

**Unaudited Full Year Financial Statements And Dividend Announcement For The Year Ended 31 December 2018**

- 1(a) An income statement and statement of comprehensive income for the Group together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Income Statement

	Notes	Group		
		31/12/2018 S\$'000	31/12/2017 S\$'000	Change (%) increase / (decrease)
Revenue	Para 8.01	42,836	40,606	5.5%
Cost of sales		(30,554)	(29,500)	3.6%
Gross profit	Para 8.02	12,282	11,106	10.6%
Other income	(i) & Para 8.03	3,303	8,987	(63.2%)
Distribution expenses	Para 8.04	(1,773)	(1,611)	10.1%
Administrative expenses	(ii) & Para 8.05	(9,592)	(10,207)	(6.0%)
Other expenses	(iii) & Para 8.06	(290)	(573)	(49.4%)
Finance costs	(iv) & Para 8.07	(24)	(30)	(20.0%)
Profit before income tax	(v) & Para 8.08	3,906	7,672	(49.1%)
Income tax expenses	(vi) & Para 8.11(5)	(483)	(166)	191.0%
Profit after income tax		3,423	7,506	(54.4%)
Attributable to:				
Owners of the parent		3,423	7,506	(54.4%)

Consolidated Statement of Comprehensive Income

	Group 31/12/2018 S\$'000	Group 31/12/2017 S\$' 000	Change (%)
Total profit for the year	3,423	7,506	(54.4%)
Other comprehensive income:			
Items that will be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations	(69)	159	(143.4%)
Total comprehensive income for the financial year	3,354	7,665	(56.2%)

Total comprehensive income attributable to:

Owners of the parent

3,3547,665



LHT HOLDINGS LIMITED (Company Registration No198003094E)

Address: 27 Sungei Kadut Street 1 Singapore 729335 Tel: (65) 62697890 Fax: (65) 63674907 Email: enquiry@lht.com.sg URL:www.lht.com.sg

Notes to the consolidated income statement

Notes		Note	Group	
			31/12/2018 S\$'000	31/12/2017 S\$'000
(i)	Other Income			
	Allowance for obsolete stock written back		-	-
	Government grants		165	267
	Allowance for doubtful trade receivables written back		71	78
	Gain on disposal of property, plant and equipment	(a)	501	5,870
	Heat treatment and utilities income		169	232
	Interest income		96	14
	Rental and services income		1,696	1,892
	Waste collection income		269	319
	Other Income		336	315
	Total		3,303	8,987
(ii)	Administrative expenses			
	Advertisement expenses / Marketing and promotion expenses		(143)	(120)
	Depreciation of property, plant and equipment		(1,443)	(1,719)
	Insurance expenses		(373)	(480)
	Legal and professional fee		(158)	(184)
	Property tax		(361)	(361)
	Operating lease expenses		(873)	(914)
	Subletting fee		(47)	(62)
	Upkeep and maintenance expenses		(108)	(136)
	Allowance for obsolete stock		(12)	(16)
(iii)	Other expenses			
	Plant and equipment written-off		(22)	(41)
	Allowance for doubtful receivables		-	(73)
	Bad debts written off		(8)	-
	Foreign exchange loss		(260)	(459)
	Total		(290)	(573)
(iv)	Finance costs			
	Interest expense in respect of :			
	- finance leases		(24)	(18)
	- bank loan		-	(12)
	Total		(24)	(30)

**LHT HOLDINGS LIMITED** (Company Registration No198003094E)

Address: 27 Sungei Kadut Street 1 Singapore 729335 Tel: (65) 62697890 Fax: (65) 63674907 Email: enquiry@lht.com.sg URL:www.lht.com.sg

(v)	Profit before income tax is stated after (charging) / crediting		Group 31/12/2018 S\$'000	Group 31/12/2017 S\$'000
	Audit fees paid to auditors		(141)	(106)
	Non-audit fees paid to auditors		(57)	(26)
	Depreciation of property, plant and equipment – cost of sales		(1,593)	(1,609)
	Directors' fees		(212)	(211)
	Employee benefit expenses:			
	-Post employment benefits		(581)	(618)
	-Salaries, wages and other costs		(8,857)	(9,099)
(vi)	Income tax expenses			
	Based on result for the financial year:-			
	-Current income tax		(677)	(573)
	-Deferred tax		(46)	133
	Overprovision in respect of prior years:-			
	-Current tax		110	264
	-Deferred tax		130	10
	Total		(483)	(166)

Note:

(a) The Group had disposed of property, plant and equipment with proceeds as shown below:

	31/12/2018 S\$'000	31/12/2017 S\$'000
Rental pallets	666	531
Forklift	-	11
Motor vehicles	-	235
Property	-	14,477
Total	666	15,254

**1(b)(i) A statement of financial position (for the issuer and Group), together with a comparative statement as the end of the immediately preceding financial year.****Statements of Financial Position**

	Notes	Group		Company	
		As at 31/12/2018 S\$'000	As at 31/12/2017 S\$'000	As at 31/12/2018 S\$'000	As at 31/12/2017 S\$'000
Non-Current Assets	Para 8.09				
Property, plant and equipment		12,315	13,734	4,391	5,460
Investments					
-Subsidiary companies		-	-	10,300	12,413
		12,315	13,734	14,691	17,783
Current Assets	Para 8.10				
Inventories		10,315	6,887	6,554	4,974
Trade receivables		7,670	8,549	5,552	6,526
Amounts due from subsidiary companies		-	-	3,119	2,736
Other receivables		1,174	1,263	372	423
Fixed deposits		11,160	159	11,000	-
Cash and bank balances		18,256	28,883	10,399	20,023
		48,575	45,741	36,996	34,682
Less:					
Current Liabilities	Para 8.11				
Trade payables and accruals		4,045	4,662	2,736	3,762
Amount due to subsidiary companies		-	-	1,113	1,403
Other payables		3,088	1,599	2,497	376
Finance lease payables		209	184	69	65
Term loan, secured		-	148	-	148
Provision for income tax		511	389	108	182
		7,853	6,982	6,523	5,936
Net Current Assets	Para 8.13	40,722	38,759	30,473	28,746
Less:					
Non-Current Liabilities	Para 8.12				
Finance lease payables		300	365	199	268
Deferred tax liabilities		771	854	245	351
		1,071	1,219	444	619
Net Assets		51,966	51,274	44,720	46,000
Equity	Para 1 d(i)				
Share capital		24,621	24,621	24,621	24,621
Currency translation reserve		90	159	-	-
Retained earnings		27,255	26,494	20,099	21,379
		51,966	51,274	44,720	46,000

**1(b)(ii) Aggregate amount of Group's borrowings and debt securities.****Amount repayable in one year or less, or on demand**

As at 31/12/2018		As at 31/12/2017	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
209	-	332	-

Amount repayable after one year

As at 31/12/2018		As at 31/12/2017	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
300	-	365	-

Details of any collateral

The borrowings of the Group are secured by charges on motor vehicles, plant and machinery and legal mortgage of certain properties.

Term loan and hire purchase with a carrying amount of \$0.21 million (2017: \$0.33 million) are repayable within one year and bear the interest at rates ranging from 2.68% to 5.43% (2017: 2.87% to 5.62%) per annum.

Term loan and hire purchase with a carrying amount of \$0.30 million (2017: \$0.37 million) are repayable after one year and bear the interest at rates ranging from 3.26% to 5.43% (2017: 3.37% to 5.62%) per annum.

The bank overdraft facility granted by a bank to one of the subsidiaries, Siri Belukar Packaging Sdn Bhd, was secured by fixed charge over the subsidiary's leasehold property at Lot PTB 1237, Jalan Tun Mutahir 1, Industries Area Fasa 2, Bandar Tenggara, 81440 Johor.

Fixed deposits of the Group amounting to \$160,000 (2017: \$160,000) are pledged to banks as security for credit facilities granted to the Group.

**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**

	31/12/2018 S\$'000	31/12/2017 S\$'000
Operating activities:		
Profit before income tax	3,906	7,672
Adjustments for:		
Allowance for doubtful trade receivables	-	73
Allowance for obsolete stock	12	16
Obsolete stock written back	-	-
Bad debts written off	8	-
Write-back against bad debt allowance	(71)	(78)
Property, plant and equipment written off	21	41
Interest expense	24	30
Interest income	(96)	(14)
Depreciation of property, plant and equipment	3,036	3,328
Gain on disposal of property, plant and equipment	(501)	(5,870)
Operating cash flow before movements in working capital	6,339	5,198
Changes in working capital:		
Inventories	(3,440)	78
Trade and other receivables	1,123	(483)
Trade and other payables	871	1,946
Cash generated from operations	4,893	6,739
Income taxes paid	(537)	(852)
Net cash generated from operating activities	4,356	5,887
Investing activities:		
Purchase of property, plant and equipment	(1,855)	(1,545)
Placements of fixed deposits	(11,000)	-
Proceeds from disposal of property, plant and equipment	666	15,254
Net cash (used in)/generated from investing activities	(12,189)	13,709
Financing activities:		
Dividend paid	(2,662)	(2,662)
Pledge of fixed deposits	-	14
Repayment of term loans	(148)	(889)
Proceeds from hire purchase loans	157	-
Repayment of finance lease obligations	(196)	(316)
Interest received	96	14
Interest paid	(24)	(30)
Net cash used in financing activities	(2,777)	(3,869)
Net (decrease)/increase in cash and cash equivalents	(10,610)	15,727
Cash and cash equivalents at beginning of financial year	28,883	13,039
Net effect of exchange rate changes on the cash and cash equivalents held in foreign currencies	(17)	117
Cash and cash equivalents at end of financial year	18,256	28,883



LHT HOLDINGS LIMITED (Company Registration No198003094E)

Address: 27 Sungei Kadut Street 1 Singapore 729335 Tel: (65) 62697890 Fax: (65) 63674907 Email: enquiry@lht.com.sg URL: www.lht.com.sg

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.

	← Equity attributable to owners of the parent →				
	Share capital	Asset revaluation reserve	Currency translation reserve	Retained earnings	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group					
Balance at 1 January 2018	24,621	-	(2,130)	28,783	51,274
Effect of transition to SFRS(I)s (Note A)	-	-	2,289	(2,289)	-
Balance at 1 January 2018 (SFRS(I))	24,621	-	159	26,494	51,274
Profit for the year	-	-	-	3,423	3,423
Other comprehensive income:					
Exchange differences on translating foreign subsidiaries	-	-	(69)	-	(69)
Total comprehensive income for the year	-	-	(69)	3,423	3,354
Dividend	-	-	-	(2,662)	(2,662)
Balance at 31 December 2018	24,621	-	90	27,255	51,966
Balance at 1 January 2017	24,621	1,376	(2,289)	22,563	46,271
Effect of transition to SFRS(I)s (Note A)	-	-	2,289	(2,289)	-
Balance at 1 January 2017 (SFRS(I))	24,621	1,376	-	20,274	46,271
Profit for the year	-	(1,376)	-	8,882	7,506
Other comprehensive income:					
Exchange differences on translating foreign subsidiaries	-	-	159	-	159
Total comprehensive income for the year	-	(1,376)	159	8,882	7,665
Dividend	-	-	-	(2,662)	(2,662)
Balance at 31 December 2017	24,621	-	159	26,494	51,274
Company					
Balance at 1 January 2018	24,621	-	-	21,379	46,000
Profit for the year, representing total comprehensive income for the year	-	-	-	1,382	1,382
Dividend	-	-	-	(2,662)	(2,662)
Balance at 31 December 2018	24,621	-	-	20,099	44,720
Balance at 1 January 2017	24,621	1,376	-	17,082	43,079
Profit for the year, representing total comprehensive income for the year	-	(1,376)	-	6,959	5,583
Dividend	-	-	-	(2,662)	(2,662)
Balance at 31 December 2017	24,621	-	-	21,379	46,000

Note A: The Group adopted SFRS(I) for the financial year ended 31 December 2018 ("FY2018") and has applied SFRS(I) 1 with effect 1 January 2017.

The Group has elected the optional exemption in SFRS(I) 1 to rest its cumulative Foreign Currency Translation Reserve ("FCTR") for all foreign operations to Nil at the date of transition, and reclassify the cumulative FCTR of approximately \$2.29 million at 1 January 2017 as determined in accordance with the previous Financial Reporting Standards (FRS) at that date to



retained earnings. After that date of transition, any gain or loss on disposal of any foreign operations will exclude translation differences that arose before the date of transition.

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on.

State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There is no change in the Company's issued and paid-up capital nor any conversion and any outstanding convertibles, treasury shares and subsidiary holdings for the financial year ended 31 December 2018.

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

The total number of issued shares as at the end of the current financial year was 53,244,997 (2017: 53,244,997).

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

As at 31 December 2018, the Company did not hold any of its issued shares as treasury shares. (2017: Nil).

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial year reported on.

Not applicable. The Company did not have any subsidiary holdings during and as at the end of the current financial year 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 nor 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's financial statements of the financial year ended 31 December 2018 is prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") issued



by the Accounting Standards Council (“ASC”).

Other than the adoption of the new framework and new SFRS(I)s, amendments and interpretations of SFRS(I)s which took effect from the current financial year, there were no changes in accounting policies and method of computation adopted in the financial statements for the current reporting period as compared to the most recent audited annual financial statements for the year ended 31 December 2017.

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.

In adopting the new SFRS(I) framework with effect from 1 January 2018, the Group is required to apply the specific transition requirements in SFRS(I) 1 *First-time adoption of International Financial Reporting Standards*.

In addition, during the current financial year, the Group and the Company have adopted the following new SFRS(I)s, amendments and interpretations of SFRS(I)s which took effect from financial year beginning 1 January 2018:

- SFRS(I) 9 *Financial Instruments*
- SFRS(I) 15 *Revenue from Contracts with Customers*

Except for SFRS(I) 1, the adoption of the above new SFRS(I)s, amendments and interpretations of SFRS(I)s is assessed to have no material impact to the results and financial position of the Group and of the Company for the year ended 31 December 2018.

Please refer to the Statements of Change in Equity for the Group on page 7 on for further details on the quantum of the respective adjustments made in relation to SFRS(I) 1.

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	
	FY 2018	FY 2017
Net Profit attributable to owners of the parents (S\$'000)	3,423	7,506
Weighted average number of shares in issue (in '000s)	53,245	53,245
Earnings per share (cents)		
(i) On basic	6.43	14.10
(ii) On a fully diluted basis	6.43	14.10

As there were no outstanding potentially dilutive ordinary shares, the diluted earnings per ordinary share were accordingly the same as the earnings per ordinary share for the respective financial year.



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 financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
Net Asset (S\$'000)	51,966	51,274	44,720	46,000
Weighted average number of shares in issue (in '000s)	53,245	53,245	53,245	53,245
Net asset value per Ordinary Share (cents) based on issued share capital at the end of financial year	97.60	96.30	83.99	86.39

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.

8.01 Revenue:

The Group's revenue for the financial year ended 31 December 2018 (FY2018) increased by 5.5% or \$2.23 million to \$42.84 million as compared to \$40.61 million for the financial year ended 31 December 2017 (FY2017).

Revenue from pallets and packaging business increased by 6.9% or \$2.10 million from \$30.39 million to \$32.49 million. The increase in this segment was due to the higher demand from the local exporters in FY2018.

Revenue from trading of timber related products decreased by 2.0% or \$0.08 million from \$4.05 million to \$3.97 million due to decrease in demand from local agents for the export market.

Revenue from Technical Wood® and related products increased by 9.2% or \$0.15 million from \$1.63 million to \$1.78 million mainly due to an increase in sale of woodchips.

Pallet rental and others maintained increased slightly by 1.1% or \$0.05 million from \$4.54 million to \$4.59 million due to slight increase in demand in the logistics market in Singapore and Malaysia.

8.02 Gross Profit and Gross Profit Margin:

Gross profit increased by 10.6% or \$1.17 million from \$11.11 million in FY2017 to \$12.28 million in FY2018. The higher gross profit resulted from higher revenue and slightly better margin of 28.7% in FY2018 as compared to 27.4% in FY2017.

8.03 Other Income:

Other income decreased by 63.2% or \$5.69 million to \$3.30 million in FY2018 as compared to \$8.99 million in FY2017. This year's Other Income was lower mainly due to a one-time gain of \$5.61 million arising from the disposal of a leasehold and investment property in Singapore in FY2017. Other reasons are decreases in rental and service income of \$0.20 million but offset by an increase in interest income of \$0.08 million. Please refer to page 2, para 1(a)(i).



8.04 Distribution Expenses:

Distribution expenses increased by 10.1% or \$0.16 million to \$1.77 million in FY2018 from \$1.61m in FY2017, in line with increases in revenue.

8.05 Administrative Expenses:

Administrative expenses decreased by 6.0% or \$0.62 million to \$9.59 million in FY2018 from \$10.21 million in FY2017, mainly due to lower depreciation of property, plant and equipment, lower insurance and operating lease expenses. Please refer to page 2, note (ii).

8.06 Other Expenses:

Other expenses decreased by 49.4% or \$0.28 million to \$0.29 million in FY2018 compared to \$0.57 million in FY2017 due mainly to a decrease in allowance for bad debts of \$0.07 million, and a decrease in foreign exchange losses of \$0.08 million. Please refer to page 2, para 1(a)(iii).

8.07 Finance Costs:

Finance costs decreased by 20.0% or \$0.01 million to \$0.02 million in FY2018 from \$0.03 million in FY2017 as a result of the term loan being fully repaid in FY2018. Please refer to page 3, para 1(a)(iv).

8.08 Profit Before Income Tax:

The Group's net profit before income tax decreased by 49.1% or \$3.76 million to \$3.91 million in FY2018 from \$7.67 million in FY2017. As explained in note 8.03 above, the higher profit in FY2017 was mainly due to a one-time gain of \$5.61 million arising from the disposal of a leasehold and investment property in Singapore in FY2017.

8.09 Non-Current Assets:

The non-current assets decreased by 10.3% or \$1.41 million to \$12.32 million in FY2018 from \$13.73 million in FY2017 mainly due to the yearly depreciation of the fixed assets.

8.10 Current Assets:

The current assets increased by 6.2% or \$2.84 million to \$48.58 million in FY2018 from \$45.74 million in FY2017 were mainly due to:

- (1) an increase in deposits, cash and bank balances to \$29.42 million in FY2018 from \$29.04 million in FY2017;
- (2) an increase in inventories to \$10.32 million in FY2018 from \$6.89 million in FY2017 to fulfil a major one-off project;
- (3) a decrease in trade receivables to \$7.67 million in FY2018 from \$8.55 million in FY2017 due to faster collections; and
- (4) a slight increase in other receivables to \$1.17 million in FY2018 from \$1.26 million in FY2017.

8.11 Current Liabilities:

The increase in current liabilities by 12.5% or \$0.87 million to \$7.85 million in FY2018 from \$6.98 million in FY2017 was mainly due to:

- (1) a decrease in trade payables and accruals to \$4.05 million in FY2018 from \$4.66 million in FY2017;
- (2) an increase in other payables to \$3.10 million in FY2018 from \$1.60 million in FY2017 due to deposits received for a major one-off project;
- (3) an increase in finance lease payables to \$0.21 million in FY2018 from \$0.18 million in FY2017;
- (4) a decrease in term loan to \$0 in FY2018 from \$0.15 million in FY2017 as the term loan was fully repaid in the year; and
- (5) an increase in the provision of income tax to \$0.51 million in FY2018 compared to \$0.39 million in FY2017.



8.12 Non-Current Liabilities:

The decrease in non-current liabilities by 12.3% or \$0.15 million to \$1.07 million in FY2018 from \$1.22 million in FY2017 was mainly due to lower deferred tax liability.

8.13 Working Capital (Net Current Assets):

The Group's working capital increased by 5.1% or \$1.96 million to \$40.72 million in FY2018 from \$38.76 million in FY2017. This was mainly due to the increases in inventories offset by increases in Other Payables as explained in paragraphs 8.10(2) and 8.11(2) on page 11.

8.14 Consolidated Statement of Cash Flows:

The Group's net cash generated from operating activities was an inflow of \$4.36 million in FY2018 as compared to an inflow of \$5.89 million in FY2017. The decrease in inflow was mainly due to higher working capital requirements needed to fulfil a major one-off project.

Net cash outflow from investing activities of \$12.19 million was mainly due to placement of fixed deposits and purchases of fixed assets in FY2018 whereas the positive net cash inflow of \$13.71 million in FY2017 was due mainly to proceeds from the disposal of a leasehold property in Singapore in FY2017.

Net cash used in financing activities of \$2.78 million was mainly used for the payment of dividend in FY2018.

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

No forecast or prospect statement has been disclosed to shareholders previously.

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.

In view of the current uncertain economic conditions, the Group expects market conditions to remain challenging. Given this, the Group will continue to keep up its marketing efforts as well as cost management.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial year reported on? **Yes**

Name of Dividend : First and final dividend
Dividend : Cash
Dividend amount per share: 3.0 cents per ordinary share (one tier exempt dividend)
Tax Rate : Tax exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend : First and final dividend
Dividend : Cash
Dividend amount per share: 5.0 cents per ordinary share (one tier exempt dividend)
Tax Rate : Tax exempt

**LHT HOLDINGS LIMITED** (Company Registration No198003094E)

Address: 27 Sungei Kadut Street 1 Singapore 729335 Tel: (65) 62697890 Fax: (65) 63674907 Email: enquiry@lht.com.sg URL: www.lht.com.sg

(c) Date payable

Subject to shareholders' approval at the Annual General Meeting to be held on 30 April 2019, the dividend will be paid on 31 May 2019.

(d) Books closure date

Registrable Transfers received by the Company's Registrar, B.A.C.S Private Limited, at 8 Robinson Road, #03-00, ASO Building, Singapore 048544, up to 5.00 p.m. on 21 May 2019 will be registered before entitlements to the proposed dividend are determined. The Register of Transfer and the Register of Members of the Company will be closed on 22 May 2019 for the preparation of dividend warrants.

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

Not applicable.

13. 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.**By Business Segment**

	Pallet / Packaging		Timber Related Products		Technical Wood® and Related Products		Pallet Rental and Others		Consolidation adjustments		Consolidated	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Sales to external customers	32,494	30,387	3,971	4,045	1,782	1,630	4,589	4,544	-	-	42,836	40,606
Inter-segment sales	13,427	11,554	5,092	3,736	1,286	1,222	1	5	(19,806)	(16,517)	-	-
Total revenue	45,921	41,941	9,063	7,781	3,068	2,852	4,590	4,549	(19,806)	(16,517)	42,836	40,606
Segment results	1,625	4,915	535	903	935	639	2,086	1,132	(1,251)	113	3,930	7,702
Finance cost	-	-	-	-	-	-	-	-	-	-	(24)	(30)
Profit before income tax	-	-	-	-	-	-	-	-	-	-	3,906	7,672
Income tax expenses	-	-	-	-	-	-	-	-	-	-	(483)	(166)
Profit for the financial year	-	-	-	-	-	-	-	-	-	-	3,423	7,506
Segment assets	28,203	29,179	3,165	890	4,497	4,428	32,922	30,871	(8,030)	(5,933)	60,757	59,435
Unallocated assets	-	-	-	-	-	-	-	-	-	-	133	40
Total assets											60,890	59,475
Segment liabilities	10,520	8,889	481	213	294	557	3,025	1,796	(6,678)	(4,645)	7,642	6,810
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	1,282	1,391
Total Liabilities											8,924	8,201
Other segment information												
Capital expenditures	346	765	31	118	26	64	1,455	1,005	(3)	(16)	1,855	1,936
Depreciation	1,515	1,846	58	-	271	288	1,199	1,218	(7)	(24)	3,036	3,328



(Gain)/loss on disposal of property, plant and equipment	-	(5,833)	-	-	-	2	(501)	(39)	-	-	(501)	(5,870)
Net (reversal of)/allowance for obsolete stock	24	(55)	-	-	(12)	71	-	-	-	-	12	16

By Geographical Location

	Singapore		Malaysia		China and others		Consolidation	
	2018	2017	2018	2017	2018	2017	2018	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Sales to external customers	39,838	38,503	2,945	1,981	53	122	42,836	40,606
Location of non-current assets								
Non-current assets	8,114	9,690	3,767	3,507	434	537	12,315	13,734

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.**14.1 By Business Segments**

- (a) Please refer to para 8.01 for turnover contributions.
- (b) The segment results showed that the pallet and packaging business decreased by 67.1% or \$3.30 million from \$4.92 million in FY2017 to \$1.62 million in FY2018 mainly due to the allocation of gain on disposal of property in FY2017, as explained in notes 8.03 and 8.08 above. Timber trading results decreased by 41.1% or \$0.37 million from \$0.90 million to \$0.53 million due to the allocation of gain on disposal of property in FY2017. Results from Technical Wood® products and others increased by 46.9% or \$0.30 million from \$0.64 million to \$0.94 million mainly due to increase in woodchip revenue and offset by the allocation of gain on disposal of its property. The results for pallet rental business increased by 85.0% or \$0.96 million from \$1.13 million to \$2.09 million mainly due to non-recurring one-time claims and cost-cutting measures.

14.2 By Geographical Locations

The sales for Singapore locations increased by 3.5% or \$1.34 million from \$38.50 million in FY2017 to \$39.84 million in FY2018 mainly due to higher market demand. For Malaysia locations, the sales increased by 49.0% or \$0.97 million from \$1.98 million for FY2017 to \$2.95 million for FY2018 mainly due to the one-time project. For China and others, the sales decreased by 58.3% or \$0.07 million from \$0.12 million in FY2017 to \$0.05 million in FY2018. Due to tough market conditions, the board has decided to scale down the China operations.



15. A breakdown of sales.

	Group		
	FY2018	FY2017	Change (%)
	S\$'000	S\$'000	
Sales reported for the first half year	22,266	19,957	11.6%
Operating profit after tax	1,909	1,373	39.0%
Sales reported for the second half year	20,570	20,649	(0.4%)
Operating profit after tax	1,514	6,133	(75.3%)

The Operating profit after tax for the second half year of FY2018 is much lower than the Operating profit after tax for the second half of FY2017 mainly due to a one-time gain of \$5.61 million arising from the disposal of a leasehold and investment property in Singapore in FY2017. Please refer to page 10, para 8.03 above.

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 S\$'000	Previous Full Year S\$'000
Ordinary – First and Final Dividend	1,597	2,662
Preference	-	-
Total:	1,597	2,662

17. Interested Person Transactions.

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Hwee Wong Transport Trading Pte Ltd ("HWT")	HWT provides transport services to the Company. \$812,209	-
Leayong Trading ("LT")	LT provides transport services to subsidiaries of the Company. \$176,052	-
Gold Leayong Trading ("GLT")	GLT provides transport services to subsidiaries of the Company. \$72,767	-
Tomy Printing Company ("TP")	TP provides printing services to the Company. \$2,080	-
Total	\$1,063,108	-



For interested person transactions above, no shareholders' mandate pursuant to Rule 920 has been obtained. There were no other transactions with interested person as defined in the SGX's Listing Manual for the financial year ended 31 December 2018 that exceeded the stipulated threshold.

18. Undertakings from directors and executive officers

In view of the latest guideline from the Exchange in relation to Rule 720 (1) of the SGX-ST Listing Manual, the Company has procured signed undertakings from all its directors and executive officers based on the latest revised form of Appendix 7.7 of the SGX-ST Listing Manual, which will replace and supersede the undertakings previously signed by the directors and executive officers.

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, we append below the persons occupying managerial positions who are related to a director, chief executive officer or substantial shareholder.

Name	Age	Family Relationship with any director and/or Substantial Shareholders	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Neo Kah Seng	55	Brother of Neo Koon Boo (ex-Managing Director, Substantial Shareholder). Uncle of Billy Neo Kian Wee (Executive Director, Shareholder)	Appointed as Plant Manager - Wood Recycling on 1 st January 2005. Overseeing the operation and maintenance of the Wood Waste Recycling Plant.	No Change
Kok Chee Chuen	63	Nephew of Neo Koon Boo (ex-Managing Director, Substantial Shareholder). Cousin of Billy Neo Kian Wee (Executive Director, Shareholder)	Appointed as Production Manager - Case and Packaging in September 2005. Responsible for the operation of case and packaging department.	No Change



LHT HOLDINGS LIMITED (Company Registration No198003094E)

Address: 27 Sungei Kadut Street 1 Singapore 729335 Tel: (65) 62697890 Fax: (65) 63674907 Email: enquiry@lht.com.sg URL:www.lht.com.sg

Sally Yap Mei Yen	55	Sister of Yap Mui Kee (Managing Director, Substantial Shareholder)	<p>Appointed as Alternate Director to Yap Mui Kee on 20th July 1998.</p> <p>Corporate Secretary of LHT Holdings Limited.</p> <p>Secretary to Board of Directors and Board Committees and Personal Assistant to Managing Director on 1st July 2000.</p> <p>Appointed as Corporate Secretary of LHT Ecotech Resources Pte Ltd (subsidiary) on 9th July 2008.</p> <p>Appointed as Supervisor of LHT Ecotech Resources (Tianjin) Co. Ltd on 11th December 2012.</p> <p>Appointed as Corporate Secretary of Kim Hiap Lee Co. (Pte) Ltd and LHT Marketing Pte Ltd (subsidiaries) on 23rd May 2014.</p>	No Change
Yap Mei Lan	50	Sister of Yap Mui Kee (Managing Director, Substantial Shareholder)	<p>Appointed as Senior Sales Manager on 1st July 2007.</p> <p>Responsible for supervision of the sales department as well as attending to sales inquiries.</p>	No Change
Yeo Wen Torng	58	Spouse of Yap Mui Kee (Managing Director, Substantial Shareholder)	<p>Appointed as ECR-RFID Project Manager of Kim Hiap Lee Company (Pte) Limited (subsidiary company) on 1st May 2008.</p> <p>Overseeing the operational activities of ECR and RFID projects.</p>	No Change



LHT HOLDINGS LIMITED (Company Registration No198003094E)

Address: 27 Sungei Kadut Street 1 Singapore 729335 Tel: (65) 62697890 Fax: (65) 63674907 Email: enquiry@lht.com.sg URL:www.lht.com.sg

Tay Kee Kuang	46	Nephew of Neo Koon Boo (ex-Managing Director, Substantial Shareholder) Cousin of Billy Neo Kian Wee (Executive Director, Shareholder)	Appointed as Sales & Admin Assistant Manager of Siri Belukar Packaging Sdn Bhd (subsidiary company) in 1994. Appointed as Director of Lian Hup Packaging Industries Sdn Bhd (subsidiary company) on 15 th January 1997. Appointed as Director of Siri Belukar Packaging Sdn Bhd (subsidiary company) on 1 st January 2016. Discharge the duties of a director in the subsidiary company and overseeing the whole company.	No Change
Tay Kee Soon	48	Nephew of Neo Koon Boo (ex-Managing Director, Substantial Shareholder) Cousin of Billy Neo Kian Wee (Executive Director, Shareholder)	Appointed as Assistant Factory Manager of Siri Belukar Packaging Sdn Bhd on 1 April 1993.	No change
Tan Hwei Hsia	39	Daughter of Tan Kim Sing (Executive Director, Substantial Shareholder)	Appointed as Accounts Manager of LHT Holdings Ltd on 2 April 2013.	No change
Yap Chun Chun	45	Cousin of Yap Mui Kee (Managing Director, Substantial Shareholder)	Appointed as Assistant Sales Manager of LHT Holdings Ltd appointed on 1 July 2007.	No change



LHT HOLDINGS LIMITED (Company Registration No198003094E)

Address: 27 Sungei Kadut Street 1 Singapore 729335 Tel: (65) 62697890 Fax: (65) 63674907 Email: enquiry@lht.com.sg URL:www.lht.com.sg

Yap Lai Eng	49	Cousin of Yap Mui Kee (Managing Director, Substantial Shareholder)	Appointed as Assistant Sales Manager of LHT Holdings Ltd on 1 July 2007	No change
-------------	----	---	--	-----------

BY ORDER OF THE BOARD

Yap Mui Kee
Managing Director

1 March 2019