

NET PACIFIC FINANCIAL HOLDINGS LIMITED

Full Year Financial Statement Announcement for the period ended 31 December 2017

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

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.

	Group		
	FY2017 HK\$'000	FY2016 HK\$'000	% + / (-)
Revenue ⁽¹⁾	12,611	21,659	(42)
Other income ⁽²⁾	8,666	35	NM
Marketing and distribution costs	(190)	(159)	19
Administrative expenses	(6,049)	(6,489)	(7)
Other expenses ⁽³⁾	(6,599)	(6,183)	7
Profit before income tax	8,439	8,863	(5)
Income tax expenses	(1,000)	(994)	1
Profit for the year and attributable to the equity holders of the company	7,439	7,869	(5)
Other comprehensive income			
Items that may subsequently be reclassified to profit or loss:			
- Changes in fair value of available-for-sale financial assets	(157)	2,475	NM
- Reversal due to redemption of available-for-sale financial assets	(2,122)	-	NM
Other comprehensive income for the year - net of tax	(2,279)	2,475	NM
Profit representing comprehensive income for the year and attributable to the equity holders of the company	5,160	10,344	(50)

NM: Not meaningful

Notes to the consolidated income statement

Profit after tax is arrived at after crediting / (charging) the following items:

	Group		
	FY2017 HK\$'000	FY2016 HK\$'000	% + / (-)
<i>(1) Revenue consists of</i>			
Interest income			
Interest income from Financing Business	9,405	16,846	(44)
Interest income from Investments	7	66	(89)
Dividend income from Financing Business	3,199	4,747	(33)
	12,611	21,659	(42)
<i>(2) Included in other income are:</i>			
Foreign exchange gain	8,649	-	NM
Other income	17	35	(51)
	8,666	35	NM
<i>(3) Included in other expenses are:</i>			
Change in fair value on financial assets at fair value through profit or loss	-	(27)	NM
Foreign exchange losses	-	(1,257)	NM
Loss on disposal of financial assets at fair value through profit or loss	(5)	-	NM
Loss on redemption of available-for-sale financial assets	(57)	-	NM
Provision for impairment on other receivables	(6,537)	(4,899)	33
	(6,599)	(6,183)	7
Depreciation for plant and equipment	(13)	(14)	(7)

NM: Not meaningful

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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	
	As at 31/12/17 HK\$'000	As at 31/12/16 HK\$'000	As at 31/12/17 HK\$'000	As at 31/12/16 HK\$'000
ASSETS				
Non-current assets				
Plant and equipment	7	20	7	20
Investments in subsidiaries	-	-	1,069	1,069
Total non-current assets	7	20	1,076	1,089
Current assets				
Loans and advances	86,431	100,532	-	-
Available-for-sale financial assets ("AFS")	23,355	32,593	-	-
Other receivables	36,148	35,430	73	91
Financial assets at fair value through profit or loss	-	1,344	-	-
Amounts due from subsidiaries	-	-	147,847	149,220
Cash and cash equivalents	32,385	4,315	1,415	1,165
Total current assets	178,319	174,214	149,335	150,476
Total assets	178,326	174,234	150,411	151,565
EQUITY AND LIABILITIES				
Equity				
Share capital	145,105	145,105	145,105	145,105
Share option reserve	340	340	340	340
Fair value reserves - AFS	5,356	7,635	-	-
Accumulated profits	19,030	13,586	2,274	3,167
Total equity	169,831	166,666	147,719	148,612
Current liabilities				
Other payables and accrued liabilities	8,434	7,264	2,647	2,912
Current tax payable	61	304	45	41
Total current liabilities	8,495	7,568	2,692	2,953
Total liabilities	8,495	7,568	2,692	2,953
Total equity and liabilities	178,326	174,234	150,411	151,565

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

As at 31 December 2017		As at 31 December 2016	
Secured	Unsecured	Secured	Unsecured
HK\$'000	HK\$'000	HK\$'000	HK\$'000
Amount repayable in one year or less, or on demand			
-	-	-	-
Amount repayable after one year			
-	-	-	-

Details of any collateral -

Not applicable

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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

	Group	
	FY2017 HK\$'000	FY2016 HK\$'000
<u>Cash flows from operating activities:</u>		
Profit after tax	7,439	7,869
Adjustments for:		
Depreciation for plant and equipment	13	14
Change in fair value on financial assets at fair value through profit or loss	-	27
Loss on disposal of financial assets at fair value through profit or loss	5	-
Loss on redemption of available-for-sale financial assets	57	-
Income tax expenses	1,000	994
Interest income	(9,412)	(16,912)
Dividend income	(3,199)	(4,747)
Operating loss before changes in working capital	(4,097)	(12,755)
Decrease / (increase) in loans and advances	14,101	(19,302)
Decrease in other receivables	3,869	5,090
Decrease in available-for-sale financial assets	6,902	-
Increase in other payables	573	234
Net cash generated from / (used in) operations	21,348	(26,733)
Interest income received	3,414	3,820
Dividend income received	4,610	5,173
Income tax paid	(646)	(483)
Net cash generated from / (used in) operating activities	28,726	(18,223)
<u>Cash flows from investing activities:</u>		
Proceeds from disposal of financial assets at fair value through profit or loss	1,339	-
Net cash generated from investing activities	1,339	-
<u>Cash flows from financing activities:</u>		
Payment of dividends	(1,995)	(1,991)
Net cash used in financing activities	(1,995)	(1,991)
Net increase / (decrease) in cash and cash equivalents	28,070	(20,214)
Cash and cash equivalents at beginning of the financial year	4,315	24,529
Cash and cash equivalents at end of the financial year	32,385	4,315

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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				
	Share Capital	Share Option Reserve	Fair Value Reserve - AFS	Accumulated Profits	Total Equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Group					
Balance as at 1/1/2016	145,105	340	5,160	7,708	158,313
Total profit for the year	-	-	-	7,869	7,869
Other comprehensive income					
- Change in fair value on available-for-sale financial assets	-	-	2,475	-	2,475
Dividend paid	-	-	-	(1,991)	(1,991)
Balance as at 31/12/2016	145,105	340	7,635	13,586	166,666
Balance as at 1/1/2017	145,105	340	7,635	13,586	166,666
Total profit for the year	-	-	-	7,439	7,439
Other comprehensive income					
- Change in fair value on available-for-sale financial assets	-	-	(157)	-	(157)
- Reversal due to redemption of available-for-sale financial assets	-	-	(2,122)	-	(2,122)
Dividend paid	-	-	-	(1,995)	(1,995)
Balance as at 31/12/2017	145,105	340	5,356	19,030	169,831

	Share Capital	Share Option Reserve	Accumulated Profits	Total Equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Company				
Balance as at 1/1/2016	145,105	340	2,180	147,625
Total profit and comprehensive income for the year *	-	-	2,978	2,978
Dividend paid	-	-	(1,991)	(1,991)
Balance as at 31/12/2016	145,105	340	3,167	148,612
Balance as at 1/1/2017	145,105	340	3,167	148,612
Total profit and comprehensive income for the year *	-	-	1,102	1,102
Dividend paid	-	-	(1,995)	(1,995)
Balance as at 31/12/2017	145,105	340	2,274	147,719

* There were no other comprehensive income items.

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- 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.

Share Capital

There were no changes in the Company's share capital between 30 June 2017 and 31 December 2017.

Share Options

As at 31 December 2017, the number of share options ("Options") that are outstanding under the Net Pacific Employee Share Option Scheme are as follows:

Date of grant	Number of Options outstanding as at 31 December 2016	Number of Options lapsed / cancelled during FY2017	Maximum number of Shares to be issued upon exercise of the Options outstanding as at 31 December 2017	Exercise price per share	Exercise period
9 May 2011	20,750,000	-	20,750,000	S\$0.035	9/5/2012 to 8/5/2021
Total	20,750,000	-	20,750,000		

Save as disclosed above, the Company did not have any other convertibles or any treasury shares or any subsidiary holdings as at 31 December 2017 and 31 December 2016.

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

	As at 31/12/17	As at 31/12/16
Total number of issued shares excluding treasury shares	525,630,328	525,630,328

The Company did not have any treasury shares as at 31 December 2017 and 31 December 2016.

- 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. The Company did not have any treasury shares and there were no sales, transfers, cancellation or use of treasury shares as at 31 December 2017.

- 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. The Company did not have any subsidiary holdings as at 31 December 2017.

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2 Whether the figures have been audited, or reviewed and in accordance with which auditing standards 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 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 Group has applied the same accounting policies and methods of computation in the preparation of its financial statements for the current reporting period compared with those adopted in the preparation of its audited financial statements for the financial year ended 31 December 2016, except as stated in Paragraph 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

The Group adopted the new or amended Financial Reporting Standards ("FRS") and Interpretations of the FRS ("INT FRS") that are effective for annual periods beginning on or after 1 January 2017. The adoption of these new or amended FRS and INT FRS did not result in material changes to the Group's accounting policies and has no material effect on the amounts reported for the current financial period.

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

	Group	
	FY2017	FY2016
Earnings per ordinary share		
- Basic (Hong Kong cents)	1.42	1.50
- Diluted (Hong Kong cents)	1.40	1.50

Basic earnings per ordinary share was computed based on 525,630,328 shares (FY2016 : 525,630,328 shares) being the weighted average number of ordinary shares in issue during FY2017.

Diluted earnings per ordinary share was computed based on 531,644,649 (FY2016 : 525,630,328 shares) being the weighted average number of ordinary shares in issue during FY2017 and after including the dilutive effect of the outstanding Options as at 31 December 2017.

In respect of FY2016, the outstanding Options were anti-dilutive and hence had no dilutive effect on the earnings per ordinary share for FY2016.

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

	Group		Company	
	As at 31/12/17	As at 31/12/16	As at 31/12/17	As at 31/12/16
Net asset value per ordinary share (Hong Kong cents)	32.31	31.71	28.10	28.27

Net asset value per ordinary share was computed based on the number of ordinary shares outstanding of 525,630,328 shares as at 31 December 2017 (31 December 2016: 525,630,328).

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- 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 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**

Background

The Company and its subsidiaries (the "**Group**") remain focused on its core business in the provision of financing services (the "**Financing Business**") in the People's Republic of China ("**PRC**"), the Hong Kong Special Administrative Region (the "**HKSAR**") and Australia. Under the Financing Business, the Group's business activities are principally the provision of mezzanine loans and investments in companies with good fundamentals and growth potential. The Group also invests in short term financial instruments using cash on hand pending loan disbursement under its Financing Business as and when opportunities arise (the "**Investments**").

Consolidated statement of comprehensive income

The Group recorded lower revenue of HK\$12.6 million in the financial year ended 31 December 2017 ("**FY2017**"), as compared to HK\$21.7 million in the financial year ended 31 December 2016 ("**FY2016**"), details of which are as follows:

	<u>FY2017</u>	<u>FY2016</u>	<u>Decrease</u>	
	HK\$'000	HK\$'000	HK\$'000	%
Financing Business	12,604	21,593	(8,988)	(42)
Investments	7	66	(59)	(89)
Total	<u>12,611</u>	<u>21,659</u>	(9,047)	(42)

Revenue from the Financing Business comprises interest income from loans extended by the Group to customers and dividend income from the Group's investments in companies. The revenue from Financing Business of HK\$12.6 million in FY2017 was HK\$9.0 million or 42% lower than the revenue of HK\$21.6 million in FY2016, due mainly to lower interest income from certain loan portfolios in Australia. There was no interest income from a borrower who has been placed under receivership in November 2016, of which the Group has entered into a settlement agreement with the underwriter on 31 December 2016 to recover the remaining net carrying value of the related principal and guaranteed 12% interest receivable from the underwriter.

Revenue from Investments relates to the interest income arising from the Group's investments in short term financial instruments. The revenue from investment was lower in FY2017 as compared to FY2016 as the Group disposed the investment in short term financial instruments in early 2017.

Other income in FY2017 refers mainly to foreign exchange gain of HK\$8.6 million arising from the revaluation of the Group's loan portfolio denominated in Australian Dollars ("**A\$**") as a result of appreciation of A\$ against HK\$ in FY2017, as compared to foreign exchange losses of HK\$1.3 million in FY2016.

Total operating expenses of the Group (comprising marketing and distribution costs and administrative expenses) was HK\$0.4 million or 6% lower at HK\$6.2 million in FY2017, as compared to the total operating expenses of HK\$6.6 million in FY2016 mainly due to reversal of over accrual of certain expenses in prior years.

Other expenses refer mainly to the provision of impairment on other receivables in respect of the portion of the interest which was not guaranteed by the underwriter. The provision of HK\$6.5 million in FY2017 was made in view of the slow property market in Western Australia for certain loan portfolio of the Group, while the provision of HK\$4.9 million in FY2016 was made in view of the global weakness in commodities prices which resulted in massive slowdown in the mining activities in Northern part of Western Australia.

The Group's income tax expense of HK\$1.0 million in FY2017 relates mainly to the withholding tax payable on the interest income from the loans extended to the Australian companies. Despite lower interest income in FY2017, the income tax expense in FY2017 was comparable to that in FY2016 due to the write back of withholding tax provision in the preceding year.

As a result of the foregoing, the Group reported a lower profit of HK\$7.4 million in FY2017 as compared to a net profit of HK\$7.9 million in FY2016.

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Consolidated statements of financial position

The Group's available-for-sale financial assets ("AFS") relate to the Group's investment of HK\$18.0 million by way of preference shares in the capital of customers, and were reflected at a fair value of HK\$23.4 million as at 31 December 2017, based on the valuation provided by an independent valuer. The lower amount as at 31 December 2017 was mainly due to partial redemption of capital by two of the customers in FY2017.

The Group's total loans and advances, mainly to customers in Australia and the PRC, amounted to HK\$86.4 million as at 31 December 2017, all of which are current. The Group's loan portfolio at HK\$86.4 million, mainly denominated in A\$, was lower as at 31 December 2017 compared to HK\$100.5 million as at 31 December 2016, mainly due to loan repayment by borrowers / underwriter.

The Group's other receivables as at 31 December 2017 consisted mainly of interest and dividend income receivables. The Group's other receivables were higher at HK\$36.1 million as at 31 December 2017 (including a provision for impairment of HK\$19.6 million) as compared to HK\$35.4 million as at 31 December 2016 (including a provision for impairment of HK\$12.0 million) mainly because the interest receivables of certain loans are accumulated over the loan tenure and are due for payment only upon maturity of loan.

The financial assets at fair value through profit or loss of the Group relate to the Group's investments in short term financial instruments using cash on hand pending further financing and investment opportunities. The Group has disposed the investment in short term financial instruments in early 2017.

Other payables and accrued liabilities of the Group were higher at HK\$8.4 million as at 31 December 2017 as compared to HK\$7.3 million as at 31 December 2016 because the withholding tax on the interest income from the loans extended to the Australian companies are accumulative as it is only payable when the interest income is received.

Consolidated statements of cash flow

The Group's cash and cash equivalents stood at HK\$32.4 million as at 31 December 2017.

The Group had net cash generated from the operating activities of HK\$28.7 million in FY2017 due mainly to repayment of loans by certain borrowers and redemption of capital in AFS by two of the customers in FY2017.

The Group's net cash generated from investing activities in FY2017 relates mainly to the disposal of the Group's investment in short term financial instruments.

The Group's net cash used in financing activities of HK\$2.0 million in FY2017 relates to the payment of the first and final dividend in respect of FY2016.

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

Not applicable as there was no forecast or prospect statement previously disclosed to the Company's 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

Although the PRC economy may be showing signs of slowing down, the Directors believe that the PRC and HKSAR continue to present opportunities for the Group's Financing Business which is targeted at small and mid-sized companies. In light of the slow-down in the property market in Australia, the Group is cautious and remains vigilant in monitoring its existing loans and investments in Australia and will limit its loan portfolio exposure to customers in Australia to no more than 60% of the Group's total loan portfolio (in HK\$ terms) for risk management purposes.

The Directors are mindful of the current market sentiment and has been making effort to ensure that the Group's investment and credit risks is well managed. As the overall global economy continues to be challenging, the Directors will continue to be prudent in deploying capital as well as executing stringent due diligence for new investments in 2018.

In relation to the conversion of loans into shares of a partner company announced on 14 November 2017, the Company was informed that the partner company is expected to be listed on the Australian Securities Exchange by 1st half of 2018. Upon the successful listing of the partner company and the satisfaction of other conditions pursuant to the conditional agreement, the Company will hold certain number of shares in the Partner Company as investment. The Company will provide further updates on the conversion and/or investment in the partner company, as and when there is material development.

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11 Dividend**(a) Current Financial Period Reported On**

Any dividend declared (recommended) for the current financial period reported on? **Yes**

Name of Dividend	First and final
Dividend Type	Cash
Dividend Rate (in Hong Kong cents)	0.38
Total annual dividend	HK\$2,000,000
Tax Rate	Tax exempt (one-tier)

The above proposed first and final dividend in respect of FY2017 (the "**Dividend**") is subject to approval of the Company's shareholders at the forthcoming annual general meeting of the Company.

(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	First and final
Dividend Type	Cash
Dividend Rate (in Hong Kong cents)	0.38
Total annual dividend	HK\$1,995,000
Tax Rate	Tax exempt (one-tier)

(c) Date payable / (d) Books closure date

The payment date and the books closure date will be announced at a later date.

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

Not applicable

13 If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such

The Company did not obtain any general mandate from its shareholders for interested person transactions ("**IPT**"). There was no IPT with value of more than S\$100,000 entered into during the financial year.

14 Negative confirmation pursuant to Rule 705(5)

Not applicable to announcement of full year results.

15 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)

The Company has procured signed undertakings from all its directors and executive officers based on Appendix 7H of the SGX-ST Catalist Listing Manual.

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PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
16 Segmented revenue and results for operating 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
BUSINESS SEGMENTS

	Financing Business		Investments		Consolidated	
	FY2017 HK\$'000	FY2016 HK\$'000	FY2017 HK\$'000	FY2016 HK\$'000	FY2017 HK\$'000	FY2016 HK\$'000
Revenue by segments						
Total revenue by segments	12,604	21,593	7	66	12,611	21,659
External revenue	12,604	21,593	7	66	12,611	21,659
Segment profit	13,749	14,684	(54)	40	13,695	14,724
Unallocated expenses					(5,255)	(5,861)
Profit before tax					8,440	8,863
Income tax expense					(1,000)	(994)
Profit for the year					7,439	7,869

	Financing Business		Investments		Consolidated	
	FY2017 HK\$'000	FY2016 HK\$'000	FY2017 HK\$'000	FY2016 HK\$'000	FY2017 HK\$'000	FY2016 HK\$'000
Segment assets	176,831	171,613	-	1,344	176,831	172,957
Unallocated assets					1,495	1,277
Consolidated total assets					178,326	174,234
Segment liabilities	5,803	4,615	-	-	5,803	4,615
Unallocated liabilities					2,692	2,953
Consolidated total liabilities					8,495	7,568

GEOGRAPHICAL SEGMENTS

The breakdown of the Group's revenue based on the country of incorporation of clients is set out below:

	Singapore		PRC & Hong Kong		British Virgin Islands		Australia		Total	
	FY2017 HK\$'000	FY2016 HK\$'000	FY2017 HK\$'000	FY2016 HK\$'000	FY2017 HK\$'000	FY2016 HK\$'000	FY2017 HK\$'000	FY2016 HK\$'000	FY2017 HK\$'000	FY2016 HK\$'000
Revenue										
External sales	-	-	2,935	3,925	3,701	4,747	5,975	12,987	12,611	21,659
Non-current assets	7	20	-	-	-	-	-	-	7	20

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

Please refer to Paragraph 8.

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18 A breakdown of sales

	Group		
	FY2017	FY2016	+ / (-)
	HK\$'000	HK\$'000	%
(a) Sales reported for first half year	6,681	10,599	(37)
(b) Operating profit after tax before deducting minority interests reported for first half year	10,183	6,383	60
(c) Sales reported for second half year	5,930	11,060	(46)
(d) Operating profit after tax before deducting minority interests reported for second half year	(2,744)	1,486	(285)

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

Total Annual Dividend

	FY2017 ⁽¹⁾	FY2016 ⁽²⁾
	HK\$'000	HK\$'000
Ordinary	2,000	1,995
Preference	-	-
Total	2,000	1,995

(1) Based on the first and final dividend of 0.38 Hong Kong cents per share proposed in respect of FY2017.

(2) Based on the first and final dividend of 0.38 Hong Kong cents per share paid in respect of FY2016.

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(10). 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 positions held, if any, during the year
Chin Nyok Tow	50	Sister of Chin Fook Lai, a non-executive director of the Company	<p><u>Position</u> Administrative Manager</p> <p><u>Duties</u> Overseeing the human resource and administrative functions of the group</p> <p><u>First held</u> Year 2007</p>	No changes in duties and position held during the year.

BY ORDER OF THE BOARD

Ong Chor Wei @ Alan Ong
Chief Executive Officer
27 February 2018

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Tan Pei Woon, Senior Manager, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg)