

Manufacturing Integration Technology Ltd.

(Company Registration No. 199200075N)

FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

1(a)(i) A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		
	S\$' 000		%
	31/12/2019	31/12/2018	Increase/ -Decrease
Revenue	9,823	18,708	-47.5%
Cost of sales	(11,054)	(16,818)	-34.3%
Gross (loss) profit	(1,231)	1,890	NM
Other income and gains	53,711	1,379	3794.9%
Marketing and distribution costs	(543)	(865)	-37.2%
Administrative expenses	(7,714)	(3,314)	132.8%
Finance costs	(204)	(43)	374.4%
Other losses	(1,533)	-	NM
Profit (loss) before tax from continuing operations	42,486	(953)	NM
Income tax income (expenses)	88	(1,075)	NM
Profit (loss) from continuing operations, net of tax	42,574	(2,028)	NM
Loss from discontinued operations, net of tax	(1,108)	(4,091)	-72.9%
Profit (loss) net of tax	41,466	(6,119)	NM
<u>Other comprehensive income (loss):</u>			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations, net of tax	(40)	(124)	-67.7%
Other comprehensive loss for the year, net of tax	(40)	(124)	-67.7%
Total comprehensive income (loss) for the year	41,426	(6,243)	NM

NM: Not meaningful

1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statements for the current financial period reported on and the corresponding period of the immediately preceding financial year.

The Company's subsidiary, MIT Semiconductor Pte Ltd ("MSPL") together with its subsidiaries (the "disposal group"), were held for sale and the entire assets and liabilities of the disposal group were classified as a disposal group held for sale in the FY2018 statement of financial position.

The entire results of the disposal group are presented separately in the consolidated income statement as "Discontinued operations".

On 20 February 2019, the disposal of the MSPL and its subsidiaries to MIT Semiconductor (Tian Jin) Company Limited was completed.

Analysis of the result of discontinued operations of disposal group is as follows:

	Group	
	S\$'000	
	1/1/2019 - 20/2/2019	1/1/2018 - 31/12/2018
Revenue	2,364	36,372
Cost of sales	(2,377)	(31,095)
Gross (loss) profit	(13)	5,277
Other income and gains	15	530
Marketing and distribution costs	(463)	(4,655)
Administrative expenses	(526)	(4,474)
Finance costs	-	(10)
Other losses	(121)	(1,463)
Loss before tax	(1,108)	(4,795)
Income tax income	-	704
Loss for the year	(1,108)	(4,091)

The Group's profit from operating activities is arrived at after other items of income & (expenses) the following:-

	Group	
	S\$'000	
	1/1/2019 - 31/12/2019	1/1/2018 - 31/12/2018
<u>Continuing Operations</u>		
1) Other income and gains include, mainly:		
- Rental income	451	615
- Interest income	383	13
- Gain on disposal of subsidiaries	52,510	-
- Foreign exchange adjustment gains	23	36
- Reversal on allowance for impairment loss on trade receivables	243	669
2) Other losses include, mainly:		
- Inventories written down	(1,384)	-
- Allowance for impairment loss on trade receivables	(65)	-
- Loss on disposal of development projects	(83)	-

	Group	
	S\$'000	
	1/1/2019 - 20/2/2019	1/1/2018 - 31/12/2018
<u>Discontinued Operations</u>		
1) Other gains include, mainly:		
- Gain on disposal of development projects	-	87
- Gain on disposal of property, plant and equipment	-	10
- Foreign exchange adjustment gains	-	88
- Reversal on allowance for impairment loss on trade receivables	-	103
2) Other losses include, mainly:		
- Inventories written down	-	(445)
- Amortisation of intangible assets	-	(31)
- Amortisation of development projects	(104)	(988)
- Foreign exchange adjustment losses	(17)	-

1(a)(iii) Amount of any adjustment for under or overprovision of tax in respect of prior years.

There is an over-provision of tax in respect of prior years of S\$88k in current financial year. (2018: S\$693k, over-provision of tax)

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
	S\$'000	S\$'000	S\$'000	S\$'000
Assets				
Non-current assets:				
Plant and equipment	1,124	993	444	134
Investment properties	8,382	8,572	8,382	8,572
Investments in subsidiaries	-	-	8,995	30,440
Right-of-use assets	2,345	-	101	-
Total non-current assets	11,851	9,565	17,922	39,146
Current assets:				
Inventories	3,088	3,026	-	-
Trade and other receivables	2,360	4,641	249	6,145
Other non-financial assets, current	255	414	40	116
Cash and cash equivalents	8,920	11,554	8,077	9,088
Assets of a disposal group held for sale	-	36,562	-	-
Total current assets	14,623	56,197	8,366	15,349
Total assets	26,474	65,762	26,288	54,495
Equity and liabilities				
Equity:				
Share capital	28,294	47,742	28,294	47,742
Other reserves	(151)	91	31	233
Accumulated losses	(7,098)	(3,826)	(2,675)	(3,242)
Total equity	21,045	44,007	25,650	44,733
Non-current liability:				
Financial liabilities - lease liabilities, non-current	1,802	-	-	-
Total non-current liability	1,802	-	-	-
Current liabilities:				
Trade and other payables	2,596	4,033	541	2,762
Income tax payable	-	74	-	-
Financial liabilities - lease liabilities, current	645	-	97	-
Other financial liabilities	386	7,000	-	7,000
Liabilities of a disposal group held for sale	-	10,648	-	-
Total current liabilities	3,627	21,755	638	9,762
Total liabilities	5,429	21,755	638	9,762
Total equity and liabilities	26,474	65,762	26,288	54,495

1(b)(ii) Aggregate amount of group's borrowings and debt securities.**Amount repayable in one year or less, or on demand**

As at 31/12/2019		As at 31/12/2018	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
386	-	7,000	-

Amount repayable after one year

As at 31/12/2019		As at 31/12/2018	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	-	-	-

Details of any collateral

1. Short-term bank loan of RMB2.0m to the wholly owned subsidiary, MIT (Shanghai) Co., Ltd. is guaranteed by the Company.

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

	Group (S\$'000)	
	31/12/2019	31/12/2018
Cash flows from operation activities		
Profit (loss) before tax from continuing operations	42,486	(953)
Loss before tax from discontinued operations	(1,108)	(4,795)
	41,378	(5,748)
Adjustments for:-		
Depreciation of property, plant and equipment	514	1,202
Depreciation of investment properties	190	189
Depreciation of right-of-use assets	739	-
Interest income	(382)	(96)
Interest expense	61	53
Lease interest	143	-
Gains on disposal of other assets, non-current	-	(10)
Loss (gains) on disposal of development projects	83	(87)
Gain on disposal of subsidiary	(52,510)	-
Amortisation of development projects	-	988
Amortisation of intangible assets	-	34
Share based payment	55	154
Net effect of exchange rate changes in consolidation foreign operations	(104)	(54)
Operating cash flow used in changes in working capital	(9,833)	(3,375)
Trade and other receivables	2,281	(150)
Other assets	159	36
Inventories	(145)	1,087
Trade and other payables	201	(1,636)
Provisions	-	(125)
Net cash flow used in operations	(7,337)	(4,163)
Income tax paid	14	(862)
Net cash flow used in operating activities	(7,323)	(5,025)
Cash flow from investing activities		
Proceeds on disposal of subsidiaries	68,817	-
Proceeds on disposal of development projects	-	656
Proceeds on disposal of plant and equipment	-	1
Proceeds on disposal of other assets, non-current	-	10
Purchase of plant and equipment	(605)	(1,151)
Development projects incurred	-	(2,713)
Interest received	382	96
Net cash flow from (used in) investing activities	68,594	(3,101)
Cash flows from financing activities		
Interest paid	(61)	(53)
Net (decrease) increase in borrowings	(6,614)	7,000
Dividend paid	(44,995)	(1,725)
Capital reduction	(20,409)	-
Decrease in finance leases	-	(117)
Lease payments - principal portion paid	(787)	-
Issues of shares	961	691
Net cash (used in) from financing activities	(71,905)	5,796
Net decrease in cash and cash equivalents	(10,634)	(2,330)
Cash and cash equivalents, beginning balance	19,554	21,884
Cash and cash equivalents, ending balance	8,920	19,554

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following amounts:

Cash and cash equivalents

Cash and cash equivalents in the statements of financial position
 Cash and cash equivalents included in a disposal group held for sale
 Cash and cash equivalents in the consolidated statement of cash flows

Group (S\$'000)	
31/12/2019	31/12/2018
8,920	11,554
-	8,000
8,920	19,554

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	Total equity	Share capital	(Accumulated losses) Retained earnings	Translation reserves	Share option reserve
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Current Year :					
Opening balance at 1 January 2019	44,007	47,742	(3,826)	(142)	233
Changes in Equity:					
Total comprehensive income for the year	41,426	-	41,466	(40)	-
Issuance of shares pursuant to employee share option scheme	961	961	-	-	-
Exercise of share options	-	-	255	-	(255)
Expiry of share options	-	-	2	-	(2)
Share based payment expenses	55	-	-	-	55
Dividends paid	(44,995)	-	(44,995)	-	-
Capital reduction	(20,409)	(20,409)	-	-	-
Closing balance at 31 December 2019	21,045	28,294	(7,098)	(182)	31
Previous year :					
Opening balance at 1 January 2018	51,130	47,051	3,832	(18)	265
Changes in equity:					
Total comprehensive loss for the year	(6,243)	-	(6,119)	(124)	-
Issuance of shares pursuant to employee share option scheme	691	691	-	-	-
Exercise of share options	-	-	169	-	(169)
Expiry of share options	-	-	17	-	(17)
Share based payment expenses	154	-	-	-	154
Dividends paid	(1,725)	-	(1,725)	-	-
Closing balance at 31 December 2018	44,007	47,742	(3,826)	(142)	233

Company	Total equity	Share capital	Retained earnings (Accumulated losses)	Share option reserves
	S\$'000	S\$'000	S\$'000	S\$'000
Current Year :				
Opening balance at 1 January 2019	44,733	47,742	(3,242)	233
Changes in Equity:				
Total comprehensive income for the year	45,305	-	45,305	-
Issuance of shares pursuant to employee share option scheme	961	961	-	-
Exercise of share options	-	-	255	(255)
Expiry of share options	-	-	2	(2)
Share based payment expenses	55	-	-	55
Dividends paid	(44,995)	-	(44,995)	-
Capital reduction	(20,409)	(20,409)	-	-
Closing balance at 31 December 2019	25,650	28,294	(2,675)	31
Previous year :				
Opening balance at 1 January 2018	50,376	47,051	3,060	265
Changes in equity:				
Total comprehensive loss for the year	(4,763)	-	(4,763)	-
Issuance of shares pursuant to employee share option scheme	691	691	-	-
Exercise of share options	-	-	169	(169)
Expiry of share options	-	-	17	(17)
Share based payment expenses	154	-	-	154
Dividends paid	(1,725)	-	(1,725)	-
Closing balance at 31 December 2018	44,733	47,742	(3,242)	233

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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.

Share Capital

During the year, the Company issued and allotted 6,045,500 ordinary shares in the share capital of the Company upon exercise of options under the MIT Employees' Share Option Scheme ("the Scheme") and issued and allotted 150,000 ordinary shares in the share capital of the Company to the employee under the MIT Performance Share Plan ("PSP").

The Company undertook a capital reduction and cash distribution pursuant to Section 78G of the Companies Act, Chapter 50 after obtaining approvals from shareholders at the extraordinary general meeting held on 22 May 2019 and the subsequent approval by the High Court of the Republic of Singapore on 8 July 2019. The Company has also made payment to the shareholders for a second interim tax exempt dividend of S\$0.033 per ordinary share on 23 July 2019. In total, the Company has made an aggregate payment of S\$0.118 for each ordinary share to shareholders. The sum of S\$28,333,271 was distributed to shareholders on 23 July 2019.

Consequent to the capital reduction, the Company's issued and paid-up share capital has reduced from S\$48,647,574 comprising 240,112,470 ordinary shares to S\$28,238,014 comprising 240,112,470 ordinary shares.

As at 31 December 2019, the number of ordinary shares issued was 240,112,470 (31 December 2018: 233,916,970 ordinary shares).

Share Options

As at 31 December 2019, the number of outstanding options under the Scheme was 559,000 (31 December 2018: 6,654,500). During the year, 6,045,500 options were exercised under the Scheme. 50,000 unexercised options had lapsed and were cancelled during the year.

Performance Shares

During the year, the Company has issued and allotted 150,000 ordinary shares in the share capital of the Company to the employee under the PSP. As at 31 December 2019, there was no outstanding performance shares held under the PSP (31 December 2018: 150,000).

Treasury Shares

As at 31 December 2019, no ordinary shares were held as Treasury Shares (31 December 2018: NIL). No shares were bought back by the Company during the year.

The Company does not have any subsidiary holdings.

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.

	Group & Company	
	as at 31/12/2019	as at 31/12/2018
Total number of issued shares	233,916,970	229,287,470
Add : New Issued Shares	6,195,500	4,629,500
Total number of issued shares (excluding treasury shares)	240,112,470	233,916,970

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, transfer, cancellation and/or use of treasury shares during the year.

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

Not applicable.

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

The figures have not been audited or reviewed.

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

Not applicable.

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

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

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

This is not required for any audit issue that is a material uncertainty relating to going concern.

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

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

The application of the new and revised standards and interpretations has no material effect on the financial statements, except for the adoption of Singapore Financial Reporting Standards (International) ("SFRS(I)") 16 – Leases.

The Group has adopted SFRS(I) 16 – Leases on 1 January 2019. At the date of initial application, the Group recognised the rights to use leased assets as right-of-use assets and their associated obligations as lease liabilities. The Group applied this standard using the modified retrospective approach and does not restate comparative amounts for the year prior to first adoption.

6. Earnings (loss) per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group	
	31/12/2019	31/12/2018
Earnings (loss) per ordinary share of the group, after deducting any provision for preference dividends (in cents):		
(a) Based on weighted average number of ordinary shares on issue		
Continuing operations	17.85	(0.88)
Discontinued operations	(0.46)	(1.77)
(b) On a fully diluted basis		
Continuing operations	17.85	(0.86)
Discontinued operations	(0.46)	(1.74)

- a) Earnings per ordinary share on existing issued share capital is computed based on the weighted average number of shares in issue during the year.
- b) Earnings per ordinary share on a fully diluted basis is computed based on the weighted average number of shares during the period adjusted to assume conversion of all dilutive ordinary shares.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:

- (a) current financial period reported on; and**
- (b) immediately preceding financial year.**

	Company		Group	
	31/12/19	31/12/18	31/12/19	31/12/18
Net asset value per ordinary share based on issued share capital at the end of (in cents):	10.68	19.12	8.76	18.81

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.**

Revenue

Group revenue decreased 47% to S\$9.82m in FY2019 from S\$18.71m in the previous financial year. The decline was mainly due to:

- a. Regulatory and health related issues encountered by our e-cigarette vaping product customer in the US. It lowered their volume growth and reduced their need for automation.
- b. Lower built-to-print sales from a LED customer experiencing strong competition.
- c. Financial issues encountered by our solar equipment customer.
- d. Lower business confidence due to trade war between US and China had affected the sales of MIT Shanghai's main customer during 2H FY2019.

Earnings

The Group recorded a profit after tax of S\$41.46m in FY2019 from a loss net of tax of S\$6.12m in the previous financial year mainly due to gains from the disposal of our semiconductor equipment business during the year.

On the core business, we incurred an operating loss due to the lower sales that was below our breakeven point. There was also a gross loss of S\$1.23m in FY2019 as compared to gross profit of S\$1.89m in FY2018, largely attributable to unabsorbed fixed costs that resulted from our lower sales.

The other income and gains were mainly from:

- Gain on disposal of subsidiaries (S\$52.51m), before an ex-gratia payment of S\$2.87m made to our staff in recognition of their contributions over the years before divestment
- Interest income (S\$0.38m)
- Rental income from our industrial properties (S\$0.45m)
- Reversal on allowance for impairment on trade receivables (S\$0.24m)

Following the lower revenue and business activities, marketing and distribution costs was lower by 37%.

Excluding one-time expenses of S\$2.87m for ex-gratia payment, restructuring costs of \$0.23m for MIT Shanghai and other fees of S\$0.20m, administrative expenses would have increased by 33% when compared with FY2018. This is more reflective of the recurrent costs incurred, as it was previously shared with the much larger semiconductor equipment business that has since been divested.

The higher finance costs was due to increase of short-term loan in Q4 2018 to support Company's divestment plan and interest expenses on lease liabilities recognised as a result of the adoption of SFRS(I) 16 during the financial year.

The other losses increased mainly due to inventories written down (S\$1.38m), loss on disposal of development projects (S\$0.08m) and allowance for impairment loss on trade receivables (S\$0.06m) during the year.

Assets and Liabilities

The increase in plant and equipment was mainly due to office renovation, purchase of tooling for production and upgrade of IT resources during the financial year.

After depreciation charges during the year, investment properties had decreased at the end of the financial year.

Investments in subsidiaries decreased in the Company after the divestment of semiconductor business and allowance for impairment on investment in subsidiaries during the financial year.

Upon adoption of SFRS(I) 16, the Group has recognised right-of-use assets of S\$2.35m and lease liabilities of S\$2.45m as at 31 December 2019.

Inventories increased by S\$0.06m to S\$3.09m in anticipation of major deliveries in the coming months.

In line with the lower revenue, trade and other receivables decreased by 49% from S\$4.64m in YE2018 to S\$2.36m in YE2019.

Other non-financial assets decreased due to lower deposits and prepayment when compared to same period of last year.

The lower amount in trade and other payables was consistent with lower revenue and business activities during the year.

The decrease in other financial liabilities was due to repayment of bank loan after the completion of the divestment during the year.

Cash Flow

After significant spending on dividend payments (S\$44.99m), capital reduction (S\$20.41m), net repayment of short-term loan (S\$6.61m), investment in plant and equipment (S\$0.61m) etc, we ended the year with cash and cash equivalents of S\$8.92m.

The Group continues to maintain a strong capital base with cash and cash equivalents per share stood at 3.7 cents, which accounts for about 42% of the net assets per share.

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

The results are in line with the prospect statement disclosed in the previous results announcement.

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.

Going forward, we will continue to market our customized automation services aggressively and have managed to secure a few projects in the medical and consumer product areas. While our penetration into the e-cigarette vaping category has slowed in the short term, we continue to bid for projects in the 'heat not burn' category.

As at 25 Feb 2020, our order book for delivery in 2020 has exceeded our FY2019 revenues and we hope to improve on it over the next few months.

Cost cuts and controls have also been instituted in the short term to improve our financial performance in the current year.

However, the COVID-19 development had impacted our Shanghai operations in the immediate term through state mandated factory closures. It has since resumed operations on February 14, 2020 with limited staff.

On the corporate side, we look forward to receiving the last tranche of sale proceeds from the divestment of our semiconductor equipment business in August 2020. We hope to return the net proceeds to shareholders by year-end 2020.

On balance, the Group expects an improvement in operational performance in the current year provided the current COVID-19 situation does not deteriorate further.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

The Company has announced the following interim dividends on 22 March 2019 and 28 June 2019 respectively ("the Dividends").

Name of Dividend	First Interim Dividend	Second Interim Dividend
Dividend Type	Cash	Cash
Dividend Amount per Share	15.5 cents	3.3 cents
Tax Rate	Tax Exempt (One-Tier)	Tax Exempt (One-Tier)
Payment Date	12 April 2019	23 July 2019

The Dividends form part of the distribution that the Company wishes to distribute to its shareholders using the net sale proceeds arising from the disposal by the Company to MIT Semiconductor (Tian Jin) Company Limited of the entire issued and paid-up share capital of MIT Semiconductor Pte. Ltd.

In addition, the Company also made a capital distribution of 8.5cts per share on 23 July 2019 after the capital reduction program came into was effect.

Other than the above, no further dividend will be declared for the current financial period reported on.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

No

(c) Date payable

Not Applicable

(d) Record date

Not Applicable

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

No dividend has been declared or recommended due to loss making situation.

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 Company does not have a shareholders' mandate for IPTs.

14. The Directors' and Executive Officers' Undertakings

The Company has procured the requisite undertakings from all its directors and executive officers as referred to in the Listing Rule 720 (1).

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

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

During the year, management has changed the segmental reporting to better reflect the performance of the two business units:

(1) Built-to-print (2) Customized automation (3) Unallocated – Rental income after deducting related expenses and others

Business Segments	Built-to-print		Customized automation		Unallocated		Group	
	2019	2018	2019	2018	2019	2018	2019	2018
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue by segment								
Revenue	8,545	11,622	1,278	7,086	-	-	9,823	18,708
Segment result	(3,143)	(846)	(4,176)	(441)	49,805	334	42,486	(953)
Profit (loss) before tax from continuing operations							42,486	(953)
Income tax income (expenses)							88	(1,075)
Profit (loss) from continuing operations							42,574	(2,028)
Loss from discontinued operations							(1,108)	(4,091)
Profit (loss) for the year							41,466	(6,119)

Geographical information	Singapore		China		Asia (others)		Europe & USA		Group	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	338	8,347	5,635	6,049	59	1,909	3,791	2,403	9,823	18,708
Segment assets	22,792	61,257	3,682	4,505	-	-	-	-	26,474	65,762

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.**Segment Result**

The Group's total revenue from its Built-to-print and Customized automation segments have decreased 26% & 82% respectively when compare to FY2018.

Asia (including Singapore & China) remains the Group's key market which accounted for 61% of the total revenue. The sales to customers in Europe & USA increased of 58% to S\$3.79m compared to the previous financial year.

17. A breakdown of sales.

		Group		
		S\$'000		%
		31.12.2019	31.12.2018	Increase/ - Decrease
a	<u>Sales reported for first half year</u>			
	Continuing operations	5,859	7,619	-23.1%
b	<u>Profit (loss) after tax before deducting non-controlling interests reported for first half year</u>			
	Continuing operations	46,964	(515)	NM
	Discontinued operations	(1,108)	(2,890)	-61.7%
c	<u>Sales reported for second half year</u>			
	Continuing operations	3,964	11,089	-64.3%
d	<u>Operating loss after tax before deducting non-controlling interests reported for second half year</u>			
	Continuing operations	(4,390)	(1,513)	190.2%
	Discontinued operations	-	(1,201)	NM

NM: Not meaningful

18. 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\$)
Ordinary	44,995,211.94	-
Preference	-	-
Total	44,995,211.94	-

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(13) of the Listing Manual, we confirm that there is no person occupying managerial positions in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

ON BEHALF OF THE BOARD

Lim Chin Tong
Executive Director and Chief Executive Officer
 25 February 2020