comprehensive income/(loss) for the year	–	420	–	420
	<u>–</u>	<u>420</u>	<u>1,637</u>	<u>2,057</u>
Total transactions with owners, recognised directly in equity				
Dividend paid	–	–	(2,985)	(2,985)
	<u>–</u>	<u>–</u>	<u>(2,985)</u>	<u>(2,985)</u>
As at 31 December	<u>169,658</u>	<u>1,249</u>	<u>19,905</u>	<u>190,812</u>

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.

Not applicable.

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.

The total number of issued shares as at 31 December 2015 was 85,291,885 (31 Dec 2014: 852,920,638). The Group and Company do not have treasury share for both years.

On 9 June 2015, the Company completed the share consolidation of every ten (10) ordinary shares into one (1) ordinary share in the Capital of the Company, fractional entitlements to be disregarded. The share consolidation was approved at the EGM on 28 April 2015.

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

The Group and Company do not have treasury share.

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 the Company's auditor.

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.

The accounting policies and methods of computations applied by the Group are consistent with those used in its audited financial statements as at 31 December 2014, except for those as disclosed under item 5 below.

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.

FRS 40 Investment Property (effective for annual periods beginning on or after 1 July 2014)

The standard is amended to clarify that FRS 40 and FRS 103 are not mutually exclusive. The guidance in FRS 40 assists preparers to distinguish between investment property and owner-occupied property. Preparers also need to refer to the guidance in FRS 103 to determine whether the acquisition of an investment property is a business combination.

The adoption of the FRS does not have any material impact on the amounts reported for the current and prior financial year.

FRS 108 Operating Segments (effective for annual periods beginning on or after 1 July 2014)

The standard is amended to require disclosure of the judgements made by management in aggregating operating segments. This includes a description of the segments which have been aggregated and the economic indicators which have been assessed in determining that the aggregated segments share similar economic characteristics.

The standard is further amended to require a reconciliation of segment assets to the entity's assets when segment assets are reported.

The adoption of the FRS does not have any material impact on the amounts reported for the current and prior financial year.

FRS 113 Fair Value Measurement (effective for annual periods beginning on or after 1 July 2014)

The amendment clarifies that the portfolio exception in FRS 113, which allows an entity to measure the fair value of a group of financial assets and financial liabilities on a net basis, applies to all contracts (including non-financial contracts) within the scope of FRS 39.

The adoption of the FRS does not have any material impact on the amounts reported for the current and prior financial year.

FRS 24 Related Party Disclosures (effective for annual periods beginning on or after 1 July 2014)

The standard is amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity ("the management entity").

The reporting entity is not required to disclose the compensation paid by the management entity to the management entity's employees or directors, but it is required to disclose the amounts charged to the reporting entity by the management entity for services provided.

The adoption of the FRS does not have any material impact on the amounts reported for the current and prior financial year.

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.

	<u>Group</u>	
	2015	2014 Restated *
Earnings per ordinary share of the Group for the year, after deducting any provision for preference dividends:-		
(i) Based on the weighted average number of ordinary shares on issue (in cents)	25.67	33.57
(ii) On a fully diluted basis (in cents)	25.67	33.57

* For comparison purpose, due to the share consolidation of every ten (10) ordinary shares into one (1) ordinary share in the Capital of the Company, fractional entitlements to be disregarded, which was completed on 9 June 2015.

**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.**

	<u>Group</u>		<u>Company</u>	
	31 Dec 2015	31 Dec 2014 Restated *	31 Dec 2015	31 Dec 2014 Restated *
Net asset value per ordinary share based on the total number of issued shares excluding treasury shares at the end of the financial year:-	S\$2.71	S\$2.44	S\$3.02	S\$2.24
Number of existing issued shares excluding treasury shares at end of the financial year:	85,291,885	85,291,885	85,291,885	85,291,885

* For comparison purpose, due to the share consolidation of every ten (10) ordinary shares into one (1) ordinary share in the Capital of the Company, fractional entitlements to be disregarded, which was completed on 9 June 2015.

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.**

The Group recorded sales of S\$22.889 million for the financial year ended 31 December 2015 compared to S\$33.366 million for the previous financial year.

The decrease in sales for the financial year under review compared to the previous year was mainly due to the following:

- i) The absence of sales from Oiso and Oppama project in Japan; and
- ii) The absence of rental income from the two Sapporo hotels which were sold at the end of FY2014.

Gross profit increased by 12.5% to S\$16.175 million compared to S\$14.380 million in FY2014. This was mainly contributed by Grand nest HOTEL zhuhai, China which started operation at the end of April 2014.

The disposal of the 7 hotels in Japan resulted in a gain of S\$41.286 million. Notwithstanding an impairment loss of around S\$5.506 million was recorded due to the impact arising mainly from the uncertain economic climate to the fair value of the financial asset, available-for-sale, the Group still recorded S\$36.638 million of other gains for the year under review.

The gross profit of S\$16.175 million coupled with other gains and other income have resulted in Group profit before tax of S\$38.961 million and an after-tax profit of S\$25.048 million for the financial year ended 31 December 2015.

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

The commentary under paragraph 10 of the Group's previous results announcement (Q3 FY2015) and the actual results are in line with the commentary.

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.

Following the recent divestment of the Group's hotels in Japan and the intended distribution of S\$1.60 per share to shareholders through a capital reduction exercise, subjected to an impending shareholders' approval at an EGM to be held on 18 Feb 2016, the Group expects its coming quarters' operating performances to be significantly and negatively impacted.

The Group continues to seek for investment opportunities that will strengthen its operating performance and enhance shareholders' value.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

The Group is making a special payout of S\$1.60 per share through a proposed capital reduction exercise to be approved by shareholders at an EGM scheduled on 18 Feb 2016. Therefore, no dividend has been declared.

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 does not have any general mandate from shareholders pursuant to Rule 920.

14. Confirmation Pursuant to Rule 720(1) of the Listing Manual.

IPC Corporation Ltd confirms that undertakings under Rule 720(1) have been obtained from all its directors and executive officers in the format set out in Appendix 7.7.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

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

	<u>Income Producing Assets</u>	<u>Properties</u>	<u>Properties</u>	<u>Other</u>	<u>Total</u>
	Japan S\$'000	Japan S\$'000	China S\$'000	Singapore S\$'000	S\$'000
Group 2015					
Revenue and other income					
- external sales	14,196	4,897	3,796	–	22,889
- other income	3	2	239	1,235	1,479
	<u>14,199</u>	<u>4,899</u>	<u>4,035</u>	<u>1,235</u>	<u>24,368</u>
Cost of revenue and operating expenses	(6,939)	(4,831)	(5,109)	(5,166)	(22,045)
Other gains/(losses), net	41,286	–	(4,783)	135	36,638
Profit/(loss) before income tax	<u>48,546</u>	<u>68</u>	<u>(5,857)</u>	<u>(3,796)</u>	<u>38,961</u>
Total Assets	<u>71,437</u>	<u>507</u>	<u>84,895</u>	<u>126,370</u>	<u>283,209</u>
Total assets includes:					
Additions to:					
- property, plant and equipment	–	–	1,307	1,564	2,871
2014					
Revenue and other income					
- external sales	15,415	15,971	1,980	–	33,366
- other income	128	2	130	1,087	1,347
	<u>15,543</u>	<u>15,973</u>	<u>2,110</u>	<u>1,087</u>	<u>34,713</u>
Cost of revenue and operating expenses	(8,870)	(18,973)	(3,884)	(4,676)	(36,403)
Other gains/(losses), net	37,473	–	(4)	1,291	38,760
Profit/(loss) before income tax	<u>44,146</u>	<u>(3,000)</u>	<u>(1,778)</u>	<u>(2,298)</u>	<u>37,070</u>
Total Assets	<u>155,170</u>	<u>10,928</u>	<u>89,355</u>	<u>79,665</u>	<u>335,118</u>
Total assets includes:					
Additions to:					
- property, plant and equipment	–	–	467	–	467
				<u>Group</u>	
				2015	2014
				S\$'000	Audited S\$'000
Segment assets for reportable segments				283,209	335,118
Other segment assets					
Unallocated					
- tax recoverable				675	802
- deferred income tax assets				–	1
				<u>283,884</u>	<u>335,921</u>
Revenue from major products and services					
Income producing assets				14,196	15,415
Properties				8,693	17,951
				<u>22,889</u>	<u>33,366</u>

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

Geographical information

	<u>Sales</u>	
	2015	2014 Audited
	S\$'000	S\$'000
China	3,796	1,980
Japan	19,093	31,386
	22,889	33,366
	<u>Non-current Assets</u>	
	2015	2014 Audited
	S\$'000	S\$'000
Singapore	20,896	20,293
China	12,287	19,802
Japan	–	118,093
	33,183	158,188

16. **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 explained in item 8 and item 10 above.

17. **A breakdown of sales.**

	Group		Increase/ (Decrease) %
	2015 S\$'000	2014 S\$'000	
Sales reported for the first half year	12,661	16,913	(25.1)
Operating profit/(loss) after tax before deducting non-controlling interests for first half year	(622)	(3,251)	(80.9)
Sales reported for second half year	10,228	16,453	(37.8)
Operating profit/(loss) after tax before deducting non-controlling interests for second half year	25,670	34,124	(24.8)

18. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

Tax-exempt one tier Dividend proposed by Board: Nil (2014: S\$5.118 million).

19. Disclosure of person occupying a managerial position in the issuer of 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
Ngiam Mia Je Patrick	61	Please see notes below	Chairman and Chief Executive Officer. Responsible for the overall management of the Group. The positions were held since 1992.	No change
Ngiam Mia Kiat Benjamin	59	Please see notes below	Managing Director. Responsible for the operations of the Group. The position was held since 1992.	No change
Lauw Hui Kian	59	Please see notes below	Executive Director (Finance & Administration) Controlling the administration and finance activities of the Group. The position was held since 1985.	No change
Ngiam Mia Hai Bernard	55	Please see notes below	Executive Director (Marketing & Corporate Communications, Business Development) Managing the marketing activities and corporate communications of the Group and engaging in business development/investment activities. The position was held since 1985.	No change
Ngiam Mia Hong Alfred	52	Please see notes below	Executive Director (Business Development & IT Solutions) Responsible for all aspects of the IT solutions of the Group and engage in business development/investment activities. The position was held since 1991.	No change

Notes:

- Ms Lauw Hui Kian is the spouse of Mr Ngiam Mia Je Patrick.
- Messrs Ngiam Mia Je Patrick, Ngiam Mia Kiat Benjamin, Ngiam Mia Hai Bernard and Ngiam Mia Hong Alfred are brothers.
- Mr Ngiam Mia Je Patrick, Mr Ngiam Mia Kiat Benjamin and Ms Lauw Hui Kian are also substantial shareholders of the Company.

BY ORDER OF THE BOARD

Lauw Hui Kian
Director
28 January 2016