



Unaudited Full Year Financial Statement And Dividend Announcement for the Year Ended 30 June 2019

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

- 1(a) **A statement of comprehensive income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Group \$'000 30-Jun-19	Group \$'000 30-Jun-18	Increase/ (Decrease) %
Revenue	22,055	27,206	(18.9)
Cost of sales	(11,010)	(13,879)	(20.7)
Gross profit	11,045	13,327	(17.1)
Other income	458	1,932	(76.3)
Distribution costs	(3,123)	(3,512)	(11.1)
Administrative expenses	(7,238)	(7,859)	(7.9)
Other operating expenses	(1,544)	(449)	243.9
Finance costs	-	(1)	(100.0)
(Loss) Profit before income tax	(402)	3,438	n/m
Income tax expense	(99)	(326)	(69.6)
(Loss) Profit for the year	(501)	3,112	n/m
Other comprehensive loss:			
Items that may be reclassified subsequently to profit or loss			
Exchange differences arising on translation of foreign subsidiaries	12	(20)	n/m
Available-for-sale investments:			
Fair value gain (Loss) arising during the year	151	(77)	n/m
Reclassification of profit or loss from equity on disposal of available-for-sale investments	(1)	-	n/m
Other comprehensive gain (loss) for the year	162	(97)	n/m
Total comprehensive (loss) income for the year	(339)	3,015	n/m

n/m = not meaningful

- (a)(ii) **Notes to the Income Statement**
Other disclosure items included in the above statement

	GROUP \$'000 30-Jun-19	GROUP \$'000 30-Jun-18
Other Income:		
Government grants	162	162
Dividend income from available-for-sales investments	108	124
Interest income	168	107
Gain on disposal of plant and equipment	12	-
Fair value gain of investment properties	-	1,530
Others	8	9
	458	1,932
Depreciation of plant and equipment	(497)	(639)
Allowance for doubtful debts - trade receivables	(50)	(35)
Allowance for inventories	(36)	(45)
Plant and equipment written off	(55)	-
Net foreign exchanges gain (loss)	-	21
Fair value loss of investment properties	1,194	-

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

	GROUP \$'000 30-Jun-19	GROUP \$'000 30-Jun-18	COMPANY \$'000 30-Jun-19	COMPANY \$'000 30-Jun-18
<u>ASSETS</u>				
Current assets				
Cash and cash equivalents	14,365	14,459	10,934	11,931
Trade receivables	1,197	1,035	605	451
Amount due from subsidiaries	-	-	817	295
Other receivables and prepayments	514	484	452	422
Inventories	1,908	2,112	1,247	1,298
Total current assets	17,984	18,090	14,055	14,397
Non - current assets				
Subsidiaries	-	-	3,099	3,089
Club Membership	190	165	190	165
Available-for-sale investments	2,425	3,152	2,424	3,152
Plant and equipment	1,285	1,518	906	953
Investment properties	14,633	15,827	14,633	15,827
Total non-current assets	18,533	20,662	21,252	23,186
Total Assets	36,517	38,752	35,307	37,583
<u>LIABILITIES AND EQUITY</u>				
Current liabilities				
Trade payables	630	528	494	395
Amount due to related companies, associates and related parties	-	-	988	989
Other payables	2,004	2,714	1,436	2,011
Income tax payable	150	356	108	297
Total current liabilities	2,784	3,598	3,026	3,692
Non-current liability				
Other payables	218	226	177	175
Deferred tax liability	103	152	49	84
Total non-current liabilities	321	378	226	259
Capital and reserves				
Share capital	10,251	10,251	10,251	10,251
Currency translation deficit	(85)	(97)	-	-
Fair value adjustment surplus (deficit)	138	(12)	138	(12)
Accumulated profits	23,108	24,634	21,667	23,393
Total equity	33,412	34,776	32,056	33,632
Total liabilities and equity	36,517	38,752	35,308	37,583

- 1(b)(ii) **In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year.**

Amount repayable in one year or less, or on demand.

Not applicable

Amount repayable after one year

Not applicable

Details of any collateral

Not applicable

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

	GROUP \$'000 30-Jun-19	GROUP \$'000 30-Jun-18
Operating activities:		
(Loss) Profit before income tax	(402)	3,438
<u>Adjustments for:</u>		
Loss on disposal of available-for-sale investment	(1)	-
Fair value (gain) loss on other investment	(25)	17
Impairment loss on plant and equipment	-	1
Depreciation of plant and equipment	497	639
Dividend income	(108)	(124)
Interest income	(168)	(107)
Fair value loss (gain) of investment properties	1,194	(1,530)
Allowance for doubtful debts - trade receivables	50	35
Allowance for inventories	36	45
Net foreign exchange loss (gain)	6	(21)
Plant and equipment written off	55	-
(Gain) loss on disposal of plant and equipment	(12)	1
Operating cash flows before movements in working capital	1,122	2,394
Trade receivables	(212)	149
Other receivables and prepayments	(30)	12
Inventories	168	328
Trade payables	102	(31)
Other payables	(718)	552
Cash generated from operations	432	3,404
Interest received	168	107
Income tax paid (net)	(353)	(43)
Net cash from operating activities	247	3,468
Investing activities		
Dividend income	108	124
Proceeds on disposal of plant and equipment	12	-
Proceeds on disposal of available-for-sale investments	1,002	-
Purchase of plant and equipment	(315)	(395)
Purchase of available-for-sale investments	(126)	(1,001)
Deposits	-	-
Net cash generated (used in) investing activities	681	(1,272)
Financing activities		
Dividend paid	(1,025)	(1,025)
Repayment of the hire purchase facility	-	(10)
Net cash used in financing activities	(1,025)	(1,035)
Net (decrease) increase in cash and cash equivalents	(94)	1,161
Cash and cash equivalents at beginning of year	14,459	13,298
Cash and cash equivalents at end of year	14,365	14,459
Cash and cash equivalents consist of :		
Cash and bank balances	1,927	3,221
Fixed deposits	12,438	11,238
Total	14,365	14,459

- 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.**

Group

Lastest Period

Balance as at July 1, 2018

Total comprehensive income for the year

Loss for the year

Other comprehensive income for the year

Total

Dividends, representing transaction with owners, recognised directly in equity

Balance as at June 30, 2019

Share capital	Currency translation deficit	Fair value adjustment surplus (deficit)	Accumulated profits	Total
\$'000	\$'000	\$'000	\$'000	\$'000
10,251	(97)	(12)	24,634	34,776
-	-	-	(501)	(501)
-	12	150	-	162
-	12	150	(501)	(339)
-	-	-	(1,025)	(1,025)
10,251	(85)	138	23,108	33,412

Previous Corresponding Period

Balance as at July 1, 2017

Total comprehensive income for the year

Profit for the year

Other comprehensive income for the year

Total

Dividends, representing transaction with owners, recognised directly in equity

Balance as at June 30, 2018

10,251	(77)	65	22,547	32,786
-	-	-	3,112	3,112
-	(20)	(77)	-	(97)
-	(20)	(77)	3,112	3,015
-	-	-	(1,025)	(1,025)
10,251	(97)	(12)	24,634	34,776

Company

Lastest Period

Balance as at July 1, 2018

Total comprehensive income for the year

Loss for the year

Other comprehensive income for the year

Total

Dividends, representing transaction with owners, recognised directly in equity

Balance as at June 30, 2019

Share capital	Fair value adjustment surplus (deficit)	Accumulated profits	Total
10,251	(12)	23,393	33,632
-	-	(701)	(701)
-	150	-	150
-	150	(701)	(551)
-	-	(1,025)	(1,025)
10,251	138	21,667	32,056

Previous Corresponding Period

Balance as at July 1, 2017

Total comprehensive income for the year

Profit for the year

Other comprehensive income for the year

Total

Dividends, representing transaction with owners, recognised directly in equity

Balance as at June 30, 2018

10,251	65	20,579	30,895
-	-	3,839	3,839
-	(77)	-	(77)
-	(77)	3,839	3,762
-	-	(1,025)	(1,025)
10,251	(12)	23,393	33,632

- 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, 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 immediate preceding financial year.**

	Number of shares	Paid-up Capital
Balance as at 30 June 2018 and 30 June 2019	102,476,024	\$10,251,458

There was no change in the Company's number of shares since 30 June 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.**

	As at 30/06/2019	As at 30/06/2018
Total number of issued ordinary shares excluding treasury shares	102,476,024	102,476,024

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

The Company has no treasury shares. There were no sales, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

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

The figures have not been audited or reviewed.

- 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.**

Except as disclosed in Note 5 below, the Group has adopted the same accounting policies and methods of computation in the financial statements for the current financial period compared with those used in the recent audited financial statements of the Group for the financial year ended 30 June 2018.

- 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.**

As required by the listing requirements of the Singapore Exchange, the Group has adopted Singapore Financial Reporting Standards (International) ("SFRS(I)") with effect 1 July 2018. The adoption of SFRS(I), SFRS(I) 9 Financial Instruments and SFRS(I) 15 Revenue from Contracts with customers, did not result in any material impact on the financial position or financial performance of the Group.

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

	Group 30-Jun-19	Group 30-Jun-18
Earning per ordinary share for the year : -		
(i) Based on weighted average number of ordinary shares on issue (cents)	-0.49	3.04
(ii) On a fully diluted basis (cents)	-0.49	3.04

Note to item (6i) :

Earnings per share is calculated based on the weighted average number of 102,476,024 (30 Jun 18: 102,476,024) ordinary shares in issue.

The basic and fully diluted earnings per ordinary share are the same as the Group did not have any potential dilutive ordinary share outstanding as at 30 June 2019.

7 Net asset value (for the issuer and group) per ordinary share based on the total number of shares excluding treasury shares of the issuer at the end of the: -

- (a) current financial period reported on; and**
(b) immediately preceding financial year

	As at 30-Jun-19 Cents	As at 30-Jun-18 Cents
Group	32.60	33.94
Company	31.28	32.82

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.

Statement of comprehensive income

The Group recorded revenue of \$22.1 million for the year ended 30 June 2019, a decrease of 18.9% from \$27.2 million in the previous year. The decrease is mainly attributable to lower gift revenue due to poorer market conditions and completion of project. The gross profit decrease was largely in line with the decrease in revenue.

Excluding the fair value loss on investment properties, total distribution, administrative and other operating expense decreased by \$1.1 million to \$10.7 million due mainly to lower manpower and depreciation expenses.

The Group recorded operating profit before tax of \$0.8 million as compared to \$1.9 million, a decrease of 58.5% year-on-year.

The \$1.2 million fair value loss of investment properties arose on the industrial properties held by the company as compared to \$1.5 million fair value gain of investment properties in FY2018.

As a result, the group registered a net loss after tax of \$0.5 million in FY2019 compared to a profit of \$3.1 million in FY2018.

Statement of financial position and cash flows

As at 30 June 2019, the Group had cash and cash equivalents of \$14.4 million. During the year, the Group paid the final tax-exempt dividend amounting to \$1.0 million.

Net cash generated from investing activities was \$0.7 million, due mainly from the redemption of quoted investments and dividend from available-for-sale investments, offset by purchase of plant and equipment.

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

Not applicable.

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

Given the uncertainty in the global economy, the Group expects more challenges in the business environment.

- 11 **Dividend**

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes

Name of Dividend	First & Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.10 cent per ordinary share
Tax Rate	One-Tier Tax-Exempt
Name of Dividend	Special dividend
Dividend Type	Cash
Dividend Amount per Share (in cents)	1.90 cent per ordinary share
Tax Rate	One-Tier Tax-Exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend	First & Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.30 cent per ordinary share
Tax Rate	One-Tier Tax-Exempt
Date of payment	14 November 2018
Name of Dividend	Special dividend
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.70 cent per ordinary share
Tax Rate	One-Tier Tax-Exempt
Date of payment	14 November 2018

(c) Date payable

To be announced later.

(d) Books closure date

To be announced later.

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

Not applicable.

- 13 **Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual.**

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

- 14 **If the Company has obtained a general mandate from shareholders for interested person transaction (IPTs), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company has not obtained an IPT mandate from shareholders. It does not have any interested person transaction (excluding transaction less than \$100,000) in the financial year ended 30 June 2018 that is discloseable under Rule 920(1)(a)(ii) of the SGX-ST Listing Manual.

- 15 **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.**

(a) Business Segments

The Group is organised into two main operating divisions, namely gifts and properties.

	Gifts \$'000 30-Jun-19	Properties \$'000 30-Jun-19	Group \$'000 30-Jun-19	Gifts \$'000 30-Jun-18	Properties \$'000 30-Jun-18	Group \$'000 30-Jun-18
SEGMENT REVENUE AND RESULTS						
Revenue	21,529	526	22,055	26,708	498	27,206
Results:						
Segment result	162	320	482	1,456	204	1,660
Other operating Income	207	-	207	188	-	188
Fair value (loss) gain of investment properties	-	(1,194)	(1,194)	-	1,530	1,530
Finance cost			-	(1)		(1)
Unallocated operating income			250			214
Unallocated expenses			(147)			(153)
Profit before income tax			(402)			3,438
Income tax expense			(99)			(326)
Profit after income tax			(501)			3,112
Other information:						
Capital expenditure on plant and equipment and investment properties	315	-	315	426	8	434
Depreciation	489	8	497	636	3	639

(b) Geographical segments

The Group's two business segments are managed on a regional basis through two main geographical areas, namely Singapore and Asia.

	Revenue		Non-current assets		Capital expenditure	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Singapore	21,698	26,829	18,517	20,633	315	442
Malaysia	357	377	16	29	-	1
Total	22,055	27,206	18,533	20,662	315	443

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

Apart from the comments made under section 8, there are no other factors leading to material changes.

17 A breakdown of sales

	Group \$'000 2019	Group \$'000 2018	% increase/ (decrease)
(a) Sales reported for first half year	8,392	10,263	-18.2%
(b) Operating (loss) profit after tax before deducting minority interests reported for first half year	(737)	279	-364.2%
(c) Sales reported for second half year	13,663	16,943	-19.4%
(d) Operating profit after tax before deducting minority interests reported for second half year	236	2,833	-91.7%

18 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 \$'000	Previous Full Year \$'000
Ordinary Shares	<u>1,025</u>	<u>1,025</u>

19 Disclosure of person occupying managerial positions in the issuer or any of its principal subsidiaries who is a relative of a director, CEO or substantial shareholders of the issuer pursuant to Rule 704(13) in the format below.

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Alfred Wong Siu Hong	66	Brother of Wong Phui Hong (non-executive Director) and spouse of Lim Julian (Substantial Shareholder)	Managing Director since 1983	NIL
Wong Lai Kuan, Kim	39	Daughter of Mr Wong Siu Hong (Managing Director & substantial shareholder)	Senior Manager, Group Marketing: overseeing the Group Marketing, effective 1 April 2018	NIL

BY ORDER OF THE BOARD

Alfred Wong Siu Hong
Managing Director

27 August 2019