

Full Year and Fourth Quarter Financial Statements 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, for the year and fourth quarter ended 31 December 2016 together with comparative statements for the corresponding period of the immediately preceding financial year

These figures have not been audited.

CONSOLIDATED INCOME STATEMENT

	Note	Group			Group		
		S\$000		% Increase / (Decrease)	S\$000		% Increase / (Decrease)
		Year ended			Three months ended		
		31 Dec 2016	31 Dec 2015		31 Dec 2016	31 Dec 2015	
Revenue	1	214,893	331,326	(35)	44,426	80,682	(45)
Cost of sales		(169,644)	(298,223)	(43)	(26,846)	(68,212)	(61)
Gross profit	1	45,249	33,103	37	17,580	12,470	41
Other operating income	2	810	297	173	110	123	(11)
Distribution costs	3	(8,287)	(10,335)	(20)	(2,922)	(4,970)	(41)
Administrative expenses	4	(19,427)	(19,279)	1	(6,124)	(5,755)	6
Other operating (expenses) income	5	(683)	(1,196)	(43)	407	(305)	NM
Profit from operations		17,662	2,590	582	9,051	1,563	479
Valuation (loss) gain on investment properties	6	(7,318)	9,915	NM	(4,686)	312	NM
Finance income	7	991	1,197	(17)	240	271	(11)
Finance costs	7	(5,330)	(4,631)	15	(1,323)	(1,118)	18
Foreign exchange (loss) gain	8	(1,391)	(500)	178	(573)	184	NM
Profit before income tax, share of results of joint ventures		4,614	8,571	(46)	2,709	1,212	124
Share of loss of joint ventures	9	(400)	-	NM	(400)	-	NM
Profit before income tax		4,214	8,571	(51)	2,309	1,212	91
Income tax (expense) credit	10	(770)	62	NM	(256)	134	NM
Profit for the year / quarter		3,444	8,633	(60)	2,053	1,346	53
<u>Profit attributable to:</u>							
Equity holders of the Company		423	6,090	(93)	828	324	156
Non-controlling interests	11	3,021	2,543	19	1,225	1,022	20
		3,444	8,633	(60)	2,053	1,346	53

NM – Not meaningful

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	S\$'000		% Increase / (Decrease)	S\$'000		% Increase / (Decrease)
		Year ended			Three months ended		
		31 Dec 2016	31 Dec 2015		31 Dec 2016	31 Dec 2015	
Profit for the year / quarter		3,444	8,633	(60)	2,053	1,346	53
Other comprehensive income (loss)							
<i>Items that may be reclassified subsequently to profit or loss</i>							
Translation gain arising on consolidation	12	2,888	156	NM	75	879	(91)
Fair value gain (loss) on available-for-sale investments, net of tax	13	485	2,886	(83)	(126)	2,554	NM
Other comprehensive income (loss) for the year / quarter, net of tax		3,373	3,042	11	(51)	3,433	NM
Total comprehensive income for the year / quarter		6,817	11,675	(42)	2,002	4,779	(58)
<u>Total comprehensive income attributable to:</u>							
Equity holders of the Company		2,820	7,714	(63)	1,588	2,175	(27)
Non-controlling interests		3,997	3,961	1	414	2,604	(84)
		6,817	11,675	(42)	2,002	4,779	(58)

Notes to the Consolidated Income Statement and Consolidated Statement of Comprehensive Income:**Note 1:**

The Investment Division's strong performance in the year enabled the Group to achieve growth of 37% in consolidated gross profit to S\$45.2 million for year ended 31 December 2016 despite consolidated revenue dropping by 35% to S\$214.9 million compared to S\$331.3 million achieved in the previous year. Gross profit margin doubled to 21% from 10% previously.

Revenue included investment income comprising dividends and interest income amounting to S\$22.0 million (Year ended 31 December 15: S\$11.1 million).

Note 2:

Other operating income comprises:

	S\$'000		% Increase / (Decrease)	S\$'000		% Increase / (Decrease)
	Year ended			Three months ended		
	31 Dec 2016	31 Dec 2015		31 Dec 2016	31 Dec 2015	
Government subsidies	141	149	(5)	4	39	(90)
Compensation received	402	-	NM	3	-	NM
Others	267	148	80	103	84	23
Total	810	297	173	110	123	(11)

- The Hong Kong subsidiary received compensation and removal costs from the landlord upon early termination of the lease for its office premises earlier this year.
- The increase in Others is mainly from higher service fee income for the year.

THAKRAL CORPORATION LTD AND SUBSIDIARIES

Notes to the Consolidated Income Statement and Consolidated Statement of Comprehensive Income:

Note 3:

Distribution costs comprise:

	S\$'000		% Increase / (Decrease)	S\$'000		% Increase / (Decrease)
	Year ended			Three months ended		
	31 Dec 2016	31 Dec 2015		31 Dec 2016	31 Dec 2015	
Staff costs	(3,723)	(3,764)	(1)	(965)	(1,020)	(5)
Advertising & promotion	(2,258)	(4,211)	(46)	(1,274)	(3,257)	(61)
Transportation	(929)	(946)	(2)	(251)	(297)	(15)
Travelling expenses	(375)	(481)	(22)	(110)	(154)	(29)
Others	(1,002)	(933)	7	(322)	(242)	33
Total	(8,287)	(10,335)	(20)	(2,922)	(4,970)	(41)

- Advertising and marketing expenses were lower mainly due to the celebrity fees and higher marketing costs that had been incurred last year on the launch of the SIXPAD as well as on other new products.
- Transportation expenses in the quarter declined in view of reduced sales volumes.
- Travelling expenses declined due to reduced travel by sales related personnel.

Note 4:

Administration expenses comprise:

	S\$'000		% Increase / (Decrease)	S\$'000		% Increase / (Decrease)
	Year ended			Three months ended		
	31 Dec 2016	31 Dec 2015		31 Dec 2016	31 Dec 2015	
Staff costs (including executive directors)	(12,021)	(12,375)	(3)	(3,638)	(3,721)	(2)
Directors' fees	(476)	(580)	(18)	(119)	(158)	(25)
Professional fees	(1,625)	(1,242)	31	(358)	(325)	10
Rent & rates	(838)	(1,041)	(20)	(197)	(274)	(28)
Travelling expenses	(325)	(308)	6	(96)	(100)	(4)
Insurance	(312)	(321)	(3)	(72)	(73)	(1)
Allowance for doubtful debts	(184)	(444)	(59)	(298)	(185)	61
Withholding tax	(2,030)	(1,128)	80	(801)	(400)	100
Others	(1,616)	(1,840)	(12)	(545)	(519)	5
Total	(19,427)	(19,279)	1	(6,124)	(5,755)	6

- Directors' fees reduced in view of the resignation of a director at the end of last year.
- Professional fees increased due to the Investment Division's project consultancy related costs and include fees for the outsourced Internal Audit function.
- Savings in Rental expenses arose from the cessation of the operation in Timor-Leste and the new office in Hong Kong.
- While the allowance for doubtful debts was lower than last year mainly due to the reversal made in Q3-FY16, the Group had to make allowances for certain advances to Japanese suppliers as well as some trade receivables in the last quarter.
- Withholding tax relates to tax accruals on income from Investment Division projects currently in progress as well as on the distributions declared by the Japanese property holding vehicle.

Note 5:

Other operating (expenses) income comprise:-

	S\$'000		% Increase / (Decrease)	S\$'000		% Increase / (Decrease)
	Year ended			Three months ended		
	31 Dec 2016	31 Dec 2015		31 Dec 2016	31 Dec 2015	
Depreciation	(403)	(448)	(10)	(62)	(116)	(47)
(Loss) Gain on derivative financial instruments	(280)	(748)	(63)	469	(189)	NM
Total	(683)	(1,196)	(43)	407	(305)	NM

- Depreciation includes accelerated amortization of leasehold improvements, furniture and fixtures and office equipment by a subsidiary in the Lifestyle Division in Singapore upon the downsizing of its operations.
- The loss on derivative financial instruments in the year arose mainly from the fair valuation of the hedge for the capital invested in the Japanese property holding vehicle as well as a short-term option taken during the 3rd quarter (since squared) to hedge against the movement in the Australian Dollar. The gain in the quarter represents the increase in fair value of the former.

THAKRAL CORPORATION LTD AND SUBSIDIARIES

Notes to the Consolidated Income Statement and Consolidated Statement of Comprehensive Income:

Note 6:

The Group recognized a net valuation impairment charge in the year which arose mainly from the GLNG houses in Australia and which will continue until the end of the lease terms. In the previous year, the Group had recorded a net unrealized valuation gain mainly on its warehouse properties in Hong Kong.

Note 7:

Finance income declined in the period in view of a bank deposit having been used to repay bank borrowings during the previous financial year.

Finance costs were higher mainly due to the interest on investor funding on a development project in Australia.

Note 8:

Foreign exchange translation loss for the year arose mainly from the exchange loss realized on the settlement of an Australian dollar denominated receivable and includes the loss from the translation of monetary assets and liabilities, denominated in foreign currencies, outstanding as at the end of the year.

Note 9:

The share of loss from joint ventures comprises the start-up phase operational costs of the Group's Gemlife joint venture for the development and management of retirement villages.

Note 10:

Income tax for the year includes the provisions for tax payable on the sale of a land parcel in Australia as well as on the profits at certain Australian entities.

Note 11:

The increase in non-controlling interests share of profits for the year and quarter is mainly due to the higher profits at the Investment Division.

Note 12:

These unrealized translation differences arose due to fluctuations in exchange rates of the foreign currencies in which the net assets of the Group's overseas operations are denominated.

Note 13:

The amount represents Thakral Japan Properties Pte Ltd (TJP)'s fair value gain on its available-for-sale investment in the Japanese property holding vehicle (of which the relevant portion is allocated to the non-controlling interests in TJP).

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

		Note	Group (S\$ '000) as at		Company (S\$ '000) as at	
			31 Dec 2016	31 Dec 2015	31 Dec 2016	31 Dec 2015
ASSETS						
Current assets						
Cash and bank balances	1		29,787	10,609	210	186
Trade receivables	2		9,871	12,303	-	-
Other receivables and prepayments	3		10,781	6,798	65	46
Loans receivable	4		28,382	11,733	-	-
Assets held for sale	5		40,140	38,115	-	-
Inventories	6		18,884	25,667	-	-
Total current assets			137,845	105,225	275	232
Non-current assets						
Pledged fixed deposits	1		10	18,949	-	-
Loans receivable	4		25,870	28,087	-	-
Interest receivable on pledged fixed deposits	3		-	1,492	-	-
Property, plant and equipment			1,807	1,833	16	10
Investment properties	4		54,616	62,391	-	-
Joint ventures	7		115	-	-	-
Subsidiary corporations			-	-	162,356	164,410
Derivative financial instrument	8		755	767	-	-
Available-for-sale investments	8		18,681	17,088	-	-
Total non-current assets			101,854	130,607	162,372	164,420
Total assets			239,699	235,832	162,647	164,652
LIABILITIES AND EQUITY						
Current liabilities						
Trade payables	9		2,633	6,258	-	-
Bills payables and trust receipts	9		21,535	20,341	-	-
Bank and other borrowings	10		44,664	44,104	-	-
Other payables	11		21,616	15,217	649	380
Provisions			2,969	3,089	52	52
Income tax payable			721	67	-	-
Total current liabilities			94,138	89,076	701	432
Non-current liabilities						
Amount owing to subsidiary corporations			-	-	68,346	68,180
Bank and other borrowings	10		24,005	28,289	-	-
Deferred tax liability			1,143	1,035	-	-
Total non-current liabilities			25,148	29,324	68,346	68,180
Total liabilities			119,286	118,400	69,047	68,612
Capital, reserves and non-controlling interests						
Issued capital			72,579	72,579	72,579	72,579
Reserves			23,892	23,689	21,021	23,461
Equity attributable to equity holders of the Company			96,471	96,268	93,600	96,040
Non-controlling interests			23,942	21,164	-	-
Total equity			120,413	117,432	93,600	96,040
Total liabilities and equity			239,699	235,832	162,647	164,652

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 December 2016		As at 31 December 2015	
Secured	Unsecured	Secured	Unsecured
S\$ 56,040,000	S\$ 10,159,000	S\$ 54,202,000	S\$ 10,243,000

Please also see notes (9 & 10) on page 9

Details of any collateral

Charge over properties in Hong Kong and pledge on rental proceeds; pledged bank deposits of S\$22.0 million; Company's corporate guarantee

Mortgages over the land owned by certain Australian subsidiaries in Gladstone, general fixed and floating charges over the assets of these subsidiaries as well as the subsidiaries that lease the residential properties to the lessees

Amount repayable after one year

As at 31 December 2016		As at 31 December 2015	
Secured	Unsecured	Secured	Unsecured
S\$ 18,681,000	S\$ 5,324,000	S\$ 23,723,000	S\$ 4,566,000

Please also see note (10) on page 9

Details of any collateral

Mortgages over the land owned by certain Australian subsidiaries in Gladstone, general fixed and floating charges over the assets of these subsidiaries as well as the subsidiaries that lease the residential properties to the lessees

Charge against specific corresponding debt instruments issued by a developer

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

	(S\$ '000)		(S\$ '000)	
	Year ended		Three months ended	
	31 Dec 2016	31 Dec 2015	31 Dec 2016	31 Dec 2015
OPERATING ACTIVITIES				
Profit before income tax	4,214	8,571	2,309	1,212
Adjustments for:				
Depreciation expense	403	448	62	116
Share of loss of joint ventures	400	-	400	-
Interest income from loans receivable and dividend income from unquoted investments	(22,016)	(11,102)	(12,258)	(5,277)
Interest expense	5,330	4,631	1,323	1,118
Interest income	(991)	(1,197)	(240)	(271)
Loss on disposal of property, plant and equipment	2	-	-	18
Loss on exercise of derivative financial instrument	-	356	-	-
Valuation loss (gain) on investment properties	7,318	(9,915)	4,686	(312)
Unrealised loss (gain) on outstanding derivative financial instrument	280	392	(469)	189
Net unrealised foreign exchange loss	1,462	564	685	96
Provision for employee benefits	370	232	272	60
Allowance for inventories	1,098	1,794	555	12
(Reversal) Allowance for doubtful trade receivables	(7)	328	123	185
Allowance for doubtful other receivables	191	116	175	-
Operating cash flows before movements in working capital	(1,946)	(4,782)	(2,377)	(2,854)
Trade receivables	2,504	558	156	(1,350)
Other receivables and prepayments	(673)	4,018	1,084	1,064
Inventories	5,356	1,375	(1,579)	(3,360)
Trade payables	(3,593)	(1,956)	312	1,895
Other payables and provisions	5,305	(706)	(930)	1,557
Cash generated from (used in) operations	6,953	(1,493)	(3,334)	(3,048)
Income tax paid	(170)	(113)	(25)	(20)
Interest paid	(3,351)	(4,041)	(817)	(974)
Interest received	530	661	478	26
Net cash from (used in) operating activities	3,962	(4,986)	(3,698)	(4,016)
INVESTING ACTIVITIES				
Additions to property, plant and equipment	(335)	(215)	(42)	(36)
Proceeds from disposal of property, plant and equipment	8	55	-	6
Proceeds from disposal of available-for-sale investments	-	2	-	-
Acquisition of investments in joint ventures	(513)	-	(4)	-
Repayment of loans receivable - current and non-current	23,092	17,525	7,703	12,048
Additions to loans receivable - current and non-current	(16,286)	(14,280)	(1,024)	(6,938)
Acquisition of derivative financial instrument	(217)	(1,159)	-	-
Proceeds from exercise of derivative financial instrument	-	85	-	-
Net cash from investing activities	5,749	2,013	6,633	5,080
FINANCING ACTIVITIES				
Dividend paid	(2,617)	-	(2,617)	-
Cash contributions from non-controlling shareholders in a subsidiary corporation	-	2	-	-
Dividend paid to non-controlling shareholders	(738)	-	(738)	-
Decrease (Increase) in fixed deposits with maturities exceeding three months	10	4,362	-	(6)
Decrease in pledged fixed deposits	862	130	1,795	122
Increase in bills payable and trust receipts	692	6,356	2,419	3,133
Other loans	6,365	-	2,352	-
Loans from banks	9,656	5,515	3,606	30
Repayments of bank loans	(22,016)	(21,187)	(7,511)	(6,631)
Net cash used in financing activities	(7,786)	(4,822)	(694)	(3,352)
Net increase (decrease) in cash and cash equivalents	1,925	(7,795)	2,241	(2,288)
Cash and cash equivalents at beginning of the year / quarter	5,543	13,497	5,372	8,137
Net effect of exchange rate changes in the balance of cash held in foreign currencies	222	(159)	77	(306)
Cash and cash equivalents at end of the year / quarter	7,690	5,543	7,690	5,543
Cash and cash equivalents were represented by:-				
Fixed deposits with maturities less than 3 months, cash and bank balances	7,690	5,543	7,690	5,543
	7,690	5,543	7,690	5,543

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THAKRAL CORPORATION LTD AND SUBSIDIARIES

Notes to the Statements of Financial Position and Consolidated Statement of Cash Flows:

Note 1:

Cash and bank balances are comprised of:

	<u>31-Dec-16</u>	<u>31-Dec-15</u>
Cash and cash equivalents	S\$7.7 million	S\$5.5 million
Fixed deposits with maturities exceeding three months	S\$0.1 million	S\$0.1 million
Fixed deposits that have been pledged to banks against bills payables and trust receipts (see note 9 below)	S\$1.3 million	S\$1.3 million
Fixed deposits that have been pledged to banks against bank loans	S\$20.7 million	S\$22.7 million
Total (including non-current fixed deposits)	<u>S\$29.8 million</u>	<u>S\$29.6 million</u>

Pledged deposits maturing in the next 12 months are included under current assets while pledged deposits with remaining maturities over 1 year are included under non-current assets.

Note 2:

The reduction in trade receivables is due to collections.

Note 3:

Other receivables and prepayments increased mainly due to the reclassification of accrued interest on fixed deposits maturing in the next 12 months, accrual of interest as well as an increase in the distribution receivable from the Japanese property holding vehicle. Other receivables include the interest receivable on fixed deposits with maturities of less than one year. Interest accrued on deposits with remaining maturities over 1 year is included under non-current assets.

Note 4:

The aggregate increase in loans receivable arises from the additional investments made in ongoing and new projects in Australia along with the accrual of returns during the year. The increase in loans receivable under current assets includes the reclassification (from non-current assets) as well as the recognition of returns on projects expected to be completed within the next 12 months.

The Group consolidates the investment properties and the relevant bank loans for the two GLNG projects on its statement of financial position. The recourse of the bank for the loans provided remains limited to the GLNG projects only.

Note 5:

Assets held for sale are comprised of:

	<u>30-Dec-16</u>	<u>31-Dec-15</u>
	<u>S\$'000</u>	<u>S\$'000</u>
Investment properties	36,619	34,667
Properties, plant and equipment (Leasehold land and buildings)	3,521	3,448
Total	<u>40,140</u>	<u>38,115</u>

The investment properties represent the warehouse properties in Hong Kong which are intended to be sold. Leasehold land and buildings represent the warehouse currently in use by the Group in Hong Kong.

Note 6:

The reduction in inventories is from the on-going clearance of stocks.

Note 7:

This represents the Group's interest in the joint venture entities for the GemLife retirement living business.

Note 8:

The Group had invested in commercial properties in Japan during the last quarter of 2014 through a pooled investment structure which accounted for this as an available-for-sale investment.

Derivative financial instruments represent the mark-to-market values of the Group's medium-term forex option taken to hedge its capital invested in the Japanese property holding vehicle as at the respective dates.

THAKRAL CORPORATION LTD AND SUBSIDIARIES

Notes to the Statements of Financial Position and Consolidated Statement of Cash Flows:
Note 9:

Aggregate trade payables and bills payable and trust receipts decreased following settlements in the period.

Note 10:

Aggregate bank and other loans declined following net reductions in Hong Kong, China and Australia.

Note 11:

Other payables increased mainly due to advances, incentive and other accruals.

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

Year ended 31 December 2016

S\$'000

<u>Group</u>	Issued capital	Capital reserve	Asset revaluation reserve	Investment revaluation reserve	Options reserve	Foreign currency translation reserve	Retained earnings	Attributable to equity holders of the Company	Non-controlling interests	Total
Balance at 1 Jan 2016	72,579	(9,207)	3,278	1,562	51	(29,835)	57,840	96,268	21,164	117,432
Total comprehensive loss for the quarter	-	-	-	-	-	-	625	625	442	1,067
Profit for the quarter	-	-	-	54	-	(1,406)	-	(1,352)	234	(1,118)
Other comprehensive income (loss) for the quarter	-	-	-	54	-	(1,406)	625	(727)	676	(51)
Balance at 31 Mar 2016	72,579	(9,207)	3,278	1,616	51	(31,241)	58,465	95,541	21,840	117,381
Total comprehensive income for the quarter	-	-	-	-	-	-	(432)	(432)	486	54
(Loss) Profit for the quarter	-	-	-	118	-	(697)	-	(579)	604	25
Other comprehensive income (loss) for the quarter	-	-	-	118	-	(697)	(432)	(1,011)	1,090	79
Transactions with owners, recognised directly in equity	-	-	-	-	(20)	-	20	-	-	-
Transfer from options reserve to retained earnings on cancellation / lapse of share options	-	-	-	-	(20)	-	20	-	-	-
Balance at 30 Jun 2016	72,579	(9,207)	3,278	1,734	31	(31,938)	58,053	94,530	22,930	117,460
Total comprehensive income for the quarter	-	-	-	-	-	-	(598)	(598)	868	270
(Loss) profit for the quarter	-	-	-	133	-	3,435	-	3,568	949	4,517
Other comprehensive income for the quarter	-	-	-	133	-	3,435	(598)	2,970	1,817	4,787
Balance at 30 Sep 2016	72,579	(9,207)	3,278	1,867	31	(28,503)	57,455	97,500	24,747	122,247
Total comprehensive income for the quarter	-	-	-	-	-	-	828	828	1,225	2,053
Profit for the quarter	-	-	-	(63)	-	823	-	760	(811)	(51)
Other comprehensive (loss) income for the quarter	-	-	-	(63)	-	823	828	1,588	414	2,002
Transactions with owners, recognised directly in equity	-	-	-	-	-	-	-	-	(1,219)	(1,219)
Dividend to non-controlling shareholders	-	-	-	-	-	-	(2,617)	(2,617)	-	(2,617)
Dividend	-	-	-	-	-	-	(2,617)	(2,617)	(1,219)	(3,836)
Balance at 31 Dec 2016	72,579	(9,207)	3,278	1,804	31	(27,680)	55,666	96,471	23,942	120,413

THAKRAL CORPORATION LTD AND SUBSIDIARIES

Year ended 31 December 2015

S\$'000

Group
Balance at 1 Jan 2015

Total comprehensive income for the quarter

(Loss) Profit for the quarter

Other comprehensive income (loss) for the quarter

Transactions with owners, recognised directly in equity
Transfer from options reserve to retained earnings on cancellation / lapse of share options

Balance at 31 Mar 2015

Total comprehensive income for the quarter

Profit for the quarter

Other comprehensive income (loss) for the quarter

Transactions with owners, recognised directly in equity
Transfer from options reserve to retained earnings on cancellation / lapse of share options
Capital reserve arising from the reorganisation of shareholding in Investment Division's subsidiaries

Balance at 30 Jun 2015

Total comprehensive income for the quarter

(Loss) profit for the quarter

Other comprehensive income for the quarter

Transactions with owners, recognised directly in equity
Non-controlling interests arising from acquisition of a subsidiary

Balance at 30 Sep 2015

Total comprehensive income for the quarter

Profit for the quarter

Other comprehensive income for the quarter

Balance at 31 Dec 2015

Issued capital	Capital reserve	Asset revaluation reserve	Investment revaluation reserve	Options reserve	Foreign currency translation reserve	Retained earnings	Attributable to equity holders of the Company	Non-controlling interests	Total
72,579	-	3,278	122	252	(30,019)	51,549	97,761	7,994	105,755
-	-	-	-	-	-	(358)	(358)	244	(114)
-	-	-	68	-	(40)	-	28	267	295
-	-	-	68	-	(40)	(358)	(330)	511	181
-	-	-	-	(196)	-	196	-	-	-
72,579	-	3,278	190	56	(30,059)	51,387	97,431	8,505	105,936
-	-	-	-	-	-	6,856	6,856	646	7,502
-	-	-	28	-	(1,092)	-	(1,064)	(620)	(1,684)
-	-	-	28	-	(1,092)	6,856	5,792	26	5,818
-	-	-	-	(5)	-	5	-	-	-
-	(9,207)	-	-	-	-	-	(9,207)	9,207	-
72,579	(9,207)	3,278	218	51	(31,151)	58,248	94,016	17,738	111,754
-	-	-	-	-	-	(732)	(732)	631	(101)
-	-	-	70	-	739	-	809	189	998
-	-	-	70	-	739	(732)	77	820	897
-	-	-	-	-	-	-	-	2	2
-	-	-	-	-	-	-	-	2	2
72,579	(9,207)	3,278	288	51	(30,412)	57,516	94,093	18,560	112,653
-	-	-	-	-	-	324	324	1,022	1,346
-	-	-	1,274	-	577	-	1,851	1,582	3,433
-	-	-	1,274	-	577	324	2,175	2,604	4,779
72,579	(9,207)	3,278	1,562	51	(29,835)	57,840	96,268	21,164	117,432

THAKRAL CORPORATION LTD AND SUBSIDIARIES

Year ended 31 December 2016

S\$'000

Company

Balance as at 1 Jan 2016

Loss for the quarter, representing total comprehensive loss for the quarter

Balance as at 31 Mar 2016

Loss for the quarter, representing total comprehensive loss for the quarter

Transactions with owners, recognised directly in equity

Transfer from options reserve to retained earnings on cancellation / lapse of share options

Balance as at 30 Jun 2016

Loss for the quarter, representing total comprehensive loss for the quarter

Balance as at 30 Sep 2016

Profit for the quarter, representing total comprehensive income for the quarter

Transactions with owners, recognised directly in equity

Dividend

Balance as at 31 Dec 2016

Issued capital	Options reserve	Retained earnings	Total
72,579	51	23,410	96,040
-	-	(2,440)	(2,440)
72,579	51	20,970	93,600
-	-	(163)	(163)
-	(20)	20	-
72,579	31	20,827	93,437
-	-	(695)	(695)
72,579	31	20,132	92,742
-	-	3,475	3,475
-	-	(2,617)	(2,617)
72,579	31	20,990	93,600

Year ended 31 December 2015

S\$'000

Company

Balance as at 1 Jan 2015

Loss for the quarter, representing total comprehensive loss for the quarter

Transactions with owners, recognised directly in equity

Transfer from options reserve to retained earnings on cancellation / lapse of share options

Balance as at 31 Mar 2015

Loss for the quarter, representing total comprehensive loss for the quarter

Transactions with owners, recognised directly in equity

Transfer from options reserve to retained earnings on cancellation / lapse of share options

Balance as at 30 Jun 2015

Loss for the quarter, representing total comprehensive loss for the quarter

Balance as at 30 Sep 2015

Profit for the quarter, representing total comprehensive income for the quarter

Balance as at 31 Dec 2015

Issued capital	Options reserve	Retained earnings	Total
72,579	252	18,490	91,321
-	-	(1,007)	(1,007)
-	(196)	196	-
72,579	56	17,679	90,314
-	-	(72)	(72)
-	(5)	5	-
72,579	51	17,612	90,242
-	-	(3,479)	(3,479)
72,579	51	14,133	86,763
-	-	9,277	9,277
72,579	51	23,410	96,040

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.

Since the beginning of the year, 7,500 and 692,500 share options (equivalent to 375 and 34,625 shares on 20:1 basis following the completion of the share consolidation in FY2015) lapsed and expired respectively during the year.

The number of shares that may be issued on exercise of all the outstanding options under the 2001 Scheme is as follows:-

	As at 31 Dec 2016	As at 31 Dec 2015
Outstanding options	35,000	70,000

The Company did not have any treasury shares as at 31 December 2016 and 31 December 2015.

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 was 130,860,616 as at 31 December 2016 and 31 December 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.

Not applicable.

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

These figures have not been audited or reviewed.

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

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Except as disclosed in item 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year as those of the audited financial statements for the year ended 31 December 2015.

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

On 1 January 2016, the Group adopted all the new and revised FRSs and Interpretations of FRS that are effective from that date and are relevant to its operations. The Group was mainly affected by the following new / revised FRSs and amendments to FRS:-

Amendments to FRS 1 *Presentation of Financial Statements: Disclosure Initiative*

The adoption of the above does not result in significant changes to the Group and Company's accounting policies and has no material effect on the amounts reported for the current or prior years.

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

	Year ended 31 Dec 2016	Year ended 31 Dec 2015
(i) Basic earnings per share	0.32 cent	4.65 cents
(ii) Fully diluted earnings per share	0.32 cent	4.65 cents

	Three months ended 31 Dec 2016	Three months ended 31 Dec 2015
(i) Basic earnings per share	0.63 cent	0.25 cent
(ii) Fully diluted earnings per share	0.63 cent	0.25 cent

Basic earnings per share and diluted earnings per share are computed on the profit for the above periods after taxation and deduction of non-controlling interests divided by 130,860,616 being the adjusted weighted average number of shares in issue during the periods ended 31 December 2016 and 130,860,616 being the weighted average number of shares in issue on an adjusted post share-consolidation basis during the periods ended 31 December 2015. The figure based on the adjusted post share-consolidation number of shares for the prior year has been provided for comparison purposes only.

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

	As at 31 Dec 2016	As at 31 Dec 2015
Group	73.72 cents	73.57 cents
Company	71.53 cents	73.39 cents

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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.

It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review – Year ended 31 December 2016

The Group's Investment Division reported revenue of S\$36.2 million for the financial year ended 31 December 2016 ("FY2016"), a growth of 51% over the previous financial year. The increased revenue in the last quarter was a result of the recognition of returns from ongoing projects and also the completion of the Vida project in Australia. With the Lifestyle Division's sales reducing by about 42% to S\$178.6 million for the year due to its focus on higher-margin business together with the curtailment of supply of certain mobility products effectively from Q3-FY16, overall Group turnover declined to S\$214.9 million in the year from S\$331.3 million in the prior year.

Group gross profit for FY2016, including the income realized upon the completion of the Vida project in Australia, thus improved by 37% to S\$45.2 million compared to S\$33.1 million earned in the previous year. This, combined with the better margins by both the Investment Division and Lifestyle division, saw group gross profit margin rise to 21% for the year compared to 10% in the previous financial year.

The Group earned a net profit before tax of S\$4.2 million for FY2016 which included a net impairment charge of S\$7.3 million comprised of an S\$8.4 million charge against the GLNG properties in Australia and a gain of S\$1.0 million for the Group's Hong Kong and China investment properties. In the previous year, the Group had recognized an unrealized valuation gain of S\$9.9 million mainly on its warehouse properties in Hong Kong. The Group is continuing its efforts to maximize and realize value from the Hong Kong warehouse properties.

Operating profit grew significantly to S\$17.7 million for the year compared to S\$2.6 million for the previous financial year.

Finance Income and Costs

Finance income declined by 17% to S\$1.0 million for the current year compared to S\$1.2 million in the previous year mainly due to the comparative effect of a deposit having been lifted partway through the previous financial year.

Finance costs increased to S\$5.3 million in the year from S\$4.6 million in the previous financial year and include interest S\$0.8 million payable to investors of a development project in Australia.

Expenses

Distribution expenses declined by 20% to S\$8.3 million for the year from S\$10.3 million in the previous year. The prior period had included the appearance fees for Cristiano Ronaldo and other promotional costs in relation to the launch and promotion of the Sixpad fitness equipment in China.

Administration expenses remained largely level with last year.

Other operating expenses declined to S\$0.7 million for the current year compared to S\$1.2 million in the previous financial year mainly due to an increase in fair value of about S\$0.5 million during the latest quarter of the underlying hedge on the

THAKRAL CORPORATION LTD AND SUBSIDIARIES

capital invested in the Japanese property holding vehicle.

Foreign exchange losses for the year and the latest quarter arose mainly from the settlement of certain Australian-dollar denominated receivables as well as from the translation of foreign currency denominated monetary assets and liabilities outstanding as at the end of the year.

The Group's joint venture in GemLife for resort style retirement living is currently in the start-up phase with earthworks almost complete on the Bribie Island site and pre-sales underway for both Bribie and Highfields sites. The Group expensed off S\$0.4 million for its share of operational costs incurred by the joint venture in the period prior to the commencement of recognition of sales revenue.

Attributable Profit

The Group reported a profit attributable to shareholders of S\$0.4 million against a profit of S\$6.1 million in the previous financial year.

Working Capital and Cash Flow

The Group continued to bring down its Inventory by reducing it to S\$18.9 million as at 31 December 2016 from S\$25.7 million as at 31 December 2015. The inventory turnover period for the year rose to 48 days against 33 days for the previous financial year largely due to lower turnover.

Trade receivables also reduced to S\$9.9 million as at 31 December 2016 from S\$12.3 million as at 31 December 2015. The trade receivables turnover period for the year was 19 days against 14 days for the previous financial year.

Other receivables and prepayments increased to S\$10.8 million as at 31 December 2016 from S\$6.8 million as at 31 December 2015 mainly due to the reclassification of accrued interest on fixed deposits maturing in the next 12 months, accrual of interest as well as an increase in the distribution receivable from the Japanese property holding vehicle.

Other payables increased to S\$21.6 million as at 31 December 2016 from S\$15.2 million as at 31 December 2015 mainly due to incentive as well as withholding tax and other accruals.

The Group saw a net cash inflow from operating activities of S\$4.0 million for the current period compared to an outflow of S\$5.0 million in the previous corresponding period from the movement in working capital components as well as the advances mentioned above.

Net Asset Value

Net Asset Value per share as at 31 December 2016 was 73.72 cents, compared to 73.57 cents as at 31 December 2015.

Performance Summary

Investments

The Investment Division's revenues for FY2016 increased to S\$36.2 million from S\$24.0 million in the previous year, an advance of 51%. Segment profit of S\$27.2 million grew by 72% compared to S\$15.8 million achieved in the previous year. Settlement of the Vida project in Brisbane has been satisfactory with over 94% of contracted units settling by the year end and the balance being settled after the balance sheet date. Our Portavilla and Residences townhouse projects in Brisbane achieved 100% settlement rate. During the quarter, the Division's GemLife joint venture officially launched the Bribie Island and Highfields projects, which resulted in significant media exposure and buyer enquiry. Bulk earthworks have almost been completed at Bribie, on time and budget, and are due to commence shortly at Highfields. The Division's other projects are well underway with the Sanctuary Cammeray development expected to be completed later this year. Our experience with the Brisbane projects in the last quarter shows the market continues to be resilient for well-placed and competitively priced product.

Lifestyle

In view of the reasons noted above, turnover at this Division declined to S\$178.6 million for the year compared to S\$307.3 million in the prior year. Segment loss declined by 35% to S\$6.6 million in the year from S\$10.0 million.

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

The performance of both Divisions met management's expectations. The Lifestyle Division continues its efforts to achieve a turnaround.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Australian economy is expected to grow by about 2% in 2016¹. Home loans rates began to rise towards the end of the December quarter, despite the RBA cash rate being unchanged. Lenders raised rates with further hikes expected in 2017. While housing prices are not anticipated to decline, slower price growth is expected in 2017 with prices for houses and apartments in Sydney expected to continue to grow strongly in view of the NSW economy's faster growth pace. Prices in Brisbane, however, are expected to be under pressure in view of the significant number of apartment completions during the year. The Group's diversification into the retirement living segment of the property market is expected to provide resilient and sustainable returns less affected by movements in the core housing market.

China's economy grew by 6.7% in 2016 compared to 6.9% a year earlier, marking its slowest growth since 1990. Retail sales, after adjusting for price factors, increased 9.6%, well below last year's 10.6%. The economy is expected to slow further with the Economist Intelligence Unit predicting GDP growth of 6.2% in 2017. Apart from other internal factors looming over the Chinese economy, trade policies introduced by the new US administration are a key unknown in 2017 which could significantly impact the Chinese and global economies. In addition, the Lifestyle Division's products are yet to reach sufficient volumes to enable the division to return to profitability although the division continues its efforts to turn around. To this end, the Group will be embarking on a push to acquire new health and beauty related brands for distribution in China and Hong Kong in 2017. As such, the Group maintains its cautious outlook for this Division for 2017.

Source:

¹ National Australia Bank Limited

<http://business.nab.com.au/wp-content/uploads/2017/02/Q4-2016-gdp-preview.pdf>

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No; an interim dividend of S\$0.02 per share was paid to shareholders on 7 December 2016.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None

(c) Date payable

NA

(d) Books closure date

NA

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

No dividend declared for the quarter. An interim dividend of S\$0.02 per share was paid to shareholders on 7 December 2016.

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

Name of interested person	Aggregate value of all interested person transactions during the year ended 31 December 2016 (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual (excluding transactions less than S\$100,000)
Thakral Brothers Pte Ltd and subsidiaries	S\$'000	S\$'000
Purchases, net of returns	-	25,762
Operating lease charges paid / payable	231	-

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

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

The Group, which operates in three geographical segments being Australia, the People's Republic of China (including Hong Kong) and others (India, Japan and Singapore), has 3 main core divisional activities as follows:

- a) Investment ("INV") - includes real estate investments in Australia and property investments in People's Republic of China (including Hong Kong) and Japan
- b) Lifestyle ("LIFE") – comprises distribution of lifestyle products in India, Japan, Peoples' Republic of China (including Hong Kong), Singapore and in various export markets
- c) Others ("OTH") - those other activities which do not fall into the above categories

Group's reportable segments**S\$'000****Year ended 31 December 2016**

	INV	LIFE	OTH	TOTAL
Revenue				
External sales	36,246	178,647	-	214,893
Result				
Segment result	27,223	(6,571)	(1,452)	19,200
Unallocated corporate expenses				(1,538)
Valuation loss on investment properties				(7,318)
Finance income				991
Finance costs				(5,330)
Foreign exchange loss				(1,391)
Profit before income tax and share of loss of joint ventures				4,614
Share of loss of joint ventures				(400)
Profit before income tax				4,214
Income tax expenses				(770)
Profit for the year				3,444
Other information				
Capital expenditure:				
Property, plant and equipment	5	318	12	335
Depreciation expense	17	380	6	403
Assets				
Segment assets	176,348	63,060	291	239,699
Total assets				239,699
Liabilities				
Segment liabilities	51,537	65,433	452	117,422
Income tax payable				721
Deferred tax liability				1,143
Total liabilities				119,286

THAKRAL CORPORATION LTD AND SUBSIDIARIES

S\$'000

Year ended 31 December 2015

	INV	LIFE	OTH	TOTAL
Revenue				
External sales	23,993	307,333	-	331,326
Result				
Segment result	15,812	(10,047)	(1,640)	4,125
Unallocated corporate expenses				(1,535)
Valuation gain on investment properties				9,915
Finance income				1,197
Finance costs				(4,631)
Foreign exchange loss				(500)
Profit before income tax				8,571
Income tax credit				62
Profit for the year				8,633

Other information				
Capital expenditure:				
Property, plant and equipment	6	209	-	215
Depreciation expense	68	374	6	448

Assets				
Segment assets	164,219	71,366	247	235,832
Total assets				235,832
Liabilities				
Segment liabilities	48,420	68,455	423	117,298
Income tax payable				67
Deferred tax liability				1,035
Total liabilities				118,400

Geographical information

S\$'000

Geographical segments:	Revenue		Capital expenditure		Non-current assets *	
	31 Dec		31 Dec		31 Dec	
	2016	2015	2016	2015	2016	2015
People's Republic of China (including Hong Kong)	191,674	305,904	231	66	2,974	3,055
Australia	12,632	11,390	5	5	52,169	59,871
Others	10,587	14,032	99	144	1,280	1,298
	214,893	331,326	335	215	56,423	64,224

The basis of the information stated under geographical segment above is the aggregate of the relevant figures from companies incorporated in those countries

* Non-current assets other than financial instruments and joint ventures

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

See item 8 on review of performance

16. A breakdown of revenue

- a) Revenue reported for first half year
- b) Net profit after tax before deducting non-controlling interests reported for first half year
- c) Revenue reported for second half year
- d) Net profit after tax before deducting non-controlling interests reported for second half year

S\$'000		%
Year ended 31 Dec 2016	Year ended 31 Dec 2015	Increase / (Decrease)
134,386	158,712	(15)
1,121	7,388	(85)
80,507	172,614	(53)
2,323	1,245	87

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

Ordinary shares (tax-exempt one-tier)
 - Interim (paid on 7 Dec 2016)
 Total

Year ended 31 Dec 2016 S\$'000	Year ended 31 Dec 2015 S\$'000
2,617	-
2,617	-

18. 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
Kuldip Singh Thakral	87	Brother of the Company's Director, Mr. Kartar Singh Thakral	Chairman of Thakral Brothers Limited, Osaka – General strategic management since the incorporation of Thakral Brothers Limited Osaka in 1972	No change

Confirmation pursuant to Rule 720(1)

It is confirmed that the Company has procured undertakings from all its Directors and executive officers.

ON BEHALF OF THE BOARD

Kartar Singh Thakral
 Director

Inderbethal Singh Thakral
 Director
 28 February 2017

BY ORDER OF THE BOARD

Chan Wan Mei
 Chan Lai Yin
 Company Secretaries
 28 February 2017