

SITRA HOLDINGS (INTERNATIONAL) LIMITED
(Co. Regn. No: 197901237E)

FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF 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.

UNAUDITED FULL YEAR CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER	Item No.	The Group		
		2019 S\$'000	2018 S\$'000	Increase/ (Decrease) %
Revenue	8.1	16,435	13,821	18.9%
Cost of sales	8.2	(15,505)	(12,614)	22.9%
Gross profit		930	1,207	-22.9%
Other income	8.3	24	251	-90.4%
Selling and distribution expenses	8.4	(390)	(483)	-19.3%
Administrative expenses	8.5	(2,378)	(2,292)	3.8%
Other gains / (losses) - net	8.6	944	(1,592)	N.M.
Finance expenses	8.7	(88)	(60)	46.7%
Loss before income tax		(958)	(2,969)	-67.7%
Income tax credit		-	-	
Loss for the financial year		(958)	(2,969)	-67.7%
Other comprehensive income/(loss), net of tax				
Items that may be reclassified subsequently to profit or loss				
Currency translation differences arising from consolidation	8.8	(401)	566	N.M.
Gain on revaluation of property, plant & equipment	8.9	824	-	N.M.
Total comprehensive loss for the financial year		(535)	(2,403)	-77.7%
Loss attributable to				
Equity holders of the Company		(967)	(2,980)	-67.6%
Non-controlling interests		9	11	-18.2%
		(958)	(2,969)	-67.7%
Total Comprehensive income/(loss) attributable to:				
Equity holders of the Company		(533)	(2,404)	-77.8%
Non-controlling interests		(2)	1	N.M.
		(535)	(2,403)	-77.7%

N.M. - Not meaningful

FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

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

Loss before taxation is arrived at after charging / (crediting) the following:

NOTES TO THE UNAUDITED FULLL YEAR CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER	The Group		
	2019 S\$'000	2018 S\$'000	Increase/ (Decrease) %
Allowance for impairment – trade receivables	21	106	-80.2%
Advance to suppliers written off	-	1	N.M.
Amortisation of right-of-use assets	69	-	N.M.
Bad debts written-off – non-trade receivable from related party	39	-	N.M.
Commission income	(4)	(19)	-78.9%
Defined contribution included in staff costs	76	71	7.0%
Depreciation of property, plant and equipment	289	292	-1.0%
Directors' fees	109	105	3.8%
Directors' remuneration	449	546	-17.8%
Foreign exchange (gains) / losses	(442)	628	N.M.
Fair value loss on financial assets, at fair value through profit or loss	-	500	N.M.
(Reversal)/ Loss on impairment of property, plant and equipment	(350)	350	N.M.
Rental expenses	-	93	N.M.
Staff costs	936	883	6.0%
Gain on bargain purchase on acquisition of subsidiary corporations	(219)	-	N.M.
Loss on investment in an associated company strike-off	-	6	N.M.
Loss on investment in subsidiary company strike off	7	-	N.M.

N.M - Not meaningful

FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

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

We have included Adjusted EBITDA in this results announcement because it can provide a useful measure for period-to-period comparisons of our core business.

ADJUSTED EBITDA	The Group	
	2019 S\$'000	2018 S\$'000
Loss after income tax	(958)	(2,969)
<u>Add/(Less)</u>		
Allowance for impairment - trade receivables	21	106
Advance to suppliers written off	-	1
Bad debt written off – non-trade receivable from related party	39	-
Fair value loss on financial assets, at fair value through profit or loss	-	500
Loss on investment in an associated company strike-off	-	6
Loss on investment in subsidiary company strike-off	7	-
(Reversal)/ Loss on impairment of property, plant and equipment	(350)	350
Gain on bargain purchase on acquisition of subsidiary corporations	(219)	-
Foreign exchange (gains) / losses	(442)	628
Government grants	(10)	(40)
Finance costs	88	60
Depreciation	289	292
Adjusted EBITDA	(1,535)	(1,066)

FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

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

UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER	Item No.	The Group		The Company	
		2019 S\$'000	2018 S\$'000	2019 S\$'000	2018 S\$'000
Current assets					
Cash and cash equivalents		212	451	4	6
Financial assets, at fair value through profit or loss		9,000	9,000	-	-
Trade and other receivables	8.10	1,173	527	3,433	4,465
Inventories	8.11	2,030	3,219	-	-
Other current assets		206	166	54	3
		12,621	13,363	3,491	4,474
Non-current assets					
Investments in subsidiary corporations		-	-	3,560	227
Property, plant and equipment	8.12	10,870	3,033	60	82
Right-of-use assets		155	-	-	-
Deferred income tax assets		59	56	-	-
		11,084	3,089	3,620	309
Total assets		23,705	16,452	7,111	4,783
Current liabilities					
Trade and other payables	8.13	3,213	3,840	3,559	4,583
Lease liabilities	8.14	68	-	-	-
Borrowings	8.15	1,428	1,519	7	22
		4,709	5,359	3,566	4,605
Non-current liabilities					
Borrowings	8.15	-	6	-	6
Lease liabilities	8.14	91	-	-	-
Deferred income tax liabilities		239	238	-	-
		330	244	-	6
Total liabilities		5,039	5,603	3,566	4,605
Net assets		18,666	10,849	3,545	178
Capital and reserves					
Share capital	8.16	22,992	17,817	22,992	17,817
Other reserves	8.17	305	(130)	(22)	(22)
Accumulated losses		(7,964)	(6,997)	(19,425)	(17,623)
Equity attributable to equity holders of the Company		15,333	10,690	3,545	172
Non-controlling interests	8.18	3,333	159	-	-
Total equity		18,666	10,849	3,545	172

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

GROUP BORROWINGS AND DEBTS SECURITIES	The Group	
	2019 S\$'000	2018 S\$'000
<u>Amount repayable in one year or less, or on demand</u>		
<u>Secured</u>		
Bank overdrafts	15	41
Trust receipts	1,406	1,455
Finance lease liabilities	7	23
<u>Unsecured</u>		
Lease liabilities	68	-
	1,496	1,519
<u>Amount repayable in one year or less, or on demand</u>		
<u>Secured</u>		
Finance lease liabilities		
- due within two to five years	-	6
<u>Unsecured</u>		
Lease liabilities		
- due within two to five years	91	-
	91	6
	1,587	1,525

Details of any collateral

The bank overdrafts and bank borrowings are secured on:

- (i) Corporate guarantee issued by Sitra Holdings (International) Limited to Sitra Agencies Pte Ltd for the banking facilities granted from the bank.

FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

- 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.

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER	Item No.	The Group	
		2019 S\$'000	2018 S\$'000
Cash flow from operating activities			
Loss after income tax		(958)	(2,969)
Adjustments for:			
- Amortisation of right-of-use assets		69	-
- Depreciation of property, plant and equipment		289	292
- Interest expense		88	60
- Interest income		(2)	-
- Allowance for impairment - trade receivables		21	106
- Bad debt written off – non-trade receivables from related party		39	-
- Fair value loss of financial assets designated as at fair value through profit or loss		-	500
- (Reversal) / Loss on impairment of property, plant and equipment		(350)	350
- Loss on investment in an associated company strike off		-	6
- Loss on investment in subsidiary company strike off		7	-
- Advance to suppliers written off		-	1
- Gain on bargain purchase on acquisition of subsidiary corporations		(219)	-
- Unrealised currency translation (gains) / losses		(485)	769
		(1,501)	(885)
Changes in working capital			
- Inventories		1,187	(1,184)
- Trade and other receivables		(905)	590
- Other current assets		(42)	21
- Trade and other payables		(428)	1,616
Cash (used in) / provided by operations		(1,689)	158
Interest received		2	
Interest paid		(75)	(60)
Net cash (used in) / provided by operating activities	8.19	(1,762)	98
Cash flow from investing activity			
Additions of property, plant and equipment		(12)	(11)
Net cash used in investing activity		(12)	(11)

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UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER	Item No.	The Group	
		2019 S\$'000	2018 S\$'000
Cash flow from financing activities			
Proceed from issuance of new shares		1,738	
Shares issue expenses		(73)	
Repayment of finance lease liabilities		(22)	(30)
Repayment of lease liabilities		(78)	-
Net cash provided by / (used in) financing activities	8.20	1,565	(30)
Net (decrease) / increase in cash and cash equivalents		(209)	57
Cash and cash equivalents at beginning of financial year		410	355
Effects of currency translation on cash and cash equivalents		(4)	(2)
Cash and cash equivalents at end of financial year		197	410

Note

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

		The Group	
		2019 S\$'000	2018 S\$'000
Cash and cash equivalents		212	451
Less: Bank overdrafts		(15)	(41)
Cash and cash equivalents, as per statement of cash flows		197	410

FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

The Group	Share capital	Other reserves	Retained profits / (Accumulated losses)	Total Attributable to Equity Holders of the Company	Non-controlling interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2019	17,817	(130)	(6,997)	10,690	159	10,849
Issuance of new shares	5,248	-	-	5,248		5,248
Share issue expense	(73)	-	-	(73)		(73)
Acquisition of non-controlling interest	-	-	-	-	3,176	3,176
Total comprehensive income / (loss) for the year	-	435	(967)	(532)	(2)	(534)
Balance at 31 December 2019	22,992	305	(7,964)	15,333	3,333	18,666
Balance at 31 December 2017 as previously reported	17,817	4,201	(8,924)	13,094	158	13,252
Adoption of SFRS(I)	-	(4,907)	4,907	-	-	-
Balance at 1 January 2018 as restated	17,817	(706)	(4,017)	13,094	158	13,252
Total comprehensive income / (loss) for the year	-	576	(2,980)	(2,404)	1	(2,403)
Balance at 31 December 2018	17,817	(130)	(6,997)	10,690	159	10,849

The Company	Share capital	Other reserves	Retained profits / (Accumulated losses)	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2019	17,817	(22)	(17,623)	172
Issuance of new shares	5,248			5,248
Share issue expense	(73)			(73)
Total comprehensive loss for the year	-	-	(1,802)	(1,802)
Balance at 31 December 2019	22,992	(22)	(19,425)	3,545
Balance at 1 January 2018	17,817	(22)	(16,426)	1,369
Total comprehensive loss for the year	-	-	(1,197)	(1,197)
Balance at 31 December 2018	17,817	(22)	(17,623)	172

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- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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.**

SHARE CAPITAL

The total number of issued shares were 1,228,300,000 as at 31 December 2019 and 751,200,000 as at 31 December 2018.

The Company had, on 27 February 2019 entered into a share sale cum subscription and option agreement (the "**Agreement**") with (1) Madam Doris Chung Gim Lian and Mr Chew Han Wei (collectively, the "**Vendors**" and individually, a "**Vendor**") and Mr Chew Hua Seng (the "**Subscriber**"). Under the Agreement, (a) the Vendors have collectively agreed to sell to the Company, and the Company has agreed to purchase an aggregate of 54 ordinary shares in the capital of the Mapur Rocky Resort Limited from the Vendors (the "**Proposed Acquisition**") and the consideration of S\$3,510,100, is to be satisfied by the allotment and issue of an aggregate 319,100,000 new ordinary shares in the capital of the Company to the Vendors or their nominee; (b) the Subscriber has agreed to subscribe for, and the Company has agreed to allot and issue 158,000,000 new ordinary shares in the capital of the Company to the Subscriber (the "**Proposed Subscription**"); and (c) the Company has agreed to grant to the Subscriber an option (the "**Call Option**") to require the Company to allot and issue to the Subscriber up to 255,000,000 new ordinary shares in the capital of the Company (the "**Option Shares**"), and the Subscriber has agreed to grant to the Company an option (the "**Put Option**") to require the Subscriber to subscribe for up to the number of Option Shares (collectively, the "**Proposed Options**").

No conversion of the Call Option or the Put Option has taken place since the date of grant.

Please refers to the Company's announcements made on 27 February 2019, 13 May 2019, 26 June 2019, 9 July 2019, 26 July 2019 and 4 October 2019 in relation to the Proposed Acquisition.

SHARE OPTIONS

As mentioned above, as at 31 December 2019, the Company has granted an option to allot and issue up to 255,000,000 option shares. The Company did not have any outstanding options shares as at 31 December 2018.

TREASURY SHARES

The Company did not have any outstanding treasury shares as at 31 December 2019 and 31 December 2018.

SUBSIDIARY HOLDINGS

The Company did not have any subsidiary holdings as at 31 December 2019 and 31 December 2018.

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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 excluding treasury shares was 1,228,300,000 as at 31 December 2019 and 751,200,000 as at 31 December 2018.

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. The Company does not have any treasury shares.

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

Not applicable. The Company does not have any subsidiary holdings.

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 by the auditors.

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

Not applicable. These figures have not been audited or reviewed by the auditors.

3 (A) If the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion, to include:

(a) Updates on the efforts taken to resolve each outstanding audit issue

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable. The auditor did not expressed a modified opinion on the Group's latest audited financial statements for the financial year ended 31 December 2018.

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 and the Company have applied the same accounting policies and methods of computation in the financial statements for the current reporting period which are consistent with those described in the audited financial statements for the financial year ended 31 December 2018, except for those as disclosed under paragraph 5.

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

The Group adopted the SFRS(I) 16 Leases on 1 January 2019, using the modified retrospective approach, without restating prior years' figure.

The adoption of the SFRS(I) 16 leases did not have material impact on the financial statements of the Group in the period of initial adoption.

- 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.**

Earnings Per Share (EPS) based on net profit attributable to shareholders of the Group	The Group		
	2019	2018	Change +/(-) %
Loss per ordinary share of the group, after deducting any provision for preference dividends (cents):			
(a) Based on weighted average number of ordinary shares on issue	(0.11)	(0.40)	(73)
- Weighted average number of shares	867,533,973	751,200,000	
(b) On a fully diluted basis	(0.07)	(0.40)	(83)
- Weighted average number of shares	1,483,300,000	751,200,000	

- 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.

NET ASSET VALUE (NAV)	The Group			The Company		
	2019	2018	Change +/(-) %	2019	2018	Change +/(-) %
Net asset value per ordinary share based on issued share capital at the end of (cents):	1.25	1.42	(12)	0.29	0.02	1,350

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- 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.**

COMMENTARY ON THE GROUP STATEMENT OF COMPREHENSIVE INCOME

- (1) Revenue increased by S\$2.6 million to S\$16.4 million in FY19, mainly due to the increase in revenue from the wood-based products.

In terms of business by geographical regions, the revenue of Australia/New Zealand market increased by S\$0.2 million to S\$4.1 million and the key Europe market increased by S\$2.5 million to S\$11.7 million. Revenue of Asia/others remained approximately the same at S\$0.4 million.

- (2) The cost of sales increased by S\$2.9 million to S\$15.5 million in FY19, in tandem with the increase in revenue. The gross profit margin decreased from 8.7% in FY18 to 5.7% in FY19 mainly due to lower selling price.
- (3) Other income decreased by S\$0.2 million to S\$0.01 million in FY19, mainly due to no rental income from the Indonesian subsidiary in FY19, lower government grants received and lower commission income earned, as compared to FY18.
- (4) Selling and distribution expenses decreased by S\$0.1 million to S\$0.4 million in FY19, mainly due to lower staff salaries, advertisement and repair & maintenance cost were incurred, as compared to FY18.
- (5) Administrative expenses increased by S\$0.1 million to S\$2.4 million in FY19, mainly due to higher staff salaries and professional fees incurred for the acquisition of the Mapur Rocky Resort Limited.
- (6) The Company recorded a gain of S\$0.9 million from a position of other losses of S\$1.6 million due mainly to:
- (a) Change from foreign currency exchange loss position of S\$0.6 million in FY18 to the foreign currency exchange gain position of S\$0.4 million in FY19;
 - (b) Reversal of impairment loss on property, plant and equipment of S\$0.4 million incurred in FY18, due to the revaluation gain of the land and building of our Indonesia subsidiary, PT Jaya Raya Trasindo.
 - (c) Gain on bargain purchase of S\$0.2 million arose from the acquisition of 54% of Mapur Rocky Resort Limited;
- (7) Finance cost increased by S\$0.03 million to S\$0.09 million in FY19, due to an increase in bank interest expenses arising from the continue usage of the trade finance facilities and the imputed interest incurred on lease liabilities.
- (8) The Group recorded S\$0.4 million in currency translation loss arising from consolidation of foreign operations. The currency translation loss arose mainly from the translation of the net asset value of the France and Indonesia subsidiaries.
- (9) The gain on revaluation of property, plant & equipment of S\$0.8 million arose from the revaluation of the land and building of our Indonesia subsidiary, PT Jaya Raya Trasindo.

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COMMENTARY ON THE GROUP STATEMENT OF FINANCIAL POSITION (AS AT 31 DECEMBER 2019 AND 31 DECEMBER 2018)

(10) Breakdown of current trade and other receivables as follows:

	31/12/2019 S\$'000	31/12/2018 S\$'000
Current trade receivables:		
Trade receivables, net	1,101	449
Current other receivables:		
Third parties	-	3
Related parties	-	39
Advances to suppliers	57	36
GST Receivables	15	-
	72	78
Total current trade and other receivables	1,173	527

Trade and other receivables increased by S\$0.7 million to S\$1.2 million in FY19 mainly due to the increase in trade receivables as higher revenue were generated in the month of December 2019 as compared to December 2018.

(11) Breakdown of inventories as follows:

	31/12/2019 S\$'000	31/12/2018 S\$'000
Raw materials	23	586
Work-in-progress	318	457
Finished goods	1,689	2,176
Total inventories	2,030	3,219

Inventories decreased by S\$1.2 million to S\$2.0 million in FY19 mainly due to higher cost of inventories in tandem with the increase in revenue.

(12) Property, plant and equipment Increased by S\$7.8 million to S\$10.9 million in FY19, mainly due to:

- (a) Additions of S\$8.1 million, mainly from:
 - (i) S\$6.9 million arising through the acquisition of a property in Bintan held by the newly acquired subsidiary;
 - (ii) Reversal of impairment loss on property, plant and equipment of S\$0.4 million incurred in FY18;
 - (iii) Revaluation gain on land and building of S\$0.8 million.

Increase was mainly offset by:

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(b) Depreciation charge of S\$0.3 million incurred for the year.

(13) Breakdown of current trade and other payables as follows:

	31/12/2019 S\$'000	31/12/2018 S\$'000
Current trade payables:		
Trade payables	1,205	1,152
Current other payables:		
Directors	1,288	1,175
Third parties	283	362
Accruals for operating expenses	428	1,056
Advances received from customers	-	85
Deposit received	9	10
	2,008	2,688
Total trade and other payables	3,213	3,840

Trade and other payables decreased by S\$0.6 million to S\$3.2 million mainly due to the decrease in other payables mainly due to repayment of payables owed to third parties and payment of operating expenses accrued in FY18. This was partially offset by the increase in the amount owing to the directors and a director's immediate family

(14) Lease liabilities increased by S\$0.2 million due to the capitalised of office lease as the result of the adoption of SFRS(I) 16 Leases on 1 January 2019.

(15) Borrowing decreased by S\$0.1 million to S\$1.4 million due mainly to

- (a) Repayment of hire purchase creditors;
- (b) Repayment of bank overdraft;
- (c) Paying down of bank trust receipt.

(16) Share capital increased by S\$5.2 million to S\$23.0 million in FY19 due to:

- (a) 158,000,000 new shares issued for net cash of S\$1.7 million;
- (b) 319,100,000 new shares issued of S\$3.5 million for the acquisition of Mapur Rocky Resort Limited;

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- (17) Other reserves increased by S\$0.4 million from negative reserves of S\$0.1 million in FY18 to the positive reserves of S\$0.3 million in FY19.

Increase was mainly due to:

- (a) the revaluation gain of S\$0.8 million from the Indonesia subsidiary's land and building;

This was partially offset by:

- (b) foreign currency translation loss of S\$0.4 million from the translation of the net asset value of the foreign subsidiaries.

- (18) Non-controlling interest increased by S\$3.1 million mainly arose from the acquisition of non-controlling interest of Mapur Rocky Resort Ltd on 4 October 2019.

- (19) Net cash used in operating activities before working capital changes was S\$1.5 million. Net cash used by the working capital was S\$0.2 million, arising from

- (a) a decrease in trade and other payables of S\$0.4 million;
(b) an increase in trade and other receivables of S\$0.9 million;
(c) a decrease in inventories of S\$1.1 million.

- (20) Net cash provided by finance activities was S\$1.6 million mainly due to:

- (a) Net proceeds of S\$1.7 million from the issue of new shares
(b) Repayment of hire purchase creditors and payment of lease liabilities.

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.

The Group's performance will be impacted due to the outbreak of the COVID-19. However, the impact is unclear as the situation continues to evolve.

The Company is currently at planning stage and has not commenced the construction of the Bintan development project as at 31 December 2019, and will not envisage the construction of the development to commence in the next 12 months.

As at 31 December 2019, the company has an unexercised Call Option to allot and issue 255 million Option Shares at S\$0.011 per share. The Option Shares shall be exercisable within a period of 24 months from the acquisition completion date of 4 October 2019. The Options Shares may be exercised at any time and from time to time in respect of any or all of the Option Shares, but each exercise shall be in respect of not less than 50 million Option Shares.

**FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2019**

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No dividend has been declared or recommended for FY2019 as the Company incurred a net loss for the full financial year ended 31 December 2019.

(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

Not applicable.

(d) Books closure date

Not applicable.

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

Not applicable.

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

The Group has not obtained a general mandate for the IPTs from the shareholders.

14. Utilisation of proceeds from the issue of new ordinary shares.

The Company refers to the announcements dated 27 February 2019, 13 May 2019, 26 June 2019, 10 July 2019, 26 July 2019 and the Circular to Shareholders dated 10 July 2019 (the "Circular").

The net cash proceeds from the 158 million new subscription shares issued at S\$0.011 for each subscription share of S\$1.5 million has been fully utilized for working capital purposes in accordance with the intended use as stated in the Circular dated 10 July 2019.

15. Confirmation that the issuer has procured undertakings from all its Directors and executive officers (in the format set out in Appendix 7H under Rule 720(1)).

The Company confirms that it has already procured undertakings from all its Directors and executive officers in the format set out in Appendix 7H under Rule 720(1) of the Catalyst Rules.

FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

- 16. 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.**

BREAKDOWN OF GROUP REVENUE BY PRODUCT SEGMENTS

	FY2019		FY2018	
	S\$'000	%	S\$'000	%
Wood-based products	16,277	99.0	13,744	99.4
Lifestyle outdoor furniture	158	1.0	62	0.4
Others	-	0.0	15	0.1
Total	16,435	100.0	13,821	100.0

The Group has not identified profit before tax by product segment as the allocation of costs cannot be done in a similar manner with reasonable accuracy. This is because the selling and distribution expenses, administrative expenses and other operating expenses incurred for our wood-based products and outdoor lifestyle furniture segments such as marketing expenses, management and administrative expenses and office-related expenses are general costs which are accounted for on a group-wide basis. It is not meaningful to track our selling and distribution expenses, administrative expenses and other operating expenses by product segment. We therefore do not show our profit before tax on a segmental basis.

No revenue was generated from the Group's property business segments as the Group has not commence the construction of the Bintan development project.

BREAKDOWN OF GROUP REVENUE BY GEOGRAPHICAL REGIONS

	FY2019		FY2018	
	S\$'000	%	S\$'000	%
Australia/New Zealand	4,321	26.3	4,122	29.8
Europe	11,743	71.4	9,224	66.7
Asia/Others ⁽¹⁾	371	2.3	475	3.5
Total	16,435	100.0	13,821	100.0

Notes:-

(1) Others include Middle East, Africa and North America.

While it is possible to segment our revenue by geographical regions, the allocation of costs cannot be done in a similar manner with reasonable accuracy. We do not track the allocation of our cost of sales by geographical region and any attempt to match these expenses to the revenue derived from the various geographical regions is not meaningful. As a result, we are not able to present profit after tax by product or geographical regions.

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

Please refer to the section on "Review of results of Operations" paragraph 8 of this announcement for details.

FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

18. A breakdown of sales.

	FY2019	FY2018	Change
	S\$'000	S\$'000	%
(a) Sales reported for first half year	9,425	6,128	53.80
(b) Loss after tax for first half year	(267)	(1,240)	-78.47
(c) Sales reported for second half year	7,010	7,693	-8.88
(b) Loss after tax for second half year	(691)	(1,729)	-60.03

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

Not applicable.

20. 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 (10) in the format as shown, if there is no such person, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(10) of the Listing Manual, Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, the details of persons occupying managerial positions in the Company or any of its principal subsidiaries who are related to a director or chief executive officer or substantial shareholder of the Company or any of its principal subsidiaries are as follows:

Name	Age	Family Relationship with any Director and/or Chief Executive Officer and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Chew Ah Ba George	70	Father of Chew Chiew Siang, Steven, Deputy CEO and Executive Director. Spouse of Tan Teresa, substantial shareholder of the Company. Sibling of Chew Hua Seng, Non-Executive Director and Non-Executive Chairman.	Director of Timber business, responsible for the overall management of the Company's timber business.	21 October 2019.

**FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2019**

Lim Sook Hwa Jacinta	48	Spouse of Chew Chiew Siang, Steven, Deputy CEO and Executive Director. Daughter-in-law of Chew Ah Ba, George, Director of Timber Business and Tan Teresa, substantial shareholder of the Company.	Vice-President (Group Operations) since September 2006, responsible for the sales, marketing, logistics shipping and warehousing functions of lifestyle outdoor furniture and wood-based business units.	No change.
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Chew Ah Ba, George and Tan Teresa are substantial shareholders of the Company. Chew Ah Ba, George (Director of Timber Business) and Tan Teresa are husband and wife. Chew Ah Ba, George is the father of Chew Chiew Siang, Steven (Deputy CEO and Executive Director). Tan Teresa is the mother of Chew Chiew Siang, Steven.

Save as disclosed above, there are no other persons holding managerial position in the Group who are related to the Directors, Chief Executive Officer or substantial shareholders of the Company or of any of its principal subsidiaries.

BY ORDER OF THE BOARD

Steven Chew
Executive Director
28 February 2020

This announcement has been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The details of the contact person for the Sponsor are:

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