



**CHEMICAL INDUSTRIES (FAR EAST) LIMITED.**  
**化学工业(远东)有限公司**

Company Registration No. : 196200046K

---

**UNAUDITED RESULTS FOR FULL YEAR ENDED 31 MARCH 2019**

---

**1(a)(i) A statement of profit or loss and other comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year**

**Consolidated Statement of Profit or Loss**

	THE GROUP		Increase/ (Decrease) %
	FY2019 S\$'000	FY2018 S\$'000	
Revenue	68,820	70,855	(2.9)
Cost of sales	<u>(55,966)</u>	<u>(56,745)</u>	(1.4)
<b>Gross Profit</b>	<b>12,854</b>	<b>14,110</b>	<b>(8.9)</b>
Other income (net)	8,376	5,655	48.1
Distribution expenses	(4,590)	(4,928)	(6.9)
Administrative expenses	(5,273)	(5,064)	4.1
Finance costs	<u>(1)</u>	<u>(3)</u>	(66.7)
<b>Profit before tax</b>	<b>11,366</b>	<b>9,770</b>	<b>16.3</b>
Income tax expense	<u>(677)</u>	<u>(529)</u>	28.0
<b>Profit for the year attributable to owners of the company</b>	<b>10,689</b>	<b>9,241</b>	<b>15.7</b>
Other comprehensive income (net of tax):			
Available-for-sale investments	-	186	n.m.
Exchange differences on translation of foreign operations	<u>11</u>	<u>-</u>	n.m.
<b>Total comprehensive income for the year attributable to owners of the company</b>	<b>10,700</b>	<b>9,427</b>	<b>13.5</b>

*n.m. – not meaningful*

**1(a)(ii) Notes to statement of profit or loss for the Group**

Profit before income tax is arrived at after crediting/(charging) the following:

	THE GROUP		Increase/ (Decrease) %
	FY2019 S\$'000	FY2018 S\$'000	
Dividend income	32	22	45.5
Interest income	227	52	336.5
Net foreign exchange gain (loss)	139	(611)	n.m.
Gain on disposal of property, plant and equipment	19	9	111.1
Gain from fair value adjustments on investment properties	7,900	6,400	23.4
Provision for doubtful trade receivables	-	(603)	n.m.
Loss allowance	(64)	-	n.m.
Fine on contravention of The Workplace Health and Safety Act	(200)	-	n.m.
Other miscellaneous income	323	386	(16.3)
Depreciation	(6,585)	(6,531)	0.8
Interest on borrowings	(1)	(3)	(66.7)

**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**

	THE GROUP		THE COMPANY	
	FY2019 S\$'000	FY2018 S\$'000	FY2019 S\$'000	FY2018 S\$'000
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	32,170	23,273	28,789	20,654
Trade and other receivables	10,396	10,625	10,308	10,518
Prepaid land lease	42	-	-	-
Due from subsidiaries	-	-	5,404	4,699
Inventories	5,730	9,433	5,782	9,595
Total current assets	<u>48,338</u>	<u>43,331</u>	<u>50,283</u>	<u>45,466</u>
<b>NON-CURRENT ASSETS</b>				
Property, plant and equipment	23,630	27,400	21,248	26,645
Investment properties	55,700	47,800	-	-
Prepaid land lease	1,870	-	-	-
Subsidiaries	-	-	9,084	6,383
Associates	-	-	-	-
Available-for-sale investments	-	906	-	906
Financial assets at fair value through profit or loss ("FVTPL")	831	-	831	-
Total non-current assets	<u>82,031</u>	<u>76,106</u>	<u>31,163</u>	<u>33,934</u>
<b>TOTAL ASSETS</b>	<b><u>130,369</u></b>	<b><u>119,437</u></b>	<b><u>81,446</u></b>	<b><u>79,400</u></b>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Trade and other payables	5,652	3,705	5,083	3,152
Contract liabilities	109	-	109	-
Due to subsidiaries	-	-	460	186
Current portion of finance leases	10	10	10	10
Income tax payable	3,627	3,532	3,424	3,309
Total current liabilities	<u>9,398</u>	<u>7,247</u>	<u>9,086</u>	<u>6,657</u>
<b>NON-CURRENT LIABILITIES</b>				
Finance leases	9	20	9	20
Deferred tax liabilities	2,860	3,549	2,790	3,483
Total non-current liabilities	<u>2,869</u>	<u>3,569</u>	<u>2,799</u>	<u>3,503</u>
<b>CAPITAL AND RESERVES</b>				
Share capital	75,945	75,945	75,945	75,945
Reserves	11	718	-	718
Accumulated profit (losses)	42,146	31,958	(6,384)	(7,423)
Total equity	<u>118,102</u>	<u>108,621</u>	<u>69,561</u>	<u>69,240</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b><u>130,369</u></b>	<b><u>119,437</u></b>	<b><u>81,446</u></b>	<b><u>79,400</u></b>

**1(b)(ii) Aggregate amount of the group's borrowings and debt securities, together with comparative figures as at the end of the immediately preceding financial year.**

	<b>31 Mar 2019</b> <b>S\$'000</b>	<b>31 Mar 2018</b> <b>S\$'000</b>
Amount repayable within one year		
Secured	10	10
Unsecured	-	-
	<u><b>10</b></u>	<u><b>10</b></u>
Amount repayable after one year		
Secured	9	20
Unsecured	-	-
	<u><b>9</b></u>	<u><b>20</b></u>
<b>Total</b>	<u><b>19</b></u>	<u><b>30</b></u>

**Details of Collaterals**

Finance leases amounting to S\$19,000 (31 March 2018: S\$30,000) are secured by plant and equipment under these finance lease arrangements.

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

	THE GROUP	
	FY2019 S\$'000	FY2018 S\$'000
<b>Operating activities:</b>		
Profit before tax	11,366	9,770
Adjustments for:		
Write down of inventory to net realisable value	45	249
Loss allowance	64	-
Provision for doubtful trade receivables	-	603
Depreciation of property, plant and equipment	6,585	6,531
Gain from fair value adjustments on investment properties	(7,900)	(6,400)
Loss on fair value adjustments on financial assets at FVTPL	90	-
Foreign exchange differences	(104)	201
Dividend income	(32)	(22)
Gain on disposal of property, plant and equipment	(19)	(9)
Interest expense	1	3
Interest income	(227)	(52)
Operating cash flows before movements in working capital	9,869	10,874
Trade and other receivables	200	(1,575)
Inventories	3,658	(4,820)
Trade and other payables	1,952	(1,615)
Contract liabilities	109	-
Cash generated from operations	15,788	2,864
Dividends paid	(1,139)	(2,278)
Income tax paid	(1,271)	(2,161)
Interest paid	(1)	(3)
Interest received	227	52
Dividends received	32	22
<b>Net cash from (used in) operating activities</b>	<b>13,636</b>	<b>(1,504)</b>
<b>Investing activities</b>		
Proceeds on disposal of plant and equipment	19	11
Purchase of plant and equipment	(2,815)	(1,401)
Additions to financial assets at FVTPL	(15)	(12)
Payment for land lease	(1,917)	-
<b>Net cash used in investing activities</b>	<b>(4,728)</b>	<b>(1,402)</b>
<b>Financing activities</b>		
Repayment of obligations under finance leases, representing net cash used in financing activities	(11)	(88)
Net increase (decrease) in cash and cash equivalents	8,897	(2,994)
Cash and cash equivalents at the beginning of the year	23,273	26,267
<b>Cash and cash equivalents at end of the year</b>	<b>32,170</b>	<b>23,273</b>

**1(d)(i) Statement of Changes in Equity (for the issuer and group), together with a comparative statement for the corresponding period of the immediately preceding financial year**

	Share capital	Translation reserve	Investment revaluation reserve	Total reserves	Accumulated profits	Attributable to equity holders of the company
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>GROUP</b>						
Balance as at 1 April 2017	75,945	451	532	983	24,544	101,472
Adoption of SFRS(I) 1	-	(451)	-	(451)	451	-
Balance as at 1 April 2017 (restated)	75,945	-	532	532	24,995	101,472
<u>Total comprehensive income for the year</u>						
Profit for the year	-	-	-	-	9,241	9,241
Other comprehensive income	-	-	186	186	-	186
Total	-	-	186	186	9,241	9,427
Dividends paid, representing transactions with owners, recognised directly in equity	-	-	-	-	(2,278)	(2,278)
<b>Balance as at 31 March 2018 (restated)</b>	<b>75,945</b>	<b>-</b>	<b>718</b>	<b>718</b>	<b>31,958</b>	<b>108,621</b>
Adoption of SFRS(I) 9	-	-	(718)	(718)	638	(80)
Balance as at 1 April 2018	75,945	-	-	-	32,596	108,541
<u>Total comprehensive income for the year</u>						
Profit for the year	-	-	-	-	10,689	10,689
Other comprehensive income	-	11	-	11	-	11
Total	-	11	-	11	10,689	10,700
Dividends paid, representing transactions with owners, recognised directly in equity	-	-	-	-	(1,139)	(1,139)
<b>Balance as at 31 March 2019</b>	<b>75,945</b>	<b>11</b>	<b>-</b>	<b>11</b>	<b>42,146</b>	<b>118,102</b>

<b>COMPANY</b>	<b>Share capital S\$'000</b>	<b>Investment revaluation reserve S\$'000</b>	<b>Accumulated losses S\$'000</b>	<b>Total S\$'000</b>
Balance as at 1 April 2017	75,945	532	(7,231)	69,246
<u>Total comprehensive income for the year</u>				
Profit for the year	-	-	2,086	2,086
Other comprehensive gain	-	186	-	186
Total	-	186	2,086	2,272
Dividends paid, representing transaction with owners, recognised directly in equity	-	-	(2,278)	(2,278)
<b>Balance as at 31 March 2018</b>	<b>75,945</b>	<b>718</b>	<b>(7,423)</b>	<b>69,240</b>
Adoption of SFRS(I) 9	-	(718)	638	(80)
Balance as at 1 April 2018	75,945	-	(6,785)	69,160
Profit for the year representing total comprehensive income for the year	-	-	1,540	1,540
Dividends paid, representing transaction with owners, recognised directly in equity	-	-	(1,139)	(1,139)
<b>Balance as at 31 March 2019</b>	<b>75,945</b>	<b>-</b>	<b>(6,384)</b>	<b>69,561</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 also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There has been no change in the Company's issued share capital since the end of the previous period reported on.

The number of issued and fully paid up ordinary shares as at 31 March 2018 and 31 March 2019 was 75,945,399.

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

	THE COMPANY	
	31 Mar 2019	31 Mar 2018
Total number of issued shares excluding treasury shares	75,945,399	75,945,399

**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.

**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 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 the issuer's most recently audited financial statements have been applied.**

Except as disclosed in Note 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with those of the audited financial statements for the year ended 31 March 2018.

**5 Changes in the accounting policies and methods of computation, including any required by an accounting standard**

The Group has adopted the new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)") and Interpretations of SFRS(I) ("SFRS(I) INT") that are effective for annual periods beginning on or after 1 April 2018 as follows:

- SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)*
- SFRS(I) 9 *Financial Instruments*
- SFRS(I) 15 *Revenue from Contracts with Customers*



a) SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)*

As a first-time adopter, the Group are required to apply retrospectively, accounting policies based on each SFRS(I) effective as at end of the first SFRS(I) reporting period (31 March 2019), except for areas of exceptions and optional exemptions set out in SFRS(I) 1.

On adoption of SFRS(I) 1, the Group has elected the optional exemptions to reset its cumulative translation reserve for all foreign operations to nil at the date of transition at 1 April 2017. As a result, cumulative translation reserve of \$451,000 arising from translation differences for all foreign operations were reclassified to retained earnings as at 1 April 2017 for the Group.

The following summarised the impact on initial application of SFRS(I) 1 on the Group's statement of financial position.

	<b>Previously reported as at 31 Mar 2017 S\$'000</b>	<b>Adoption of SFRS (I) 1 S\$'000</b>	<b>Adjusted as at 1 April 2017 S\$'000</b>
<b>The Group</b>			
<b>- Statement of Financial Position</b>			
Foreign currency translation reserve	451	(451)	-
Accumulated profits	24,544	451	24,995

b) SFRS(I) 9 *Financial Instruments*

SFRS(I) 9 introduced new requirements for (i) the classification and measurement of financial assets and financial liabilities; and (ii) impairment requirements for financial assets.

The Group has applied SFRS(I) 1 exemption from the requirement to restate comparative information for SFRS(I) 9. Accordingly, the cumulative effect of initial application of the SFRS(I) 9 is adjusted against the opening balance of retained earnings and reserves on 1 April 2018. Therefore, the comparative information was not restated.

Available-for-sale investments

On adoption of SFRS(I) 9, the Group's available-for-sale investments are measured at fair value through profit-or-loss ("FVTPL") instead of fair value through other comprehensive income ("FVTOCI"). Consequently, the investment revaluation reserves as at 31 March 2018 are recognised as adjustment to the opening balance of retained earnings and reserves as at 1 April 2018.

Impairment of Financial Assets

In relation to the impairment of financial assets, SFRS(I) 9 requires an expected credit loss model to be applied. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition.

On adoption of SFRS(I) 9, a loss allowance of S\$80,000 was recognised as an adjustment to the opening balance of retained earnings as at 1 April 2018.

The effects of initial application of SFRS (I) 9 under the modified retrospective approach are presented in para 1d(i) Statement of Changes in Equity and below.

	<b>Previously reported as at 31 Mar 2018 S\$'000</b>	<b>Adoption of SFRS (I) 9 S\$'000</b>	<b>Adjusted as at 1 April 2018 S\$'000</b>
<b>The Group</b>			
<b>- Statement of Financial Position</b>			
Trade and other receivables	10,625	(80)	10,545
Investment valuation reserve	718	(718)	-
Accumulated profits	31,958	638	32,596
<b>The Company</b>			
<b>- Statement of Financial Position</b>			
Trade and other receivables	10,518	(80)	10,438
Investment valuation reserve	718	(718)	-
Accumulated losses	(7,423)	638	(6,785)

c) SFRS(I) 15 *Revenue from Contracts with Customers*

The core principle of SFRS(I) 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition.

The Group has adopted SFRS(I) 15 using the full retrospective approach and it did not have any significant impact on the financial performance or position of the Group other than additional disclosures requirements.

**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**

	<b>THE GROUP</b>	
	<b>31 Mar 2019</b>	<b>31 Mar 2018</b>
(i) Based on weighted average number of ordinary shares in issue	14.07 cts	12.17 cts
(ii) On a fully diluted basis	14.07 cts	12.17 cts

**7** Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the current financial period reported on and immediately preceding financial year

	THE GROUP		THE COMPANY	
	31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018
Net asset value per ordinary share based on issued share capital of the Company	156 cts	143 cts	92 cts	91 cts

**8** A review of the performance of the Group

**Group Statement of Profit or Loss**

Group revenue in FY2019 was S\$68.8 million, a decrease of 2.9% from S\$70.9 million in FY2018. This was due mainly to lower reported sales in the chemical business as sales volume and pricing decreased in the year under review.

Group gross profit, correspondingly, decreased to S\$12.9 million in FY2019 with gross profit margin declined marginally from 19.9% in FY2018 to 18.7% in FY2019.

Other income (net) increase to S\$8.4 million for FY2019 from S\$5.7 million in FY2018 mainly due to the fair value gain of S\$7.9 million of its investment properties as well as increase in interest income received from the increased in placement on fixed deposits with financial institutions.

Distribution expenses decreased to S\$4.6 million in FY2019 from S\$4.9 million in FY2018 in line with reported lower sales in the chemical business.

Administrative expenses, on the other hand, increased marginally to S\$5.3 million in FY2019 as compared to S\$5.1 million in FY2018. The increase was mainly due to increase in professional fees, travelling cost and staff cost in FY2019.

The current finance costs of S\$1,000 were lower as compared to S\$3,000 in FY2018 as the Group made repayment to its finance leases obligations with no new additions during the year.

Income tax expense was higher at S\$677,000 in FY2019 as compared to S\$529,000 in FY2018 arising from timing differences in tax treatment despite the decrease in profitability.

As a result of the foregoing, Group net profit after tax for FY2019 came in at S\$10.7 million as compared to S\$9.2 million in the previous corresponding period.

## **Group Statement of Financial Position**

Group's net cash position rose to S\$32.2 million in FY2019 as detailed in the Group's Cashflow statement on para 1(c). As presented in the cashflow statement, the increase in cash position was primarily due to improvement in cash generated from operations.

Group's trade and other receivables remained relatively stable at S\$10.4 million.

Prepaid land lease (Current and non-current) of S\$1.9 million was related to the lease of land located in Myanmar, with a tenure of approximately 45 years, for the development of chemical process plant. In accordance to the land lease agreement, land lease has to be prepaid in advance for the duration of the lease period.

Arising from lower revenue recorded in Inventories were lower at S\$5.7 million in FY2019 as compared to S\$9.4 million in FY2018 as the Group hold lower inventories.

In the year under review, Group's depreciation charge was at S\$6.6 million, marginally higher by S\$54,000 than that in FY2018. Capital expenditure on purchase of plant and equipment increased to S\$2.8 million (FY2018: S\$1.4 million) mainly attributed to the development of chemical process plant in Myanmar. This resulted in the carrying value of property, plant and equipment at S\$23.6 million in FY2019, lower than that of S\$27.4 million in FY2018.

With the adoption of SFRS (I) 9, Group's available-for-sale investments has been reclassified as financial assets at fair value through profit or loss in FY2019. The decrease in fair value was due to lower closing traded price as at 31 March 2019.

Trade and other payables increased by 52.6% to S\$5.7 million in FY2019 primarily due to timing differences in the payment of trade payables in FY2019.

Contract liabilities of S\$109,000 in FY2019 was due to advance payment received from customers whereby deliveries of goods had not been made.

During the current period, the Group made repayment of S\$11,000 for its obligations under finance leases with no acquisition of new leases. As such finance leases came in at S\$19,000 as at FY2019.

Group's tax liabilities that comprised of income tax payable and deferred tax liabilities was lower at S\$6.5 million compared to S\$7.1 million in FY2018 due to payment in the current year.

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

Not applicable.

**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 industrial chemicals business continues to operate amidst competitive conditions seeing more intense price competition. As such, if demand for our main chlor-alkali chemicals products remain depressed, financial results for the coming year may be adversely affected. To mitigate the effects, we are expanding the range of our products and seeking new growth opportunities in the region.

Barring any unforeseen circumstances, the outlook of the property business remains positive with stable rental income and positive market sentiments on the value of investment properties.

**11** **Dividend**

(a) Current financial period reported on

Any dividend declared for the current financial period reported on?

Yes

Name of Dividend	Final
Dividend Type	Cash
Dividend Rate	1.5 cents per ordinary share
Tax Rate	One-tier 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

Name of Dividend	Final (Paid on 18 July 2018)
Dividend Type	Cash
Dividend Rate	1.5 cents per ordinary share
Tax Rate	One-tier tax exempt

(c) Date payable

18 July 2019

(e) Book closure date

The Share Transfer Books and Register of Members of Chemical Industries (Far East) Limited (the "Company") will be closed on 10 July 2019 after 5.00 p.m. for the preparation of dividend warrants.

Duly completed registrable transfers received by the Company's Share Registrar, B.A.C.S. Private Limited of 8 Robinson Road, #03-00 ASO Building, Singapore 048544 up to 5.00 p.m. on 10 July 2019 will be registered to determine shareholders' entitlements to the final dividend. Members whose securities accounts with The Central Depository (Pte) Limited credited with shares in the Company at 5.00 p.m. on 10 July 2019 will be entitled to the final dividends.

**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.**

The Group has not obtained a general mandate from shareholders for Interested Person Transactions.

**14 Confirmation by the Board pursuant to Rule 720(1) of the listing manual**

On behalf of the Board of Directors of the Company, we hereby confirm that we have procured all the required undertakings to comply with the Exchange's listing rules from all the Directors and Executive Officers of the Company in the format set out in Appendix 7.7 under Rule 720(1).

**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 preceding year**

<b><u>Segment revenue and results</u></b>	<b><u>Revenue</u></b>		<b><u>Profit</u></b>	
	<b><u>FY2019</u></b>	<b><u>FY2018</u></b>	<b><u>FY2019</u></b>	<b><u>FY2018</u></b>
	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>
Industrial Chemicals	67,390	69,383	2,288	2,331
Properties	1,430	1,472	8,820	7,368
Total	<u>68,820</u>	<u>70,855</u>	11,108	9,699
Interest income			227	52
Dividend income			32	22
Finance costs			<u>(1)</u>	<u>(3)</u>
Profit before income tax			11,366	9,770
Income tax expense			<u>(677)</u>	<u>(529)</u>
Consolidated revenue and profit for the year	<u>68,820</u>	<u>70,855</u>	<u>10,689</u>	<u>9,241</u>

<b><u>Segment assets</u></b>	<b>FY2019</b>	<b>FY2018</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Industrial Chemicals	71,249	68,080
Properties	58,289	50,451
Total segment assets	129,538	118,531
Unallocated assets	831	906
Consolidated assets	130,369	119,437

<b><u>Other segment information</u></b>	<b>Capital expenditure</b>		<b>Depreciation</b>	
	<b>FY2019</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2018</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Industrial Chemicals	2,765	1,345	6,523	6,468
Properties	50	56	62	63
Total	2,815	1,401	6,585	6,531

#### **Information about Major customers**

44.2% (FY2018: 50%) of the Group's industrial chemicals revenue is generated from the top 4 (FY2018: 4) customers.

84% (FY2018: 86%) of the Group's properties revenue is generated from the top 6 (FY2018: 6) customers.

#### **Geographical information**

The Group operates in two principal geographical areas – Singapore (Country of domicile) and Myanmar.

	<b>Revenue</b>		<b>Non-current assets</b>	
	<b>FY2019</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2018</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Singapore	68,820	70,855	78,563	76,106
Myanmar	-	-	3,468	-
Total	68,820	70,855	82,031	76,106

**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**

**Business & Geographical Segment**

Revenue from industrial chemicals segment declined as a result of price competition seeing sales volumes and average pricing decreased. Consequently, the results were affected.

Revenue from the Properties segment was slightly lower in the current year primarily due to an unoccupied unit for a period of 4 months when the lease of the old tenant expired. Despite the decrease in revenue, profit for the properties segment rose to S\$8.8 million as higher fair value gain in investment properties of S\$7.9 million (FY2018: S\$6.4 million) was recorded in FY2019.

For the year under review, turnover and earnings of the Group are derived from the business operations in Singapore. Business operations have not commenced in Myanmar as the chemical process plant is still under construction.

**17 A breakdown of sales as follows:-**

	THE GROUP		% increase (decrease)
	FY2019 S\$'000	FY2018 S\$'000	
(a) Sales reported for first half year	35,493	33,503	5.9
(b) Profit after tax reported for first half year	1,696	547	210.1
(c) Sales reported for second half year	33,327	37,352	(10.8)
(d) Profit after tax reported for second half year	8,993	8,694	3.4

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

	The Group and Company	
	FY2019 S\$'000	FY2018 S\$'000
Ordinary	<u>1,139</u>	<u>1,139</u>



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).

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Lim Yew Khang Cecil	66	Son of Mr Lim Soo Peng, Chairman and Managing Director and substantial shareholder of the Company	Executive Director since 2016.  Assists Managing Director in strategic planning and business development of the Group. Responsible for the Group operations in Myanmar	Not applicable
Lim Yew Tee Collin	52	Nephew of Mr Lim Soo Peng, Chairman and Managing Director and substantial shareholder of the Company	Executive Director since 2015.  Oversees operations of the chlor-alkali manufacturing plant and technical aspects of the Group	Not applicable
Lin Yunjun Benjamin	29	Grandson of Mr Lim Soo Peng, Chairman and Managing Director and substantial shareholder of the Company  Son of Mr Lim Yew Khang Cecil, Executive Director of the Company	General Manager 16 April 2019  Responsible for daily operations, marketing and procurement functions of the Company	Personal Assistant to Managing Director September 2012 to 15 April 2019

**BY ORDER OF THE BOARD**

FOO SOON SOO  
Company Secretary

22 MAY 2019