



**JACKSPEED CORPORATION LIMITED**

(Incorporated in Singapore)

Registration No. 199300300W

**FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT FOR THE FULL YEAR ENDED 28 FEBRUARY 2019**

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

1(a)(i) 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 Comprehensive Income**

	Notes	Group		
		Year Ended		
		28 Feb 2019 S\$'000	28 Feb 2018 S\$'000	Change %
Revenue		46,682	52,448	(11.0)
Cost of sales	1	(29,517)	(36,160)	(18.4)
Gross profit		17,165	16,288	5.4
<b><u>Other items of income</u></b>				
Interest income		53	31	71.0
Other gains	2	54	188	(71.3)
<b><u>Other items of expenses</u></b>				
Marketing and distribution costs		(436)	(482)	(9.5)
Administrative expenses	1	(7,804)	(7,390)	5.6
Finance costs - interest expense	1	(343)	(251)	36.7
Other expenses	2	(888)	(484)	83.5
Share of profit from equity-accounted associate		1,077	161	568.9
Share of loss from equity-accounted joint venture		(1)	(1)	0.0
<b>Profit before tax from continuing operations</b>		<b>8,877</b>	<b>8,060</b>	<b>10.1</b>
Income tax expense		(1,928)	(1,667)	15.7
<b>Profit net of tax from continuing operations</b>		<b>6,949</b>	<b>6,393</b>	<b>8.7</b>
Profit attributable to owners of the parent, net of tax		5,776	5,574	3.6
Profit attributable to non-controlling interests, net of tax		1,173	819	43.2
		<b>6,949</b>	<b>6,393</b>	<b>8.7</b>
<b><u>Other comprehensive gain, net of tax</u></b>				
<b>Items that may be reclassified subsequently to profit or loss:</b>				
Fair value loss on available-for-sale financial assets		(3)	(2)	50.0
Exchange differences on translating foreign operations		475	610	(22.1)
<b>Other comprehensive gain, net of tax</b>		<b>472</b>	<b>608</b>	<b>(22.4)</b>
<b>Total comprehensive income</b>		<b>7,421</b>	<b>7,001</b>	<b>6.0</b>
<b><u>Total comprehensive income:</u></b>				
Attributable to owners of the parent, net of tax		6,248	6,182	1.1
Attributable to non-controlling interests, net of tax		1,173	819	43.2
		<b>7,421</b>	<b>7,001</b>	<b>6.0</b>

**Note 1****Comparative figures**

The Group has reclassified certain comparative figures in the Statement of Comprehensive Income. The depreciation expense of \$1,343,000 and interest expense of \$1,736,000 have been reclassified from "Administrative expenses" and "Finance costs - interest expense" respectively to "Cost of sales" to more appropriately reflect the Group's gross profit.

Statement of Comprehensive Income

Cost of sales  
Administrative expenses  
Finance costs - interest expense

Year Ended 28 Feb 2018		
After Reclassification S\$'000	Before Reclassification S\$'000	Difference S\$'000
(36,160)	(33,081)	3,079
(7,390)	(8,733)	(1,343)
(251)	(1,987)	(1,736)

Reclassifications were made to the Consolidated Statement of Cash Flows as a result of the changes aforementioned.

Consolidated Statement of Cash Flows

Interest expense  
Net cash flows from operating activities  
Interest paid  
Net cash flows used in financing activities

Year Ended 28 Feb 2018		
After Reclassification S\$'000	Before Reclassification S\$'000	Difference S\$'000
251	1,987	(1,736)
10,429	12,165	(1,736)
(251)	(1,987)	1,736
(1,100)	(2,836)	1,736

**Note 2****Other gains and (other expenses)**

Allowance for impairment of trade receivables  
Allowance for impairment of finance lease receivables  
Allowance for impairment of other receivables  
Bad debts written off - trade receivables  
Bad debts written off - finance lease receivables  
Foreign exchange adjustment loss  
(Loss) / Gain on disposal of plant and equipment  
Government grant income  
Allowance for impairment of plant and equipment  
Impairment loss on goodwill of a subsidiary  
Net  
  
Presented in profit or loss as:  
Other gains  
Other expenses  
Net

Year Ended		
28 Feb 2019 S\$'000	28 Feb 2018 S\$'000	Change %
-	(3)	(100.0)
(100)	(76)	31.6
(157)	-	n.m.
(23)	(33)	(30.3)
(50)	-	n.m.
(156)	(372)	(58.1)
(2)	136	(101.5)
54	52	3.8
(2)	-	n.m.
(398)	-	n.m.
<b>(834)</b>	<b>(296)</b>	<b>181.8</b>
54	188	(71.3)
(888)	(484)	83.5
<b>(834)</b>	<b>(296)</b>	<b>181.8</b>

n.m. : not meaningful

- 1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial year reported on and the corresponding period of the immediately preceding financial year:-

Depreciation of property, plant and equipment  
Depreciation of investment property  
Total depreciation expense

Year Ended		
28 Feb 2019 S\$'000	28 Feb 2018 S\$'000	Change %
2,140	2,059	3.9
22	21	4.8
<b>2,162</b>	<b>2,080</b>	<b>3.9</b>

- 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**

	<b>Group</b>		<b>Company</b>	
	<b>As at</b>		<b>As at</b>	
	<b>28 Feb 2019</b> S\$'000	<b>28 Feb 2018</b> S\$'000	<b>28 Feb 2019</b> S\$'000	<b>28 Feb 2018</b> S\$'000
<b>ASSETS</b>				
<b><u>Non-current assets</u></b>				
Investment property	-	807	-	-
Property, plant and equipment	17,560	10,741	148	469
Intangible assets	441	860	-	-
Investments in subsidiaries	-	-	16,338	16,338
Investment in an associate	2,845	3,645	3,024	3,484
Investment in a joint venture	-	1	- *	- *
Finance lease receivables	65,919	39,988	-	-
Available-for-sale financial assets	264	267	264	267
Deferred tax assets	109	109	-	-
<b>Total non-current assets</b>	<b>87,138</b>	<b>56,418</b>	<b>19,774</b>	<b>20,558</b>
<b><u>Current assets</u></b>				
Cash and cash equivalents	24,316	18,365	9,908	8,257
Inventories	2,495	3,492	-	-
Trade and other receivables	20,825	24,063	16,662	22,788
Finance lease receivables	22,079	16,150	-	-
Other assets	1,972	1,446	485	34
<b>Total current assets</b>	<b>71,687</b>	<b>63,516</b>	<b>27,055</b>	<b>31,079</b>
Non-current asset classified as held-for-sale	771	-	-	-
<b>Total assets</b>	<b>159,596</b>	<b>119,934</b>	<b>46,829</b>	<b>51,637</b>
<b>EQUITY AND LIABILITIES</b>				
<b><u>Equity attributable to owners of the parent</u></b>				
Share capital	36,865	36,865	36,865	36,865
Treasury shares	(50)	-	(50)	-
Retained earnings	17,542	13,275	169	692
Other reserves	(1,168)	(1,640)	(11)	(8)
<b>Equity attributable to owners of the parent</b>	<b>53,189</b>	<b>48,500</b>	<b>36,973</b>	<b>37,549</b>
Non-controlling interests	4,807	4,034	-	-
<b>Total equity</b>	<b>57,996</b>	<b>52,534</b>	<b>36,973</b>	<b>37,549</b>
<b><u>Non-current liabilities</u></b>				
Deferred tax liabilities	59	71	-	-
Other financial liabilities	1,138	2,112	-	-
<b>Total non-current liabilities</b>	<b>1,197</b>	<b>2,183</b>	<b>-</b>	<b>-</b>
<b><u>Current liabilities</u></b>				
Income tax payable	1,205	1,047	-	-
Trade and other payables	9,811	12,347	8,549	13,897
Other financial liabilities	89,387	51,823	1,307	191
<b>Total current liabilities</b>	<b>100,403</b>	<b>65,217</b>	<b>9,856</b>	<b>14,088</b>
<b>Total liabilities</b>	<b>101,600</b>	<b>67,400</b>	<b>9,856</b>	<b>14,088</b>
<b>Total equity and liabilities</b>	<b>159,596</b>	<b>119,934</b>	<b>46,829</b>	<b>51,637</b>

\* Cost of investment is less than \$1,000.

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

Amount repayable in one year or less, or on demand

<b>As at 28 Feb 2019</b>		<b>As at 28 Feb 2018</b>	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
88,080	1,307	51,632	191

Amount repayable after one year

<b>As at 28 Feb 2019</b>		<b>As at 28 Feb 2018</b>	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
1,138	-	2,112	-

**Details of any collaterals**

The Group's borrowings are secured by the lessors' charges over the leased assets and covered by corporate guarantees from the Company and personal guarantees from non-controlling interests.

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

**Consolidated Statement of Cash Flows**

**Cash flows from operating activities**

Profit before tax

Adjustments for:

Interest income

Interest expense

Depreciation of property, plant and equipment

Depreciation of investment property

Loss / (Gain) on disposal of plant and equipment

Impairment loss on goodwill of a subsidiary

Allowance for impairment of plant and equipment

Share of profit from equity-accounted associate

Share of loss from equity-accounted joint venture

**Operating cash flows before changes in working capital**

Cash restricted in use

Inventories

Trade and other receivables

Other assets

Finance lease receivables

Trade and other payables

**Net cash flows from operations before tax**

Income taxes paid

**Net cash flows from operating activities**

**Cash flows from investing activities**

Proceeds from disposal of plant and equipment

Purchase of property, plant and equipment

Other receivables

Dividends received from an associate

Interest received

**Net cash flows from / (used in) investing activities**

**Cash flows from financing activities**

Net proceeds from issuance of ordinary shares

Purchase of treasury shares

Dividends paid on ordinary shares

Dividends paid to non-controlling interests

Increase in other financial liabilities

Finance lease repayments

Interest paid

**Net cash flows used in financing activities**

**Net increase in cash and cash equivalents**

Cash and cash equivalents, statement of cash flows, beginning balance

Effect of exchange rate changes on cash and cash equivalents

**Cash and cash equivalents, statement of cash flows, ending balance**

**Note 3**

**Represented by:**

Balance as per cash and cash equivalents in the statement of financial position

Restricted cash

**Cash and cash equivalents for statement of cash flows purposes**

		<b>Group</b>	
		<b>Year Ended</b>	
		<b>28 Feb 2019</b>	<b>28 Feb 2018</b>
		<b>S\$'000</b>	<b>S\$'000</b>
<b>Notes</b>			
		<b>8,877</b>	<b>8,060</b>
		(53)	(31)
<b>1</b>		343	251
		2,140	2,059
		22	21
		2	(136)
		398	-
		2	-
		(1,077)	(161)
		1	1
		<b>10,655</b>	<b>10,064</b>
		18	(19)
		1,232	2,814
		1,357	(2,505)
		(682)	(363)
		(44)	(2,202)
		(2,536)	4,170
		<b>10,000</b>	<b>11,959</b>
		(1,625)	(1,530)
<b>1</b>		<b>8,375</b>	<b>10,429</b>
		313	227
		(3,772)	(2,017)
		3,567	(2,100)
		1,877	-
		53	31
		<b>2,038</b>	<b>(3,859)</b>
		-	5,657
		(50)	-
		(1,509)	(4,531)
		(400)	(400)
		1,116	56
		(3,810)	(1,631)
<b>1</b>		(343)	(251)
<b>1</b>		<b>(4,996)</b>	<b>(1,100)</b>
		<b>5,417</b>	<b>5,470</b>
		18,334	12,684
		552	180
<b>3</b>		<b>24,303</b>	<b>18,334</b>
		<b>28 Feb 2019</b>	<b>28 Feb 2018</b>
		<b>S\$'000</b>	<b>S\$'000</b>
		24,316	18,365
		(13)	(31)
		<b>24,303</b>	<b>18,334</b>

- 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.

**Statements of Changes in Equity**

	Group		Company	
	28 Feb 2019 S\$'000	28 Feb 2018 S\$'000	28 Feb 2019 S\$'000	28 Feb 2018 S\$'000
<b>Share capital</b>				
Balance at beginning of the year	36,865	31,208	36,865	31,208
Issuance of ordinary shares	-	5,657	-	5,657
<b>Balance at end of the year</b>	<b>36,865</b>	<b>36,865</b>	<b>36,865</b>	<b>36,865</b>
<b>Treasury shares</b>				
Balance at beginning of the year	-	-	-	-
Purchase of treasury shares	(50)	-	(50)	-
<b>Balance at end of the year</b>	<b>(50)</b>	<b>-</b>	<b>(50)</b>	<b>-</b>
<b>Other reserves</b>				
Balance at beginning of the year	(1,640)	(2,248)	(8)	(6)
Total comprehensive income / (loss) for the year	472	608	(3)	(2)
<b>Balance at end of the year</b>	<b>(1,168)</b>	<b>(1,640)</b>	<b>(11)</b>	<b>(8)</b>
<b>Retained earnings</b>				
Balance at beginning of the year	13,275	12,232	692	3,134
Total comprehensive income for the year	5,776	5,574	986	2,089
Dividends paid on ordinary shares	(1,509)	(4,531)	(1,509)	(4,531)
<b>Balance at end of the year</b>	<b>17,542</b>	<b>13,275</b>	<b>169</b>	<b>692</b>
<b>Equity attributable to owners of the parent</b>	<b>53,189</b>	<b>48,500</b>	<b>36,973</b>	<b>37,549</b>
<b>Non-controlling interests</b>				
Balance at beginning of the year	4,034	3,615	-	-
Total comprehensive income for the year	1,173	819	-	-
Dividends paid to non-controlling interests	(400)	(400)	-	-
<b>Balance at end of the year</b>	<b>4,807</b>	<b>4,034</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>57,996</b>	<b>52,534</b>	<b>36,973</b>	<b>37,549</b>

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

	Group and Company	
	28 Feb 2019 No. of shares '000	28 Feb 2018 No. of shares '000
<b>Ordinary shares of no par value</b>		
Balance at beginning of the year	301,252	251,044
Issuance of new ordinary shares	-	50,208
<b>Balance at end of the year</b>	<b>301,252</b>	<b>301,252</b>
<b>Treasury shares</b>		
Balance at beginning of the year	-	-
Purchase of shares by way of market acquisition	250	-
<b>Balance at end of the year</b>	<b>250</b>	<b>-</b>
Issued ordinary shares excluding treasury shares	301,002	301,252
Treasury shares held against issued ordinary shares excluding treasury shares (%)	0.08%	0.00%

There are no outstanding convertibles or subsidiary holdings as at 28 February 2019 and 28 February 2018.

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

301,002,279 ordinary shares excluding treasury shares are issued as at 28 February 2019 (28 February 2018: 301,252,279).

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

There were no sales, transfers, cancellation and/or use of treasury shares as at 28 February 2019.

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

There are no subsidiary holdings as at 28 February 2019 and 28 February 2018.

**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 by the auditors of the Company.

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

Not applicable.

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

Save as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the Group's financial statements for the current financial year as compared to the audited financial statements for the financial year ended 28 February 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 the related Interpretations to SFRS(I) ("SFRS(I) INT") that are relevant to its operations and mandatory for the financial year beginning 1 March 2018. The adoption of these new and revised SFRS(I) and SFRS(I) INT did not give rise to any material impact on the Group's financial statements for the current or prior reporting periods.

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

	Group	
	28 Feb 2019 Cents	28 Feb 2018 Cents
Earnings per ordinary share for the year based on profit attributable to owners of the parent, net of tax		
a) Based on weighted average number of ordinary shares (excluding treasury shares) of 301,016,115 (2018: 283,782,403)	1.92	1.96
b) On a fully diluted basis	1.92	1.96

**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 year reported on; and**

**(b) immediately preceding financial year.**

	Group		Company	
	28 Feb 2019 Cents	28 Feb 2018 Cents	28 Feb 2019 Cents	28 Feb 2018 Cents
* Net asset value per ordinary share based on issued shares (excluding treasury shares) as at the end of the financial year	19.27	17.44	12.28	12.46

\* Total equity including non-controlling interests.

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 year 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 year reported on.**

### **Statement of comprehensive income**

#### **Profit attributable to owners of the Group, net of tax**

Net profit attributable to owners of the Group increased by \$0.2 million in FY2019 as compared to FY2018. The increase is mainly due to a \$0.9 million increase in share of profit from equity-accounted associate.

This is partially offset by:

(i) an impairment of goodwill of an Australia subsidiary, Ultimate Vehicle Pty Ltd ("Ultimate"), amounting to \$0.4 million in FY2019; and

(ii) a realisation of exchange loss of \$0.2 million on translating the financial statements of Ultimate, which had discontinued its loss-making operations in FY2019.

#### **Revenue by segments**

Group revenue in FY2019 decreased by \$5.8 million or 11% as compared to the prior year. In FY2019, the Accessories and Non-Accessories segments accounted for 65% and 35% of the Group's revenue respectively, as compared to 57% and 43% respectively in the prior year.

#### **Accessories segment**

Revenue from the Accessories segment remained relatively consistent at \$30.5 million in FY2019 (FY2018: \$29.8 million).

#### **Non-Accessories segment**

Revenue from the Non-Accessories segment decreased by \$6.5 million or 29%, from \$22.7 million in FY2018 to \$16.2 million in FY2019. This is mainly due to a decrease in motor vehicle sales. The decrease is partially offset by revenue growth from the vehicle financing business.

#### **Operating profit by segments**

##### **Accessories segment**

Operating profit from the Accessories segment decreased by \$0.4 million from \$5.7 million in FY2018 to \$5.3 million in FY2019. This is mainly due to realisation of exchange loss of \$0.2 million on translating the financial statements of Ultimate, as aforementioned.

##### **Non-Accessories segment**

Operating profit from the Non-Accessories segment increased by \$0.8 million from \$3.0 million in FY2018 to \$3.8 million in FY2019. This is mainly contributed by the growth of the vehicle financing business, and partially offset by the decrease in motor vehicle sales.

#### **Gross profit margin**

Gross profit margin increased by 6% from 31% in FY2018 to 37% in FY2019. This is due to higher gross profit margin in the Non-Accessories segment as a result of a change in sales mix aforementioned.

#### **Other material variances**

##### **Other expenses**

The \$0.4 million increase in other expenses, from \$0.5 million in FY2018 to \$0.9 million in FY2019, is mainly due to an impairment loss of \$0.4 million on the goodwill of Ultimate in FY2019.

##### **Share of profit from equity-accounted associate**

The \$0.9 million increase in share of profit from equity-accounted associate, from \$0.2 million in FY2018 to \$1.1 million in FY2019, is due to profit contribution from a property development project.

### **Statements of financial position - Group**

#### **Investment property**

The carrying amount of \$0.8 million of a leasehold investment property in Malaysia (the "Malaysia Property") was reclassified to non-current asset classified as held-for-sale. An agreement was entered in FY2019 for the sale of the Malaysia Property for a sale consideration of approximately \$0.9 million. The sale transaction is expected to be completed in FY2020.

#### **Property, plant and equipment**

The \$6.8 million increase in property, plant and equipment is mainly due to:

(i) the acquisition of new motor vehicles amounting to \$6.9 million in FY2019 for the rental business; and

(ii) the purchase of land in Thailand amounting to \$1.7 million for future expansion of production capacity and capabilities.

This is partially offset by depreciation amounting to \$2.1 million.



#### Intangible assets

The \$0.4 million decrease in intangible assets is mainly due to an impairment on the goodwill of Ultimate.

#### Investment in an associate

The \$0.8 million decrease in investment in an associate is mainly due to dividends of \$1.9 million received during the year. This is partially offset by a \$1.1 million profit contribution from the associate's property development project.

#### Finance lease receivables (current and non-current)

The \$31.9 million increase in finance lease receivables (current and non-current) is mainly due to new financing loans for motor vehicles granted during the year.

#### Inventories

The \$1.0 million decrease in inventories is mainly due to a lower stock level of motor vehicles maintained in FY2019.

#### Trade and other receivables

The \$3.2 million decrease in trade and other receivables is mainly due to external party loan repayments received in FY2019.

#### Other assets

The \$0.5 million increase in other assets is mainly due to an increase in customer referral fees paid for the vehicle financing business. These referral fees are amortised over the vehicle financing loan periods. The increase corresponds with the revenue growth aforementioned.

#### Non-current asset classified as held-for-sale

The \$0.8 million non-current asset classified as held-for-sale relates to the Malaysia Property aforementioned.

#### Other financial liabilities

The \$36.6 million increase in other financial liabilities (current and non-current) is mainly due to an increase in motor vehicle related finance leases, which is in line with the aforementioned increase in finance lease receivables and property, plant and equipment.

Although certain other financial liabilities amounting to \$60.7 million are not scheduled to be repaid within 12 months from year-end FY2019, they have been classified as "current" because the loan facility agreements include a repayment on demand clause which gives banks the right to override the scheduled loan repayment dates and demand repayment at any time without cause. Excluding this, current liabilities amount to \$39.7 million which are adequately covered by the Group's current assets of \$71.7 million. In addition, the Group's total assets are in excess of its total liabilities.

#### Trade and other payables

The \$2.5 million decrease in trade and other payables is mainly due to a \$4.3 million decrease in other payables to an associate. This is partially offset by a \$1.6 million increase in trade payables to external parties.

### **Statements of financial position - Company**

#### Trade and other receivables

The \$6.1 million decrease in trade and other receivables is mainly due to:

- (i) a \$1.6 million decrease in external party loans;
- (ii) a \$3.5 million decrease in related company receivables; and
- (iii) a \$1.1 million decrease in trade receivables from third parties.

#### Trade and other payables

The \$5.3 million decrease in trade and other payables is mainly due to:

- (i) a \$4.3 million decrease in other payables to an associate; and
- (ii) a \$1.8 million decrease in related company payables.

This is partially offset by a \$0.7 million increase in trade payables to third parties.

#### Other financial liabilities (current)

The \$1.1 million increase in other financial liabilities (current) is due to the increase in the utilisation of bank trust receipts in FY2019.

### **Consolidated statement of cash flows**

Cash and cash equivalents increased by approximately \$6.0 million in FY2019 mainly as a result of cash flows from operations (\$8.4 million), external party loan repayments received (\$3.6 million), dividends received from an associate (\$1.9 million) and an increase in bank trust receipt borrowings (\$1.1 million).

This is partially offset by the purchase of property, plant and equipment (\$3.8 million), payment of dividends on ordinary shares (\$1.5 million) and repayment of finance leases (\$3.8 million).

- 9 **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**  
The Group did not issue any forecast or prospect statement to shareholders for the current financial year.
- 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 financial year and the next 12**  
Despite challenges from the uncertainties and volatility of the global economic climate, the Group shall continue to focus on growing existing businesses and at the same time pursuing new business opportunities.
- 11 **If a decision regarding dividend has been made:-**

**(a) Whether a final ordinary dividend has been recommended;**

No final ordinary dividend has been recommended.

**(b) Corresponding period of the immediately preceding financial year.**

	Group and Company	
	FY2019 Cents	FY2018 Cents
<b><u>Type of dividend</u></b>		
Interim	Nil	0.5
Final	Nil	0.5
Tax rate	Not applicable	Exempt (one-tier)

**c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

**d) The date the dividend is payable.**

Not applicable.

**e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**

Not applicable.

- 12 **If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.**  
No dividend has been declared or recommended for the financial year ended 28 February 2019 as the Group is conserving cash for business growth and opportunities.
- 13 **General mandate from shareholders for Interested Person Transaction pursuant to Rule 920.**  
There is no general mandate obtained from shareholders for Interested Person Transaction pursuant to Rule 920.
- 14 **Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1).**  
Undertakings have been procured from all directors and executive officers under Rule 720(1).
- 15 **Disclose the status on the use of proceeds raised from IPO and any offerings pursuant to Chapter 8 and whether the use of proceeds is in accordance with the stated use.**  
Not applicable.

**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.**

**Operating segments**

The Group's businesses are currently organised according to their nature of business activities. Such structural organisation is determined by the nature of risks and returns associated with each business segment and defines the management structure as well as the internal reporting system. The Group's businesses are grouped into the following segments and represent the basis on which the Group reports its segment information:

**Accessories segment** comprises sales of leather trim and accessories to car distributors, dealers and manufacturers in the automotive and aviation industries; and

**Non-Accessories segment** comprises sales from trading, financing and rental of motor vehicles and business of commission agents.

**FY2019**

	<b>Accessories</b>	<b>Non-Accessories</b>	<b>Adjustments and eliminations</b>	<b>Total</b>
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Revenue:</b>				
External customers	30,522	16,160		46,682
Inter-segment	113	30	(143)	-
<b>Total revenue</b>	<b>30,635</b>	<b>16,190</b>	<b>(143)</b>	<b>46,682</b>
<b>Operating profit</b>	<b>5,272</b>	<b>3,826</b>		<b>9,098</b>
Interest income	53	-		53
Finance costs	(47)	(296)		(343)
Other gains	32	22		54
Other expenses	(4)	-		(4)
Impairment loss on goodwill of a subsidiary	(398)	-		(398)
Depreciation expense	(630)	(29)		(659)
Share of profit from equity-accounted associate	1,077	-		1,077
Share of loss from equity-accounted joint venture	(1)	-		(1)
Profit before tax	5,354	3,523		8,877
Income tax expense				(1,928)
<b>Profit net after tax</b>				<b>6,949</b>

	<b>Accessories</b>	<b>Non-Accessories</b>	<b>Adjustments and eliminations</b>	<b>Total</b>
	S\$'000	S\$'000	S\$'000	S\$'000
Additions to non-current assets	2,726	6,939		9,665
Total assets	55,707	103,889		159,596
Total liabilities	10,115	91,485		101,600

**FY2018**

	<b>Accessories</b>	<b>Non-Accessories</b>	<b>Adjustments and eliminations</b>	<b>Total</b>
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Revenue:</b>				
External customers	29,754	22,694		52,448
Inter-segment	101	27	(128)	-
<b>Total revenue</b>	<b>29,855</b>	<b>22,721</b>	<b>(128)</b>	<b>52,448</b>
<b>Operating profit</b>	<b>5,727</b>	<b>2,961</b>		<b>8,688</b>
Interest income	31	-		31
Finance costs	(26)	(244)		(270)
Other gains	157	31		188
Depreciation expense	(655)	(82)		(737)
Share of profit from equity-accounted associate	161	-		161
Share of loss from equity-accounted joint venture	(1)	-		(1)
Profit before tax	5,394	2,666		8,060
Income tax expense				(1,667)
<b>Profit net after tax</b>				<b>6,393</b>

	<b>Accessories</b>	<b>Non-Accessories</b>	<b>Adjustments and eliminations</b>	<b>Total</b>
	S\$'000	S\$'000	S\$'000	S\$'000
Additions to non-current assets	1,237	2,450		3,687
Total assets	53,851	66,083		119,934
Total liabilities	11,786	55,614		67,400

**Geographical segments**

During the year, the Group's main operations are located in Singapore, Malaysia, Thailand and Australia.

Revenues are attributed to countries based on the customer's location.

	<b>Revenue</b>		<b>Non-current assets</b>	
	<b>FY2019</b> S\$'000	<b>FY2018</b> S\$'000	<b>FY2019</b> S\$'000	<b>FY2018</b> S\$'000
<b>Singapore</b>	23,123	27,904	16,406	12,144
<b>Malaysia</b>	514	773	2,210	2,839
<b>Thailand</b>	16,408	16,648	2,230	615
<b>Europe <sup>(1)</sup></b>	4,165	4,290	-	-
<b>Australia</b>	1,042	1,703	-	456
<b>New Zealand</b>	696	382	-	-
<b>Others <sup>(2)</sup></b>	734	748	-	-
<b>Total</b>	<b>46,682</b>	<b>52,448</b>	<b>20,846</b>	<b>16,054</b>

<sup>(1)</sup> Comprises mainly Denmark, Netherlands, Belgium, Ireland, Sweden, Switzerland, Germany and the United Kingdom.

<sup>(2)</sup> Comprises mainly Japan, Mauritius, Bangladesh, Vietnam and Sri Lanka.

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.**

Refer to paragraphs 8 and 16.

18 **A breakdown of sales.**

- (a) Sales reported for first half year
- (b) Operating profit after tax before deducting non-controlling interests reported for the first half year
- (c) Sales reported for second half year
- (d) Operating profit after tax before deducting non-controlling interests reported for the second half year

<b>Group</b>		
<b>FY2019</b> S\$'000	<b>FY2018</b> S\$'000	<b>Change</b> %
26,047	29,053	(10.3)
3,892	2,994	30.0
20,635	23,395	(11.8)
3,057	3,399	(10.1)

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

**Ordinary dividend (tax exempt one-tier)**

- Interim
- Final
- Preference dividend
- Total

<b>FY2019</b> S\$'000	<b>FY2018</b> S\$'000
Nil	1,511
Nil	1,509
Nil	Nil
Nil	3,020

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(13). If there are no such persons, the issuer must make an appropriate negative statement.**

There are no persons occupying managerial positions in the Company or any of its principal subsidiaries who are relatives of a Director or Chief Executive Officer or Substantial Shareholder of the Company.

**ON BEHALF OF THE BOARD**

YAP KIAN PENG  
EXECUTIVE DEPUTY CHAIRMAN AND CHIEF EXECUTIVE OFFICER  
29 APRIL 2019