SECOND CHANCE PROPERTIES LTD
(Incorporated in the Republic of Singapore)
Company Registration No.198103193M

UNAUDITED FULL YEAR FINANCIAL RESULTS FOR THE YEAR ENDED 31-08-2018

Note: All figures are in Singapore Dollars

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY, HALF-YEARLY AND FULL YEAR RESULTS

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

	Group For the 12 months ended			Group For the 3 months ended		
	31-08-2018	31-08-2017	Change	31-08-2018	31-08-2017	Change
	$ '000	$ '000	%	$ '000	$ '000	%
Revenue	**31,614**	**34,812**	**(9.19)**	**8,979**	**10,349**	**(13.24)**
Cost of sales	**(16,002)**	**(17,016)**	**(5.96)**	**(4,715)**	**(5,272)**	**(10.57)**
Gross profit	**15,612**	**17,796**	**(12.27)**	**4,264**	**5,077**	**(16.01)**
Other income	1,719	2,218	(22.50)	2	(41)	nm
Expenses						
Distribution expenses	(653)	(778)	(16.07)	(88)	(190)	(53.68)
Property operating expenses	(1,000)	(1,119)	(10.63)	(260)	(256)	1.56
Gold operating expenses	(162)	(165)	(1.82)	(35)	(35)	-
Apparels operating expenses	(913)	(1,763)	(48.21)	(224)	(697)	(67.86)
Administrative expenses	(3,550)	(4,450)	(20.22)	(1,005)	(1,442)	(30.31)
Other operating expenses	(29)	(24)	20.83	-	(15)	nm
	(6,307)	(8,299)	(24.00)	(1,612)	(2,635)	(38.82)
Profit from operations	**11,024**	**11,715**	**(5.90)**	**2,654**	**2,401**	**10.54**
Gain/(loss) on fair valuation of properties	789	(2,443)	nm	789	(2,443)	nm
(Loss)/gain on fair valuation of financial assets, at fair value through profit or loss	(2,351)	1,418	nm	(1,188)	767	nm
Finance costs	(643)	(711)	(9.56)	(154)	(133)	15.79
Profit before income tax	**8,819**	**9,979**	**(11.62)**	**2,101**	**592**	**254.90**
Income tax expense	(910)	(502)	81.27	(458)	242	nm
Net profit	**7,909**	**9,477**	**(16.55)**	**1,643**	**834**	**97.00**

Net profit	**7,909**	**9,477**	**(16.55)**	**1,643**	**834**	**97.00**
Other Comprehensive Income						
Items that may be reclassified subsequently to profit or loss:						
Available-for-sale financial assets						
-Fair value (loss)/gains	(4,954)	1,334	nm	408	(606)	nm
-Re-classification	(10)	(2,153)	nm	-	-	nm
Currency translation differences arising from consolidation - gains/(loss)	969	(1,245)	nm	(196)	(394)	(50.25)
Items that will not be reclassified subsequently to profit or loss:	(3,995)	(2,064)	93.56	212	(1,000)	nm
Revaluation gain/(loss) on property, plant and equipment	115	(1,590)	nm	115	(1,590)	nm
Other comprehensive income, net of tax	(3,880)	(3,654)	6.19	327	(2,590)	nm
Total comprehensive income	**4,029**	**5,823**	**(30.81)**	**1,970**	**(1,756)**	**nm**

Notes	**Group For the 12 months ended**		**Group For the 3 months ended**	
	31-08-2018	31-08-2017	31-08-2018	31-08-2017
	$ '000	$ '000	$ '000	$ '000
Net profit is arrived at after crediting / (charging)				
Dividend/coupon income	4,499	3,990	1,284	989
Gain on disposal of available-for-sale financial assets	(7)	2,245	-	-
Re-classification from other comprehensive income on disposal of available-for-sale financial assets	10	2,153	-	-
Gain on disposal of financial assets, at fair value through profit or loss	9	264	(2)	50
Gain on disposal of investment property	750	-	(3)	-
Gain on disposal of property, plant & equipment	12	-	-	-
Foreign exchange gain/(loss)	549	(707)	(120)	(209)
Expenses include:				
Depreciation of property, plant and equipment	168	320	14	80
Write off/allowance for doubtful trade receivables	23	-	23	-
Total directors' remuneration	1,399	1,419	373	392
Directors' CPF	26	29	8	7
Directors' fees	122	160	31	60
Property, plant & equipment written off	117	557	38	557
Finance costs				
Interest expenses:-				
Short-term loans	595	663	154	120
Long-term loans	48	48	-	13
	643	**711**	**154**	**133**

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		Company	
	31-08-2018	31-08-2017	31-08-2018	31-08-2017
	$ '000	$ '000	$ '000	$ '000
ASSETS				
Current assets				
Cash and cash equivalents	10,804	6,517	435	176
Trade and other receivables	418	647	9,550	10,294
Inventories	14,051	15,716	796	1,005
Other current assets	327	402	138	170
Property held-for-sale	-	9,400	-	-
Financial assets, at fair value through profit or loss	31,201	32,774	-	-
Income tax recoverable	62	136		
Total current assets	56,863	65,592	10,919	11,645
Non-current assets				
Amounts due from subsidiaries	-	-	181,352	168,294
Investments in subsidiaries	-	-	17,231	17,231
Available-for-sale financial assets	56,294	54,574	43,959	47,731
Property, plant and equipment	21,749	20,936	43	61
Investment properties	170,470	171,702	13,500	13,500
Total non-current assets	248,513	247,212	256,085	246,817
Total assets	**305,376**	**312,804**	**267,004**	**258,462**
LIABILITIES AND EQUITY				
Current liabilities				
Borrowings	39,100	42,914	39,100	23,912
Trade payables	2,243	4,247	224	250
Other payables	796	2,203	643	1,921
Current income tax liabilities	683	957	144	-
Total current liabilities	42,822	50,321	40,111	26,083
Non-current liabilities				
Borrowings	-	2,876	-	2,876
Deferred income tax liabilities	294	252	7	9
Total non-current liabilities	294	3,128	7	2,885
Total liabilities	**43,116**	**53,449**	**40,118**	**28,968**
Net assets	**262,260**	**259,355**	**226,886**	**229,494**
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	138,248	137,108	138,248	137,107
Reserves	124,012	122,247	88,638	92,387
Total equity	**262,260**	**259,355**	**226,886**	**229,494**

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

Amount repayable in one year or less, or on demand

As at 31-08-2018		As at 31-08-2017	
Secured	***Unsecured***	***Secured***	***Unsecured***
$39,100,000	$12,121	$42,914,178	$886,414

Amount repayable after one year

As at 31-08-2018		As at 31-08-2017	
Secured	***Unsecured***	***Secured***	***Unsecured***
-	-	$2,875,690	-

Details of Collateral

The Group's bank borrowings are secured by the mortgage of securities, the freehold and leasehold lands and buildings of the subsidiaries, investment properties of the Group and assignment of rental proceeds from these properties.

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 For the 12 months ended		Group For the 3 months ended	
	31-08-2018 $ '000	31-08-2017 $ '000	31-08-2018 $ '000	31-08-2017 $ '000
Cash flows from operating activities				
Net profit	7,909	9,477	1,643	834
Adjustments for				
-Income tax expense	910	502	458	(242)
-Write off bad debts	23	-	23	-
-Depreciation of property, plant and equipment	168	320	14	80
-Fair value (gain)/loss on investment properties	(789)	2,443	(789)	2,443
-Interest income from bank deposits	(317)	(190)	(121)	(83)
-Finance expense	643	711	154	133
-Gain on disposal of available-for-sale financial assets	(7)	(2,245)	-	-
-Gain on disposal of property, plant and equipment	(12)	-	-	-
-Write-off of furniture & fittings	117	557	38	557
-Gain on disposal of investment property	(750)	-	3	-
-Unrealised currency translation differences	(250)	387	61	117
	7,645	**11,962**	**1,484**	**3,839**
Changes in working capital				
-Financial assets at fair value through proft or loss	1,573	1,868	1,705	(1,251)
-Inventories	1,822	450	1,806	2,205
-Trade and other receivables	290	310	126	144
-Trade and other payables	(3,425)	2,164	(212)	1,024
Net cash generated from operations	**7,905**	**16,754**	**4,909**	**5,961**
Income taxes paid	(1,074)	(179)	(155)	(15)
Interest received	317	190	121	83
Interest paid	(703)	(717)	(154)	(183)
Net cash provided by operating activities	**6,445**	**16,048**	**4,721**	**5,846**

	Group For the 12 months ended		Group For the 3 months ended	
	31-08-2018 $ '000	31-08-2017 $ '000	31-08-2018 $ '000	31-08-2017 $ '000
Cash flows from investing activities				
-Proceeds on disposal of available-for-sale financial assets	708	7,017	100	77
-Proceeds on disposal of investment properties held for sale	12,278	-	(24)	-
-Proceeds from disposal of property, plant and equipment	14	-	-	-
-Purchase of available-for-sale financial assets	(7,384)	(6,210)	(12)	(5,237)
-Additions to investment properties	(11)	-	-	-
-Additions to property, plant and equipment	(9)	(143)	-	(28)
Net cash provided by/(used in) investing activities	**5,596**	**664**	**64**	**(5,188)**
Cash flows from financing activities				
-Proceeds from issue of shares	1,141	382	-	382
-Cash used in Share Buyback	-	(1,594)	-	-
-Dividend paid	(2,265)	(1,511)	-	-
-Proceeds from short-term bank borrowings	156,766	103,000	44,703	8,522
-Repayment of bank borrowings	(163,396)	(115,963)	(48,815)	(8,595)
Net cash (used in)/provided by financing activities	**(7,754)**	**(15,686)**	**(4,112)**	**309**
Net increase in cash and cash equivalents	4,287	1,026	673	967
Cash and cash equivalents at beginning of financial period	6,517	5,491	10,131	5,550
Cash and cash equivalents at end of financial period	**10,804**	**6,517**	**10,804**	**6,517**
Cash and cash equivalents consist of:				
Cash at bank	10,804	6,517	10,804	6,517
	10,804	**6,517**	**10,804**	**6,517**

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

	Share capital	Assets revaluation reserve	Fair value reserve	Translation reserve	Retained earnings	Total equity
	$ '000	$ '000	$ '000	$ '000	$ '000	$ '000
Balance as at 31 August 2017	**137,107**	**7,849**	**8,789**	**(6,672)**	**112,282**	**259,355**
Issue of share capital	1,119	-	-	-	-	**1,119**
Total comprehensive income for the period	-	-	285	724	2,231	**3,240**
Balance as at 30 November 2017	**138,226**	**7,849**	**9,074**	**(5,948)**	**114,513**	**263,714**
Issue of share capital	22	-	-	-	-	**22**
Dividends paid	-	-	-	-	(2,265)	**(2,265)**
Total comprehensive (loss)/income for the period	-	-	(3,171)	519	1,958	**(694)**
Balance as at 28 February 2018	**138,248**	**7,849**	**5,903**	**(5,429)**	**114,206**	**260,777**
Total comprehensive (loss)/ income for the period	-	-	(2,486)	(78)	2,077	**(487)**
Balance as at 31 May 2018	**138,248**	**7,849**	**3,417**	**(5,507)**	**116,283**	**260,290**
Total comprehensive income/(loss) for the period	-	115	408	(196)	1,643	**1,970**
Balance as at 31 August 2018	**138,248**	**7,964**	**3,825**	**(5,703)**	**117,926**	**262,260**

	Share Capital	Assets Revaluation Reserve	Fair Value Reserve	Translation Reserve	Retained Earnings	Total
	$ '000	$ '000	$ '000	$ '000	$ '000	$ '000
Balance as at 31 August 2016	**138,319**	**9,439**	**9,607**	**(5,428)**	**104,317**	**256,254**
Total comprehensive (loss)/income for the period	-	-	(2,050)	(1,165)	1,261	**(1,954)**
Balance as at 30 November 2016	**138,319**	**9,439**	**7,557**	**(6,593)**	**105,578**	**254,300**
Share buyback	(1,594)	-	-	-	-	**(1,594)**
Dividends paid	-	-	-		(1,511)	**(1,511)**
Total comprehensive income/(loss) for the period	-	-	2,555	(214)	1,977	**4,318**
Balance as at 28 February 2017	**136,725**	**9,439**	**10,112**	**(6,807)**	**106,044**	**255,513**
Total comprehensive (loss)/income for the period	-	-	(717)	529	5,404	**5,216**
Balance as at 31 May 2017	**136,725**	**9,439**	**9,395**	**(6,278)**	**111,448**	**260,729**
Issue of share capital	382	-	-	-	-	**382**
Total comprehensive (loss)/income for the period	-	(1,590)	(606)	(394)	834	**(1,756)**
Balance as at 31 August 2017	**137,107**	**7,849**	**8,789**	**(6,672)**	**112,282**	**259,355**

Company

	Share Capital	Fair Value Reserve	Retained Earnings	Total
	$ '000	$ '000	$ '000	$ '000
Balance as at 31 August 2017	**137,107**	**8,814**	**83,573**	**229,494**
Issue of share capital	1,119	-	-	**1,119**
Total comprehensive (loss)/income for the period	-	(101)	252	**151**
Balance as at 30 November 2017	**138,226**	**8,713**	**83,825**	**230,764**
Issue of share capital	22	-	-	**22**
Dividends paid	-	-	(2,265)	**(2,265)**
Total comprehensive (loss)/income for the period	-	(1,992)	313	**(1,679)**
Balance as at 28 February 2018	**138,248**	**6,721**	**81,873**	**226,842**
Total comprehensive (loss)/income for the period	-	(2,053)	442	**(1,611)**
Balance as at 31 May 2018	**138,248**	**4,668**	**82,315**	**225,231**
Total comprehensive income for the period	-	620	1,035	**1,655**
Balance as at 31 August 2018	**138,248**	**5,288**	**83,350**	**226,886**

	Share Capital	Fair Value Reserve	Retained Earnings	Total
	$ '000	$ '000	$ '000	$ '000
Balance as at 31 August 2016	**138,319**	**8,726**	**84,287**	**231,332**
Total comprehensive (loss)/ income for the period	-	(2,026)	130	**(1,896)**
Balance as at 30 November 2016	**138,319**	**6,700**	**84,417**	**229,436**
Share buyback	(1,594)	-	-	**(1,594)**
Dividends paid	-	-	(1,511)	**(1,511)**
Total comprehensive income for the period	-	1,276	510	**1,786**
Balance as at 28 February 2017	**136,725**	**7,976**	**83,416**	**228,117**
Total comprehensive income for the period	-	1,432	1,411	**2,843**
Balance as at 31 May 2017	**136,725**	**9,408**	**84,827**	**230,960**
Issue of share capital	382	-	-	**382**
Total comprehensive loss for the period	-	(594)	(1,254)	**(1,848)**
Balance as at 31 August 2017	**137,107**	**8,814**	**83,573**	**229,494**

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

The old warrants which were issued on 25 July 2012 expired on 24 July 2017.

The company issued new warrants having an exercise price of $0.25 on 23 January 2017. These new warrants will expire on 23 January 2020. Share capital increased by $1,139,918 during the year ended 31 August 2018 due to exercise of new warrants.

The number of shares that maybe issued on conversion of the convertibles is as follows:

	31-08-2018	**31-08-2017**
Warrants – New	747,709,180	752,268,852

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.

	As at 31-08-2018	As at 31-08-2017
Total number of issued shares	755,032,224	750,472,552
Less: Treasury shares	-	-
Total number of issued shares excluding treasury shares	755,032,224	750,472,552

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

Not applicable.

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 (eg. The Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have neither been audited nor reviewed by the Company's auditors.

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

Not applicable.

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

All accounting policies and methods of computation applied are the same as those in the most recently audited annual financial statements.

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

The Group adopted the new or amended Singapore Financial Reporting Standards (FRS) and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial year. However, the adoption of those new or amended FRS did not result in substantial changes to the accounting policies of the Group and had no material effect on the amounts reported for the current or prior financial years.

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 For the 12 months ended		Group For the 3 months ended	
	31-08-2018	31-08-2017	31-08-2018	31-08-2017
Earnings per share	1.05 cents	1.26 cents	0.22 cents	0.11 cents
Earnings per share on fully diluted basis	1.05 cents	1.26 cents	0.22 cents	0.11 cents

The calculation of earnings per share for the year ended 31 August 2018 and 31 August 2017 is based on the weighted average number of shares in issue of 754,580,213 and 751,428,169 respectively.

There was no dilution in earnings per share for the year ended 31 August 2018 as the average market price of the Company's shares for the year was less than the exercise price of the new warrants of $0.25.

The diluted earnings per share for the year ended 31 August 2017 (which was very insignificant) was computed considering the average number of shares that would have been issued at fair value if all the new warrants were exercised at the exercise price of $0.25.

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 31-08-2018	Group 31-08-2017	Company 31-08-2018	Company 31-08-2017
Net asset value per share	34.73 cents	34.56 cents	30.05 cents	30.58 cents

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

Notes:

1. Throughout the review in this section, FY 2018 refers to the financial year ended 31 August 2018. FY 2017 refers to the financial year ended 31 August 2017.

2. EBITDA is the operating earnings before interest expenses, tax, depreciation, divestment and revaluation gains/deficits on non-current assets and foreign exchange differences.

OVERVIEW

The Group net profit decreased by $1.57 million from $9.48 million in FY 2017 to $7.91 million in FY 2018.

Revenue has decreased by $3.20 million or 9.19% from $34.81 million in FY 2017 to $31.61 million in FY 2018.

Adjusted EBITDA decreased by $4.38 million from $11.92 million in FY 2017 to $7.54 million in FY 2018.

REVENUE

The Group revenue has decreased by $3.20 million or 9.19% from $34.81 million in FY 2017 to $31.61 million in FY 2018.

Different business segments contributed to the decrease as illustrated below:

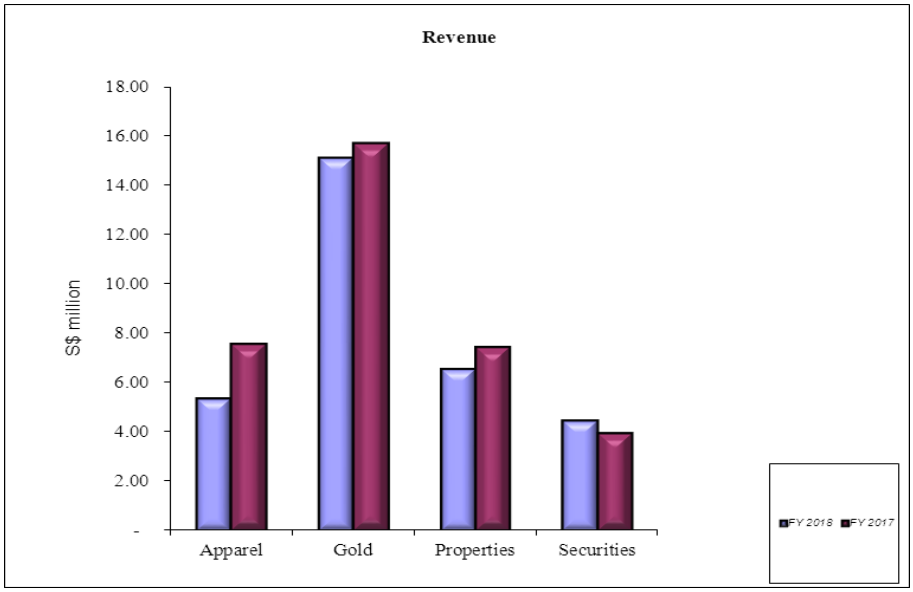
Revenue	FY 2018	FY 2017	Variance	
	$ million	$ million	$ million	%
Apparel	5.40	7.59	(2.19)	-28.85%
Gold	15.13	15.74	(0.61)	-3.88%
Properties	6.58	7.49	(0.91)	-12.15%
Securities	4.50	3.99	0.51	12.78%

The closure of all retail apparel outlets except the flagship First Lady store in Malaysia has resulted in decrease of revenue of $2.19 million from this business segment. In addition, the intense competition and the increasing trend of online shopping with changed consumer preferences has also contributed to decrease in revenue from apparel business. The revenue from apparel business was $7.59 million in FY 2017 as compared to $5.40 million in FY 2018. Of the $5.40 million, Malaysian apparel business contributed $3.56 million.

Despite a general slowdown in the gold market, our revenue from gold business declined only slightly by $0.61 million or 3.88% to $15.13 million in FY 2018 from $15.74 million in FY 2017.

Rental revenue from properties reduced by $0.91 million to $6.58 million in FY 2018 from $7.49 million in FY 2017 mainly because of sale of two investment properties as well as lower rental received on some renewal of lease.

The securities business witnessed a rise in revenue of $0.51 million from $3.99 million in FY 2017 to $4.50 million in FY 2018 because of increased dividends received from equity securities purchased during the current year.



For FY 2018, other income comprised mainly of unrealised foreign exchange gain and profit from sale of investment properties. In FY 2018, because of the strengthening of Malaysian Ringgit, the unrealised foreign exchange gain was $0.55 million as compared to an unrealised foreign exchange loss of $0.71 million in FY 2017. Moreover, in FY 2018 there was a profit of $0.75 million recorded on sale of two investment properties. In FY 2017, other income consisted primarily of profit on disposal of securities as the company had accepted cash offer on de-listing of one of the available-for sale equity securities resulting in a profit of $2.24 million.

PROFIT

The Group net profit decreased to $7.91 million in FY 2018 from $9.48 million in FY 2017, by $1.57 million.

The contribution from various business segments are illustrated below (the contributions are before interest, tax and unallocated expenses).

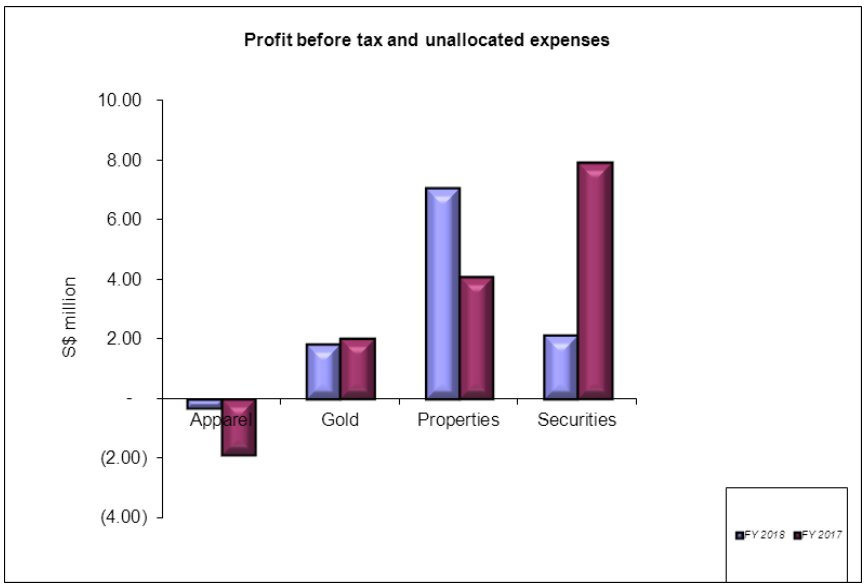
	FY 2018	FY 2017	Variance	
	$ million	$ million	$ million	%
Apparel	(0.28)	(1.86)	1.58	-84.95%
Gold	1.86	2.02	(0.16)	-7.92%
Properties	7.06	4.09	2.97	72.62%
Securities	2.15	7.89	(5.74)	-72.75%

The closure of all retail apparel outlets except the flagship First Lady store in Malaysia helped in lowering losses from the apparel business segment. In addition, the unrealised foreign exchange gain because of the appreciating Malaysian Ringgit contributed to the decrease in loss from this segment.

The profit from gold business decreased marginally by $0.16 million from $2.02 million in FY 2017 to $1.86 million in FY 2018 mainly because of slightly lower gross profit margin as well as lower sales compared to prior year in the current year.

Properties segment contributed $7.06 million in FY 2018 as compared to $4.09 million in FY 2017. This was primarily because of gain of $0.79 million recorded on revaluation of properties in FY 2018 as compared to net revaluation loss of $2.44 million in FY 2017. Furthermore, profit of $0.75 million on sale of two investment properties in FY 2018 also added to the increase in profit in the current year from this business segment.

Securities segment recorded a profit of $2.15 million in FY 2018 which is $5.74 million lesser than the profit of $7.89 million in FY 2017. This was mainly due to unrealised loss of $2.35 million recorded on financial assets, at fair value through profit or loss i.e. the financial assets held for trading purpose in the current year as compared to an unrealised gain of $1.42 million in the prior year. Moreover, the company accepted cash offer on de-listing of one of the securities in FY 2017 resulting in profit of $2.24 million.



The income tax expense increased by $0.41 million from $0.50 million in FY 2017 to $0.91 million in FY 2018 despite lower taxable profits in the current year mainly because of group relief claimed in the prior year.

Interest expenses decreased from $0.71 million in FY 2017 to $0.64 million in FY 2018 due to partial repayment of loan during the current year.

ADJUSTED EBITDA

Adjusted EBITDA decreased by $4.38 million from $11.92 million in FY 2017 to $7.54 million in FY 2018. The decrease of $2.35 million in the market value of financial assets, at fair value through profit or loss mainly resulted in the decrease in EBITDA in FY 2018.

The details of Adjusted EBITDA calculation are as below:

Adjusted EBITDA*	**FY 2018**	**FY 2017**
	$ '000	$ '000
Net Profit	7,909	9,477
Add/(Less):		
Interest expenses	643	711
Taxes	910	502
Depreciation	168	320
Fair valuation (gain)/deficit of properties	(789)	2,443
Gain on fair valuation of available-for-sale financial assets	(7)	(2,245)
Divestment gains of investment property	(750)	-
Exchange differences	(549)	707
	7,535	**11,915**

**Adjusted earnings before interest, tax, depreciation, exchange gains/losses, revaluation gains/deficit, divestment profits/losses*

CASH FLOW

The net cash flow from operating activities was $6.44 million in FY 2018.

Divestment of financial assets, available-for-sale including capital distribution made by various REITs generated $0.71 million. Proceeds from disposal of investment properties and PPE generated $12.28 million and $0.01 million respectively. Further, the Group had drawn down an amount of $156.77 million from banks. Proceeds from issue of shares due to warrants conversion amounted to $1.14 million.

The Group purchased securities worth $6.96 million and subscribed to scrip dividend and rights issue totaling $0.06 million and $0.36 million respectively which were classified as available-for-sale. Improvements made to investment properties and property, plant and equipment totaled $0.01 million each. An amount of $163.40 million was utilised to repay bank borrowings. The above funds were also deployed to distribute dividends totaling $2.27 million.

Cash and cash equivalents at the end of the period i.e. 31 August 2018 was $10.80 million while it was $6.52 million at the beginning of the period i.e. 31 August 2017. Thus, there was an increase of $4.28 million through the year.

FINANCIAL POSITION AS AT 31 AUGUST 2018

Investment properties of the group totaled $170.47 million. In addition, $21.75 million worth of property owned by the group was classified as Property, Plant and equipment because it was self-occupied. Thus the total value of the properties was $192.22 million.

As at 31 August 2018, available-for-sale financial assets comprised of shares valued at $56.29 million while financial assets at fair value through profit or loss comprised of fixed income securities and equities valued at $8.16 million and $23.04 million respectively. There was a decrease of $4.96 million in the market value of available-for-sale financial assets at 31 August 2018 as compared to 31 August 2017 and this loss was taken directly to equity. For financial assets, at fair value through profit or loss, there was an unrealised loss of $2.35 million during the current financial year which was taken to the income statement.

Inventories at end August 2018 totaled $14.05 million of which $11.27 million was gold stock.

WORKING CAPITAL

The Group had a positive working capital of $14.04 million as at 31 August 2018 as compared to working capital of $15.27 million as at 31 August 2017.

BANK BORROWINGS

There was no long-term borrowing as at 31 August 2018 as the Group repaid the outstanding amount of $3.05 million during the current year. The short-term borrowings of the Group were $39.10 million at 31 August 2018 while the borrowings (both short-term and long-term) totaled $45.79 million at 31 August 2017. The gearing ratio of the Group improved marginally from 0.15 at 31 August 2017 to 0.11 at 31 August 2018.

SHARE CAPITAL

Share capital was $138.25 million as at end August 2018 as compared to $137.11 million as at end August 2017**.** The movement in share capital was due to the issue of shares pursuant to exercise of warrants by shareholders. The number of shares in float was 755.03 million as at 31 August 2018 as compared to 750.47 million as at 31 August 2017. Total shareholders' equity stood at $262.26 million and NTA per share was 34.73 cents as at 31 August 2018.

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

The full year results are in line with disclosures made in the previous announcement of results of the Group.

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 outlook for the external sector is highly uncertain with increased global protectionism creating a possibility of some significant risk to Singapore's economy in the near future.

The retail apparel business remains very challenging especially in Malaysia. The increasing trend of online sales coupled with higher operating cost and poor consumer spending have negatively impacted this segment. To lower losses, the Group has consolidated its operations in this segment by closing all remaining small outlets and having just one flagship First Lady store in Malaysia.

We are confident of our gold business and expect it to remain profitable despite slightly lower profits as compared to last year.

The outlook of the property market has dampened due to the implementation of additional cooling measures, especially in the residential sector and indirectly having a negative effect on the commercial properties in the form of loan ratio restriction. Our rental income from this sector is negatively affected due to loss of rental income from properties sold and lower rentals from lease renewals.

Interest rates are expected to increase further in the near future.

Market forces will continue to determine the performance of the financial instruments sector.

11. If a decision regarding dividend has been made

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

Yes

(i) Name of Dividend: First and Final
(ii) Dividend type: Cash
(iii) Dividend Amount per share (in cents): 0.3 cents per ordinary share
(iv) Tax Rate: Tax exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

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

(i) Name of Dividend: First and Final
(ii) Dividend type: Cash
(iii) Dividend Amount per share (in cents): 0.3 cents per ordinary share
(iv) Tax Rate: Tax exempt

(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)***

One-tier tax exempt

(d) The date the dividend is payable

To be announced at a later date.

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

To be announced at a later date.

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

Not applicable.

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

There were no interested person transactions for the full year under review. The Company does not have a general mandate from its shareholders for the interested person transaction.

PART II Additional information required for full year announcement

14. 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

Attached (Annexure A)

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

Segment Performance

APPAREL

Revenue was $5.40 million in FY 2018 as compared to $7.59 million in FY 2017. Of the $5.40 million revenue in current year, the Malaysian apparel business contributed $3.56 million. The closure of all outlets except the flagship First Lady store in Malaysia during the current year and the intense competition from the increasing trend of online shopping resulted in decrease in revenue.
The loss from this segment however reduced from $1.86 million in the prior year to $0.28 million in the current year.

GOLD

The revenue from this segment declined from $15.74 million in FY 2017 to $15.13 million in FY 2018, a reduction of $0.61 million.
The earnings before tax dropped marginally by $0.16 million from $2.02 million in FY 2017 to $1.86 million in FY 2018 due to lower slightly lower revenue and gross profit margin in the current year.

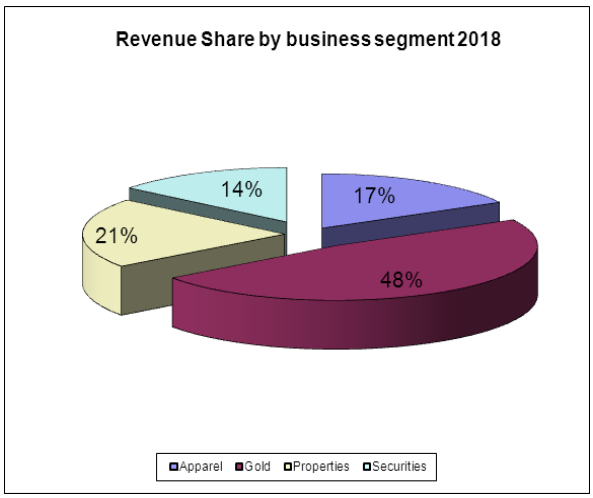
PROPERTIES

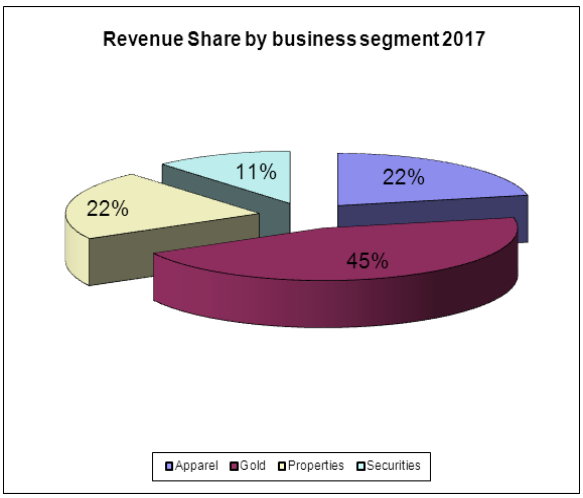
The properties business recorded a decrease in revenue of $0.91 million in FY 2018 from $7.49 million in FY 2017 to $6.58 million in FY 2018. The decrease was due to loss of rental income on sale of two properties as well as lower rentals received on lease renewals.
Earnings from the properties segment however increased from $4.09 million in FY 2017 to $7.06 million in FY 2018. Despite loss of rental, profit of $0.75 million recorded on sale of property and revaluation gain of $0.79 million in FY 2018 as compared to revaluation loss of $2.44 million in FY 2017 resulted in increased earnings before tax from this segment.

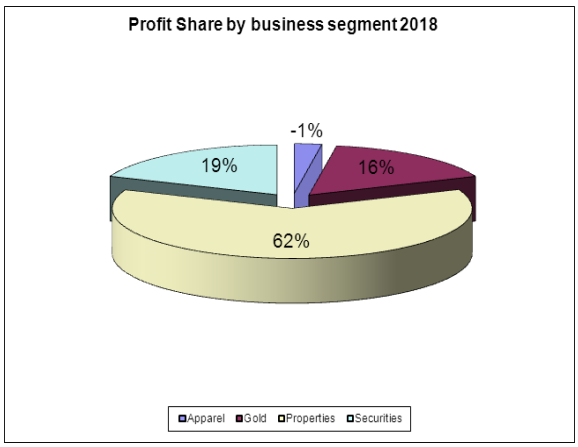
QUOTED SECURITIES

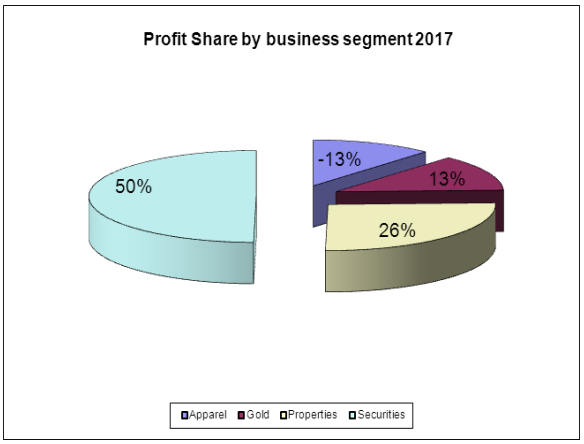
The securities segment recorded a increase in revenue of $0.51 million from $3.99 million in FY 2017 to $4.50 million in FY 2018. This was mainly due to increase in dividend from securities that were bought during the current year.

The earnings before tax however decreased by $5.74 million from $7.89 million in FY 2017 to $2.15 million in FY 2018. In FY 2017, profit of $2.44 million realised on acceptance of cash offer on de-listing of one of the equity securities along with unrealized gain of $1.42 million recorded on financial assets, at fair value through profit or loss i.e. the financial assets held for trading purpose contributed to the higher profits. In comparison, there was a loss of $2.35 million on the above-mentioned securities in FY 2018.









16. A breakdown of sales

	31/08/2018	31/08/2017	(decrease)/ increase
	$ '000	$ '000	%
	Group	Group	Group
Sales reported for first half year	12,925	15,051	(14.13)
Operating profit after tax before deducting minority interests reported for first half year	4,189	3,238	29.37
Sales reported for second half year	18,689	19,761	(5.42)
Operating profit after tax reported for second half year	3,720	6,239	(40.38)

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

	31-08-2018	31-08-2017
Ordinary	$2,265,097	$2,251,418
Preference	-	-
Total	**$2,265,097**	**$2,251,418**

18. 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 or the issuer pursuant to rule 704(13)

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 positions held, if any, during the year
Mdm Aisamar Binte Kadil Mydin Syed Marikiah	71	Sister of Mr.Mohamed Salleh, CEO and substantial shareholder	Director in subsidiary – First Lady Apparels (Malaysia) Sdn Bhd. The position was first held in 2001.	Nil
Mr.Azhar Bin Abul Hasan	44	Nephew of Mr.Mohamed Salleh, CEO and substantial shareholder	Director in subsidiary – First Lady Apparels (Malaysia) Sdn Bhd. The position was first held in 2001.	Nil
Mr.Mohamed Amal Bin Mohamed Salleh Maricar	31	Son of Mr.Mohamed Salleh, CEO and substantial shareholder	Executive Director in subsidiary – First Lady Apparels (Malaysia) Sdn Bhd. Assisting the CEO in the Malaysian operations. The position was first held in 2010.	Nil

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

The Company confirms that it has procured undertakings from all its Directors and Executive Officers, in the format as set out in Appendix 7.7 pursuant to Rule 720(1).

On behalf of the Board of Directors

Mohamed Salleh
s/o Kadir Mohideen Saibu Maricar
CEO

Mohamed Hasan Marican
s/o Kadir Mohideen Saibu Maricar
Deputy CEO

30 October 2018