

PAVILLON HOLDINGS LTD

Full-Year Results Financial Statement And Dividend Announcement

PART I - INFORMATION REQUIRED FOR HALF-YEAR AND FULL YEAR RESULTS ANNOUNCEMENTS

1(a) 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.

Financial statements for the 12 months ended 31 Dec 2019

	Group		
	Jan 2019 - Dec 2019	Jan 2018 - Dec 2018	Increase/ (Decrease)
	S\$'000	S\$'000	%
Revenue (Note 1)	12,988	14,378	-9.7%
Other items of income			
Interest income	284	124	129.0%
Other income	10,373	728	1324.9%
Items of expenses			
Raw materials and changes in inventories	(4,675)	(4,648)	0.6%
Employee compensation	(6,672)	(7,322)	-8.9%
Depreciation expense	(632)	(788)	-19.8%
Finance expenses	(70)	(30)	133.3%
Currency exchange loss	(62)	(21)	195.2%
Amortisation of right-of-use assets	(1,370)	-	NM
Other operating expenses	(8,817)	(16,274)	-45.8%
Total expenses	(22,297)	(29,083)	-23.3%
Share of loss of associated companies	(264)	-	NM
Profit/(Loss) before income tax (Note 2)	1,084	(13,853)	-107.8%
Income tax expense (Note 3)	181	(305)	-159.3%
Net Profit/(Loss) (Note 4)	1,265	(14,158)	-108.9%
Other comprehensive loss			
Foreign currency translation loss	(614)	(669)	NM
Total comprehensive income/(loss) for the year	650	(14,827)	-104.4%
Net Profit/(Loss) attributable to:			
Equity holders of the Company	336	(11,186)	-103.0%
Non-controlling interests	928	(2,972)	
	1,265	(14,158)	-108.9%
Total comprehensive income for the year			
Attributable to :			
Equity holders of the Company	62	(11,802)	-100.5%
Non-controlling interests	588	(3,025)	-119.4%
	650	(14,827)	-104.4%
Earnings per share attributable to owners of the Company	Cts	Cts	
Basic	0.09	(2.88)	
Diluted	0.09	(2.88)	

Note 1: Revenue and Profit/(Loss) Before Taxation

	Restaurant	Corporate and franchising	Leasing	Properties	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2019 Jan to Dec					
Revenue	12,446	177	98	267	12,988
Profit/(Loss) before taxation	(450)	(1,311)	3,868	(1,024)	1,084
2018 Jan to Dec					
Revenue	12,579	176	1,494	129	14,378
Profit/(Loss) before taxation	388	(1,313)	(10,152)	(2,825)	(13,853)

Note 2: Profit/(Loss) before taxation is stated after charging/(crediting) the following:-

Reversal of impairment loss on receivables
Gain on deemed disposal of subsidiary companies
Depreciation of property, plant and equipment
Interest income
Bad debts
Impairment loss on receivables

Group		
Jan 2019 - Dec 2019	Jan 2018 - Dec 2018	Increase/ (Decrease)
S\$'000	S\$'000	%
(3,862)	-	NM
(6,261)	-	NM
632	788	-19.8%
(284)	(124)	129.0%
9	-	NM
5,250	11,828	NM

Note 3: Taxation

Current year
Over provision in prior years
Total

Group		
Jan 2019 - Dec 2019	Jan 2018 - Dec 2018	Increase/ (Decrease)
S\$'000	S\$'000	%
(113)	(309)	-63.4%
294	4	NM
181	(305)	-159.3%

Note 4: Profit/(Loss) After Taxation

	Restaurant	Corporate and franchising	Leasing	Properties	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2019 Jan to Dec					
Profit/(Loss) after taxation	(251)	(1,311)	3,848	(1,024)	1,265
2018 Jan to Dec					
Profit/(Loss) after taxation	238	(1,312)	(10,061)	(3,014)	(14,158)

NM: 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.

	Group	
	31-12-19	31-12-18
	S\$'000	S\$'000
ASSETS		
Current assets		
Cash and cash equivalents	8,300	20,980
Trade and other receivables	4,835	12,636
Inventories	1,000	992
	<u>14,135</u>	<u>34,608</u>
Non-current assets		
Trade and other receivables	355	320
Investments in associated companies	21,667	-
Property, plant and equipment	1,027	2,962
Right-of-use assets	2,005	-
Unquoted investment	3,863	-
Land-use rights	-	12,376
	<u>28,917</u>	<u>15,658</u>
TOTAL ASSETS	<u>43,052</u>	<u>50,266</u>
LIABILITIES		
Current liabilities		
Trade and other payables	3,888	6,686
Current income tax liabilities	-	444
Borrowings	-	78
Lease liabilities	1,076	-
Provisions	126	99
	<u>5,090</u>	<u>7,307</u>
Non-current liabilities		
Deferred tax liabilities	67	80
Trade and other payables	236	60
Borrowings	-	165
Lease liabilities	953	-
Provisions	198	99
	<u>1,454</u>	<u>404</u>
Total liabilities	<u>6,544</u>	<u>7,711</u>
NET ASSETS	<u>36,507</u>	<u>42,555</u>
EQUITY		
Capital and reserves attributable to equity holders of the Company		
Share capital	39,433	39,433
Other reserves	1,922	4,186
Accumulated losses	(10,961)	(11,297)
	<u>30,394</u>	<u>32,322</u>
Non-controlling interests	6,113	10,233
TOTAL EQUITY	<u>36,507</u>	<u>42,555</u>

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.

	Company	
	31-12-19	31-12-18
	S\$'000	S\$'000
ASSETS		
Current assets		
Cash and cash equivalents	317	1,119
Trade and other receivables	1,987	3,337
	<u>2,304</u>	<u>4,456</u>
Non-current assets		
Trade and other receivables	3	15
Investments in subsidiary corporations	27,558	27,658
	<u>27,561</u>	<u>27,673</u>
TOTAL ASSETS	<u>29,865</u>	<u>32,129</u>
LIABILITIES		
Current liabilities		
Trade and other payables	2,067	1,266
Non-current liabilities		
Trade and other payables	100	60
Total liabilities	<u>2,167</u>	<u>1,326</u>
NET ASSETS	<u>27,698</u>	<u>30,803</u>
EQUITY		
Capital and reserves attributable to equity holders of the Company		
Share capital	39,433	39,433
Accumulated losses	(11,735)	(8,630)
TOTAL EQUITY	<u>27,698</u>	<u>30,803</u>

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

As at 31/12/2019, the group has no bank borrowing as compare to 2018.

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.

	Group	
	Jan 2019 - Dec 2019 S\$'000	Jan 2018 - Dec 2018 S\$'000
Cash flows from operating activities :		
Profit/(loss)	1,265	(14,158)
Adjustments for :		
Depreciation of property, plant and equipment	632	788
Income tax expense	(181)	305
Fair value loss on remeasurement in investment in associated company	-	142
Gain on disposal of property, plant and equipment	-	(116)
Reversal of impairment loss on investment in associated company	-	(241)
Gain on bargain purchases	-	(72)
Amortisation of right-of use assets	1,370	-
Fair value gain on remeasurement of interest held in former subsidiary	(6,261)	-
Interest income	(284)	(124)
Impairment loss on property, plant and equipment	220	-
Share of loss on associated company	264	-
PPE written off	-	13
Interest expense	70	30
Unrealised currency translation difference	(300)	(330)
Operating profit/loss before working capital changes	(3,205)	(13,763)
Cash flows from operating activities		
Inventories	(8)	516
Trade and other receivables	2,216	17,683
Trade creditors and other payables	17,547	(745)
Provisions	119	18
Cash flows from operations	16,669	3,709
Income taxes paid	(170)	(527)
Net cash flows provided by operating activities	16,499	3,182
Cash flows from investing activities		
Additions of property, plant and equipment	(3,562)	(1,761)
Acquisition of a subsidiary	-	4,211
Net cash outflows from deemed disposal of subsidiary	(23,993)	-
Additions to intangible assets	-	(60)
Proceeds from disposal of PPE	-	122
Dilution of equity interest in a subsidiary without loss of control	-	7,234
Interest received	284	124
Net cash provided/(used) by investing activities	(27,271)	9,870
Cash flows from financing activities		
Short term loan	-	(4,050)
(Placement)/withdrawal of bank deposits	-	4,498
Repayment of finance lease obligation	(1,366)	(4)
Interest paid	(70)	(30)
Net cash used in financing activities	(1,435)	414
Net (decrease)/increase in cash and cash equivalents	(12,207)	13,466
Beginning of the financial year	20,980	7,614
Effect of currency translation on cash and cash equivalents	(473)	(100)
Cash and cash equivalents at end of the financial year	8,300	20,980

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

GROUP 2019	Attributable to owners of the Company						Non-controlling interests S\$'000	Total equity S\$'000
	Share capital S\$'000	Foreign currency translation reserve S\$'000	Capital reserve S\$'000	(Accumulated losses)/Retained profits S\$'000	Total S\$'000			
Balance as at 1 January 2019	39,433	(1,897)	6,083	(11,297)	32,322		10,233	42,555
Profit for the year	-	-	-	336	336		928	1,265
Other comprehensive loss	-	-	-	-	-		-	-
Foreign currency translation	-	(274)	-	-	(274)		(341)	(614)
Total other comprehensive income for the period, net of tax	-	(274)	-	-	(274)		(341)	(614)
Total comprehensive income for the year		(274)	-	336	62		588	650
Effect of changes in shareholdings in a subsidiary corporation with change of control	-	615	(2,605)	-	(1,990)		(4,708)	(6,699)
Total contributions by and distributions to owners	-	615	(2,605)	-	(1,990)		(4,708)	(6,699)
Balance as at 31 December 2019	39,433	(1,556)	3,478	(10,961)	30,395		6,113	36,507
2018	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		S\$'000	S\$'000
Balance as at 1 January 2018	39,433	(1,281)	3,478	(111)	41,519		8,629	50,148
Loss for the year	-	-	-	(11,186)	(11,186)		(2,972)	(14,158)
Other comprehensive loss	-	-	-	-	-		-	-
Foreign currency translation	-	(616)	-	-	(616)		(53)	(669)
Total comprehensive loss for the year	-	(616)	-	(11,186)	(11,802)		(3,025)	(14,827)
Effect of changes in shareholdings in a subsidiary corporation without change of control	-	-	2,605	-	2,605		4,629	7,234
Total contributions by and distributions to owners	-	-	2,605	-	2,605		4,629	7,234
Balance as at 31 December 2018	39,433	(1,897)	6,083	(11,297)	32,322		10,233	42,555

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.

COMPANY

2019

Balance as at 1 January 2019

Loss for the year, representing total comprehensive income for the year

Balance as at 31 Dec 2019

Share capital S\$'000	Revenue reserve S\$'000	Total equity S\$'000
39,433	(8,629)	30,804
-	(3,105)	(3,105)
39,433	(11,734)	27,699

2018

Balance as at 1 January 2018

Loss for the year, representing total comprehensive income for the year

Balance as at 31 Dec 2018

S\$'000	S\$'000	S\$'000
39,433	(1,649)	37,784
-	(6,981)	(6,981)
39,433	(8,630)	30,803

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 period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	31/12/2019		31/12/2018	
Issued Share Capital	No. of shares	Capital S\$	No. of shares	Capital S\$
Balance as at beginning of the period	387,748,700	39,433,461	387,748,700	39,433,461
Balance as at end of the period	387,748,700	39,433,461	387,748,700	39,433,461

There is no outstanding convertible treasury shares and subsidiary holdings 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.

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.

	31/12/2019	31/12/2018
Balance as at beginning of the period	387,748,700	387,748,700
Balance as at end of the period	387,748,700	387,748,700

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.

	31/12/2019	31/12/2018
Balance as at beginning and end of the period	-	-

1 (d)(v) A statement showing all sales, transfers, cancellations 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 neither been audited nor reviewed by our auditors.

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

Not applicable.

3A. Where the latest financial statements are subject to an adverse opinion. Qualified opinion or disclaimer of opinion:-

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

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

This is not require for any audit issue that is a material uncertainly relating to going concern.

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 for the new Singapore Financial Reporting Standard (I) 16 implemented in 2019. The Group and the Company have applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial reporting period as compared to the audited financial statements as at 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.

Please refer to item 4 above.

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	
	Jan 2019 - Dec 2019	Jan 2018 - Dec 2018
Profit per ordinary share for the period after deducting any provision for preference dividends:-		
(i) Based on the weighted average number of ordinary shares on issue	0.09	(2.88)
(ii) On a fully diluted basis (detailing any adjustments made to the earnings)	0.09	(2.88)

(To disclose the basis used in arriving at the weighted average number of shares for the purposes of (6)(i) above and to provide details of any adjustments made for the purpose of (6)(ii) above)

Note to 6(i) and 6 (ii)

Basic and fully diluted earnings per share is calculated by dividing the Group's net profit attributable to equity holders of the Company amounting to S\$0.34 m (2018: net loss S\$11m) by the weighted average number of ordinary shares in issue as at 31 December 2019 of 387,748,700 (2018: 387,748,700) shares.

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.

	Group		Company	
	As at 31/12/2019	As at 31/12/2018	As at 31/12/2019	As at 31/12/2018
	Cts	Cts	Cts	Cts
Net asset value per ordinary share based on existing issued share capital as at the end of the financial year reported on.	7.84	8.34	7.14	7.94

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 (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.

Revenue

Total revenue of the Group decreases by approximately S\$1.39 million as compared to the period ended 31/12/2018 mainly due to the following reasons :

- i) Revenue from Singapore restaurant operations decreased by approximately S\$133k as compared to FY2018 due to poor market environment in Food and Beverages business in 2019.
- ii) Revenue from China operations decreased by approximately S\$1.25 million due to reduced financial leasing business in 2019.

Interest income

Interest income increased by approximately S\$157k due to larger funds placed in fixed deposit in China as compared to 2018.

Other income

Other income increased by approximately S\$10.4 million mainly due to valuation gain of S\$6.3 million from deemed disposal of subsidiary (FengChi IOT Co Ltd) , a company principally engaged in development of logistic hub and reversal on the prior year provision of doubtful debts of S\$3.8 million.

Employee compensation

Employee compensation cost decreased by S\$651k mainly due to decreasing staff overheads in China operations.

Depreciation expenses

Decrease of S\$156K mainly due to deemed disposal of subsidiary.

Finance expenses

Finance expenses increased by S\$40K due to implementation of Singapore Financial Reporting Standard (I)16 - Lease Management, recognising interest on the lease liability.

Other operating expenses

Other operating expenses decreased by S\$6 million as compared to 2018 mainly due to reduction of Impairment loss of S\$6.4 million offset by increase in other operating expenses of S\$517K.

Share of loss of associated companies

There is a share of loss from associate at S\$264K from Jul - Dec 19

Review of Financial Position as at 31 Dec 2019

Property, plant and equipment

Decrease of fixed assets net book value of S\$1.9 Million mainly due to deemed disposal of subsidiary.

Lease management

Increase in Right of use of S\$2 million due to the implementation of Singapore Financial Reporting Standard (I)16 - Lease Management, recognizing a right-of-use asset.

Trade and other receivable - Current

Decrease of Trade and other receivable due to provision of doubtful debts.

Unquoted investment

Received additional security for previous receivable in the form of unquoted shares.

Land-use-rights

Decrease of land-use-rights due to deemed disposal of subsidiary.

Liabilities**Trade and other payables - Current**

Trade and other payable decreased by S\$1.3m as compared to 31/12/2018 due to completion of deemed disposal of subsidiary.

Finance lease liabilities - Current

Increase in Right of use of approximately S\$1 million due to the implementation of Singapore Financial Reporting Standard (I)16 - Lease Management, recognising a corresponding lease liability

Borrowings

No loans incurred for any companies in 2019, loan was cleared due to deemed disposal of subsidiary.

Finance lease liabilities - Non-Current

Increase in Right of use of approximately S\$1 million due to the implementation of Singapore Financial Reporting Standard (I)16 - Lease Management, recognising a corresponding lease liability

Review of Consolidated Cash Flows

Net cashflow of S\$16.5m from operating activities mainly due to better recovery of debts and deemed disposal of subsidiary.

Net cashflow of S\$27m used in investing activities mainly due to net cash outflows arising from deemed disposal of a subsidiary.

Cash and cash equivalent as at 31 Dec 2019 was S\$8.3m as compared to S\$20m as at Dec 2018.

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

Consistent with previous statements.

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 F&B industry in Singapore remains competitive and challenging, due to the outbreak of Coronavirus at the beginning of the year. F & B is expected to be affected.

Management is working toward streamlining its financial leasing business in China, and rationalizing its F & B business in Singapore and the region.

11. If a decision regarding dividend has been made: -

(a) Whether an interim (final) ordinary dividend has been declared (recommended).

No dividends declared during the year.

(b) (i) Amount per share: Not applicable

(ii) Previous corresponding period: None

(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 the shareholders, this must be stated.)

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which the Registrable Transfers received by the company (up to 5:00pm) 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.

Capital is required for operation needs and development of new business. Therefore the company will not be declaring any dividend.

13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), 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 and the Group do not have any general mandate from shareholders pursuant to Rule 920.

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

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

Part II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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.

	Restaurant operations S\$'000	Corporate and franchising services S\$'000	Leasing operations S\$'000	Properties S\$'000	Notes	Group S\$'000
2019						
Turnover						
-external sales	12,446	177	123	241		12,988
	12,446	177	123	241		12,988
Interest income		32	40	213		284
Depreciation of property, plant and equipment	373	-	5	254		632
Impairment loss on investment in subsidiaries	-	-	-	9	A	9
Segment (loss)/profit	(251)	(3,130)	3,850	795	B	1,265
Investment in joint ventures			21,998			21,998
Additions to non-current assets	88				C	88
Segment assets	5,916	367	35,536	1,232	D	43,051
Segment liabilities	1,014	427	2,528	2,575	E	6,544
	Restaurant operations S\$'000	Corporate and franchising services S\$'000	Leasing operations S\$'000	Properties S\$'000	Notes	Group S\$'000
2018						
Turnover						
-external sales	12,580	176	1,494	128		14,378
	12,580	176	1,494	128		14,378
Interest income		34	65	25		124
Amortisation of intangible assets				(10)		(10)
Depreciation of property, plant and equipment	(380)	(76)	(2)	(64)		(522)
Amortisation of land-use right				(256)		(256)
Impairment loss on finance lease			(4,827)		A	(4,827)
Impairment loss on other receivables			(5,891)	(1,110)		(7,001)
Segment (loss)/profit	388	(7,083)	(4,242)	(2,916)	B	(13,853)
Investment in joint ventures	-	-	-	-		-
Additions to non-current assets	500	-	-	1,500	C	2,000
Segment assets	5,930	6,698	15,499	22,139	D	50,266
Segment liabilities	1,651	2,422	1,322	6118	E	11,513
Geographical information						
	<u>Revenue</u>		<u>Non-current assets</u>			
	2019	2018	2019	2018		
	S\$'000	S\$'000	S\$'000	S\$'000		
Singapore	12,622	12,580	2,609	1,530		
People's Republic of China	365	1,670	26,680	13,808		
Others	-	128				
	12,988	14,378	29,288	15,338		

Non-current assets information presented above consists of property, plant and equipment as presented in the consolidated balance sheet.

Note A

Impairment loss on investment in subsidiaries are eliminated on consolidation.

Note B

The following items are deducted from segment profit to arrive at profit before tax presented in the consolidated income statement:

	2019 S\$'000	2018 S\$'000
Gain on deemed disposal of subsidiaries	6,261	-
Fair value gain on remeasurement of investment	-	142
Impairment loss on receivable	5,479	1
Share of losses from associate	264	241
	<u>12,004</u>	<u>384</u>

Note C

Additions to non-current assets consists of additions to property, plant and equipment.

Note D

The following items are added to / (deducted from) segment assets to arrive at total assets reported in the consolidated balance sheet:

	2019 S\$'000	2018 S\$'000
Unallocated corporate assets	-	-
Inter-segment assets	43,051	50,266
	<u>43,051</u>	<u>50,266</u>

Note E

The following items are added to / (deducted from) segment liabilities to arrive at total liabilities reported in the consolidated balance sheet:

	2019 S\$'000	2018 S\$'000
Income tax payables	106	444
Deferred tax liabilities	67	80
Inter-segment liabilities	-	(6,328)
	<u>173</u>	<u>(5,804)</u>

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 note 8 for commentary.

17. A breakdown of sales as follows:-

	Group		
	2019	2018	Changes
	S\$'000	S\$'000	%
a) Sales reported for first half-year	6,820	8,048	(15)
b) Operating profit/(loss) after tax before deducting minority interests reported for first half-year	(1,731)	(1,206)	NM
c) Sales reported for second half-year	6,168	6,330	(3)
d) Operating profit/(loss) after tax before deducting minority interests reported for second half-year	2,067	(9,980)	>100

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

	2019	2018
	S\$	S\$
Ordinary	-	-
Preference	-	-
Total:	-	-

Note 1 : No dividends declared during the year.

Please refer to para 11 on dividends.

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.

There is no relative of a director or chief executive officer or substantial shareholder of the Company or the Group who is occupying a managerial position in the Company or any of its principal subsidiaries.