



FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2019

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

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.

Group	Year ended 30.06.19 \$'000	Year ended 30.06.18 \$'000
Revenue	335,706	324,542
Cost of sales	(285,190)	(270,849)
Gross profit	50,516	53,693
Other operating income	2,562	2,088
Selling and distribution expenses	(19,412)	(19,217)
Administrative expenses	(18,547)	(19,565)
Other operating expenses	(1,775)	(1,892)
Finance costs	(1,005)	(552)
Share of profit of associates	1,608	3,668
Profit before income tax	13,947	18,223
Income tax expense	(1,965)	(2,651)
Profit for the year	11,982	15,572
Other comprehensive (loss) income:		
<u>Items that may be reclassified subsequently to profit or loss</u>		
Exchange difference on translation of foreign operations	(1,099)	646
Changes in share of other comprehensive income of associates	32	33
Other comprehensive (loss) income for the year, net of tax	(1,067)	679
Total comprehensive income for the year	10,915	16,251
Profit for the year attributable to:		
Shareholders of the Company	11,749	15,456
Non-controlling interests	233	116
	11,982	15,572
Total comprehensive income attributable to :		
Shareholders of the Company	10,672	16,167
Non-controlling interests	243	84
	10,915	16,251

1(a)(ii) Notes to the statement of profit or loss (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Year ended 30.06.19 \$'000	Year ended 30.06.18 \$'000
Interest income	21	57
Bad debts written off	(24)	-
Loss allowance for trade receivables	(1,731)	(745)
Inventories written off	(236)	(233)
Allowance for inventories obsolescence	(3)	(76)
Fair value gain on derivative financial instruments	437	369
Foreign exchange gain (loss)	139	(1,114)
Adjustment for over (under) provision of income tax in respect of prior years	277	(172)
Gain on disposal of property, plant and equipment	92	54
Property, plant and equipment written off	(20)	(33)
Depreciation expense	(5,283)	(5,071)
Amortisation expense	(232)	(232)

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		
	As at 30.06.19 \$'000	As at 30.06.18 \$'000	As at 01.07.17 \$'000	As at 30.06.19 \$'000	As at 30.06.18 \$'000	As at 01.07.17 \$'000
ASSETS						
Current assets:						
Cash and bank balances	16,822	18,754	22,081	5,092	6,155	8,879
Trade receivables	90,643	93,585	78,499	45,638	52,741	41,521
Other receivables	3,544	3,102	2,320	3,993	3,116	2,837
Contract assets	3,736	3,159	2,296	-	-	-
Derivative financial instruments	437	369	167	437	369	167
Inventories	68,202	70,309	63,590	42,270	43,610	38,361
Total current assets	183,384	189,278	168,953	97,430	105,991	91,765
Non-current assets:						
Other receivables	111	494	387	1,806	2,932	4,072
Contract assets	-	25	-	-	-	-
Subsidiaries	-	-	-	42,671	44,615	44,519
Associates	9,137	7,510	5,561	-	-	-
Property, plant and equipment	40,329	34,161	35,292	14,143	6,698	7,326
Investment property	3,003	3,159	3,052	-	-	-
Leasehold prepayments	124	130	136	-	-	-
Intangible assets	391	623	855	-	-	-
Deferred tax assets	106	62	76	-	-	-
Total non-current assets	53,201	46,164	45,359	58,620	54,245	55,917
Total assets	236,585	235,442	214,312	156,050	160,236	147,682
LIABILITIES AND EQUITY						
Current liabilities:						
Short-term bank borrowings	25,611	19,753	9,994	10,494	4,641	-
Trade payables	22,223	28,727	23,504	9,650	16,352	9,915
Other payables	6,765	6,920	7,127	2,101	2,458	2,555
Contract liabilities	1,236	1,731	960	27	6	2
Current portion of finance leases	113	-	49	-	-	-
Derivative financial instruments	-	-*	72	-	-	72
Income tax payable	1,986	1,644	2,314	868	1,122	1,500
Total current liabilities	57,934	58,775	44,020	23,140	24,579	14,044
Non-current liabilities:						
Other payables	115	88	69	-	-	-
Non-current portion of finance leases	136	-	87	-	-	-
Deferred tax liabilities	1,587	2,079	1,649	660	717	410
Total non-current liabilities	1,838	2,167	1,805	660	717	410

* Amount less than \$1,000.

	GROUP			COMPANY		
	As at 30.06.19 \$'000	As at 30.06.18 \$'000	As at 01.07.17 \$'000	As at 30.06.19 \$'000	As at 30.06.18 \$'000	As at 01.07.17 \$'000
Capital, reserves and non-controlling interests:						
Share capital	58,641	56,288	56,288	58,641	56,288	56,288
Treasury shares	(950)	(950)	(950)	(950)	(950)	(950)
Reserves	117,858	117,979	112,047	74,559	79,602	77,890
Equity attributable to the shareholders of the Company	175,549	173,317	167,385	132,250	134,940	133,228
Non-controlling interests	1,264	1,183	1,102	-	-	-
Total equity	176,813	174,500	168,487	132,250	134,940	133,228
Total liabilities and equity	236,585	235,442	214,312	156,050	160,236	147,682

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

Amount repayable in one year or less, or on demand

As at 30/06/2019		As at 30/06/2018	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
15,230	10,494	15,112	4,641

Amount repayable after one year

As at 30/06/2019		As at 30/06/2018	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
136	-	-	-

Details of any collateral

The other bank borrowings of the Group are secured by the following:

- i. negative pledge over all assets of a subsidiary; and
- ii. corporate guarantee by the Company.

(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	Year ended 30.06.19 \$'000	Year ended 30.06.18 \$'000
Operating activities		
Profit before income tax	13,947	18,223
Adjustments for:		
Depreciation expense	5,283	5,071
Amortisation expense	232	232
Interest income	(21)	(57)
Interest expense	1,005	552
Gain on disposal of property, plant and equipment	(92)	(54)
Property, plant and equipment written off	20	33
Bad debts written off	24	-
Loss allowance for trade receivables	1,731	745
Inventories written off	236	233
Allowance for inventories obsolescence	3	76
Fair value adjustment on derivative financial instruments taken to profit or loss	(437)	(369)
Share of profit of associates	(1,608)	(3,668)
Operating cash flows before movement in working capital	20,323	21,017
Trade receivables	(557)	(15,333)
Other receivables	205	(630)
Contract assets	(569)	(888)
Inventories	1,406	(6,777)
Trade payables	(6,029)	5,311
Other payables	(249)	(204)
Contract liabilities	(473)	771
Cash from operations	14,057	3,267
Income tax paid	(2,201)	(3,151)
Net cash from operating activities	11,856	116
Investing activities		
Acquisition of an associate	-	(888)
Purchase of property, plant and equipment ^(a)	(11,403)	(3,875)
Proceeds from disposal of property, plant and equipment	132	219
Dividend received from an associate	-	2,640
Interest received	21	57
Net cash used in investing activities	(11,250)	(1,847)
Financing activities		
Proceeds from short-term bank borrowings	101,220	68,600
Repayment of short-term bank borrowings	(95,025)	(59,309)
Repayment of finance lease obligations	(89)	(138)
Interest paid	(1,005)	(552)
Dividend paid ^(b)	(7,447)	(10,235)
Dividend paid to non-controlling interests	-	(3)
Net cash used in financing activities	(2,346)	(1,637)
Net decrease in cash and cash equivalents	(1,740)	(3,368)
Cash and cash equivalents at beginning of year	18,754	22,081
Effect of exchange rate changes on the balance of cash held in foreign currencies	(192)	41
Cash and cash equivalents at end of year	16,822	18,754

Note:

- (a) During the financial year, the Group acquired property, plant and equipment with an aggregate cost of \$11,745,000 (2018: \$3,875,000) of which \$342,000 (2018: \$Nil) was acquired by means of finance leases. Cash payment of \$11,403,000 (2018: \$3,875,000) were made to purchase property, plant and equipment.
- (b) During the financial year, the Group allotted and issued 7,841,974 new shares at an issue price of \$0.30 per share pursuant to Scrip Dividend Scheme. Cash payment of \$7,447,000 (2018: \$10,235,000) were made for dividends.

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 \$'000	Treasury shares \$'000	Foreign currency translation reserve \$'000	Other reserve \$'000	Accumulated profits \$'000	Equity attributable to shareholders of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
Balance at 1 July 2018, as previously reported	56,288	(950)	(2,818)	(1,084)	121,881	173,317	1,183	174,500
Effect of adoption of SFRS(I) 1	-	-	3,529	-	(3,529)	-	-	-
Effect of adoption of SFRS(I) 9	-	-	9	-	(994)	(985)	(12)	(997)
Balance at 1 July 2018, as restated	56,288	(950)	720	(1,084)	117,358	172,332	1,171	173,503
Total comprehensive income (loss) for the year								
Profit for the year	-	-	-	-	11,749	11,749	233	11,982
Other comprehensive income (loss) for the year	-	-	(1,077)	-	-	(1,077)	10	(1,067)
Total	-	-	(1,077)	-	11,749	10,672	243	10,915
Transactions with owners, recognised directly in equity								
Issue of shares pursuant to Scrip Dividend Scheme	2,353	-	-	-	(2,353)	-	-	-
Share of post-acquisition reserve from an associate	-	-	-	(8)	-	(8)	-	(8)
Dividend paid to non-controlling interests	-	-	-	-	-	-	(150)	(150)
Final dividend for the previous year paid	-	-	-	-	(6,533)	(6,533)	-	(6,533)
Interim dividend for the year paid	-	-	-	-	(914)	(914)	-	(914)
Total	2,353	-	-	(8)	(9,800)	(7,455)	(150)	(7,605)
Balance at 30 June 2019	58,641	(950)	(357)	(1,092)	119,307	175,549	1,264	176,813

Group	Share capital \$'000	Treasury shares \$'000	Foreign currency translation reserve \$'000	Other reserve \$'000	Accumulated profits \$'000	Equity attributable to shareholders of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
Balance at 1 July 2017, as previously reported	56,288	(950)	(3,529)	(1,084)	116,660	167,385	1,102	168,487
Effect of adoption of SFRS(I) 1	-	-	3,529	-	(3,529)	-	-	-
Balance at 1 July 2017, as restated	56,288	(950)	-	(1,084)	113,131	167,385	1,102	168,487
Total comprehensive income (loss) for the year								
Profit for the year	-	-	-	-	15,456	15,456	116	15,572
Other comprehensive income (loss) for the year	-	-	711	-	-	711	(32)	679
Total	-	-	711	-	15,456	16,167	84	16,251
Transactions with owners, recognised directly in equity								
Dividend paid to non-controlling interests	-	-	-	-	-	-	(3)	(3)
Final dividend for the previous year paid	-	-	-	-	(6,968)	(6,968)	-	(6,968)
Interim dividend for the year paid	-	-	-	-	(3,267)	(3,267)	-	(3,267)
Total	-	-	-	-	(10,235)	(10,235)	(3)	(10,238)
Balance at 30 June 2018, as restated	56,288	(950)	711	(1,084)	118,352	173,317	1,183	174,500

Company	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Total equity \$'000
Balance at 1 July 2018, as previously reported	56,288	(950)	79,602	134,940
Effect of adoption of SFRS(I) 9	-	-	(225)	(225)
Balance at 1 July 2018, as restated	56,288	(950)	79,377	134,715
Profit for the year, representing total comprehensive income for the year	-	-	4,982	4,982
Transactions with owners, recognised directly in equity				
Issue of shares pursuant to Scrip Dividend Scheme	2,353	-	(2,353)	-
Final dividend for the previous year paid	-	-	(6,533)	(6,533)
Interim dividend for the year paid	-	-	(914)	(914)
Total	2,353	-	(9,800)	(7,447)
Balance at 30 June 2019	58,641	(950)	74,559	132,250

Company	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Total equity \$'000
Balance at 1 July 2017	56,288	(950)	77,890	133,228
Profit for the year, representing total comprehensive income for the year	-	-	11,947	11,947
Transactions with owners, recognised directly in equity				
Final dividend for the previous year paid	-	-	(6,968)	(6,968)
Interim dividend for the year paid	-	-	(3,267)	(3,267)
Total	-	-	(10,235)	(10,235)
Balance at 30 June 2018	56,288	(950)	79,602	134,940

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.

On 7 May 2019, the Company allotted and issued 7,841,974 new shares at an issue price of \$0.30 per share pursuant to Scrip Dividend Scheme.

The total number of issued ordinary shares excluding treasury shares as at 30 June 2019 was 443,357,765 (30 June 2018: 435,515,791).

The number of ordinary shares held as treasury shares as at 30 June 2019 was 2,727,000 (30 June 2018: 2,727,000), constituting 0.62% of the total number of ordinary shares outstanding (30 June 2018: 0.63%).

As at 30 June 2019, there were no outstanding convertibles and no subsidiary holdings (30 June 2018: Nil).

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 total number of issued ordinary shares excluding treasury shares as at 30 June 2019 was 443,357,765 (30 June 2018: 435,515,791).

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.

There were no sales, transfers, cancellation and/or use of treasury shares during the current financial period reported on.

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

There were no sales, transfers, cancellation and/or use of subsidiary holdings during the current financial period reported on.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited nor reviewed.

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

Not applicable.

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

Except as disclosed in item 5 below, the Group and the Company have adopted the same accounting policies and methods of computation in the financial statements for the current reporting year as those of the audited financial statements for the year ended 30 June 2018.

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

The Singapore Accounting Standards Council has introduced a new Singapore financial reporting framework that is equivalent to the International Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The new framework is referred to as "Singapore Financial Reporting Standards (International)" ("SFRS(I)") hereinafter.

Upon adoption of SFRS(I) on 1 July 2018, the Group is required to apply all of the specific transition requirements in SFRS(I) 1 *First-Time Adoption of Singapore Financial Reporting Standards (International)*. In addition, the Group has also adopted all the SFRS(I)s and amendments and interpretations of SFRS(I)s that are relevant to its operations and effective from 1 July 2018.

The adoption of these pronouncements did not have any significant impact on the financial performance or position of the Group except as disclosed below.

SFRS(I) 1 First-Time Adoption of SFRS(I)

With the application of SFRS(I) 1 *First-Time Adoption of SFRS(I)*, the Group has applied the option to reset cumulative translation differences for all foreign operations to be zero as at the date of transition to SFRS(I) on 1 July 2017. As a result, a cumulative translation loss of \$3,529,000 was reclassified from foreign currency translation reserve to accumulated profits as at 1 July 2017.

	Previously reported as at 1 July 2017 \$'000	Adoption of SFRS(I) 1 \$'000	Adjusted as at 1 July 2017 \$'000
Group			
Reserves			
Foreign currency translation reserve	(3,529)	3,529	-
Other reserve	(1,084)	-	(1,084)
Accumulated profits	116,660	(3,529)	113,131
Total	112,047	-	112,047

	Previously reported as at 1 July 2018 \$'000	Adoption of SFRS(I) 1 \$'000	Adjusted as at 1 July 2018 \$'000
Group			
Reserves			
Foreign currency translation reserve	(2,818)	3,529	711
Other reserve	(1,084)	-	(1,084)
Accumulated profits	121,881	(3,529)	118,352
Total	117,979	-	117,979

SFRS(I) 9 Financial Instruments

With the application of SFRS(I) 9 *Financial Instruments*, the Group has recognised additional loss allowance in relation to the Group's trade receivables.

The Group has elected to apply the exemption under SFRS(I) 1 from the requirement to not restate comparative information for SFRS(I) 9. Accordingly, the cumulative effect of initial application of SFRS(I) 9 is adjusted against the opening balance of retained earnings on 1 July 2018. See below for the effects of initial application of SFRS(I) 9:

Statement of Financial Position

	Previously reported as at 30 June 2018 \$'000	Adoption of SFRS(I) 15 \$'000	Adjusted as at 1 July 2018 \$'000	Previously reported as at 30 June 2018 \$'000	Adoption of SFRS(I) 15 \$'000	Adjusted as at 1 July 2018 \$'000
	<u>Group</u>			<u>Company</u>		
Current assets						
Trade receivables	96,769	(1,242)	95,527	52,741	(271)	52,470
Non-current assets						
Associates	7,510	(5)	7,505	-	-	-
Deferred tax assets	62	31	93	-	-	-
Non-current liabilities						
Deferred tax liabilities	2,079	(219)	1,860	717	(46)	671
Reserves						
Foreign currency translation reserve	(2,818)	9	(2,809)	-	-	-
Other reserve	(1,084)	-	(1,084)	-	-	-
Accumulated profits	121,881	(994)	120,887	79,602	(225)	79,377
Total	117,979	(985)	116,994	79,602	(225)	79,377
Non-controlling interests	1,183	(12)	1,171	-	-	-

SFRS(I) 15 Revenue from Contracts with Customers

The Group and the Company have adopted full retrospective application of SFRS(I) 15 *Revenue from Contracts with Customers* for the year ended 30 June 2019 and 2018 and the opening balance at 1 July 2017.

The Group and the Company have separately presented the Group's and the Company's contract asset and/or contract liabilities for the year ended 30 June 2018 and opening balance as at 1 July 2017 on the statements of financial position as below:

Statements of Financial Position

	Previously reported as at 30 June 2018 \$'000	Adoption of SFRS(I) 15 \$'000	Adjusted as at 1 July 2018 \$'000	Previously reported as at 30 June 2018 \$'000	Adoption of SFRS(I) 15 \$'000	Adjusted as at 1 July 2018 \$'000
	Group			Company		
Current assets						
Trade receivables	96,769	(3,184)	93,585	52,741	-	52,741
Contract assets	-	3,159	3,159	-	-	-
Non-current assets						
Contract assets	-	25	25	-	-	-
Current liabilities						
Other payables	8,651	(1,731)	6,920	2,464	(6)	2,458
Contract liabilities	-	1,731	1,731	-	6	6

	Previously reported as at 30 June 2017 \$'000	Adoption of SFRS(I) 15 \$'000	Adjusted as at 1 July 2017 \$'000	Previously reported as at 30 June 2017 \$'000	Adoption of SFRS(I) 15 \$'000	Adjusted as at 1 July 2017 \$'000
	Group			Company		
Current assets						
Trade receivables	80,795	(2,296)	78,499	41,521	-	41,521
Contract assets	-	2,296	2,296	-	-	-
Current liabilities						
Other payables	8,087	(960)	7,127	2,557	(2)	2,555
Contract liabilities	-	960	960	-	2	2

Statement of cash flow

	Previously reported as at 30 June 2018 \$'000	Adoption of SFRS(I) 15 \$'000	Adjusted as at 1 July 2018 \$'000
	Group		
Net cash from operating activities			
Trade receivables	(16,221)	888	(15,333)
Contract assets	-	(888)	(888)
Other payables	567	(771)	(204)
Contract liabilities	-	771	771

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.

	Year ended 30.06.19	Year ended 30.06.18
Earnings per ordinary share for the year after deducting any provision for preference dividends:-		
(i) Based on the weighted average number of ordinary shares in issue; and	2.69 cents	3.55 cents
(ii) On a fully diluted basis	2.69 cents	3.55 cents

**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 30.06.19	As at 30.06.18	As at 30.06.19	As at 30.06.18
Net asset backing per ordinary share based on existing issued share capital as at the end of the period reported on	39.60 cents	39.80 cents	29.83 cents	30.98 cents

Net asset value per share is calculated based on the existing number of shares in issue of 443,357,765 (30 June 2018: 435,515,791 shares).

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Statement of profit or loss

For the year ended 30 June 2019, the Group achieved 3.44% growth in revenue to \$335.706 million compared to \$324.542 million from the last financial year. This was attributable mainly to increased revenue in the Cable & Wire and Test & Inspection Segments.

The Cable & Wire ("C&W") Segment's revenue posted an increase of \$8.729 million, attributable to higher infrastructure and industrial project deliveries during the year.

Test & Inspection ("T&I") Segment's revenue improved by \$4.773 million, primarily due to higher revenue from Laboratory Testing Services in Singapore and overseas. Growth from the overseas heat treatment and non-destructive testing services also contributed to higher revenue for the T&I Segment.

Electrical Material Distribution ("EMD") Segment's revenue dropped by \$2.071 million. This was the result of lower sales to the Industrial Sector, particularly due to weak demand in the Electronic and Chemical and Oil & Gas Clusters.

Switchboard Segment's revenue decreased by \$267,000, due to fewer projects in the market. Sales for the current year were mainly from maintenance and replacement.

Gross profit ("GP") for the current year declined 5.92% or \$3.177 million to \$50.516 million from \$53.693 million in the last corresponding year. The GP margin of 15.05%, was lower by 1.49% as compared to 16.54% achieved in the last corresponding year. Lower margins were attributable to pricing pressure from stiff competition in the Infrastructure Sectors which eroded the margins of C&W Segment projects secured 2-3 years ago. In addition, the surge in copper prices greatly affected the margins of Infrastructure projects delivered by the C&W Segment from Singapore and Malaysia.

Other operating income increased by \$474,000 to \$2.562 million from \$2.088 million. This was the result of higher scrap sales during the year. In addition, the Group benefited from a gain on foreign exchange of \$139,000 as compared to losses suffered in the last corresponding year amounting to \$1.114 million. This was due to fluctuation in US Dollar during the year.

Administrative expenses decreased by \$1.018 million to \$18.547 million in the current year, mainly because of higher donation made to an approved Institution of Public Character (IPC) in the last financial year.

Other operating expenses declined from \$1.892 million to \$1.775 million. Higher loss allowance for trade receivables of \$1.731 million for the year was offset by the absence of Group foreign exchange losses amounting to \$1.114 million incurred in the last financial year.

Finance costs increased to \$1.005 million from \$0.552 million, mainly due to higher utilisation of short-term bank borrowings as a result of higher purchases.

During the financial year ended 30 June 2018, share of profit from associates was higher, mainly due to higher profit contribution from Nylect International Pte Ltd, as a result of gain on disposal of its investment in Kingsland Development Pte Ltd.

The Group's profit before income tax ("PBT") for the year ended 30 June 2019 fell by 23.46%, which was a decline by \$4.276 million from \$18.223 million to \$13.947 million in the current year. Driven by lower gross profit margin, the C&W Segment's PBT decreased by \$4.419 million. EMD Segment's PBT was also down by \$1.255 million, mainly attributable to lower share of profit from an associate. The Switchboard Segment's PBT however improved by \$73,000 to \$330,000. The T&I Segment's PBT grew \$1.328 million, moving in tandem with higher revenue achieved during the year.

The Group incurred income tax expenses of \$1.965 million for the current year, being a decrease of \$686,000 primarily due to over provision of income tax and deferred tax in the prior years.

Statement of financial position

Cash and bank balance decreased by \$1.932 million, due to settlement of short-term bank borrowings and payables towards year end.

Trade receivables declined by \$2.942 million, mainly the result of lower sales for the quarter ended 30 June 2019 as compared to the quarter ended 30 June 2018.

Contract assets was higher by \$577,000, primarily attributable to new and on-going projects during the year.

Inventories decreased by \$2.107 million, mainly due to lower purchases in the C&W Segment towards year end. The decrease was negated by higher inventories kept by the EMD Segment for anticipated delivery in the next quarter.

Property, plant and equipment was up by \$6.168 million, mainly due to acquisition of property, plant and equipment amounting to \$11.745 million, including the acquisition of 9 Gul Lane. The increase was partially offset by depreciation charge of \$5.283 million and currency adjustment.

Short-term bank borrowings surged by \$5.858 million primarily because of higher borrowings by the C&W Segment which moved in tandem with higher purchases. T&I Segment's bank borrowings was higher due to increase in working capital requirements.

Trade payables decreased by \$6.504 million, substantially due to settlement made by the C&W Segment towards year end.

Statement of cash flows

The cash and cash equivalent at the end of the year decreased to \$16.822 million compared with \$18.754 million at the end of the previous year.

The Group's net cash from operating activities of \$11.856 million was attributable to operating profit before working capital changes, reduction in inventories and trade receivables, offset partially by a decrease in trade and other payables and income tax paid.

The net cash used in investing activities of \$11.250 million was mainly for purchase of property, plant and equipment, net of proceeds from disposal of plant and equipment and interest received.

The net cash used in financing activities of \$2.346 million was mainly due to repayment of borrowings, finance lease, dividends and interest paid, net of proceeds from bank borrowings.

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

No forecast or a prospect statement has been previously disclosed to shareholders.

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 ongoing economic uncertainty due in part to US-China trade war, other macroeconomic events such as Brexit and volatility in copper prices and foreign exchange rates, continues to have far-reaching impact on the business in our core markets of Singapore and other countries in South-East Asia region.

With Singapore's GDP growth for 2019 forecast to fall, and Singapore being the Group's biggest contributor, the Group is expecting to continue to face strong headwinds ahead.

However, the ongoing trade war between US-China might open up pockets of opportunities for countries in South-East Asia region where the Group currently has presence particularly in Indonesia, Vietnam, Myanmar and Cambodia. Going forward, the Group will allocate resources and focus on opportunities from industrial and infrastructure projects.

In Singapore, with the government's drive towards Industry 4.0, the Group will continue to focus on improving through skills and process upgrade to drive sustainable growth internally. The drive towards Industry 4.0 will also provide business opportunities for the Group's products and services. At the same time, we will continue to execute cost control and financial discipline diligently. More resources will also be deployed to identify opportunities from infrastructure projects which were recently announced by the Singapore government.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared (recommended) for the current financial period reported on? **Yes**

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	1.50 cent per ordinary share
Tax Rate	Exempt One-tier

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared (recommended) for the corresponding period of the immediately preceding financial year? **Yes**

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	1.50 cent per ordinary share
Tax Rate	Exempt One-tier

(c) Date payable

To be announced later.

(d) Books closure date

To be announced later.

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

Not applicable.

- 13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions (“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.**

No IPT mandate has been obtained from shareholders.

- 14. Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results).**

Not applicable.

- 15. 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 Company has procured undertakings from all its directors and executive officer(s) required under Rule 720(1) of the Listing Manual.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

16. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

	Cable & Wire \$'000	Switch- board \$'000	Electrical Material Distribution \$'000	Test & Inspection \$'000	Others \$'000	Elimination \$'000	Total \$'000
2019							
Revenue							
External sales	219,369	4,883	80,887	30,567	-	-	335,706
Inter-segment sales	832	-	30	5	-	(867)	-
Total revenue	<u>220,201</u>	<u>4,883</u>	<u>80,917</u>	<u>30,572</u>	<u>-</u>	<u>(867)</u>	<u>335,706</u>

Results							
Segment result	6,846	330	3,623	2,553	(29)	-	13,323
Interest expense	(863)	-	-	(142)	-	-	(1,005)
Interest income	19	-	1	1	-	-	21
Share of profit of associates	-	-	1,607	1	-	-	1,608
Income tax expense	-	-	-	-	-	-	(1,965)
Non-controlling interests							(233)
Profit attributable to shareholders of the Company							<u>11,749</u>

2018							
Revenue							
External sales	210,640	5,150	82,958	25,794	-	-	324,542
Inter-segment sales	1,076	-	358	1	-	(1,435)	-
Total revenue	<u>211,716</u>	<u>5,150</u>	<u>83,316</u>	<u>25,795</u>	<u>-</u>	<u>(1,435)</u>	<u>324,542</u>

Results							
Segment result	10,868	257	2,858	1,093	(26)	-	15,050
Interest expense	(501)	-	(2)	(49)	-	-	(552)
Interest income	54	-	1	2	-	-	57
Share of profit of associates	-	-	3,629	39	-	-	3,668
Income tax expense	-	-	-	-	-	-	(2,651)
Non-controlling interests							(116)
Profit attributable to shareholders of the Company							<u>15,456</u>

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

Refer to item 8.

18. A breakdown of sales.

	Latest Financial Year \$'000 Group	Previous Financial Year \$'000 Group	% increase/ (decrease) Group
(a) Sales reported for first half year	171,515	160,117	7.12%
(b) Operating profit after income tax before deducting non-controlling interests reported for first half year	4,797	7,186	(33.25)%
(c) Sales reported for second half year	164,191	164,425	(0.14)%
(d) Operating profit after income tax before deducting non-controlling interests reported for second half year	7,185	8,386	(14.32)%

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

	Latest Full Year (S\$)	Previous Full Year (S\$)
(a) Ordinary	9,916,735	9,799,105
(b) Preference	-	-
(c) Total:	9,916,735	9,799,105

20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(11) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Mr. Lim Boon Hock Bernard	49	See below	Chief Executive Officer of the Issuer – 2013 (i) Overall responsibility for development and implementation of the Group’s vision, strategic agenda, and business plan together with Key Management. (ii) Achieve targets and standards for financial and trading performance, quality, culture and legislative adherence as established by the Board.	Nil
Mr. Lim Chai Lai @ Louis Lim Chai Lai	73	See below	Chairman of Lim Kim Hai Electric Co. (S) Pte. Ltd. – 2008 (i) Formulating strategic decisions relating to business. (ii) Setting LKH Group policies. (iii) General administration of the LKH Group.	Nil

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Mr. Chia Ah Heng	76	See below	<p>Deputy Chairman of Lim Kim Hai Electric Co. (S) Pte. Ltd. – 2013</p> <p>Overall responsibility for development and implementation of the Lim Kim Hai Group's vision, strategic agenda and business plan together with the CEO, including formulating business strategies and policies to achieve established goals and objectives determined by its Board of Directors.</p>	Nil
Ms Lim Lian Eng	65	See below	<p>Chief Information Officer – 2014</p> <p>(i) To plan, administer and develop the Group's use of computers and telecommunication systems to support the Group's corporate strategies and financial objectives.</p> <p>(ii) To analyse the information needs of the Group in consultation with staff at all levels and develop technological solutions to meet their needs.</p> <p>(iii) To oversee the Group's IT facilities and training of users and clients.</p> <p>(iv) Developmental role in the strategic and operational governance process of the Group as a member of the top management team.</p> <p>(v) To plan, administer and review the Group's acquisition, development, maintenance and use of IT systems and ensuring the system is in-line with the Group's goals and objectives.</p>	Nil

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
			(vi) Participate in strategising long-term corporate directions and formulation of business strategies for the Group's growth and expansion to meet the Group's financial objectives.	
Ms Lim Phek Choo, Constance	70	See below	<p>Manager – Group Grants Management of the Issuer - 1 January 2017</p> <p>(i) Study employees' needs and recommend new working methods to facilitate employees to focus on more important tasks can lead to increase productivity.</p> <p>(ii) Examine employees' job roles to find areas for growth, and redesign them as needed to meet needs of our employees and organization as a whole.</p> <p>(iii) Participate in evaluation systems or process to maximize resources and reach organizational goals accordingly.</p> <p>(iv) Assess and make recommendations on the improvement or re-engineering process requests and help to position ourselves at the forefront of our industry.</p> <p>(v) To provide avenue to increase employee engagement, efficiency and productivity, and improve quality and higher organisation branding.</p>	Nil

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
			<ul style="list-style-type: none"> (vi) To interpret both grant agency and company requirements and policies, practices and provide support to obtain available information for funding. (vii) To assist in formulation of processes and procedures for grant application. (viii) To maintain proposal and funding records in database systems, and prepare scheduled reports for claiming of grants. (ix) To participates and/or assists in special projects, and may provide procedures changes suggestions to lower level technicians on assigned work. (x) Perform other job-related duties as assigned. 	
Mr. Lim Chye Kwee	64	See below	<p>Manager - Logistics of Lim Kim Hai Electric Co. (S) Pte. Ltd. – 2008</p> <ul style="list-style-type: none"> (i) Responsible for the operations of all warehousing and stock control. (ii) Responsible for the day to day running of warehouse. (iii) Ensure efficient and reliable delivery of products and goods. 	Nil

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Mr. Lim Boon Hoh Benedict (Lin Wenhe, Benedict)	39	See below	<p>Senior Manager of Cast Laboratories Pte Ltd - 1 July 2019</p> <p>Areas of responsibility include:-</p> <ul style="list-style-type: none"> (i) Lead and manage operational activities of calibration department; (ii) Establish new testing capability for calibration and mechanical Department; (iii) Assist the General Manager of the company to ensure smooth operation; and (iv) Assist the Executive Director of the company to enhance workflow and optimise operational efficiency. 	<p>Formerly Manager - Mechanical/ Calibration/Biochemical & Environment of Cast Laboratories Pte Ltd - 1 July 2016</p> <p>Areas of responsibility include:-</p> <ul style="list-style-type: none"> (i) daily testing schedule and final report signing off; (ii) recruitment and training of engineers and technicians; (iii) overseeing maintenance of equipment; (iv) renewal of SINGLAS Accreditation status; (v) execution of departmental expansion programme; and (vi) acting as Management Representative for maintaining Business Excellence SQC status.

Note: Mr. Lim Chye Huat @ Bobby Lim Chye Huat is no longer regarded as a person occupying a managerial position because his role as Adviser to the CEO and the Executive Committee ceased on 1 November 2018, when he became non-independent and non-executive Chairman of the Board of Directors.

Name	Family relationship with any director and/or substantial shareholder
Mr. Lim Chye Huat @ Bobby Lim Chye Huat	Mr. Lim Chai Lai @ Louis Lim Chai Lai - Brother Mdm. Chan Kum Lin - Sister-in-law Mr. Lim Boon Chin Benjamin - Son Mr. Lim Boon Hock Bernard - Son Mr. Lim Boon Hoh Benedict (Lin Wenhe, Benedict) - Son Mdm. Pang Yoke Chun - Daughter-in-law
Mr. Lim Boon Hock Bernard	Mdm. Pang Yoke Chun - Wife Mr. Lim Chye Huat @ Bobby Lim Chye Huat - Father Mr. Lim Chai Lai @ Louis Lim Chai Lai - Uncle Mdm. Chan Kum Lin - Aunt Mr. Lim Boon Chin Benjamin - Brother Mr. Lim Boon Hoh Benedict (Lin Wenhe, Benedict) - Brother
Mr. Lim Chai Lai @ Louis Lim Chai Lai	Mdm. Chan Kum Lin - Wife Mr. Lim Chye Huat @ Bobby Lim Chye Huat - Brother Mr. Lim Boon Chin Benjamin - Nephew Mr. Lim Boon Hock Bernard - Nephew Mr. Lim Boon Hoh Benedict (Lin Wenhe, Benedict) - Nephew Mdm. Pang Yoke Chun - Niece
Mr. Chia Ah Heng	Mr. Lim Chye Huat @ Bobby Lim Chye Huat - Brother-in-law Mr. Lim Chai Lai @ Louis Lim Chai Lai - Brother-in-law Mdm. Chan Kum Lin - Sister-in-law Mr. Lim Boon Chin Benjamin - Nephew Mr. Lim Boon Hock Bernard - Nephew Mr. Lim Boon Hoh Benedict (Lin Wenhe, Benedict) - Nephew Mdm. Pang Yoke Chun - Niece
Ms Lim Lian Eng	Mr. Lim Chye Huat @ Bobby Lim Chye Huat – Brother Mr. Lim Chai Lai @ Louis Lim Chai Lai – Brother Mdm. Chan Kum Lin – Sister-in-law Mr. Lim Boon Chin Benjamin – Nephew Mr. Lim Boon Hock Bernard – Nephew Mr. Lim Boon Hoh Benedict (Lin Wenhe, Benedict) - Nephew Mdm. Pang Yoke Chun – Niece

Name	Family relationship with any director and/or substantial shareholder
Ms Lim Phek Choo, Constance	Mr. Lim Chye Huat @ Bobby Lim Chye Huat – Brother Mr. Lim Chai Lai @ Louis Lim Chai Lai – Brother Mdm. Chan Kum Lin – Sister-in-law Mr. Lim Boon Chin Benjamin – Nephew Mr. Lim Boon Hock Bernard – Nephew Mr. Lim Boon Hoh Benedict (Lin Wenhe, Benedict) - Nephew Mdm. Pang Yoke Chun – Niece
Mr. Lim Chye Kwee	Mr. Lim Chye Huat @ Bobby Lim Chye Huat – Brother Mr. Lim Chai Lai @ Louis Lim Chai Lai – Brother Mdm. Chan Kum Lin – Sister-in-law Mr. Lim Boon Chin Benjamin – Nephew Mr. Lim Boon Hock Bernard – Nephew Mr. Lim Boon Hoh Benedict (Lin Wenhe, Benedict) - Nephew Mdm. Pang Yoke Chun – Niece
Mr. Lim Boon Hoh Benedict (Lin Wenhe, Benedict)	Mr. Lim Chye Huat @ Bobby Lim Chye Huat – Father Mr. Lim Chai Lai @ Louis Lim Chai Lai – Uncle Mdm. Chan Kum Lin – Aunt Mr. Lim Boon Chin Benjamin – Brother Mr. Lim Boon Hock Bernard – Brother Mdm. Pang Yoke Chun – Sister-In-Law

BY ORDER OF THE BOARD

Tan Shou Chieh
Secretary

Singapore, 28 August 2019