



KING WAN CORPORATION LIMITED

Incorporated in Singapore (Company Registration No. 200001034R)

Fourth Quarter & Full Year Results – Financial Statement And Related Announcement

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

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

**KING WAN CORPORATION LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FINANCIAL YEAR ENDED 31 MARCH 2019**

	Note	GROUP FOURTH QUARTER ENDED 31 MARCH			GROUP FULL YEAR ENDED 31 MARCH		
		2019 S\$	2018 S\$	Increase/ (Decrease)	2019 S\$	2018 S\$	Increase/ (Decrease)
Revenue	1	25,957,405	(Restated*) 25,384,808	2%	79,321,218	(Restated*) 81,844,338	-3%
Cost of sales		(23,480,154)	(24,689,529)	-5%	(71,016,730)	(73,312,010)	-3%
Gross profit	2	2,477,251	695,279	256%	8,304,488	8,532,328	-3%
Other operating income							
Dividend income		-	3,795	-100%	9,686	13,306	-27%
Net foreign exchange (loss) gain		(441)	-	n.m	6,458	-	n.m
(Loss) Gain on disposal of property, plant and equipment	3	-	(38,752)	-100%	-	189,633	-100%
Change in fair value of held-for-trading investments		(30)	-	n.m	-	-	n.m
Change in fair value of insurance contract		107	-	n.m	13,537	-	n.m
Interest income	4	213,104	(6,806)	-3231%	857,114	694,428	23%
Management fee income		27,173	19,724	38%	108,795	108,935	0%
Rental income		168,819	153,834	10%	656,448	700,184	-6%
Fee income from financial guarantee to associates	5	61,663	78,468	-21%	246,653	313,873	-21%
Sundry income		46,757	39,165	19%	123,021	135,151	-9%
		517,152	249,428	107%	2,021,712	2,155,510	-6%
Administrative expenses	6	(1,452,359)	(1,965,885)	-26%	(6,358,617)	(6,421,993)	-1%
Allowance for amounts due from associates		-	(4,045,000)	-100%	-	(7,130,000)	-100%
Share of profit of associates and joint venture	7	1,229,762	32,595	3673%	578,339	193,487	199%
Other operating expenses		(48,889)	(98,765)	-50%	(48,889)	(98,765)	-50%
Finance costs	8	(301,032)	(234,386)	28%	(1,170,947)	(873,307)	34%
Profit (Loss) before income tax		2,421,885	(5,366,734)	-145%	3,326,086	(3,642,740)	-191%
Income tax expense	9	(274,354)	11,202	-2549%	(952,613)	(1,205,338)	-21%
Profit (Loss) for the period		2,147,531	(5,355,532)	-140%	2,373,473	(4,848,078)	-149%
Other comprehensive income (loss):							
<i>Item that will not be reclassified subsequently to profit or loss</i>							
Net fair value gain (loss) in equity securities carried at fair value through other comprehensive income ("FVTOCI")	10	426,896	(1,776,019)	-124%	(1,696,349)	(1,553,653)	9%
<i>Items that may be reclassified subsequently to profit or loss</i>							
Exchange differences on translation of foreign operations		(1,238,050)	227,883	-643%	(319,251)	250,356	-228%
Other comprehensive loss for the period		(811,154)	(1,548,136)	-48%	(2,015,600)	(1,303,297)	55%
Total comprehensive income (loss) for the period		1,336,377	(6,903,668)	-119%	357,873	(6,151,375)	-106%

* The 2018 comparatives are restated as the Group has adopted a new Singapore financial reporting framework, Singapore Financial Reporting Standards (International) ("SFRS(I)") for annual periods beginning on or after 1 April 2018. Please refer to item 5 for more details.

Fourth Quarter (4Q2019) and Full Year ended 31 March 2019 (FY2019)

Note 1 - The increase in the Group's turnover was due to higher volume of Mechanical and Electrical (M&E) contracts in progress in 4Q2019. Revenue for FY2019 recorded S\$79.32 million, a 3% decrease compared to FY2018.

Note 2 - The increase in gross profit was due to profits of certain projects with relatively higher margin being recognised and dividend income received from investment in equity securities in 4Q2019. For FY2019, the gross profit remained comparatively the same as FY2018.

Note 3 - Net gain on disposal of property, plant and equipment in FY2018 was due to disposal of older fleet of motor vehicles whereas it was a net loss accounted under 'administrative expenses' in FY2019 (refer to Note 6 below).

Note 4 - Higher interest income from loans to associates and joint venture was due to interests being accrued on a higher carrying amount of advances to associates and joint venture (net of allowances) in 4Q2019 and FY2019.

Note 5 - Lower fee income from financial guarantees was due to associates and joint venture utilising lesser bank borrowings in 4Q2019 and FY2019.

Note 6 - Included in administration expenses are the following:

		FOURTH QUARTER ENDED			FULL YEAR ENDED		
		31.3.2019 S\$	31.3.2018 S\$	(Increase)/ Decrease S\$	31.3.2019 S\$	31.3.2018 S\$	(Increase)/ Decrease S\$
Reversal of (loss allowance) for trade receivables	i	78,019	(502,387)	580,406	78,435	104,296	(25,861)
Change in fair value on held-for-trading investments		(6,583)	(7,803)	1,220	(6,583)	(32,311)	25,728
Change in fair value of insurance contract		-	(40,870)	40,870	-	(40,870)	40,870
Loss on disposal of property, plant and equipment		(3,347)	-	(3,347)	(42,306)	-	(42,306)
JTC rental		(73,150)	(70,349)	(2,801)	(291,101)	(279,960)	(11,141)
Property tax		(32,500)	(32,500)	-	(130,000)	(130,000)	-
Reversal of allowance for inventory obsolescence		8,786	3,168	5,618	8,786	3,168	5,618
Directors' remuneration		(325,002)	(311,359)	(13,643)	(1,088,576)	(1,065,766)	(22,810)
Directors' fees		(44,000)	(44,001)	1	(176,000)	(167,168)	(8,832)
Staff related expenses		(450,662)	(594,261)	143,599	(2,316,018)	(2,317,863)	1,845
Depreciation	ii	(225,741)	(230,370)	4,629	(900,266)	(838,502)	(61,764)

i. Lower reversal of loss allowance for trade receivables which were no longer required in FY2019 compared to FY2018 .

ii. Higher depreciation in FY2019 compared to FY2018 was mainly due to purchase of new motor vehicles in the prior year to replace older fleet.

Note 7 - Higher recognition of share of profit from its investment in Singapore residential development project.

Note 8 - Higher finance costs was mainly due to higher effective borrowing interest rate in 4Q2019 and FY2019.

Note 9 - Higher effective tax rate in FY2019 compared to FY2018 was due to share of loss of associates and joint venture that was not tax deductible, and increase in expenses that were not allowed for deduction.

Note 10 - Net fair value loss on FVTOCI in FY2019 was due to lower closing market price of quoted equity securities at the end of the reporting period.

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

KING WAN CORPORATION LIMITED (GROUP)
STATEMENT OF FINANCIAL POSITION

	As at	As at	As at
	31.3.2019	31.3.2018	1.4.2017
	S\$	S\$	S\$
ASSETS		(Restated*)	(Restated*)
Current Assets:			
Cash and cash equivalents	4,988,367	8,524,522	13,130,401
Trade receivables	7,810,449	9,966,642	5,175,945
Other receivables and prepayments	6,440,757	12,089,625	12,051,199
Held-for-trading investments	287,785	294,368	326,679
Inventories	960,306	955,757	706,622
Contract assets	24,404,329	21,357,112	19,269,320
Total current assets	44,891,993	53,188,026	50,660,166
Non-current assets			
Other receivables	40,116,636	35,708,867	35,996,653
Property, plant and equipment	4,230,008	5,003,952	3,990,780
Investment in associates and joint venture	3,650,200	3,483,195	2,861,671
Investments	28,718,868	30,401,680	32,225,051
Deferred tax assets	290,641	160,641	-
Total non-current assets	77,006,353	74,758,335	75,074,155
Total assets	121,898,346	127,946,361	125,734,321
LIABILITIES AND EQUITY			
Current Liabilities			
Bank borrowings	14,616,096	18,033,048	19,402,370
Contract liabilities	823,309	3,801,554	3,294,993
Trade payables	11,317,862	11,704,093	11,270,833
Bills payables	19,825,988	16,918,290	9,772,282
Other payables	1,960,133	1,988,974	2,163,453
Current portion of finance leases	273,743	275,756	272,396
Provision for rectification costs	1,153,888	1,231,153	912,533
Income tax payable	836,057	1,122,870	1,603,483
Total current liabilities	50,807,076	55,075,738	48,692,343
Non-current liabilities			
Bank borrowings	750,000	2,666,096	1,299,144
Finance leases	581,869	802,999	179,359
Deferred tax liabilities	-	-	24,359
Total non-current liabilities	1,331,869	3,469,095	1,502,862
Capital and reserves			
Share capital	46,813,734	46,813,734	46,813,734
Retained earnings	38,326,639	35,953,166	40,787,457
Foreign currency translation reserve	(68,895)	250,356	-
Investment revaluation reserve	(15,312,077)	(13,615,728)	(12,062,075)
Total equity	69,759,401	69,401,528	75,539,116
Total liabilities and equity	121,898,346	127,946,361	125,734,321

* The 2018 comparatives are restated as the Group has adopted a new Singapore financial reporting framework, Singapore Financial Reporting Standards (International) ("SFRS(I)") for annual periods beginning on or after 1 April 2018. Please refer to item 5 for more details.

KING WAN CORPORATION LIMITED (COMPANY)
STATEMENT OF FINANCIAL POSITION

	As at	As at
	31.3.2019	31.3.2018
	S\$	S\$
ASSETS		
Current assets:		
Cash and cash equivalents	281,220	519,996
Other receivables and prepayments	9,583	10,368
Amount due from subsidiaries	6,994,592	6,968,752
Total current assets	7,285,395	7,499,116
Non-current assets:		
Investment in subsidiaries	31,699,413	30,199,413
Investment in associates and a joint venture	941,960	941,960
Investments	22,139,638	23,457,370
Property, plant and equipment	-	-
Total non-current assets	54,781,011	54,598,743
Total assets	62,066,406	62,097,859
LIABILITIES & EQUITY		
Current liabilities:		
Other payables	974,376	1,147,748
Amount due to a subsidiary	12,956,813	10,917,634
Income tax payable	2,044	826
Total current liabilities	13,933,233	12,066,208
Capital and reserves:		
Share capital	46,813,734	46,813,734
Retained earnings	13,213,931	13,794,677
Investment revaluation reserve	(11,894,492)	(10,576,760)
Total equity	48,133,173	50,031,651
Total liabilities and equity	62,066,406	62,097,859

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

Amount repayable in one year or less, or on demand

As at		As at	
31.3.2019		31.3.2018	
Secured	Unsecured	Secured	Unsecured
\$273,743	\$34,442,084	\$275,756	\$34,951,338

Amount repayable after 1 year

As at		As at	
31.03.2019		31.3.2018	
Secured	Unsecured	Secured	Unsecured
\$581,869	\$750,000	\$802,999	\$2,666,096

Details of any collateral

Secured liabilities refer to assets purchased under finance lease agreements. Unsecured liabilities refer to banking facilities guaranteed by the Company.

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

KING WAN CORPORATION LIMITED
STATEMENT OF CASH FLOWS

	GROUP FOURTH QUARTER ENDED		GROUP FULL YEAR ENDED	
	31.3.2019 S\$	31.3.2018 S\$ (Restated)	31.3.2019 S\$	31.3.2018 S\$ (Restated)
Operating Activities				
Profit before income tax	2,421,885	(5,366,734)	3,326,086	(3,642,740)
Adjustments for				
Depreciation of property, plant and equipment	225,658	230,370	900,183	838,502
Loss (Gain) on disposal of property, plant and equipment	3,347	38,751	42,306	(189,634)
(Reversal of) loss allowance for trade receivables and contract assets	(78,019)	502,387	(78,435)	(104,296)
Reversal of allowance for inventories obsolescence	(8,786)	(3,168)	(8,786)	(3,168)
Change in fair value of held-for-trading investments	6,613	7,803	6,583	32,311
Change in fair value of insurance contract	(107)	40,870	(13,537)	40,870
Dividend income from held-for-trading investments	-	(3,795)	(9,686)	(13,306)
Dividend income from investment in equity securities	(718,041)	-	(1,425,789)	(458,549)
Gain on disposal of investment in equity securities	-	11,782	-	-
Interest income	(213,104)	6,806	(857,114)	(694,428)
Interest expense	301,032	234,386	1,170,947	873,307
Allowance for amounts due from associates	-	4,045,000	-	7,130,000
Share of profit of associates and joint venture	(1,229,762)	(32,595)	(578,339)	(193,487)
Provision for rectification costs	121,603	(44,060)	121,603	428,833
Fee income from financial guarantee to associates and joint venture	(61,663)	(78,468)	(246,653)	(313,873)
Operating cash flows before movements in working capital	770,656	(410,665)	2,349,369	3,730,342
Trade receivables	(2,728,888)	1,928,545	2,046,173	(4,727,968)
Other receivables and prepayments	(158,113)	21,053	(206,333)	(37,631)
Contract assets	1,021,466	(708,455)	(2,858,679)	(2,040,618)
Inventories	(211,056)	(40,691)	4,237	(245,967)
Trade payables and bill payables	4,745,101	5,726,575	2,521,467	7,579,268
Contract liabilities	(2,978,245)	506,561	(2,978,245)	506,561
Other payables	(1,487,651)	(1,542,987)	217,812	139,394
Provision for rectification costs	(16,416)	(10,153)	(198,868)	(110,213)
Cash (used in) generated from operations	(1,043,146)	5,469,783	896,933	4,793,168
Income tax paid	(315,936)	(447,467)	(1,369,426)	(1,870,951)
Interest paid	(301,032)	(234,386)	(1,170,947)	(873,307)
Net cash (used in) from operating activities	(1,660,114)	4,787,930	(1,643,440)	2,048,910
INVESTING ACTIVITIES				
Interest received	4,525	3,773	17,423	15,767
Advances to associates and joint venture	(690,000)	(1,185,795)	(3,520,000)	(6,340,795)
Repayments from an associate	5,900,000	-	5,900,000	-
Dividends received from held-for-trading investments	-	3,795	9,686	13,306
Dividends received from investment in equity securities	718,041	-	1,425,789	458,549
Purchase of property, plant and equipment	(42,459)	(126,136)	(117,292)	(877,230)
Proceeds from disposal of investment in equity securities	-	(240,630)	-	-
Proceeds from disposal of property, plant and equipment	2,300	47	4,664	235,640
Proceeds from sale of held-for-trading investments	-	-	-	-
Proceeds from sale of investment in quoted equity securities	-	240,630	-	240,630
Net cash from (used in) investing activities	5,892,407	(1,304,316)	3,720,270	(6,254,133)
FINANCING ACTIVITIES				
Dividends refunded	-	-	-	2,005
Repayment of obligations under finance leases	(66,599)	(71,661)	(279,143)	(399,057)
Proceeds from bank borrowings	-	(500,000)	2,300,000	5,000,000
Repayments of bank borrowings	(2,352,590)	746,902	(7,633,048)	(5,002,370)
Net cash (used in) from financing activities	(2,419,189)	175,241	(5,612,191)	(399,422)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,813,104	3,658,855	(3,535,361)	(4,604,645)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	3,173,830	4,918,848	8,524,522	13,130,401
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON				
BALANCES HELD IN FOREIGN CURRENCIES	1,433	(53,181)	(794)	(1,234)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	4,988,367	8,524,522	4,988,367	8,524,522

Note a

	GROUP FOURTH QUARTER ENDED		GROUP FULL YEAR ENDED	
	31.3.2019 S\$	31.3.2018 S\$	31.3.2019 S\$	31.3.2018 S\$
Purchase of property, plant and equipment	42,459	250,372	173,292	1,903,287
Less : Assets purchased under finance leases arrangement	-	(124,236)	(56,000)	(1,026,057)
Net	42,459	126,136	117,292	877,230

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

STATEMENT OF CHANGES IN EQUITY

GROUP	Share capital	Retained earnings	Foreign currency translation reserve	Investment revaluation reserve	Total
	S\$	S\$	S\$	S\$	S\$
Balance as at 1 April 2017 (As previously reported)	46,813,734	41,863,218	(1,075,761)	(12,062,075)	75,539,116
Impact of adopting SFRS(I) 1	-	(1,075,761)	1,075,761	-	-
Balance as at 1 April 2017 (Restated)	46,813,734	40,787,457	-	(12,062,075)	75,539,116
Total comprehensive loss for the year:					
Loss for the year	-	(4,848,078)	-	-	(4,848,078)
Other comprehensive loss for the year	-	-	250,356	(1,553,653)	(1,303,297)
Transactions with owners, recognised directly in equity:					
Disposal of investment in equity securities	-	11,782	-	-	11,782
Dividends refunded	-	2,005	-	-	2,005
Balance as at 31 March 2018 (Restated)	46,813,734	35,953,166	250,356	(13,615,728)	69,401,528
Balance as at 1 April 2018	46,813,734	35,953,166	250,356	(13,615,728)	69,401,528
Total comprehensive income for the year:					
Profit for the year	-	2,373,473	-	-	2,373,473
Other comprehensive loss for the year	-	-	(319,251)	(1,696,349)	(2,015,600)
Balance as at 31 March 2019	46,813,734	38,326,639	(68,895)	(15,312,077)	69,759,401

* The 2018 comparatives are restated as the Group has adopted a new Singapore financial reporting framework, Singapore Financial Reporting Standards (International) ("SFRS(I)") for annual periods beginning on or after 1 April 2018. Please refer to item 5 for more details.

COMPANY	Share capital	Retained earnings	Investment revaluation reserve	Total
	S\$	S\$	S\$	S\$
Balance as at 1 April 2017	46,813,734	15,073,807	(9,346,295)	52,541,246
Total comprehensive loss for the year:				
Loss for the year	-	(1,281,135)	-	(1,281,135)
Other comprehensive loss for the year	-	-	(1,230,465)	(1,230,465)
Transactions with owners, recognised directly in equity:				
Dividends refunded	-	2,005	-	2,005
Balance as at 31 March 2018	46,813,734	13,794,677	(10,576,760)	50,031,651
Balance as at 1 April 2018	46,813,734	13,794,677	(10,576,760)	50,031,651
Total comprehensive loss for the year:				
Loss for the year	-	(580,746)	-	(580,746)
Other comprehensive loss for the year	-	-	(1,317,732)	(1,317,732)
Balance as at 31 March 2019	46,813,734	13,213,931	(11,894,492)	48,133,173

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There are no changes in the Company's share capital since the end of the previous period reported on. As at 31 March 2019, the Company does not have any outstanding convertibles or treasury shares (as at 31 March 2018 : Nil).

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 31 March 2019 is 349,176,870 (as at 31 March 2018 : 349,176,870).

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.

As at 31 March 2019, the Company does not have any treasury shares.

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

The figures have not been audited or reviewed.

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

Not applicable.

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

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

The Group has applied Singapore Financial Reporting Standards (International) (SFRS(I)) with effect from 1 April 2018. Changes to the Group's accounting policies have been made as required, in accordance with the respective SFRS(I).

The adoption of SFRS(I) does not result in changes to the Group's and the Company's accounting policies and has no material effect on the accounts reported for the current or prior financial periods except as disclosed below:

- SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)*
- SFRS(I) 15 *Revenue from Contracts with Customers (with clarifications issued)*

(i) SFRS(I) 1

The Group has elected to reset the foreign currency translation reserve for all foreign operations to zero as at the date of transition to SFRS(I) 1 on 1 April 2017. As a result, foreign currency translation reserve as at 1 April 2017 of S\$1,075,761 has been classified to retained earnings.

(ii) SFRS(I) 15

The Group has presented "amount due from customers arising from construction contracts" and unbilled receivables within "trade receivables" as contract assets and "amount due to customers arising from construction contract customers" to be presented as contract liabilities, and a restatement to revenue and cost of sales of S\$8,055,227 for the year ended 31 March 2018.

(iii) Impact on the comparatives for the financial statements of these reporting periods on adoption of SFRS(I) 1 and SFRS(I) 15

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Group	
	Fourth Quarter ended	Full Year ended
	31.3.2018	31.3.2018
Increase in revenue	8,055,227	8,055,227
Increase in cost of sales	(8,055,227)	(8,055,227)

Statements of Financial Position

	Group		Company	
	31.3.2018	1.4.2017	31.3.2018	1.4.2017
Increase in foreign currency translation reserve	1,075,761	1,075,761	-	-
Decrease in retained earnings	(1,075,761)	(1,075,761)	-	-
Decrease in trade receivables	(8,558,894)	(5,402,596)	-	-
Increase in contract assets	8,558,894	5,402,596	-	-

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		Group	
	Fourth Quarter ended		Full Year ended	
	31.3.2019	31.3.2018	31.3.2019	31.3.2018
(i) Basic earnings per share (in cents)	0.62	(1.54)	0.68	(1.39)
Weighted Average Number of Shares	349,176,870	349,176,870	349,176,870	349,176,870
(ii) Diluted earnings per share (in cents)	0.62	(1.54)	0.68	(1.39)
Weighted Average Number of Shares	349,176,870	349,176,870	349,176,870	349,176,870

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	
	As at			As at	
	31.3.2019	31.3.2018	1.4.2017	31.3.2019	31.3.2018
Net Asset Value Per Ordinary Share (in cents)	19.98	19.88	21.50	13.78	14.33
Number of Shares	349,176,870	349,176,870	349,176,870	349,176,870	349,176,870

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

STATEMENT OF COMPREHENSIVE INCOME

Fourth Quarter ended 31 March 2019 (4Q2019)

The Group's revenue for 4Q2019 recorded S\$25.96 million, a 2% increase compared to the corresponding quarter last year (4Q2018). There was comparatively higher volume of ongoing Mechanical and Electrical (M&E) contracts during the current quarter for revenue recognition. Dividend income amounting to S\$0.72 million was received from investment in equity securities. Gross profit margin for 4Q2019 was 9.54%, which was higher than 2.74% achieved in 4Q2018 as a result of profits of certain projects with relatively higher margin and dividend income being recognised in the current quarter.

The Group's net profit after income tax for 4Q2019 was S\$2.15 million, compared to net loss of S\$5.36 million in the corresponding quarter last year (4Q2018). This was mainly due to absence of allowance for amounts due from associates, share of profit of associates and joint venture as a result of fair value gain on investment properties, and higher gross profit achieved in the current quarter.

Full Year ended 31 March 2019 (FY2019)

The Group's revenue for FY2019 recorded S\$79.32 million, a 3% decrease compared to last year (FY2018). Gross profit margin for FY2019 was 10.47%, which was higher than the 10.43% achieved in FY2018 as a result of profits of certain projects with relatively higher margin being recognised in the current year.

The Group's net profit after income tax for FY2019 was S\$2.37 million, compared to net loss of S\$4.85 million last year (FY2018). This was mainly due to absence of allowance for amounts due from associates and higher share of profit of associates and joint venture, which was partially offset by higher finance costs.

EARNINGS PER SHARE (EPS) AND NET ASSET VALUE PER SHARE (NAV)

EPS for 4Q2019 was 0.62 cents, compared to net loss per share of 1.54 cents in 4Q2018. EPS for FY2019 was 0.68 cents, compared to net loss per share of 1.39 cents in FY2018.

NAV for the Group stood at 19.98 cents per share at 31 March 2019, an increase from 19.88 cents per share at 31 March 2018. This increase was due to net profit achieved during the current year, which was partially offset by net fair value loss on investment in equity securities carried at FVTOCI.

STATEMENT OF FINANCIAL POSITION

The Group's equity base stood at S\$69.76 million as at 31 March 2019, an increase from S\$69.40 million as at 31 March 2018.

Total current assets amounted to S\$44.89 million as at 31 March 2019, lower than the S\$53.19 million as at 31 March 2018. The decrease was mainly due to the decrease in cash and cash equivalents and collection of trade receivables for repayment of bank borrowings and trade payables during the current year.

Non-current assets increased to S\$77.01 million as at 31 March 2019 from S\$74.76 million as at 31 March 2018. The increase was mainly due to net advances of loans to associates and joint venture, as well as accrual of interest income on loans to associates and joint venture, which was partially offset with the decrease in net fair value of investment in equity securities carried at FVTOCI during the current year.

Current liabilities decreased to S\$50.81 million as at 31 March 2019 from S\$55.08 million as at 31 March 2018 was mainly due to repayment of bank borrowings and trade payables during the current year.

Non-current liabilities decreased to S\$1.33 million as at 31 March 2019 from S\$3.47 million as at 31 March 2018 was mainly due to repayments of term loans and finance leases during the current year.

The debt-equity ratio decreased to 0.52 as at 31 March 2019 as compared to 0.56 as at 31 March 2018 was due to net repayment of bank borrowings and finance leases during the current year.

STATEMENT OF CASH FLOWS

Fourth Quarter (4Q2019) and Full Year ended 31 March 2019 (FY2019)

Net cash used in operating activities amounted to S\$1.66 million in 4Q2019 (FY2019 : S\$1.64 million), compared to an inflow of S\$4.79 million in 4Q2018 (FY2018 : S\$2.05 million). The outflow in FY2019 was mainly due to payments made for construction works carried out, and interest expense during the current year.

Net cash from investing activities amounted to S\$5.89 million in 4Q2019 (FY2019 : S\$3.72 million), compared to an outflow of S\$1.30 million in 4Q2018 (FY2018 : S\$6.25 million). The inflow in FY2019 was mainly due to net repayment of loans from associates and joint venture of the Group and the dividends received from investment in equity securities during the current year.

Net cash used in financing activities amounted to S\$2.42 million in 4Q2019 (FY2019 : S\$5.61 million), compared to an inflow of S\$0.18 million in 4Q2018 (outflow in FY2018 : S\$0.40 million). The outflow in FY2019 was due to net repayment of bank borrowings and finance leases during the current year.

As a result of the aforementioned, cash and cash equivalents stood at S\$4.99 million as at 31 March 2019.

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

No forecast had been issued.

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

The Mechanical and Electrical (M&E) business segment is expected to remain challenging in the next 12 months with continuous pressures on contract values and stiff competition for new projects. Based on order books secured, the M&E business will remain the core business for the Group and is expected to contribute positively to the Group's results for the next 12 months.

As at the date of this Announcement, the Group has approximately S\$161.1 million worth of M&E engineering contracts on hand.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

No.

(c) Date payable

Not applicable.

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

No dividend has been declared as cash is prioritised for use in the Group's operations in the current economic climate.

13. If the Group has obtained a general mandate from shareholders for interested person transactions ("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 does not have any shareholders' mandate for interested person transactions pursuant to Rule 920 of the Listing Manual.

14. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720 (1).

The Company confirms compliance with Rule 720(1).

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

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

Primary reporting format - Business Segment - 2019

	Plumbing and sanitary	Electrical	Toilet Rental	Investment Holdings	Others	Elimination	Consolidated Total
	S\$	S\$	S\$	S\$	S\$	S\$	S\$
Revenue							
External sales	46,467,097	28,822,753	2,620,209	1,425,789	-	(14,630)	79,321,218
Results							
Segment result	3,680,258	(396,500)	(820,144)	2,004,128	-	(23,178)	4,444,564
Unallocated expenses							(1,948,374)
Net other operating income							2,000,843
Finance costs							(1,170,947)
Profit before income tax							3,326,086
Income tax expense							(952,613)
Profit for the year							2,373,473
Other Information							
Capital expenditures additions	496	495	32,423	-	139,878	-	173,292
Fee income from financial guarantee to associates and joint venture	-	-	-	-	254,804	(8,151)	246,653
Depreciation	15,503	15,503	254,539	-	614,721	-	900,266
Allowance for amounts due from associates	-	-	-	-	-	-	-
Loss allowance for trade receivables and contract assets	251,534	(171,555)	(1,544)	-	-	-	78,435
Assets							
Segment assets	23,569,109	9,160,207	2,240,327	77,730,958	-	(1,076)	112,699,525
Unallocated assets							9,198,821
Consolidated total assets							121,898,346
Liabilities							
Segment liabilities	18,390,147	15,076,557	2,954,644	-	-	(2,065,361)	34,355,987
Unallocated liabilities							17,782,958
Consolidated total liabilities							52,138,945

Primary reporting format - Business Segment - 2018 (Restated)

	Plumbing and sanitary	Electrical	Toilet Rental	Investment Holdings	Others	Elimination	Consolidated Total
	S\$	S\$	S\$	S\$	S\$	S\$	S\$
Revenue							
External sales	51,789,021	27,309,362	2,293,644	458,549	-	(6,238)	81,844,338
Results							
Segment result	4,015,887	700,222	(1,097,551)	(6,477,965)	-	65,610	(2,793,797)
Unallocated expenses							(2,078,932)
Net other operating income							2,103,296
Finance costs							(873,307)
Loss before income tax							(3,642,740)
Income tax expense							(1,205,338)
Loss for the year							(4,848,078)
Other Information							
Capital expenditures additions	3,000	3,000	126,605	-	1,770,682	-	1,903,287
Fee income from financial guarantee to associates and joint venture	-	-	-	-	343,247	(29,374)	313,873
Depreciation	20,959	20,959	267,736	-	534,455	-	844,109
Allowance for amounts due from associates	-	-	-	(7,130,000)	-	-	(7,130,000)
Loss allowance for trade receivables and contract assets	(161,049)	47,587	9,166	-	-	-	(104,296)
Assets							
Segment assets	22,235,321	9,584,458	2,475,914	80,858,034	-	(1,076)	115,152,651
Unallocated assets							12,793,710
Consolidated total assets							127,946,361
Liabilities							
Segment liabilities	19,149,315	13,941,447	2,901,965	-	-	(2,637,436)	33,355,291
Unallocated liabilities							25,189,542
Consolidated total liabilities							58,544,833

SEGMENTAL REPORTING

Secondary reporting format – Geographical Segments

	Revenue		Non-current assets		
	2019	2018	31.3.2019	31.3.2018	1.4.2017
	S\$	S\$	S\$	S\$	S\$
		(Restated)		(Restated)	(Restated)
Singapore	79,321,218	81,844,338	48,152,150	43,725,749	42,631,312

Non-current assets above excludes investments held in Thailand.

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

Please refer to Item 8.

17. A breakdown of sales

	Group		Increase/ (Decrease)
	2019	2018	
	S\$	S\$	
		(Restated)	
Sales reported for first half year	38,240,911	33,532,465	14%
Operating profit after tax for the first half year	1,385,628	2,195,008	-37%
Sales reported for second half year	41,080,307	48,311,873	-15%
Operating loss after tax for the second half year	987,845	(7,043,086)	-114%

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

Not applicable.

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.

Name	Age	Family relationship with any director 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
Chua Kim Hua	79	a) Brother of Chua Hai Kuey b) Father of Chua Eng Eng	Executive Chairman - February 2000	No change
Chua Hai Kuey	68	a) Brother of Chua Kim Hua b) Uncle of Chua Eng Eng	Executive Director - February 2000	No change
Chua Eng Eng	49	a) Daughter of Chua Kim Hua b) Niece of Chua Hai Kuey	Executive Director - November 2000 Managing Director - August 2002	No change
Chua Ling Kang	56	a) Nephew of Chua Kim Hua and Chua Hai Kuey b) Cousin of Chua Eng Eng	Senior Project Manager - 1995	No change
Chua Yean Cheng	48	a) Daughter of Chua Kim Hua b) Niece of Chua Hai Kuey c) Sister of Chua Eng Eng	Human Resource and Admin Manager - July 2011	No change

BY ORDER OF THE BOARD

Catherine Lim Siok Ching
Company Secretary

29 May 2019