



Financial Statements for the Financial Year Ended 31 December 2006

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

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	The Group		Change %	6 months ended 31-Dec-05 \$'000
	12 months ended 31-Dec-06 \$'000	12 months ended 31-Dec-05 \$'000		
Revenues				
Sale of goods (net of returns & discounts)	54,827	45,458	20.6%	26,025
Other income	292	213	37.1%	42
Total revenues	55,119	45,671	20.7%	26,067
Costs and expenses				
Cost of sales	(43,876)	(35,261)	24.4%	(20,448)
Distribution and selling expenses	(3,410)	(2,871)	18.8%	(1,635)
Administrative expenses	(4,751)	(4,341)	9.5%	(2,527)
Other operating expenses	(69)	(242)	-71.5%	(103)
Profit from operating activities	3,013	2,956	1.9%	1,354
Financial income	221	394	-43.9%	155
Financial expenses	(245)	(43)	470.9%	(43)
Profit before taxation	2,989	3,307	-9.6%	1,466
Taxation	(635)	(759)	-16.4%	(392)
Profit after taxation	2,354	2,548	-7.6%	1,074
Attributable to: Shareholders of the Company	2,323	2,548		1,074
Attributable to: Minority Interest	31	-		-
	2,354	2,548		1,074

Note on profit from operating activities

Profit from operating activities is determined after charging/(crediting) the following:

Depreciation and amortisation of fixed assets	3,275	2,857	1,610
Bad debts written off	-	22	22
Fixed assets written off	8	13	6
Reversal of allowance for doubtful trade debts	(61)	(33)	(40)
(Reversal of)/allowance for stock obsolescence	(103)	(1)	9
Loss/(gain) on foreign exchange (net)	57	(311)	(91)
Loss/(gain) on disposal of fixed assets (net)	10	(163)	(40)
Provision for impairment in value of club membership	-	5	5

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

	The Group		The Company	
	31-Dec-06 \$'000	31-Dec-05 \$'000	31-Dec-06 \$'000	31-Dec-05 \$'000
Non-Current Assets				
Fixed assets	42,021	38,046	11,121	12,173
Investments in subsidiaries	-	-	11,012	7,391
Intangible asset	30	30	30	30
Goodwill on investment in subsidiary	608	-	-	-
Investment securities	1,112	7	1,112	7
Loan to subsidiary	-	-	4,867	8,428
	43,771	38,083	28,142	28,029
Current Assets				
Inventories	7,149	4,970	2,395	2,366
Trade debtors	12,356	9,529	2,664	2,513
Other debtors, deposits & prepayments	799	249	92	136
Due from subsidiary (non-trade)	-	-	451	882
Short-term investment	-	1,414	-	1,414
Cash and bank balances	8,321	2,316	1,340	1,186
Fixed deposits, unsecured	4,250	6,451	4,250	2,000
	32,875	24,929	11,192	10,497
Current Liabilities				
Trade creditors	5,517	5,107	595	556
Bills payable to banks (secured)	11,125	5,834	76	-
Short term loan	4,318	412	-	-
Other creditors & accruals	2,894	3,599	1,592	1,394
Provision for taxation	1,345	1,050	1,246	849
	25,299	16,002	3,509	2,799
	7,576	8,927	7,683	7,698
Net Current Assets				
Deferred tax liability, net	3,900	3,626	2,220	2,262
Long term loan	2,380	-	-	-
	6,280	3,626	2,220	2,262
	45,067	43,384	33,605	33,465
Net Assets				
Capital and Reserves				
Share capital	31,440	31,440	31,440	31,440
Accumulated profits	3,677	1,506	1,535	1,203
Capital Reserve	3,745	3,745	-	-
General Reserve Fund	1,089	938	-	-
Revaluation reserve	4,599	4,599	822	822
Fair value adjustment reserve	(192)	-	(192)	-
Translation reserve	(59)	1,156	-	-
Minority interests	768	-	-	-
	45,067	43,384	33,605	33,465
Total Equity				

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

	As at 31/12/2006		As at 31/12/2005	
	Secured	Unsecured	Secured	Unsecured
Amount repayable in one year or less, or on demand	4,318	-	412	-
Amount repayable after one year	2,380	-	-	-

Details of any collateral

The Group's bills payable to banks and short term loan are secured by a mortgage over leasehold land and building of the Company, and leasehold land and certain buildings of the subsidiaries with net book value of approximately \$24 million.

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

	The Group 12 months ended 31-Dec-06 \$'000		The Group 6 months ended 31-Dec-05 \$'000	
Cash flows from operating activities				
Profit before taxation	2,989		1,466	
Adjustments for:				
Depreciation and amortisation of fixed assets	3,275		1,610	
Fixed assets written off	8		6	
Bad debts written off	-		22	
Gain/(loss) on disposal of fixed assets	10		(40)	
Provision for impairment in value of club membership	-		5	
Reversal of allowance for doubtful trade debts	(61)		(40)	
(Reversal of)/allowance for stock obsolescence	(103)		9	
Interest expense	150		25	
Interest income	(221)		(47)	
Net effect of exchange differences	(200)		(101)	
Operating profit before working capital changes	5,847		2,915	
Stocks	(898)		947	
Trade and other debtors, prepayments and deposits	(853)		(1,432)	
Trade and other creditors and accruals	1,354		4,159	
Cash generated from operations	5,450		6,589	
Interest paid	(150)		(25)	
Income taxes paid	(429)		(441)	
Net cash generated from operating activities	4,871		6,123	
Cash flows from Investing activities				
Interest received	221		47	
Acquisition of subsidiary, net of cash acquired	(1,635)		-	
Purchase of fixed assets	(1,282)		(1,362)	
Proceeds from sale of fixed assets	14		141	
Investment in shares	(1,296)		-	
Net cash used in investing activities	(3,978)		(1,174)	

	The Group 12 months ended 31-Dec-06 \$'000	The Group 6 months ended 31-Dec-05 \$'000
Cash flows from financing activities		
Proceeds from/(repayment of) short-term loan	1,497	(530)
Increase in pledge in cash and bank balances	(2,228)	-
Payment of dividends to shareholders	-	(1,258)
Net cashflows from financing activities	(731)	(1,788)
Net (decrease) / increase in cash and cash equivalents	162	3,161
Cash and cash equivalents at beginning of period	10,181	7,020
Cash and cash equivalents at end of period	10,343	10,181

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

	Share capital \$'000	Acc profits \$'000	Capital reserve \$'000	Revaluation reserve \$'000	Reserve fund \$'000	Translation reserve \$'000	Fair value adjustment reserve \$'000	Total reserves \$'000	Minority interests \$'000	Total \$'000
Group										
Balance as at 1 July 2005	31,440	2,808	2,736	736	829	1,065	-	8,174	-	39,614
Appropriation to reserve fund	-	(109)	-	-	109	-	-	-	-	-
Revaluation of leasehold land & building	-	-	-	3,863	-	-	-	3,863	-	3,863
Currency translation differences	-	-	-	-	-	91	-	91	-	91
Net profit for the period	-	1,074	-	-	-	-	-	1,074	-	1,074
Dividends	-	(1,258)	-	-	-	-	-	(1,258)	-	(1,258)
Capitalisation of retained earnings of the subsidiary	-	(1,009)	1,009	-	-	-	-	-	-	-
Balance as at 31 December 2005	31,440	1,506	3,745	4,599	938	1,156	-	11,944	-	43,384
Appropriation to reserve fund	-	(69)	-	-	69	-	-	-	-	-
Currency translation differences	-	-	-	-	-	(745)	-	(745)	-	(745)
Net profit for the period	-	872	-	-	-	-	-	872	-	872
Balance as at 1 July 2006	31,440	2,309	3,745	4,599	1,007	411	-	12,071	-	43,511
Appropriation to reserve fund	-	(82)	-	-	82	-	-	-	-	-
Adjustment in fair value of shares	-	-	-	-	-	-	(192)	(192)	-	(192)
Currency translation differences	-	-	-	-	-	(470)	-	(470)	-	(470)
Acquisition of subsidiary	-	(721)	-	-	-	-	-	(721)	737	16
Net profit for the period	-	2,171	-	-	-	-	-	2,171	31	2,202
Balance as at 31 December 2006	31,440	3,677	3,745	4,599	1,089	(59)	(192)	12,860	768	45,067
Company										
Balance as at 1 July 2005	31,440	2,138	-	736	-	-	-	2,874	-	34,314
Revaluation of leasehold land & building	-	-	-	86	-	-	-	86	-	86
Net profit for the period	-	323	-	-	-	-	-	323	-	323
Dividends	-	(1,268)	-	-	-	-	-	(1,268)	-	(1,268)
Balance as at 31 December 2005	31,440	1,203	-	822	-	-	-	2,025	-	33,465
Net profit for the period	-	137	-	-	-	-	-	137	-	137
Balance as at 1 July 2006	31,440	1,340	-	822	-	-	-	2,162	-	33,602
Adjustment in fair value of shares	-	-	-	-	-	-	(192)	(192)	-	(192)
Net profit for the period	-	195	-	-	-	-	-	195	-	195
Balance as at 31 December 2006	31,440	1,535	-	822	-	-	(192)	2,165	-	33,605

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 at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

There are no 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.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or and equivalent standard)

The 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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current accounting period as compared to the audited financial statements for the period ended 31 December 2005.

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

Not applicable.

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

	12 months ended		6 months ended	
	31-Dec-06	31-Dec-05	31-Dec-06	31-Dec-05
Basic earnings per ordinary share (in cents)	1.48	0.68	1.48	0.68
Diluted earnings per ordinary share (in cents)	1.48	0.68	1.48	0.68

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

	The Group		The Company	
	31-Dec-06	31-Dec-05	31-Dec-06	31-Dec-05
Net asset value per ordinary share based on issued share capital of the Company (in cents)	28.18	27.60	21.38	21.29

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

(a) On 26 September 2006, the Company purchased an 80% equity stake in Hefei Dansun Packaging Co., Ltd ("Hefei Dansun"). Subsequently, the results of Hefei Dansun for the period from October to December 2006 was consolidated to the group results for the financial year ended 31 December 2006.

Group turnover for the financial year ended 31 December 2006 increased \$9.3 million or 20.4% from \$45.5 million as compared to the previous corresponding period. This was mainly attributed to the increase in sales from Tat Seng Packaging Suzhou Co., Ltd. ("Tat Seng Suzhou") and contribution from Hefei Dansun, offset by a lower sales revenue from Singapore operations.



Company Registration No.: 197702806M

The general increase in cost of sales, selling and distribution, administration and operating expenses for the Group is in line with the increase in turnover, and the inclusion of Hefei Dansun. However, the profit from operating activities showed a slight improvement, as compared to prior year.

The Group's profit before tax decreased \$0.3 million or 9.6% as compared to the previous corresponding period. This was mainly due to a net exchange loss of \$0.1 million as compared to a net exchange gain of \$0.3 million in prior year.

(b) The increase in value of the Group's fixed assets by \$6.2 million was mainly due to addition of assets from the acquisition of Hefei Dansun.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results
The results are in line with our half-year results announcement dated 2 August 2006.

10. A commentary at the date of the announcement of the 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 Group expects improved contribution from the China subsidiaries. However, the intense competitive environment would exert pressure on gross margin.

11. Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on ?

Yes

Name of dividend

First & Final

Dividend type

Cash

Dividend amount per share (in SG cents)

0.75 cents per ordinary share (less tax)

Tax rate

20%

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Nil

Name of Dividend

N.A.

Dividend Type

N.A.

Dividend amount per share (in SG cents)

N.A.

Tax Rate

N.A.

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

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

Not applicable.



Company Registration No.: 197702806M

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

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

1 January 2006 to 31 December 2006

Turnover	Singapore \$'000	PRC \$'000	Eliminations \$'000	Total \$'000
Segment results	626	2,446	(59)	3,013
Financial expense - net				(24)
Taxation				(635)
Net profit for the period				2,354

1 January 2006 to 31 December 2006

Assets	Singapore \$'000	PRC \$'000	Eliminations \$'000	Total \$'000
Liabilities	2,263	30,781	(6,710)	26,334
Unallocated liabilities				5,245
Total liabilities				31,579
Capital expenditure	49	1,233	-	1,282
Depreciation and amortisation	1,095	2,180	-	3,275

1 July 2005 to 31 December 2005

Turnover	Singapore \$'000	PRC \$'000	Eliminations \$'000	Total \$'000
Segment results	334	1,020	-	1,354
Financial expense - net				112
Taxation				(392)
Net profit for the period				1,074
Assets	38,527	41,426	(16,941)	63,012
Liabilities	1,951	14,075	(1,074)	14,952
Unallocated liabilities				4,676
Total liabilities				19,628
Capital expenditure	37	1,325	-	1,362
Depreciation and amortisation	638	972	-	1,610



Company Registration No.: 197702806M

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

The improvement in operations of Tat Seng Suzhou and the acquisition of Hefei Dansun contributed to the increase in turnover and profit.

15. A breakdown of sales

	The Group		
	Latest Period \$'000	Previous Corresponding Period \$'000	% Increase/Decrease
Sales reported for first half year	24,421	19,433	25.7%
Profit after tax reported for first half year	872	1,474	-40.8%
Sales reported for second half year	30,406	26,025	16.8%
Profit after tax reported for second half year	1,482	1,074	38.0%

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

	Latest Full Year 01/01/06 to 31/12/06 \$'000	Previous Full Year 01/07/05 to 31/12/05 \$'000
Total Annual Dividend	943,200	-
Ordinary Preference	-	-
Total	943,200	-

BY ORDER OF THE BOARD

Loh See Moon
Managing Director
22 February 2007