



MAXI-CASH FINANCIAL SERVICES CORPORATION LTD

(Company Registration No: 200806968Z)
(Incorporated in the Republic of Singapore)

**UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019**

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This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited ("Sponsor"). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement. The contact person for the Sponsor is Mr Ong Hwee Li (Tel: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.

1. CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
Consolidated Statements of Comprehensive Income For The Financial Year Ended 31 December 2019 ("FY2019")

	Group		Change %
	2019 \$'000	2018 \$'000	
Revenue	218,478	203,651	7%
Material costs	(139,200)	(130,201)	7%
Employee benefits	(19,979)	(19,644)	2%
Depreciation and amortisation	(11,555)	(2,116)	n.m.
Finance costs	(13,295)	(11,022)	21%
Other operating expenses	(18,348)	(33,218)	-45%
Interest income	425	1,274	-67%
Dividend income from equity instruments	426	1,569	-73%
Rental income	323	261	24%
Other income	890	1,653	-46%
Share of results of joint venture	(226)	(141)	60%
Profit before tax	17,939	12,066	49%
Income tax expenses	(3,003)	(1,581)	90%
Profit for the year	14,936	10,485	42%
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Net fair value changes on equity instruments at fair value through other comprehensive income as at the end of the financial year	874	(1,342)	n.m.
Net fair value changes on equity instruments at fair value through other comprehensive income upon disposal during the financial year	(345)	(992)	-65%
<i>Items that may be reclassified subsequently to profit or loss</i>			
Net fair value changes on debt instruments at fair value through other comprehensive income	441	(702)	n.m.
Foreign currency translation	11	6	83%
Other comprehensive income for the year, net of tax	981	(3,030)	n.m.
Total comprehensive income for the year	15,917	7,455	114%
Profit for the year attributable to:			
Owners of the Company	14,834	10,382	43%
Non-controlling interests	102	103	-1%
	14,936	10,485	42%
Total comprehensive income attributable to:			
Owners of the Company	15,815	7,352	115%
Non-controlling interests	102	103	-1%
	15,917	7,455	114%
Earnings per ordinary share (cents)			
-Basic and diluted	1.43	1.03	39%

Other information :-

	Group		Change %
	2019 \$'000	2018 \$'000	
Amortisation of prepaid rent	4	3	33%
Depreciation of property, plant and equipment	2,370	2,113	12%
Depreciation of right-of-use assets	9,181	-	n.m.
Financial losses on pledged items not fully covered by insurance	32	13	146%
Foreign currency exchange (gain)/loss, net	(559)	5,854	n.m.
Loss on disposal of plant and equipment, net	222	129	72%

n.m. - Not meaningful

NOTES:

- 1a - Depreciation of fixed assets in pawnshops and retail outlets is computed on a straight-line basis over 3 to 5 years.
- 1b - The Group recognises all inventory, including trade-in stock and sales return stock, at the lower of cost and net realisable value.
- 1c - The increase in material costs in FY2019 was generally in line with the higher revenue.
- 1d - Higher employee benefits for FY2019 was mainly due to the increase in number of employees for overseas expansion.
- 1e - Higher depreciation and amortisation charges in FY2019 were mainly due to the recognition of right-of-use assets following the adoption of SFRS(I) 16 Leases.
- 1f - Increase in finance costs for FY2019 were mainly due to higher interest rate charged on interest-bearing loans and recognition of lease liabilities following the adoption of SFRS(I) 16 Leases.
- 1g - Lower other operating expenses in FY2019 were mainly due to the decrease in foreign currency exchange loss as compared to FY2018 and the decrease in rental expenses following the adoption of SFRS(I) 16 Leases.
- 1h - Lower interest income and dividend income for FY2019 was mainly due to the reduction in investment securities and equity instruments respectively.
- 1i - Decrease in other income for FY2019 was mainly due to net fair value change on derivatives.

2. STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	31-Dec-19 \$'000	31-Dec-18 \$'000	31-Dec-19 \$'000	31-Dec-18 \$'000
NON-CURRENT ASSETS				
Property, plant and equipment	52,535	23,150	116	158
Right-of-use assets	33,987	-	-	-
Trade and other receivables	11,736	15,123	-	-
Investment in subsidiaries	-	-	54,242	47,928
Investment in joint venture	6,415	141	7,000	500
Investment securities	3,228	24,249	-	-
Prepaid rent	-	1	-	-
Deferred tax assets	433	685	-	-
	108,334	63,349	61,358	48,586
CURRENT ASSETS				
Inventories	74,461	61,469	-	-
Trade and other receivables	315,283	303,543	27	29
Prepaid rent	1	4	-	-
Prepayments	2,743	1,726	758	421
Due from subsidiaries (non-trade)	-	-	157,473	161,889
Due from a related company (trade)	394	-	-	-
Due from a related company (non-trade)	67	1	-	-
Due from a joint venture (non-trade)	2,640	5,215	2,640	5,215
Investment securities	1,253	2,466	-	-
Derivative financial instruments	602	1,058	-	-
Cash and bank balances	16,041	21,845	1,532	941
	413,485	397,327	162,430	168,495
TOTAL ASSETS	521,819	460,676	223,788	217,081
CURRENT LIABILITIES				
Trade and other payables	10,758	9,089	3,166	2,776
Due to immediate holding company (non-trade)	2,696	-	-	-
Due to a related company (non-trade)	764	706	-	-
Dividends payables	5,176	3,105	5,176	3,105
Provision for taxation	3,387	1,986	198	50
Interest-bearing loans	218,130	222,668	-	-
Lease liabilities	8,245	-	-	-
Term notes	25,500	-	25,500	-
	274,656	237,554	34,040	5,931
Net current assets	138,829	159,773	128,390	162,564
NON-CURRENT LIABILITIES				
Other payables	109	74	-	16
Interest-bearing loans	31,552	12,644	-	-
Term notes	50,000	69,000	50,000	70,000
Deferred tax liabilities	371	257	7	-
Lease liabilities	26,238	-	-	-
	108,270	81,975	50,007	70,016
TOTAL LIABILITIES	382,926	319,529	84,047	75,947
Net assets	138,893	141,147	139,741	141,134
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY				
Share capital	137,286	137,286	137,286	137,286
Treasury shares	(9)	(15)	(9)	(15)
Other reserves	(5,870)	(3,257)	(26)	(23)
Revenue reserves	6,627	6,113	2,490	3,886
	138,034	140,127	139,741	141,134
Non-controlling interests	859	1,020	-	-
Total equity	138,893	141,147	139,741	141,134
Total equity and liabilities	521,819	460,676	223,788	217,081
Net asset value per ordinary share (cents)	13.33	13.54	13.50	13.63

2a. - Review of Financial Position

The equity attributable to owners of the Company was \$138.0 million as at 31 December 2019 as compared to \$140.1 million as at 31 December 2018. The decrease was mainly attributable to the decrease in other reserves as a result of the acquisition of a subsidiary.

The Group's total assets of \$521.8 million as at 31 December 2019 was \$61.1 million higher than that as at 31 December 2018 mainly due to the increase in property, plant and equipment arising from the acquisition of a subsidiary, the recognition of right-of-use assets arising from the adoption of SFRS(I) 16 Leases, increase in trade and other receivables, inventories, prepayments and investment in joint venture, partially offset by the decrease in cash and bank balances, amount due from a joint venture (non-trade), derivative financial instruments and investment securities. The increase in trade and other receivables was mainly due to the increase in pledge book for the Group's pawnbroking business and the provision of secured loans.

The Group's total liabilities of \$382.9 million as at 31 December 2019 was \$63.4 million higher than that as at 31 December 2018. This was mainly due to the increase in interest-bearing loans, amount due to immediate holding company (non-trade), recognition of lease liabilities arising from the adoption of SFRS(I) 16 Leases, dividends payables and term notes.

3. CONSOLIDATED STATEMENT OF CASH FLOWS

	Group	
	31-Dec-19 \$'000	31-Dec-18 \$'000
OPERATING ACTIVITIES		
Profit before tax	17,939	12,066
Adjustments for:		
Write back for allowance for doubtful receivables, net	-	(26)
Depreciation of property, plant and equipment	2,370	2,113
Write-down of inventories	100	-
Interest expense	12,943	10,794
Interest income	(425)	(1,274)
Dividend income from equity instruments	(426)	(1,569)
Amortisation of prepaid commitment fee	409	283
Amortisation of premium on term notes	(57)	(55)
Financial losses on pledged items not fully covered by insurance	32	13
Loss on disposal of property, plant and equipment	222	129
Loss on disposal of investment securities	240	187
Net fair value change on derivatives	456	(1,058)
Amortisation of prepaid rent	4	3
Gain on purchase of term notes	(12)	(4)
Unrealised foreign exchange differences	(527)	3,813
Share of results of joint venture	226	141
Depreciation of right-of-use assets	9,181	-
Operating cash flows before changes in working capital	42,675	25,556
<i>Changes in working capital</i>		
Increase in inventories	(13,092)	(9,611)
Increase in trade and other receivables	(8,065)	(1,768)
(Increase)/decrease in prepayments	(667)	439
Increase in due from a related company (trade)	(393)	-
Increase in trade and other payables	1,551	5,196
Total changes in working capital	(20,666)	(5,744)
Cash flows from operations	22,009	19,812
Interest paid	(12,127)	(10,794)
Interest received	52	63
Income taxes refunded	128	35
Income taxes paid	(1,593)	(1,495)
Net cash flows from operating activities	8,469	7,621
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,151)	(9,170)
Interest received	1,182	2,380
Acquisition of a subsidiary	(5,259)	(1,610)
Purchase of investment securities	-	(42,830)
Investment in joint venture	(6,500)	-
Proceeds from disposal of plant and equipment	60	14
Due to/(from) a joint venture (non-trade)	2,575	(2,625)
Proceeds from disposal of investment securities	23,240	48,644
Net cash flows from/(used in) investing activities	13,147	(5,197)
FINANCING ACTIVITIES		
Proceeds from issuance of term notes	23,500	-
Purchase of term notes	(16,988)	(996)
Repayment of short-term bank borrowings, net	(5,578)	(7,895)
Proceeds from term loans	-	5,678
Repayment of term loans	(848)	(470)
Purchase of treasury shares	(117)	(42)
Repayment of advances from immediate holding company (non-trade), net	(4,873)	-
Term notes commitment fee paid	(756)	-
Repayment of advances from related companies (non-trade), net	-	(213)
Decrease in due from a related company (non-trade)	-	27
Proceeds from rights issue, net	-	13,802
Dividends paid on ordinary shares	(11,904)	(8,078)
Repayment of lease liabilities	(9,501)	-
Due from a related company (non-trade)	(67)	-
Dividends paid to non-controlling interest of subsidiary	(300)	-
Net cash flows (used in)/from financing activities	(27,432)	1,813
Net (decrease)/increase in cash and cash equivalents	(5,816)	4,237
Effect of exchange rate changes on cash and cash equivalents	12	(86)
Cash and cash equivalents at the beginning of the financial year	21,845	17,694
Cash and cash equivalents at the end of the financial year	16,041	21,845

3. CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

Cash and cash equivalents

Cash and cash equivalents included in the consolidated cash flow statements comprise the following amounts:-

	31-Dec-19 \$'000	31-Dec-18 \$'000
Cash at banks and on hand	16,041	21,845
Cash and cash equivalents	16,041	21,845

3a. - Cashflow Analysis

FY2019

Net cash generated from operating activities for FY2019 was \$8.5 million. This was due to an increase in operating profit and an increase in trade and other payables, partially offset by an increase in prepayments, trade and other receivables, amount due from a related company and inventories.

Net cash generated from investing activities was \$13.1 million in FY2019. The net cash generated from investing activities was mainly due to the proceeds from disposal of investment securities, interest received and amount due to a joint venture, but partially offset by the purchase of property, plant and equipment, investment in a subsidiary and investment in joint venture.

Net cash used in financing activities was \$27.4 million in FY2019. The net cash used in financing activities was mainly due to purchase of term notes, repayment of term loans, repayment of lease liabilities, repayment of short-term bank borrowings, repayment of advances from immediate holding company (non-trade) and dividends paid on ordinary shares, partially offset by the proceeds from issuance of term notes.

4. STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the Company				Non-controlling interests \$'000	Total \$'000
	Share capital \$'000	Treasury shares \$'000	Other reserves \$'000	Revenue reserves \$'000		
Group						
Balance as at 1 January 2019	137,286	(15)	(3,257)	6,113	1,020	141,147
Total comprehensive income for the year	-	-	-	14,834	102	14,936
Purchase of treasury shares	-	(117)	-	-	-	(117)
Treasury shares reissued pursuant to Maxi-Cash Performance Share Plan	-	123	(3)	-	-	120
Dividends on ordinary shares - Cash	-	-	-	(13,975)	(300)	(14,275)
Foreign Currency Translation	-	-	11	-	-	11
Net fair value changes in debt instruments at fair value though other comprehensive income ("FVOCI")	-	-	441	-	-	441
Net fair value changes in equity instruments at FVOCI	-	-	529	-	-	529
Capital reserve from acquisition of a subsidiary	-	-	(3,913)	-	-	(3,913)
Transfer of fair value reserves of equity instruments at FVOCI upon disposal	-	-	345	(345)	-	-
Change in ownership interests in subsidiaries without a change in control	-	-	(23)	-	37	14
Balance as at 31 December 2019	137,286	(9)	(5,870)	6,627	859	138,893
Balance as at 1 January 2018	118,367	(165)	305	9,918	917	129,342
Total comprehensive income for the year	-	-	-	10,382	103	10,485
Dividends on ordinary shares-Cash	-	-	-	(8,078)	-	(8,078)
Dividends on ordinary shares-Scrip	-	-	-	(5,117)	-	(5,117)
Ordinary shares issued under scrip dividend scheme	5,117	-	-	-	-	5,117
Ordinary shares issued under rights issue	13,940	-	-	-	-	13,940
Purchase of treasury shares	-	(42)	-	-	-	(42)
Treasury shares reissued pursuant to Maxi-Cash Performance Share Plan	-	192	(23)	-	-	169
Foreign Currency Translation	-	-	6	-	-	6
Net fair value changes in debt instruments at FVOCI	-	-	(702)	-	-	(702)
Net fair value changes in equity instruments at FVOCI	-	-	(2,334)	-	-	(2,334)
Capital reserve from acquisition of a subsidiary	-	-	(1,501)	-	-	(1,501)
Transfer of fair value reserves of equity instruments at FVOCI upon disposal	-	-	992	(992)	-	-
Share issuance expenses	(138)	-	-	-	-	(138)
Balance as at 31 December 2018	137,286	(15)	(3,257)	6,113	1,020	141,147
Company						
Balance as at 1 January 2019	137,286	(15)	(23)	3,886	-	141,134
Total comprehensive income for the year	-	-	-	12,579	-	12,579
Purchase of treasury shares	-	(117)	-	-	-	(117)
Treasury shares reissued pursuant to Maxi-Cash Performance Share Plan	-	123	(3)	-	-	120
Dividends on ordinary shares-Cash	-	-	-	(13,975)	-	(13,975)
Balance as at 31 December 2019	137,286	(9)	(26)	2,490	-	139,741
Balance as at 1 January 2018	118,367	(165)	-	2,198	-	120,400
Total comprehensive income for the year	-	-	-	14,883	-	14,883
Dividends on ordinary shares-Cash	-	-	-	(8,078)	-	(8,078)
Dividends on ordinary shares-Scrip	-	-	-	(5,117)	-	(5,117)
Ordinary shares issued under scrip dividend scheme	5,117	-	-	-	-	5,117
Ordinary shares issued under rights issue	13,940	-	-	-	-	13,940
Treasury shares reissued pursuant to Maxi-Cash Performance Share Plan	-	192	(23)	-	-	169
Purchase of treasury shares	-	(42)	-	-	-	(42)
Share issuance expenses	(138)	-	-	-	-	(138)
Balance as at 31 December 2018	137,286	(15)	(23)	3,886	-	141,134

5. CHANGES IN SHARE CAPITAL

	No. of ordinary shares (excluding treasury shares)	Issued and fully paid-up share capital
	'000	\$'000
Balance as at 31 December 2018, 31 March 2019 and 30 June 2019	1,035,156	137,271
Share buyback (Note 1)	(911)	(117)
Treasury Shares reissued pursuant to Maxi-Cash Performance Share Plan (Note 2)	941	123
Balance as at 30 September 2019 and 31 December 2019	1,035,186	137,277

Note 1 - On 22 August 2019, 23 August 2019 and 26 August 2019, the Company purchased an aggregate of 911,000 shares, which are held as treasury shares.
Note 2 - On 30 August 2019, the Company transferred 941,178 treasury shares to eligible employees under the Maxi-Cash Performance Share Plan.

The Company has no outstanding convertibles or subsidiary holdings as at 31 December 2019 and 31 December 2018.

6. CHANGES IN TREASURY SHARES

	As at 31 December 2019 ('000)	As at 31 December 2018 ('000)
Total number of treasury shares	66	96
Total number of ordinary shares (excluding treasury shares)	1,035,186	1,035,156
% of treasury shares over total number of ordinary shares	0.01%	0.01%

On 30 August 2019, 941,178 treasury shares were transferred to eligible employees under the Maxi-Cash Performance Share Plan. Save as disclosed, there were no sales, transfer, cancellation and/or use of treasury shares during and as at the end of the current financial year reported on.

7. CHANGES IN SUBSIDIARY HOLDINGS

Not applicable. The Company does not have any subsidiary holdings.

8. GROUP BORROWINGS AND DEBT SECURITIES

Amount repayable in one year or less, or on demand

As at 31-Dec-19		As at 31-Dec-18	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
218,130	25,500	222,668	-

Amount repayable after one year

As at 31-Dec-19		As at 31-Dec-18	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
31,552	50,000	12,644	69,000

Details of collateral

The Group's borrowings and debt securities are secured as follows:-

- corporate guarantees by the Company and/or Aspial Corporation Limited (controlling shareholder of the company); and
- fixed and floating charges on all assets of certain subsidiaries.

9. AUDITOR'S REPORT

The figures have not been audited or reviewed by the auditors.

10. ACCOUNTING POLICIES

Except as disclosed in paragraph 11 below, the Group has applied the same accounting policies and methods of computation for the current financial year ended 31 December 2019 as those of the audited financial statements for the financial year ended 31 December 2018, as well as adopted Singapore Financial Reporting Framework (International) ("SFRS(I)"), a new financial reporting framework equivalent to the International Financial Reporting Standards, and all applicable new and revised SFRS(I) which became effective for financial years beginning on or after 1 January 2019.

11. CHANGES IN THE ACCOUNTING POLICIES

The Group has adopted the SFRS(I) 16 Leases with effect from 1 January 2019. The Group has applied the simplified transition approach and will not restate comparative amounts for the year prior to first adoption and has not restated comparatives for the 2018 reporting year as permitted under the specific transition provisions in the standard.

12. EARNINGS PER SHARE

	Group	
	FY 2019	FY 2018
i) Basic earnings per share (cents)	1.43	1.03
ii) Diluted earnings per share (cents)	1.43	1.03
- Weighted average number of shares ('000)	1,035,151	1,012,594

13. NET ASSET VALUE PER SHARE

	Group		Company	
	31-Dec-19	31-Dec-18	31-Dec-19	31-Dec-18
Net asset value per ordinary share (cents)	13.33	13.54	13.50	13.63
Number of ordinary shares in issue ('000)	1,035,186	1,035,156	1,035,186	1,035,156

14. VARIANCE FROM FORECAST STATEMENT

No forecast for the financial year ended 31 December 2019 was previously provided.

15. REVIEW OF CORPORATE PERFORMANCE

The Group's revenue increased by 7.28% to \$218.5 million in FY2019 and was \$14.8 million higher than FY2018. The increase in revenue was primarily attributed from higher revenue from the pawnbroking business and the retail and trading of jewellery and branded merchandise business but partially offset by the decrease in revenue from the secured lending business.

The increase in depreciation and amortisation costs in FY2019 as compared to FY2018 were mainly due to the recognition of right-of-use assets following the adoption of SFRS(I) 16 Leases. The increase in finance costs in FY2019 as compared to FY2018 was mainly due to higher interest rate charged on interest-bearing loans. The decrease in other operating expenses in FY2019 as compared to FY2018 was mainly due to lower foreign exchange loss.

As a result of higher gross profit and decrease in other operating expenses such as foreign exchange loss, the pre-tax profit of the Group increased to \$17.9 million in FY2019 as compared to \$12.1 million in FY2018.

16. BUSINESS OUTLOOK

The ongoing global trade tension between China and USA coupled with the recent outbreak of the COVID-19 is expected to reduce the growth rate of Singapore and countries that we have business operations in. Operating conditions for FY2020 will continue to be challenging with rising operating costs, volatile gold prices and keen competition.

To counter the above challenges, we will launch new products and services and improve our network of stores to reach out to a wider group of customers. We will continue to strengthen our training and operating systems to improve efficiencies in our delivery of products and services.

17. SEGMENT INFORMATION

2019	Pawnbroking	Money Lending	Retail and trading of jewellery and branded merchandise business	Others	Elimination	Group
Business Segment	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	43,124	7,940	166,389	1,025	-	218,478
Intersegment revenue	43,237	-	24	-	(43,261)	-
	86,361	7,940	166,413	1,025	(43,261)	218,478
Results :						
Segment result	20,481	6,578	4,974	10,832	(12,256)	30,609
Unallocated expenses	-	-	-	-	-	-
Share of results of a joint venture	-	-	-	(226)	-	(226)
Interest and dividend income	-	11	-	5,198	(4,358)	851
Finance costs	(7,341)	(3,698)	(1,091)	(5,523)	4,358	(13,295)
Profit from operations before taxation	13,140	2,891	3,883	10,281	(12,256)	17,939
Tax expense	(2,100)	(472)	(193)	(238)	-	(3,003)
Profit for the year	11,040	2,419	3,690	10,043	(12,256)	14,936
Assets and liabilities						
Segment assets	344,307	37,195	80,787	231,499	(178,817)	514,971
Investment in Joint venture	-	-	-	6,415	-	6,415
Unallocated assets	-	-	-	-	-	433
Total assets						521,819
Segment liabilities	304,145	37,778	68,778	154,203	(178,962)	385,942
Unallocated liabilities	-	-	-	-	-	(3,016)
Total liabilities						382,926
Other segment information						
Capital expenditure	1,103	-	27	1,021	-	2,151
Depreciation and amortisation	9,869	-	463	1,223	-	11,555
Other significant non-cash expenses	184	-	170	-	-	354

2018	Pawnbroking	Money Lending	Retail and trading of jewellery and branded merchandise business	Others	Elimination	Group
Business Segment	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	41,110	8,944	153,597	-	-	203,651
Intersegment revenue	44,320	-	3	-	(44,323)	-
	85,430	8,944	153,600	-	(44,323)	203,651
Results :						
Segment result	15,078	3,014	2,850	13,948	(14,504)	20,386
Unallocated expenses	-	-	-	-	-	-
Share of results of a joint venture	-	-	-	(141)	-	(141)
Interest and dividend income	-	26	-	7,177	(4,360)	2,843
Finance costs	(5,509)	(4,137)	(595)	(5,141)	4,360	(11,022)
Profit from operations before taxation	9,569	(1,097)	2,255	15,843	(14,504)	12,066
Tax expense	(1,163)	58	(371)	(105)	-	(1,581)
Profit for the year	8,406	(1,039)	1,884	15,738	(14,504)	10,485
Assets and liabilities						
Segment assets	300,675	56,522	67,955	218,840	(184,142)	459,850
Investment in Joint venture	-	-	-	141	-	141
Unallocated assets	-	-	-	-	-	685
Total assets						460,676
Segment liabilities	263,084	56,781	58,129	127,501	(184,237)	321,258
Unallocated liabilities	-	-	-	-	-	(1,729)
Total liabilities						319,529
Other segment information						
Capital expenditure	1,922	-	131	7,117	-	9,170
Depreciation and amortisation	1,652	-	140	324	-	2,116
Other significant non-cash expenses	116	-	-	-	-	116

18. BREAKDOWN OF REVENUE AND RESULTS

	Group		
	2019 \$'000	2018 \$'000	Change %
Sales reported for first half year	91,969	107,368	-14%
Operating profit after tax before deducting non-controlling interest for first half year	5,643	5,352	5%
Sales reported for second half year	126,509	96,283	31%
Operating profit after tax before deducting non-controlling interest for second half year	9,293	5,133	81%

19. INTERESTED PERSON TRANSACTIONS

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920(1)(a)(ii) of the Catalist Rules.

20. DISCLOSURE OF PERSON OCCUPYING A MANAGERIAL POSITION WHO IS A RELATIVE OF A DIRECTOR OR CHIEF EXECUTIVE OFFICER OR SUBSTANTIAL SHAREHOLDERS

Pursuant to Rule 704(13) of the Catalist Rules, the Company confirms that there is no person occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

21. DIVIDEND

(i) Proposed Dividend

Name of dividend	2019	2018
Name of dividend	Final	Final
Dividend Type	Cash	Cash
Dividend Rate	\$0.0035 per ordinary share	\$0.0035 per ordinary share
Tax Rate	One-tier tax exempt	One-tier tax exempt
Record date	To be announced later	27 May 2019
Payment date	To be announced later	6 June 2019

* The proposed final one-tier tax exempt dividend in respect of FY2019 is subject to shareholders' approval at the forthcoming Annual General Meeting of the Company.

(ii) Total Annual Dividend

Total dividend proposed and paid for the financial year ended 31 December 2019 will be \$0.0135 per share (2018: \$0.0095 per share).

Name of dividend	2019 \$	2018 \$
Ordinary Dividend		
Interim dividend	10,351,871	6,210,938
Final dividend	3,623,152	3,623,046
Total annual dividend	13,975,023	9,833,984

22. PROCURED UNDERTAKINGS BY THE BOARD AND EXECUTIVE OFFICERS PURSUANT TO RULE 720 (1) OF THE CATALIST RULES

The Company confirms that all the required undertakings under Rule 720 (1) of the Catalist Rules have been obtained from all its directors and executive officers in the format set out in Appendix 7H of the Catalist Rules.

On behalf of the Board of Directors,

Ng Leok Cheng
CEO

Koh Wee Seng
Non-Executive Chairman

21st February 2020