

FOOD EMPIRE HOLDINGS LIMITED
(Co Registration No: 200001282G)

Full Year Financial Statement and Dividend Announcement for the Period ended 31 December 2016

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

1(a)(i) 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			Group		
	4Q 16	*Restated 4Q 15	Increase/ (Decrease) %	12M 16	*Restated 12M 15	Increase/ (Decrease) %
	US\$'000	US\$'000		US\$'000	US\$'000	
Revenue	70,035	62,878	11.4	242,210	232,427	4.2
Cost of sales	(43,545)	(39,381)	10.6	(154,740)	(150,212)	3.0
Gross profit	26,490	23,497	12.7	87,470	82,215	6.4
Selling and distribution expenses	(13,233)	(11,774)	12.4	(42,455)	(38,308)	10.8
General and administrative expenses	(9,043)	(8,838)	2.3	(30,520)	(28,581)	6.8
Results from operating activities	4,214	2,885	46.1	14,495	15,326	(5.4)
Net other (expenses)/income (Note 1)	(490)	(6,439)	(92.4)	4,580	(15,705)	NM
Net finance costs (Note 2)	(223)	(272)	(18.0)	(921)	(767)	20.1
Share of (loss)/profit of associates	(30)	(146)	(79.5)	(697)	355	NM
Profit/(loss) before taxation (Note 3)	3,471	(3,972)	NM	17,457	(791)	NM
Taxation (Note 4)	(936)	735	NM	(3,642)	660	NM
Profit/(loss) for the period/year	2,535	(3,237)	NM	13,815	(131)	NM
Profit/(loss) attributable to:						
Equity shareholders of the Company	2,915	(3,154)	NM	14,520	210	6,814.3
Non-controlling interest	(380)	(83)	357.8	(705)	(341)	106.7
	2,535	(3,237)	NM	13,815	(131)	NM

* Comparatives have been restated as highlighted under paragraph 5.

NM denotes not meaningful.

Notes:

1. Net other (expenses)/income comprises:

	Group			Group		
	4Q 16 US\$'000	*Restated 4Q 15 US\$'000	Increase/ (Decrease) %	12M 16 US\$'000	*Restated 12M 15 US\$'000	Increase/ (Decrease) %
<u>Other income</u>						
Gain on disposal of assets held for sale	-	-	NM	-	938	NM
Sales of scrapped items	16	21	(23.8)	75	62	21.0
Other income	75	51	47.1	352	425	(17.2)
Insurance claim	18	-	NM	35	-	NM
Foreign exchange gain	-	-	NM	4,151	-	NM
	<u>109</u>	<u>72</u>	<u>51.4</u>	<u>4,613</u>	<u>1,425</u>	<u>223.7</u>
<u>Other expenses</u>						
Foreign exchange loss	(578)	(6,381)	(90.9)	-	(16,936)	NM
Loss on disposal of property, plant and equipment	(21)	(130)	(83.8)	(33)	(141)	(76.6)
Loss on disposal of an associate	-	-	NM	-	(53)	NM
	<u>(599)</u>	<u>(6,511)</u>	<u>(90.8)</u>	<u>(33)</u>	<u>(17,130)</u>	<u>(99.8)</u>
Net other (expenses)/income	<u>(490)</u>	<u>(6,439)</u>	<u>(92.4)</u>	<u>4,580</u>	<u>(15,705)</u>	<u>NM</u>

2. Net finance costs comprises:

	Group			Group		
	4Q 16 US\$'000	*Restated 4Q 15 US\$'000	Increase/ (Decrease) %	12M 16 US\$'000	*Restated 12M 15 US\$'000	Increase/ (Decrease) %
<u>Finance income</u>						
Interest income	62	38	63.2	251	142	76.8
<u>Finance costs</u>						
Interest expenses on:						
- Bank loans	(282)	(307)	(8.1)	(1,160)	(896)	29.5
- Others	(3)	(3)	0.0	(12)	(13)	(7.7)
	<u>(285)</u>	<u>(310)</u>	<u>(8.1)</u>	<u>(1,172)</u>	<u>(909)</u>	<u>28.9</u>
Net finance costs	<u>(223)</u>	<u>(272)</u>	<u>(18.0)</u>	<u>(921)</u>	<u>(767)</u>	<u>20.1</u>

3. Included in profit/(loss) before taxation are as follows:

	Group			Group		
	4Q 16 US\$'000	*Restated 4Q 15 US\$'000	Increase/ (Decrease) %	12M 16 US\$'000	*Restated 12M 15 US\$'000	Increase/ (Decrease) %
Depreciation of property, plant and equipment	(1,393)	(1,046)	33.2	(5,204)	(4,159)	25.1
Depreciation of investment properties	(44)	(38)	15.8	(163)	(105)	55.2
Inventories written down	(687)	(111)	518.9	(790)	(627)	26.0
Allowance for doubtful receivables	(284)	(333)	(14.7)	(809)	(375)	115.7
Net fair value gain on derivatives	93	-	NM	-	-	NM
Bad debts written off	(73)	(23)	217.4	(73)	(23)	217.4
Impairment of an associate	-	(1,580)	NM	-	(1,580)	NM



4. Included in the taxation is as follows:

	Group			Group		
	*Restated	Increase/		*Restated	Increase/	
4Q 16	4Q 15	(Decrease)	12M 16	12M 15	(Decrease)	
US\$'000	US\$'000	%	US\$'000	US\$'000	%	
Current income tax						
- Current income taxation	(323)	(652)	-50%	(1,753)	(976)	80%
- Over/(under) provision for prior year	193	(98)	NM	273	(451)	NM
Deferred income tax	(806)	1,485	NM	(2,162)	2,087	NM
	(936)	735	NM	(3,642)	660	NM

1(a)(ii) Statement of group comprehensive income

	Group			Group		
	*Restated	Increase/		*Restated	Increase/	
4Q 16	4Q 15	(Decrease)	12M 16	12M 15	(Decrease)	
US\$'000	US\$'000	%	US\$'000	US\$'000	%	
Profit/(loss) net of tax	2,535	(3,237)	NM	13,815	(131)	NM
Other comprehensive income/(loss):						
Items that may be reclassified subsequently to profit or loss:						
Foreign currency translation gain	94	813	(88.4)	1,070	148	623.0
Share of other comprehensive gain/(loss) of associates	95	(386)	NM	551	(1,243)	NM
Other comprehensive income/(loss) for the period/year, net of tax	189	427	(55.7)	1,621	(1,095)	NM
Total comprehensive income/(loss) for the period/year	2,724	(2,810)	NM	15,436	(1,226)	NM
Total comprehensive income/(loss) attributable to:						
Equity shareholders of the Company	3,104	(2,727)	NM	16,141	(885)	NM
Non-controlling interest	(380)	(83)	357.8	(705)	(341)	106.7
	2,724	(2,810)	NM	15,436	(1,226)	NM

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	
	31 Dec 2016 US\$'000	31 Dec 2015 US\$'000	31 Dec 2016 US\$'000	31 Dec 2015 US\$'000
Non-Current Assets				
Property, plant and equipment	64,389	66,519	-	35
Investment properties	15,436	15,275	-	-
Investments in subsidiaries	-	-	44,545	44,545
Investments in associates	15,298	7,647	-	-
Intangible assets	10,343	10,343	-	-
Amount due from an associate	208	-	-	-
Deferred tax assets	3,274	3,614	-	-
	108,948	103,398	44,545	44,580
Current Assets				
Cash and cash equivalents	28,574	27,524	131	92
Trade receivables	38,107	38,576	-	-
Deferred expenses	185	152	-	-
Prepaid operating expenses and other debtors	2,480	2,833	7	57
Other receivables	1,601	1,433	-	-
Amounts due from subsidiaries (non-trade)	-	-	9,933	9,839
Amounts due from associates (non-trade)	4,801	841	-	-
Amounts due from related parties (trade)	396	364	-	-
Inventories	43,560	40,100	-	-
	119,704	111,823	10,071	9,988
Current Liabilities				
Trade payables and accruals	(30,103)	(32,412)	(1,403)	(459)
Finance lease creditors	(34)	(15)	-	-
Interest-bearing loans and borrowings	(21,987)	(13,303)	-	-
Other payables	(2,217)	(3,754)	-	-
Amount due to subsidiaries (non-trade)	-	-	(19)	(19)
Amount due to related parties (trade)	-	(154)	-	-
Amount due to related parties (non-trade)	(301)	-	-	-
Amounts due to associates (non-trade)	(49)	(165)	-	-
Amounts due to associates (trade)	(233)	(395)	-	-
Provision for taxation	(1,043)	(960)	(4)	(14)
	(55,967)	(51,158)	(1,426)	(492)
Net Current Assets	63,737	60,665	8,645	9,496
Non-Current Liabilities				
Finance lease creditors	(48)	(27)	-	-
Interest-bearing loans and borrowings	(16,833)	(26,119)	-	-
Other payables	(5)	(6)	-	-
Deferred tax liabilities	(1,943)	(457)	-	-
	(18,829)	(26,609)	-	-
Net Assets	153,856	137,454	53,190	54,076
Equity				
Share capital	40,846	40,725	40,846	40,725
Treasury shares	(317)	(317)	(317)	(317)
Reserves	113,208	96,957	12,661	13,668
	153,737	137,365	53,190	54,076
Non-controlling interest	119	89	-	-
Total Equity	153,856	137,454	53,190	54,076

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

Amount repayable in one year or less, or on demand

	As at 31 Dec 2016		As at 31 Dec 2015	
	Secured	Unsecured	Secured	Unsecured
	US\$'000	US\$'000	US\$'000	US\$'000
Finance lease creditors	(34)	-	(15)	-
Interest-bearing loans and borrowings	(11,368)	(10,619)	(8,455)	(4,848)
Total	(11,402)	(10,619)	(8,470)	(4,848)

Amount repayable after one year

	As at 31 Dec 2016		As at 31 Dec 2015	
	Secured	Unsecured	Secured	Unsecured
	US\$'000	US\$'000	US\$'000	US\$'000
Finance lease creditors	(48)	-	(27)	-
Interest-bearing loans and borrowings	(12,273)	(4,560)	(19,239)	(6,880)
Total	(12,321)	(4,560)	(19,266)	(6,880)

Details of any collateral

As at 31 December 2015 and 31 December 2016, the finance lease liabilities were secured by charge over the related lease vehicles held by subsidiaries of the Group.

As at 31 December 2015 and 31 December 2016, the secured interest bearing loans and borrowings were secured by mortgages over the related freehold & leasehold properties and fixed charges over plant & machinery owned by subsidiaries of the Group.

As at 31 December 2015 and 31 December 2016, the unsecured interest bearing loan and borrowing of subsidiaries were covered by corporate guarantees given by the 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.

	Group		Group	
	4Q 16	4Q 15	12M 16	12M 15
	US\$'000	US\$'000	US\$'000	US\$'000
Cash flows from operating activities				
Profit/(loss) from operations before taxation	3,471	(3,972)	17,457	(791)
Adjustment for :				
Depreciation of property, plant and equipment	1,393	1,046	5,204	4,159
Depreciation of investment properties	44	38	163	105
Gain on disposal of assets held for sale	-	-	-	(938)
Loss on disposal of property, plant and equipment	21	130	33	141
Interest income	(62)	(38)	(251)	(142)
Interest expenses	285	310	1,172	909
Exchange realignment	1,087	1,867	462	5,123
Share of loss/(profit) of associates	30	146	697	(355)
Allowance for doubtful receivables	284	333	809	375
Inventories written down	687	111	790	627
Impairment of an associate	-	1,580	-	1,580
Value of employee services received for issue of share options	60	16	134	80
Net fair value gain on derivatives	(93)	-	-	-
Loss on disposal of an associate	-	-	-	53
Bad debts written off	73	23	73	23
Operating profit before working capital changes	7,280	1,590	26,743	10,949
(Increase)/decrease in trade and other receivables	(728)	7,209	(4,383)	3,562
Decrease/(increase) in inventories	2,484	6,309	(4,250)	4,935
Decrease in trade and other payables	(2,369)	(4,681)	(4,008)	(3,713)
Cash flows generated from operations	6,667	10,427	14,102	15,733
Income taxes paid	(223)	(274)	(1,360)	(468)
Net cash flows generated from operating activities	6,444	10,153	12,742	15,265
Cash flows from investing activities				
Interest income received	62	38	251	142
Purchase of property, plant and equipment	(900)	(545)	(3,803)	(5,314)
Subsequent expenditure on investment property	(2)	-	(35)	(701)
Proceeds from disposal of property, plant and equipment	5	52	37	93
Proceeds from disposal of assets held for sale	-	-	-	1,481
Capital injection in an associate	-	(108)	(7,831)	(108)
Proceeds from disposal of an associate	-	-	-	900
Dividend income from an associate	-	34	35	34
Net cash flows used in investing activities	(835)	(529)	(11,346)	(3,473)
Cash flows from financing activities				
Interest expenses paid	(285)	(320)	(1,172)	(1,115)
Capital injection from non-controlling interest of subsidiaries	-	24	726	167
Dividends refunded from shareholders of the Company	-	-	1	-
Repayment of interest-bearing loans and borrowings	(12,178)	(9,194)	(47,034)	(28,478)
Proceeds from interest-bearing loans and borrowings	11,656	4,588	46,603	26,995
Repayment of obligation under finance leases	(9)	(3)	(20)	(18)
Proceeds from obligation under finance lease	58	23	58	23
Proceeds from issuance of shares	96	-	96	-
Net cash flows used in financing activities	(662)	(4,882)	(742)	(2,426)
Net increase in cash and cash equivalents	4,947	4,742	654	9,366
Effect of exchange rate changes on cash and cash equivalents	(202)	(380)	396	(1,620)
Cash and cash equivalents at beginning of the period/year	23,829	23,162	27,524	19,778
Cash and cash equivalents at end of the period/year	28,574	27,524	28,574	27,524

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.

The Group – 4Q 16

	Attributable to equity shareholders of the Company							Total equity US\$'000
	Share capital US\$'000	Treasury shares US\$'000	Foreign currency translation reserve US\$'000	Share-based payment reserve US\$'000	Accumulated profits US\$'000	Total US\$'000	Non-controlling interest US\$'000	
Balance as at 1 October 2016	40,725	(317)	(13,625)	1,962	121,732	150,477	499	150,976
Profit/(loss) for the period	-	-	-	-	2,915	2,915	(380)	2,535
<u>Other comprehensive income/(loss)</u>								
Foreign currency translation gain	-	-	94	-	-	94	-	94
Share of other comprehensive gain of associates	-	-	95	-	-	95	-	95
Total comprehensive income/(loss) for the period	-	-	189	-	2,915	3,104	(380)	2,724
<u>Contributions by and distributions to owners</u>								
Value of employee services received for issue of share options	-	-	-	60	-	60	-	60
Issuance of new shares	96	-	-	-	-	96	-	96
Exercise of share options	25	-	-	(25)	-	-	-	-
Total contributions by and distributions to owners, representing total transactions with owners in their own capacity as owners	121	-	-	35	-	156	-	156
Balance as at 31 December 2016	40,846	(317)	(13,436)	1,997	124,647	153,737	119	153,856

The Group – 4Q 15

	Attributable to equity shareholders of the Company							Total equity US\$'000
	Share capital US\$'000	Treasury shares US\$'000	Foreign currency translation reserve US\$'000	Share-based payment reserve US\$'000	Accumulated profits US\$'000	Total US\$'000	Non-controlling interest US\$'000	
Balance as at 1 October 2015	40,725	(317)	(15,484)	1,872	113,280	140,076	148	140,224
Loss for the period	-	-	-	-	(3,154)	(3,154)	(83)	(3,237)
<u>Other comprehensive income/(loss)</u>								
Foreign currency translation gain	-	-	813	-	-	813	-	813
Share of other comprehensive loss of associates	-	-	(386)	-	-	(386)	-	(386)
Total comprehensive income/(loss) for the period	-	-	427	-	(3,154)	(2,727)	(83)	(2,810)
<u>Contributions by and distributions to owners</u>								
Value of employee services received for issue of share options	-	-	-	16	-	16	-	16
Total contributions by and distributions to owners	-	-	-	16	-	16	-	16
<u>Changes in ownership interests in subsidiaries</u>								
Capital injection from non-controlling interest of a subsidiary representing total changes in ownership interests in subsidiaries	-	-	-	-	-	-	24	24
Total transactions with owners in their capacity as owners	-	-	-	16	-	16	24	40
Balance as at 31 December 2015	40,725	(317)	(15,057)	1,888	110,126	137,365	89	137,454

The Group – 12M 16

	Attributable to equity shareholders of the Company							
	Share capital US\$'000	Treasury shares US\$'000	Foreign currency translation reserve US\$'000	Share-based payment reserve US\$'000	Accumulated profits US\$'000	Total US\$'000	Non-controlling interest US\$'000	Total equity US\$'000
Balance as at 1 January 2016	40,725	(317)	(15,057)	1,888	110,126	137,365	89	137,454
Profit/(loss) for the year	-	-	-	-	14,520	14,520	(705)	13,815
<u>Other comprehensive income/(loss)</u>								
Foreign currency translation gain	-	-	1,070	-	-	1,070	-	1,070
Share of other comprehensive gain of associates	-	-	551	-	-	551	-	551
Total comprehensive income/(loss) for the year	-	-	1,621	-	14,520	16,141	(705)	15,436
<u>Contributions by and distributions to owners</u>								
Value of employee services received for issue of share options	-	-	-	134	-	134	-	134
Dividends refunded from equity shareholders of the Company	-	-	-	-	1	1	-	1
Issuance of new shares	96	-	-	-	-	96	-	96
Exercise of share options	25	-	-	(25)	-	-	-	-
Total contributions by and distributions to owners	121	-	-	109	1	231	-	231
<u>Changes in ownership interests in subsidiaries</u>								
Capital injection from non-controlling interest of subsidiaries	-	-	-	-	-	-	726	726
Acquisition of non-controlling interests without a change in control	-	-	-	-	-	-	9	9
Total changes in ownership interest in subsidiaries	-	-	-	-	-	-	735	735
Total transactions with owners in their capacity as owners	121	-	-	109	1	231	735	966
Balance as at 31 December 2016	40,846	(317)	(13,436)	1,997	124,647	153,737	119	153,856

The Group – 12M 15

	Attributable to equity shareholders of the Company								
	Share capital US\$'000	Treasury shares US\$'000	Foreign currency translation reserve US\$'000	Asset revaluation reserve US\$'000	Share-based payment reserve US\$'000	Accumulated profits US\$'000	Total US\$'000	Non-controlling interest US\$'000	Total equity US\$'000
Balance as at 1 January 2015	40,725	(317)	(13,962)	60	1,808	109,856	138,170	263	138,433
Profit/(loss) for the year	-	-	-	-	-	210	210	(341)	(131)
<u>Other comprehensive (loss)/income</u>									
Foreign currency translation gain	-	-	148	-	-	-	148	-	148
Share of other comprehensive loss of associates	-	-	(1,243)	-	-	-	(1,243)	-	(1,243)
Reversal of asset revaluation reserve from disposal of assets held for sale	-	-	-	(60)	-	60	-	-	-
Total comprehensive (loss)/income for the year	-	-	(1,095)	(60)	-	270	(885)	(341)	(1,226)
<u>Contributions by and distributions to owners</u>									
Value of employee services received for issue of share options	-	-	-	-	80	-	80	-	80
Total contributions by and distributions to owners	-	-	-	-	80	-	80	-	80
<u>Changes in ownership interests in subsidiaries</u>									
Capital injection from non-controlling interests of subsidiaries representing total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	167	167
Total transactions with owners in their capacity as owners	-	-	-	-	80	-	80	167	247
Balance as at 31 December 2015	40,725	(317)	(15,057)	-	1,888	110,126	137,365	89	137,454

The Company – 4Q

	Share capital US\$'000	Treasury shares US\$'000	Foreign currency translation reserve US\$'000	Share-based payment reserve US\$'000	Accumulated profits US\$'000	Total Equity US\$'000
Balance as at 1 October 2016	40,725	(317)	3,332	1,962	8,059	53,761
Loss for the period	-	-	-	-	(215)	(215)
<u>Other comprehensive loss</u>						
Foreign currency translation loss	-	-	(512)	-	-	(512)
Total comprehensive loss for the period	-	-	(512)	-	(215)	(727)
<u>Contributions by and distributions to owners</u>						
Issuance of new shares	96	-	-	-	-	96
Exercise of share options	25	-	-	(25)	-	-
Value of employee services received for issue of share options	-	-	-	60	-	60
Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners	121	-	-	35	-	156
Balance as at 31 December 2016	40,846	(317)	2,820	1,997	7,844	53,190
Balance as at 1 October 2015	40,725	(317)	2,963	1,872	8,022	53,265
Profit for the period	-	-	-	-	759	759
<u>Other comprehensive income</u>						
Foreign currency translation gain	-	-	36	-	-	36
Total comprehensive income for the period	-	-	36	-	759	795
<u>Contributions by and distributions to owners</u>						
Value of employee services received for issue of share options	-	-	-	16	-	16
Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners	-	-	-	16	-	16
Balance as at 31 December 2015	40,725	(317)	2,999	1,888	8,781	54,076

The Company – 12M

	Share capital US\$'000	Treasury shares US\$'000	Foreign currency translation reserve US\$'000	Share-based payment reserve US\$'000	Accumulated profits US\$'000	Total Equity US\$'000
Balance as at 1 January 2016	40,725	(317)	2,999	1,888	8,781	54,076
Loss for the year	-	-	-	-	(938)	(938)
<u>Other comprehensive loss</u>						
Foreign currency translation loss	-	-	(179)	-	-	(179)
Total comprehensive loss for the year	-	-	(179)	-	(938)	(1,117)
<u>Contributions by and distributions to owners</u>						
Value of employee services received for issue of share options	-	-	-	134	-	134
Issuance of new shares	96	-	-	-	-	96
Exercise of share options	25	-	-	(25)	-	-
Dividends refunded from equity shareholders of the Company	-	-	-	-	1	1
Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners	121	-	-	109	1	231
Balance as at 31 December 2016	40,846	(317)	2,820	1,997	7,844	53,190
Balance as at 1 January 2015	40,725	(317)	3,669	1,808	8,997	54,882
Loss for the year	-	-	-	-	(216)	(216)
<u>Other comprehensive loss</u>						
Foreign currency translation loss	-	-	(670)	-	-	(670)
Total comprehensive loss for the year	-	-	(670)	-	(216)	(886)
<u>Contributions by and distributions to owners</u>						
Value of employee services received for issue of share options	-	-	-	80	-	80
Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners	-	-	-	80	-	80
Balance as at 31 December 2015	40,725	(317)	2,999	1,888	8,781	54,076

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.

Details of movement in the number of issued ordinary shares (excluding treasury shares), treasury shares and share options are as follows: -

	<u>FY 2016</u>	<u>FY2015</u>
<u>Share Capital</u>		
Number of issued ordinary shares as at 1 Jan (including treasury shares)	533,741,999	533,741,999
Ordinary shares held as treasury shares	(1,001,000)	(1,001,000)
Balance of issued ordinary shares as at 31 Mar and 30 Jun and 30 Sep (excluding treasury shares)	532,740,999	532,740,999
Issued for cash under employee share option scheme		
- at the exercise price of S\$0.315 each	400,000	-
- at the exercise price of S\$0.335 each	30,000	-
Balance of issued ordinary shares as at 31 Dec (excluding treasury shares)	<u>533,170,999</u>	<u>532,740,999</u>
<u>Share Option - exercise price of S\$0.335</u>		
Balance as at 1 Jan and 31 Mar and 30 Jun and 30 Sep	2,840,000	2,840,000
Options exercised during the period	(30,000)	-
Balance as at 31 Dec	<u>2,810,000</u>	<u>2,840,000</u>
<u>Share Option - exercise price of S\$0.505</u>		
Balance as at 1 Jan and 31 Mar and 30 Jun and 30 Sep and 31 Dec	<u>3,630,000</u>	<u>3,630,000</u>
<u>Share Option - exercise price of S\$0.315</u>		
Balance as at 1 Jan and 31 Mar and 30 Jun and 30 Sep	3,672,000	3,672,000
Options exercised during the period	(400,000)	-
Balance as at 31 Dec	<u>3,272,000</u>	<u>3,672,000</u>
<u>Share Option - exercise price of S\$0.669</u>		
Balance as at 1 Jan and 31 Mar and 30 Jun and 30 Sep and 31 Dec	<u>4,630,000</u>	<u>4,630,000</u>
<u>Share Option - exercise price of S\$0.308</u>		
Balance as at 1 Jan and 31 Mar and 30 Jun	-	-
Granted to eligible participants on 4 July 2016	5,170,000	-
Balance as at 30 Sep and 31 Dec	<u>5,170,000</u>	-

Out of the 19,512,000 outstanding share options on 31 December 2016 (31 December 2015: 14,772,000), 14,342,000 (31 December 2015: 13,383,000) share options are exercisable.

Treasury Shares

As at 31 December 2016, the total number of treasury shares held was 1,001,000 (31 December 2015: 1,001,000).

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 ordinary shares excluding treasury shares is as follows: -

	Group	
	<u>As at 31 Dec 2016</u>	<u>As at 31 Dec 2015</u>
Issued ordinary shares	533,170,999	532,740,999

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.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the current financial period reported on.

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

The figures have not been audited or reviewed by the 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 method of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 December 2015, except for the adoption of new/revised FRS which came into effect on 1 January 2016.

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

The adoption of new/revised FRS as highlighted in paragraph 4 does not have a material impact on the financial statements for the period under review.

As highlighted in FY2015 full year announcement, the Group has adopted the presentation of analysis of expenses recognised in the Consolidated Income Statement from the classification based on the nature of expenses to the classification based on function. The comparatives had been restated accordingly to follow the same classification.

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		Group	
	4Q 16	4Q 15	12M 16	12M 15
Profit per share				
Based on existing issued share capital (USD cents)	0.55	(0.59)	2.73	0.04
On a fully diluted basis (USD cents)	0.55	(0.59)	2.72	0.04
	Group		Group	
	4Q 16	4Q 15	12M 16	12M 15
Weighted average number of shares table				
Weighted average number of shares for calculation of basic EPS	532,853,607	532,740,999	532,769,305	532,740,999
Weighted average number of shares for calculation of diluted EPS	534,666,568	532,740,999	534,124,983	532,740,999

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.

	Group		Company	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
Net asset value per ordinary share (USD cents)	28.83	25.78	9.98	10.15

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.

Revenue for the financial year ended 31 December 2016 ("FY2016") was US\$242.2 million, a year-on-year ("yoy") increase of 4.2% compared with the US\$232.4 million revenue recorded in FY2015. The Group reported a net profit after tax of US\$13.8 million for FY2016 as compared to a net loss of US\$0.1 million for FY2015.

Revenue by Markets (US\$'000)

	Group			Group		
	4Q 16 US\$'000	4Q 15 US\$'000	Increase/ (Decrease) %	12M 16 US\$'000	12M 15 US\$'000	Increase/ (Decrease) %
Russia	29,279	26,103	12.2	107,938	107,302	0.6
Ukraine	7,139	6,581	8.5	23,480	24,811	(5.4)
Kazakhstan and CIS markets	6,968	10,488	(33.6)	27,170	35,808	(24.1)
Indochina	11,998	9,320	28.7	40,092	29,445	36.2
Other Markets	14,651	10,386	41.1	43,530	35,061	24.2
Total	70,035	62,878	11.4	242,210	232,427	4.2

In FY2016, sales in the Group's largest market, Russia, increased marginally by 0.6% to US\$107.9 million compared to US\$107.3 million.

In the Group's Ukraine market, sales declined by 5.4% from US\$24.8 million in FY2015 to US\$23.5 million in FY2016 due to weakening of the Ukrainian Hryvnia against the US dollar.

In local currency terms, both Russia and Ukraine markets recorded higher revenue due to higher selling prices.

In the Group's Kazakhstan and CIS markets, sales decreased by 24.1% from US\$35.8 million in FY2015 to US\$27.2 million in FY2016 due to soft consumer sentiment and the weakening of local currencies.

In the Group's Indochina market, sales increased by 36.2% from US\$29.4 million in FY2015 to US\$40.1 million in FY2016 as a result of higher sales due to wider distribution channels, aggressive advertising and promotion activities.

Sales in the Group's Other Markets increased by 24.2% from US\$35.1 million in FY2015 to US\$43.5 million in FY2016 due to higher sales contribution from the Group's Middle East market, non-dairy creamer plant in Malaysia and instant coffee plant in India.

Profitability

For FY2016, the Group recorded a net profit after tax of US\$13.8 million as compared to a loss of US\$0.1 million in FY2015 mainly due to more favourable exchange rates and better performance in key markets as a result of higher selling prices. This was partially offset by share of losses from our associate company, Caffebene Co., Ltd, which was acquired in 1Q2016.

For FY2016, selling and distribution expenses increased by US\$4.2 million from US\$38.3 million in FY2015 to US\$42.5 million. The increase was mainly attributed to higher expenses for advertising and promotion activities coupled with higher manpower cost.

For FY2016, general and administrative expenses increased by US\$1.9 million from US\$28.6 million in FY2015 to US\$30.5 million. The increase was mainly attributed to higher manpower cost, provision for bad debts, legal and professional expenses and stock obsolescence, but was offset by the absence of the US\$1.6 million impairment of an associate recognised in FY2015.

In FY2016, the Ukrainian Hryvnia weakened from 23.9 Hryvnia per US dollar on 31 December 2015 to 27.2 Hryvnia per US dollar on 31 December 2016. Over the same period, the Russian Ruble strengthened to 60.6 Ruble per US dollar on 31 December 2016, compared with 72.9 Ruble per US dollar on 31 December 2015. As the Group is economically exposed to both markets, it was affected by the revaluation of its outstanding trade receivables denominated in currencies other than the US dollar.

Balance Sheet & Cashflow

Inventories increased from US\$40.1 million as at 31 December 2015 to US\$43.6 million as at 31 December 2016 due to translation gain of inventories held in currencies other than the US dollar, stock-up of inventories and a change in business processes from distributor importer to direct import model for our operations in Kazakhstan.

Investments in associates increased from US\$7.6 million as at 31 December 2015 to US\$15.3 million as at 31 December 2016 due to the Group's investment in Caffebene Co., Ltd.

The Group's net operating cash inflow was US\$12.7 million in FY2016 compared to US\$15.3 million in FY2015. The Group's cash and cash equivalents was US\$28.6 million as at 31 December 2016, compared to US\$27.5 million as at 31 December 2015.

The Group's net assets as at 31 December 2016 were US\$153.9 million. The net asset value per ordinary share (excluding non-controlling interests) as at 31 December 2016 was 28.83 US cents as compared to 25.78 US cents as at 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.

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.

Currencies of the Group's key markets remain vulnerable to the volatility in global oil prices, which may positively or negatively impact the Group's financial performance.

While consumer spending in our markets continues to remain soft amid uncertainty in the global economy, the Group remains focused to deliver sustainable growth through its geographical diversification and expansion of its product portfolio. The Group is confident of replicating its successful business model in Indochina to deepen penetration in its existing markets, as it continues to lookout for opportunities to expand into new geographies. In line with its strategy to further diversify its product portfolio, the Group has begun efforts to move towards premium coffee products as well as expand its snacks offerings.

The Group's upstream projects, which include the non-dairy creamer plant and the instant coffee plant in India, as well as its snacks manufacturing facility in Malaysia, are currently all profitable. The Group will continue to step up the production of its upstream projects to reap greater economies of scale and improve profitability.

The Group also remains on the lookout for inorganic growth opportunities as well as strategic partnerships that are complementary and synergistic in nature which would allow the Group to gain access into new markets or acquire new distribution channels.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Name of Dividend	First and Final
Dividend Type	Cash
Dividend Rate	0.60 cents per ordinary share
Tax Rate	Tax exempted (One-Tier)

The proposed first and final dividend is subject to shareholders' approval at the forthcoming Annual General Meeting scheduled for 24 April 2017.

(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

The proposed first and final dividend, if approved by the shareholders at the forthcoming Annual General Meeting scheduled for 24 April 2017, will be paid on 19 May 2017.

(d) Books closure date

Notice is hereby given that the Share Transfer Books and the Register of Members of the Company will be closed on 3 May 2017. Duly completed transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd at 50 Raffles Place, Singapore Land Tower #32-01, Singapore 048623, up to 5.00 p.m. on 2 May 2017 will be registered to determine shareholders' entitlement to the proposed first and final dividend. Shareholders whose securities accounts with The Central Depository (Pte) Limited ("CDP") are credited with shares at 5.00 p.m. on 2 May 2017 will be entitled to the proposed first and final dividend.

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

No applicable.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate from shareholders for IPTs.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
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	Russia		Ukraine		Kazakhstan and CIS Markets		Indo China		Other Markets		Elimination		Per consolidated financial statements	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	US\$'000		US\$'000		US\$'000		US\$'000		US\$'000		US\$'000		US\$'000	
Revenue														
Sales to external customers	107,938	107,302	23,480	24,811	27,170	35,808	40,092	29,445	43,530	35,061	-	-	242,210	232,427
Inter-segment sales	261	220	-	-	-	-	-	-	85,405	91,807	(85,666)	(92,027)	-	-
Total Revenue	108,199	107,522	23,480	24,811	27,170	35,808	40,092	29,445	128,935	126,868	(85,666)	(92,027)	242,210	232,427
Results :														
Segment results	15,200	3,185	2,394	(1,915)	229	2,726	2,006	1,491	21,305	24,701	(14,887)	(23,617)	26,247	6,571
Interest income													251	142
Interest expenses													(1,172)	(909)
Share of (loss)/profit of associates													(697)	355
Income tax (expense)/credit													(3,642)	660
Non-controlling interest													705	341
Depreciation for property, plant and equipment													(5,204)	(4,159)
Depreciation for investment properties													(163)	(105)
Impairment of an associate													-	(1,580)
Other non-cash expenses													(1,805)	(1,106)
Profit attributable to equity shareholders of the Company													14,520	210
Assets and liabilities														
Segment assets	54,515	57,047	13,027	14,180	4,336	524	9,260	6,821	147,514	136,649	-	-	228,652	215,221
Investment in associates	6,033	4,760	-	-	-	-	-	-	9,265	2,887	-	-	15,298	7,647
Additions to non-current assets	465	169	132	79	26	-	939	329	2,276	7,000	-	-	3,838	7,577
Segment liabilities	(12,383)	(14,099)	(1,353)	(1,317)	(515)	(25)	(4,054)	(3,341)	(56,491)	(58,985)	-	-	(74,796)	(77,767)

Information by products

Segment revenue information from external customers based on the different product	Group	
	2016 (US\$'000)	2015 (US\$'000)
Beverages	216,365	211,229
Others	15,374	15,547
Ingredients	10,471	5,651
	242,210	232,427

15. Confirmation by the Company in compliance with Rule 720(1) of the SGX-ST Listing Manual

The Company has procured the undertakings (in the format set out in Appendix 7.7) from all its Directors and Executive Officers .

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.

Please refer to paragraph 8.

17. A breakdown of sales.

	Group		Increase/ (Decrease) %
	31-Dec-16 US\$'000	31-Dec-15 US\$'000	
Revenue reported for first half year	103,896	107,897	-3.7%
Operating profit after tax before deducting minority interests reported for first half financial year	5,540	2,577	115.0%
Revenue reported for second half year	138,314	124,530	11.1%
Operating profit/(loss) after tax before deducting minority interests reported for second half financial year	8,275	(2,708)	NM

18. 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

	Latest Full Year (US\$'000) FY2017*	Previous Full Year (US\$'000) FY2016
Ordinary	2,244	-
Special	-	-
Total:	2,244	-

*Amounts are translated into United States Dollars ("US\$") at the exchange rate of S\$1.4256 to US\$1.00

- 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.**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, we confirm that there are no persons occupying managerial positions in the Company or any of its principal subsidiaries who are relatives of a director or chief executive officer or substantial shareholder of the Company.

On behalf of the Board of Directors

Tan Wang Cheow
Director

Sudeep Nair
Director

BY ORDER OF THE BOARD

Tan Cher Liang
Company Secretary
28 February 2017