

Fourth Quarter and Full Year Financial Statements And Dividend Announcement For The Year Ended 31 December 2019

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

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of Profit or Loss and Other Comprehensive Income

	Group			Group		
	4Q 2019 S\$'000	4Q 2018 S\$'000	Change %	31-Dec-19 S\$'000	31-Dec-18 S\$'000	Change %
Revenue	30,986	32,791	(5.5)	121,133	125,004	(3.1)
Cost of sales	(16,994)	(18,554)	(8.4)	(69,424)	(72,326)	(4.0)
Gross profit	13,992	14,237	(1.7)	51,709	52,678	(1.8)
Other income (Note 1)	625	199	n.m.	1,822	1,571	16.0
Interest income (Note 2)	198	176	12.5	852	681	25.1
Selling, distribution and outlet expenses	(8,263)	(8,581)	(3.7)	(32,958)	(33,746)	(2.3)
Administrative expenses	(3,891)	(4,450)	(12.6)	(16,135)	(16,242)	(0.7)
Other expenses (Note 3)	(289)	(235)	23.0	(622)	(634)	(1.9)
Finance costs (Note 4)	(295)	(63)	n.m.	(1,377)	(120)	n.m.
Share of results of equity-accounted investees, net of tax (Note 5)	(134)	45	n.m.	(283)	(198)	42.9
Profit before tax	1,943	1,328	46.3	3,008	3,990	(24.6)
Income tax expense (Note 6)	(49)	(251)	(80.5)	(603)	(765)	(21.2)
Profit for the period/year	1,894	1,077	75.9	2,405	3,225	(25.4)
Other comprehensive (loss)/income:						
<u>Items that are or may be reclassified subsequently to profit or loss:</u>						
Currency translation differences	(288)	(67)	n.m.	(81)	251	n.m.
Other comprehensive (loss)/income for the period/year, net of tax	(288)	(67)	n.m.	(81)	251	n.m.
Total comprehensive income for the period/year	1,606	1,010	59.0	2,324	3,476	(33.1)
Profit attributable to:						
Owners of the Company	1,756	948	85.2	1,973	2,666	(26.0)
Non-controlling interests	138	129	7.0	432	559	(22.7)
Profit for the period/year	1,894	1,077	75.9	2,405	3,225	(25.4)
Total comprehensive income attributable to:						
Owners of the Company	1,471	883	66.6	1,894	2,917	(35.1)
Non-controlling interests	135	127	6.3	430	559	(23.1)
Total comprehensive income for the period/year	1,606	1,010	59.0	2,324	3,476	(33.1)

n.m.: not meaningful

1(a)(ii) Notes to the Statement of Profit or Loss and Other Comprehensive Income:

	Group			Group		
	4Q 2019 S\$'000	4Q 2018 S\$'000	Change %	31-Dec-19 S\$'000	31-Dec-18 S\$'000	Change %
Profit for the period/year include the following:						
Finance costs:						
- borrowings	(1)	(9)	(88.9)	(6)	(23)	(73.9)
- interest portion on lease liabilities (Note 4)	(244)	-	n.a.	(1,142)	-	n.a.
- deemed finance costs	(50)	(54)	(7.4)	(229)	(97)	n.m.
Amortisation of intangible assets	(110)	(130)	(15.4)	(467)	(513)	(9.0)
Depreciation:						
- property, plant and equipment	(962)	(1,141)	(15.7)	(3,979)	(4,312)	(7.7)
- investment properties	(53)	(40)	32.5	(209)	(161)	29.8
- right-of-use assets (Note 4)	(4,478)	-	n.a.	(17,566)	-	n.a.
Foreign exchange loss, net (Note 3)	(12)	(39)	(69.2)	(122)	(198)	(38.4)
Property, plant and equipment written off (Note 3)	(32)	(18)	77.8	(220)	(241)	(8.7)
Write back of allowance for impairment on trade receivables	-	-	n.a.	-	3	(100.0)
Allowance for impairment loss on property, plant and equipment (Note 3)	(103)	(160)	(35.6)	(103)	(160)	(35.6)
Gain/(Loss) on disposal of property, plant and equipment, net	-	-	n.a.	1	(2)	n.m.
Write-off for inventories	(2)	(4)	(50.0)	(66)	(19)	n.m.
Bad trade debts written off	(2)	(1)	100.0	(2)	(8)	(75.0)
Allowances for impairment on non-trade receivables	(3)	(3)	-	(3)	(3)	-
Gain on disposal of other investment	-	7	(100.0)	-	7	(100.0)
Reversal of impairment loss on other investment	-	1	(100.0)	-	1	(100.0)
Fair value gain on call option (Note 1)	428	-	n.a.	428	-	n.a.
Modification loss on put liability (Note 3)	(139)	-	n.a.	(139)	-	n.a.
Over/(Under) provision for tax of prior years (Note 6)	29	(23)	n.m.	32	119	(73.1)

Note:

- (1) The increase in other income for 4Q 2019 and FY 2019 was due mainly to recognition of fair value gain on call option.
- (2) The increase in interest income for FY 2019 was due mainly to interest income from loans to the joint venture company.
- (3) Other expenses for 4Q 2019 and FY 2019 comprised mainly modification loss on put liability, foreign exchange loss, write-off of plant and equipment and impairment provision for plant and equipment.
- (4) With effect from the financial year beginning 1 January 2019, the Group has adopted the new SFRS(I) 16 – Leases (refer to paragraph 5 on page 7 for more details).
- (5) The increase in share of losses of equity-accounted investees for 4Q 2019 and FY 2019 was mainly attributed to share of losses from the joint venture arising mainly from finance costs.
- (6) The income tax expenses of the Group for 4Q 2019 was reduced due mainly to deferred tax adjustments. The effective tax rate of the Group for FY 2019 was higher due mainly to the tax effect of losses incurred by certain companies of the Group which could not be set off against the taxable profit of the Group.

n.a.: not applicable
n.m.: not meaningful

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.

Statements of financial position

	Group		Company	
	31-Dec-19 S\$'000	31-Dec-18 S\$'000	31-Dec-19 S\$'000	31-Dec-18 S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	20,329	22,606	6,707	8,006
Right-of-use assets (Note 4)	35,181	-	31,060	-
Investment properties	4,310	3,007	927	964
Intangible assets	16,121	16,365	-	-
Investments in subsidiaries	-	-	49,098	47,988
Interests in equity-accounted investees	18,482	17,547	-	-
Financial asset at FVOCI	35	35	35	35
Loans to subsidiaries	-	-	11,066	10,233
Loans to equity-accounted investees	4,748	4,245	-	-
Other asset	809	381	809	381
Total non-current assets	100,015	64,186	99,702	67,607
Current assets				
Inventories	2,683	2,779	1,512	1,588
Trade and other receivables	8,996	9,742	5,672	6,181
Fixed deposits	25,986	28,653	12,698	15,745
Cash and bank balances	19,999	20,657	4,630	6,353
Total current assets	57,664	61,831	24,512	29,867
Total assets	157,679	126,017	124,214	97,474
EQUITY AND LIABILITIES				
Equity				
Share capital	43,299	43,299	43,299	43,299
Other reserves	(1,617)	(1,538)	-	-
Accumulated profits	52,574	54,621	36,715	40,120
Equity attributable to owners of the Company	94,256	96,382	80,014	83,419
Non-controlling interests	4,210	3,789	-	-
Total equity	98,466	100,171	80,014	83,419
Non-current liabilities				
Borrowings	-	321	-	-
Lease liabilities (Note 4)	19,375	-	17,792	-
Deferred tax liabilities	2,603	2,884	194	394
Provision	1,077	1,121	705	702
Other liabilities	3,979	3,640	1,267	1,700
Total non-current liabilities	27,034	7,966	19,958	2,796
Current liabilities				
Trade and other payables	13,514	14,936	9,433	10,097
Provisions	1,618	1,588	1,124	1,130
Borrowings	276	380	-	-
Lease liabilities (Note 4)	16,006	-	13,596	-
Tax payable	765	976	89	32
Total current liabilities	32,179	17,880	24,242	11,259
Total liabilities	59,213	25,846	44,200	14,055
Total equity and liabilities	157,679	126,017	124,214	97,474

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

As at 31-Dec-19	
Secured	Unsecured
S\$'000	S\$'000
363	-

As at 31-Dec-18	
Secured	Unsecured
S\$'000	S\$'000
380	-

Amount repayable after one year

As at 31-Dec-19	
Secured	Unsecured
S\$'000	S\$'000
233	-

As at 31-Dec-18	
Secured	Unsecured
S\$'000	S\$'000
321	-

1(b)(ii) **Details of collaterals**

The Group's borrowing facilities are secured by

- i) legal charges over certain properties and pledges of fixed deposits of the Group's Malaysian subsidiary, corporate guarantees from a wholly-owned subsidiary of the Company and the Company; and
- ii) charge on plant and equipment by a bank for financing.

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.**

Statement of cash flows

	Group		Group	
	4Q 2019 S\$'000	4Q 2018 S\$'000	31-Dec-19 S\$'000	31-Dec-18 S\$'000
Cash flows from operating activities				
Profit before tax	1,943	1,328	3,008	3,990
<i>Adjustments for:</i>				
Depreciation and amortisation	5,603	1,311	22,221	4,986
Gain on disposal of other investment	-	(7)	-	(7)
(Gain)/Loss on disposal of property, plant and equipment, net	-	-	(1)	2
Property, plant and equipment written off	32	18	220	241
Allowance for impairment loss for property, plant and equipment	103	160	103	160
Reversal of impairment loss on other investment	-	(1)	-	(1)
Share of results of equity-accounted investees	134	(45)	283	198
Fair value gain on call option	(428)	-	(428)	-
Modification loss on put liability	139	-	139	-
Interest expenses from borrowings	1	9	6	23
Interest portion on lease liabilities	244	-	1,142	-
Deemed finance costs	50	54	229	97
Interest income	(198)	(176)	(852)	(681)
Operating cash flows before movements in working capital	7,623	2,651	26,070	9,008
<i>Changes in working capital:</i>				
Inventories	(495)	(452)	96	(52)
Trade and other receivables	508	1,518	288	1,025
Trade and other payables	(1,472)	(506)	(1,400)	(1,440)
Provisions	(50)	(22)	(130)	194
Currency translation differences	17	(80)	141	107
Cash generated from operations	6,131	3,109	25,065	8,842
Income tax paid	(147)	(120)	(836)	(1,176)
Net cash generated from operating activities	5,984	2,989	24,229	7,666
Cash flows from investing activities				
Interest received	128	176	584	681
Addition of intangible assets	(223)	-	(223)	-
Purchase of property, plant and equipment	(1,542)	(724)	(2,892)	(2,200)
Proceeds from disposal of property, plant and equipment	-	-	21	7
Acquisition of a subsidiary, net of cash acquired	-	(8,944)	-	(8,944)
Deposit refunded for ceased project	-	-	-	4,050
Payment for acquisition of a land plot	(480)	-	(1,166)	(274)
Proceeds from disposal of other investment	-	8	-	8
Investment in equity-accounted investees	-	-	-	(331)
Loans to equity-accounted investees	(726)	(2,695)	(1,750)	(3,490)
Net cash used in investing activities	(2,843)	(12,179)	(5,426)	(10,493)
Cash flows from financing activities				
Interest paid for borrowings	(1)	(9)	(6)	(23)
Interest portion of lease liabilities paid	(244)	-	(1,142)	-
Proceeds from/(Repayment of) borrowings	133	278	(22)	559
Payment of lease liabilities	(4,316)	-	(16,746)	-
Funds (placed in)/withdrew from non-liquid deposits	(1)	(1)	3	(3)
Dividend paid to shareholders	-	-	(4,020)	(5,025)
Dividend paid to non-controlling interests	-	-	(9)	-
Net cash (used in)/generated from financing activities	(4,429)	268	(21,942)	(4,492)
Net decrease in cash and cash equivalents	(1,288)	(8,922)	(3,139)	(7,319)
Cash and cash equivalents at beginning of financial period/year	47,398	58,178	49,183	56,487
Effect of exchange rate fluctuations on cash and cash equivalents	(249)	(73)	(183)	15
Cash and cash equivalents at end of financial period/year	45,861	49,183	45,861	49,183
Cash and cash equivalents comprise:				
Fixed deposits	25,986	28,653	25,986	28,653
Cash and bank balances	19,999	20,657	19,999	20,657
	45,985	49,310	45,985	49,310
Less: funds placed in non-liquid deposits	(124)	(127)	(124)	(127)
	45,861	49,183	45,861	49,183

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	Total Equity S\$'000	Equity attributable to owners of the Company	Share Capital S\$'000	Other Reserves S\$'000	Accumulated Profits S\$'000	Non-controlling Interests S\$'000
Balance at 1 January 2019	100,171	96,382	43,299	(1,538)	54,621	3,789
Profit for the year	2,405	1,973	-	-	1,973	432
<i>Other comprehensive loss:</i>						
Currency translation differences	(66)	(64)	-	(64)	-	(2)
Share of other comprehensive loss of equity-accounted investees	(15)	(15)	-	(15)	-	-
Other comprehensive loss for the year, net of tax	(81)	(79)	-	(79)	-	(2)
Total comprehensive income/(loss) for the year	2,324	1,894	-	(79)	1,973	430
Distributions to owners of the Company						
Tax exempt (1-tier) final dividend of 1.5 cents per share for the financial year ended 31 December 2018	(3,015)	(3,015)	-	-	(3,015)	-
Tax exempt (1-tier) interim dividend of 0.5 cents per share for the financial year ended 31 December 2019	(1,005)	(1,005)	-	-	(1,005)	-
Dividend paid to non-controlling interests	(9)	-	-	-	-	(9)
Total distributions to owners of the Company	(4,029)	(4,020)	-	-	(4,020)	(9)
Balance at 31 December 2019	98,466	94,256	43,299	(1,617)	52,574	4,210
Balance at 1 January 2018	101,453	98,490	43,299	(2,211)	57,402	2,963
Profit for the year	3,225	2,666	-	-	2,666	559
<i>Other comprehensive income:</i>						
Currency translation differences	251	251	-	251	-	-
Other comprehensive income for the year, net of tax	251	251	-	251	-	-
Total comprehensive income for the year	3,476	2,917	-	251	2,666	559
Distributions to owners of the Company						
Tax exempt (1-tier) final dividend of 1.5 cents per share for the financial year ended 31 December 2017	(3,015)	(3,015)	-	-	(3,015)	-
Tax exempt (1-tier) interim dividend of 1.0 cent per share for the financial year ended 31 December 2018	(2,010)	(2,010)	-	-	(2,010)	-
Capitalisation of accumulated profits	-	-	-	422	(422)	-
Total distributions to owners of the Company	(5,025)	(5,025)	-	422	(5,447)	-
Contributions from owners						
Waiver of debts	267	-	-	-	-	267
Total contributions with owners	267	-	-	-	-	267
Total transactions with owners of the Company	(4,758)	(5,025)	-	422	(5,447)	267
Balance at 31 December 2018	100,171	96,382	43,299	(1,538)	54,621	3,789

1(d)(i) **Statement of changes in equity** (cont'd)

Company	Total Equity S\$'000	Share Capital S\$'000	Accumulated Profits S\$'000
Balance at 1 January 2019	83,419	43,299	40,120
Net Profit and total comprehensive income for the year	615	-	615
Tax exempt (1-tier) final dividend of 1.5 cents per share for the financial year ended 31 December 2018	(3,015)	-	(3,015)
Tax exempt (1-tier) interim dividend of 0.5 cents per share for the financial year ended 31 December 2019	(1,005)	-	(1,005)
Balance at 31 December 2019	80,014	43,299	36,715
Balance at 1 January 2018	88,302	43,299	45,003
Net Profit and total comprehensive income for the year	142	-	142
Tax exempt (1-tier) final dividend of 1.5 cents per share for the financial year ended 31 December 2017	(3,015)	-	(3,015)
Tax exempt (1-tier) interim dividend of 1.0 cent per share for the financial year ended 31 December 2018	(2,010)	-	(2,010)
Balance at 31 December 2018	83,419	43,299	40,120

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 the end of the corresponding period of the immediately preceding financial year.

There were no movements in the share capital of the Company from 30 September 2019 to 31 December 2019.

There were no outstanding convertibles instruments which may be converted to shares as at 31 December 2019 and 31 December 2018.

The company did not hold any treasury shares and no subsidiary holdings as at 31 December 2019 and 31 December 2018.

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

31-Dec-19 '000	31-Dec-18 '000
200,996	200,996

Total number of issued shares excluding treasury shares

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

Not applicable.

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.

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 modifications or emphasis of a matter).

Not applicable.

3A Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

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

Not applicable.

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

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 paragraph 5, the Group has applied the same accounting policies and methods of computation as in the most recently audited financial statements for the year ended 31 December 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 adopted all applicable new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)") and Interpretations of SFRS(I) ("SFRS(I) INT") which are effective for its financial year beginning 1 January 2019.

The adoption of the new and revised SFRS(I) and SFRS(I) INT has no material effect on the financial statements, except as described below:

SFRS(I) 16: Leases

SFRS(I) 16 introduces a single lessee accounting model. A lessee is required to recognise all leases on its statements of financial position to reflect its rights to use the leased assets ("ROU" assets) and the associated obligations for lease payments (lease liabilities), with limited exemptions for short term leases (less than 12 months) and leases of low value items. In addition, SFRS(I) 16 replaces the straight-line operating lease expenses with depreciation charge of ROU assets and interest expenses on lease liabilities.

The Group has adopted SFRS(I) 16 using the modified retrospective approach as of 1 January 2019, with no restatement of comparative information.

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 ordinary share for the period/year based on net profit attributable to shareholders

i) Based on weighted average number of ordinary shares on issue

ii) On a fully diluted basis

Group figures			
4Q 2019	4Q 2018	31-Dec-19	31-Dec-18
cents	cents	cents	cents
0.87	0.47	0.98	1.33
0.87	0.47	0.98	1.33

7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:- (a) current financial period reported on; and (b) immediately preceding financial year.

Net Asset Value per ordinary share based on total number of issued shares excluding treasury shares at the end of the financial year (cents)

Group		Company	
31-Dec-19	31-Dec-18	31-Dec-19	31-Dec-18
46.9	48.0	39.8	41.5

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

8(a) Review of the performance of the group.

4Q 2019 vs 4Q 2018

Group revenue for the quarter ended 31 December 2019 ("4Q 2019") declined by almost 6% to about \$31.0 million as compared to \$32.8 million in 4Q 2018. The decrease was mainly attributable to the reduction of outlets and catering business sales.

Group profit before tax for 4Q 2019 increased by 46% to \$1.9 million when compared to \$1.3 million in 4Q 2018. The increased in profit was largely attributed to reduction in operating expenses and fair value gain on call option.

The Group recorded a profit after tax of about \$1.9 million for 4Q 2019, as compared to about \$1.1 million in 4Q 2018. The lower income tax expense was mainly due to deferred tax adjustments taken up in 4Q 2019. After deducting the share of profit attributable to non-controlling interests, the Group recorded a net profit attributable to owners of the Company of about \$1.8 million for 4Q 2019 as compared to about \$0.9 million in 4Q 2018.

FY 2019 vs FY 2018

Group revenue for FY 2019 was 3% lower at \$121.1 million when compared to \$125.0 million in FY 2018, mainly attributable to the reduction of outlets.

Group profit before tax for FY 2019 was lower at \$3.0 million, a decrease of 25% when compared to about \$4.0 million in FY 2018. Apart from the weaker operating performance, the Group's expenses increased by about \$0.6 million as a result of adopting SFRS(I) 16.

The Group recorded a profit after tax of \$2.4 million for FY 2019, compared to \$3.2 million in FY 2018. After deducting the share of profit attributable to non-controlling interests, the Group recorded a net profit attributable to owners of the Company of almost \$2.0 million compared to \$2.7 million in FY 2018.

8(b) Review of Financial Position

Non-current assets

As at 31 December 2019, the Group's non-current assets increased by \$35.8 million from \$64.2 million as at 31 December 2018 to \$100.0 million primarily due to the recognition of the ROU assets of \$35.2 million arising from the adoption of SFRS(I) 16 on 1 January 2019. Other increases in non-current assets included increase in investment property of \$1.3 million, increases in interests and loans to equity-accounted investees of \$1.4 million; partly offset by reduction in property, plant and equipment of \$2.3 million.

At the Company level, non-current assets increased by \$32.1 million from \$67.6 million to \$99.7 million primarily due to the recognition of ROU assets of \$31.1 million.

Current assets

As at 31 December 2019, the Group's current assets decreased by \$4.1 million from \$61.8 million to \$57.7 million. The decrease was due mainly to decrease in cash and cash equivalents of \$3.3 million and trade and other receivables of \$0.7 million.

At the Company level, current assets decreased by \$5.4 million from \$29.9 million to \$24.5 million as at 31 December 2019. The decrease was due mainly to decrease in cash and cash equivalents of \$4.8 million to fund the Company's investing activities and distributions to shareholders.

Non-current liabilities

As at 31 December 2019, the Group's non-current liabilities increased from \$8.0 million as at 31 December 2018 to \$27.0 million due mainly to the recognition of lease liabilities of \$19.4 million following the adoption of SFRS(I) 16.

At the Company level, the increase in non-current liabilities from \$2.8 million to \$20.0 million was due to the recognition of lease liabilities of \$17.8 million. The reduction in deferred tax liability arose from deferred tax adjustments while the decrease in other liabilities was due to fair value gain on put option.

Current liabilities

The Group's current liabilities increased from \$17.9 million as at 31 December 2018 to \$32.2 million as at 31 December 2019. The increase was primarily due to the recognition of lease liabilities of \$16.0 million with the adoption of SFRS(I) 16, partly offset by the decrease in trade and other payables of \$1.4 million; and tax payable of \$0.2 million.

At the Company level, the increase from \$11.3 million to \$24.2 million was due to the recognition of lease liabilities of \$13.6 million, partly offset by the decrease in trade and other payables of \$0.7 million.

8(c) Cash Flow

The Group generated net cash from operating activities of \$6.0 million in 4Q 2019. Net cash used in investing activities of \$2.8 million was mainly for (i) the purchase of plant and equipment of \$1.5 million, (ii) final payment of \$0.5 million for the acquisition of the land plot in Bintan, and (iii) loans to equity-accounted investees of \$0.7 million. Net cash used in financing activities of \$4.4 million was mainly for the payment of interest and lease liabilities of \$4.6 million. Overall, the cash and cash equivalents of the Group decreased by \$1.3 million in 4Q 2019.

The Group generated net cash from operating activities of about \$24.0 million for FY 2019. Net cash used in investing activities of \$5.4 million was mainly attributable to (i) purchase of plant and equipment of \$2.9 million, (ii) payments of \$1.2 million for the land plot in Bintan, and (iii) loans to equity-accounted investees of \$1.8 million; partly offset by interest income of \$0.6 million. Net cash used in financing activities of \$21.9 million was mainly attributable to the payment of interest and lease liabilities of \$17.9 million and payment of dividends to shareholders of \$4.0 million. Overall, the cash and cash equivalents of the Group decreased by \$3.1 million, ending the period with cash and cash equivalents of \$45.9 million.

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

The current announced results are in line with the prospect statement previously disclosed in the Group's 3Q 2019 results announcement made on 13 November 2019.

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 expects the operating environment of the food and beverage industry to be challenging, aggravated by the recent outbreak of COVID-19. The Group is cautious of its business outlook amidst the adverse impact of the virus outbreak on consumer spending and the pressure with intense competition. The Group will stay vigilant and focus on managing its operations to mitigate the impact of the current situation. If the difficult operating conditions continue, it would adversely impact the Group's performance.

For the property business, plans for development are underway for some of the property investments. The Group does not expect any material contribution from this business in the next 12 months.

11 Dividend

(a) Current Financial Period Reported On

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

Name of dividend	Interim	Final
Dividend type	Cash	Cash
Dividend per share	0.5 cents	1 cent
Tax rate	Tax-exempt (1-tier)	Tax-exempt (1-tier)

(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	Interim	Final
Dividend type	Cash	Cash
Dividend per share	1 cent	1.5 cents
Tax rate	Tax-exempt (1-tier)	Tax-exempt (1-tier)

(c) Date payable

The proposed dividend payable date shall be announced later.

(d) Books closure date

The books closure date shall be announced later.

12 If no dividend has been declared/(recommended), a statement to that effect and the reason(s) for the decision.

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 from shareholders for Interested Person Transactions ("IPT").

14 Negative confirmation pursuant to Rule 705(5).

Not applicable.

15 Confirmation that the issuer has procured undertakings from all its directors and executive officers pursuant to Rule 720(1) of the SGX 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) pursuant to Rule 720(1) of the SGX Listing Manual.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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.

(a) Business segments

2019	Food and Beverage	Property Investments	Others	Eliminations /Adjustment	Group
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue from external customers	121,084	-	49	-	121,133
Inter-segment revenue	-	-	2,231	(2,231)	-
Total revenue	121,084	-	2,280	(2,231)	121,133
Segment results	5,751	361	(1,733)	-	4,379
Finance costs	(1,113)	(2)	(262)	-	(1,377)
Share of results of equity-accounted investees	-	(283)	-	-	(283)
Others	-	-	-	289	289
Profit before tax	4,638	76	(1,995)	289	3,008
Income tax expense	-	-	-	-	(603)
Profit after tax	-	-	-	-	2,405
Non-controlling interests	-	-	-	-	(432)
Net profit attributable to owners of the Company	-	-	-	-	1,973
Assets					
Investment in equity-accounted investees	-	18,482	-	-	18,482
Segment assets	125,632	11,386	19,341	(17,971)	138,388
Unallocated assets	-	-	-	-	809
Total assets	-	-	-	-	157,679
Liabilities					
Segment Liabilities	58,642	16,422	9,943	(33,141)	51,866
Unallocated liabilities	-	-	-	-	7,347
Total liabilities	-	-	-	-	59,213
Additions to non-current assets	53,590	1,511	1,321	-	56,422
Depreciation and amortisation	21,578	209	434	-	22,221
Allowance for impairment loss for property, plant and equipment	103	-	-	-	103
Other non-cash expenses	219	-	(60)	-	159
2018					
Revenue from external customers	124,949	-	55	-	125,004
Inter-segment revenue	-	-	2,287	(2,287)	-
Total revenue	124,949	-	2,342	(2,287)	125,004
Segment results	5,902	(131)	(1,463)	-	4,308
Finance costs	(23)	-	(97)	-	(120)
Share of results of equity-accounted investees	-	(198)	-	-	(198)
Profit before tax	5,879	(329)	(1,560)	-	3,990
Income tax expense	-	-	-	-	(765)
Profit after tax	-	-	-	-	3,225
Non-controlling interests	-	-	-	-	(559)
Net profit attributable to owners of the Company	-	-	-	-	2,666
Assets					
Investment in equity-accounted investees	-	17,547	-	-	17,547
Segment assets	92,787	9,816	17,576	(12,090)	108,089
Unallocated assets	-	-	-	-	381
Total assets	-	-	-	-	126,017
Liabilities					
Segment Liabilities	20,100	13,838	9,375	(26,418)	16,895
Unallocated liabilities	-	-	-	-	8,951
Total liabilities	-	-	-	-	25,846
Additions to non-current assets	2,196	-	4	-	2,200
Depreciation and amortisation	4,634	161	191	-	4,986
Reversal of impairment loss on other investment	-	-	(1)	-	(1)
Other non-cash expenses	403	-	90	-	493

16 (b) Geographical segments

	Sales to external customers		Non-current assets	
	31-Dec-19	31-Dec-18	31-Dec-19	31-Dec-18
	S\$'000	S\$'000	S\$'000	S\$'000
Singapore	105,155	108,859	66,131	35,503
Malaysia	15,938	16,091	17,001	15,346
Rest of Asia	40	54	1,711	342
	121,133	125,004	84,843	51,191

16 (c) Information about major customers

The Group did not have any single customer contributing 10% or more to its revenue for the financial years 2019 and 2018.

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 paragraph 8.

18 **A breakdown of sales.**

	Group		
	31-Dec-19	31-Dec-18	Change
	S\$'000	S\$'000	%
Sales reported for first half year	60,641	60,247	0.7
Operating profit after tax before deducting non-controlling interests reported for first half year	71	1,025	(93.1)
Sales reported for second half year	60,492	64,757	(6.6)
Operating profit after tax before deducting non-controlling interests reported for second half year	2,334	2,200	6.1

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

	Total Annual Dividend	
	Latest	Previous
	Full Year	Full Year
	S\$'000	S\$'000
Ordinary	4,020	5,025
Preference	-	-
Total	4,020	5,025

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Chua Tiang Choon, Keith	66	Brother of the Non-Executive Director and Substantial Shareholder, Mr Allan Chua Tiang Kwang. Brother of the Substantial Shareholder, Mr Chua Tiang Chuan.	Executive Chairman since 1 August 2004. Jointly responsible with the Managing Director, Mr Ang Yee Lim, to oversee ABR Group's overall business operations in the region, formulate long-term strategies and spearhead the Group's business expansion plans.	NIL
Ang Yee Lim	68	Uncle of the Executive Director, Mr Ang Lian Seng. Cousin of the Executive Director, Mr Leck Kim Seng.	Managing Director since 1 July 2004. Jointly responsible with the Executive Chairman, Mr Chua Tiang Choon, Keith, to oversee ABR Group's overall business operations in the region, formulate long-term strategies and spearhead the Group's business expansion plans.	NIL
Leck Kim Seng	65	Cousin of the Managing Director and Substantial Shareholder, Mr Ang Yee Lim. Uncle of the Executive Director, Mr Ang Lian Seng.	Executive Director since 20 March 2002. Overseeing the Company's operations.	NIL
Ang Lian Seng	55	Nephew of the Managing Director and Substantial Shareholder, Mr Ang Yee Lim. Nephew of the Executive Director, Mr Leck Kim Seng.	Executive Director since 4 May 2001. Overseeing the Company's operations.	NIL
Allan Chua Tiang Kwang	64	Brother of the Executive Chairman and Substantial Shareholder, Mr Chua Tiang Choon, Keith. Brother of the Substantial Shareholder, Mr Chua Tiang Chuan.	Non-Executive Director since 18 February 2002.	NIL
Leck Kim Song	62	Brother of the Executive Director, Mr Leck Kim Seng. Uncle of the Executive Director, Mr Ang Lian Seng. Cousin of the Managing Director and Substantial Shareholder, Mr Ang Yee Lim.	General Manager since 1 November 2005. Overseeing Lawry's Group of Companies' operations.	NIL
Teo Tong Loong	32	Son-in-law of the Executive Chairman and Substantial Shareholder, Mr Chua Tiang Choon, Keith. Nephew-in-law of the Non-Executive Director and Substantial Shareholder, Mr Allan Chua Tiang Kwang.	Group Business Development Director since 19 March 2019. Overseeing the branding and business development of the F&B Division for the Group.	NIL

BY ORDER OF THE BOARD

Ang Lian Seng
Executive Director
26 February 2020