



**Full Year Financial Statements and Dividend Announcement
For the Financial Year Ended 31 December 2018**

CAUTIONARY NOTE:

The Company had on 13 November 2018, entered into a conditional share purchase and loan assignment agreement with Asia Ship Chandlery Holdings Pte. Ltd. for the disposal of the entire issued and paid-up capital of Sinwa SS Pte. Ltd., Seafirst Marine Services Pte. Ltd., Sinwa Offshore Pte. Ltd., Sinwa Ship Supply (HK) Pte. Ltd., Windsor Marine Pte Ltd and Sinwa Australia Pty Ltd and the Intercompany Loans, and the Australian Properties Sale (the "Disposal").

The Disposal was approved by shareholders at the Extraordinary General Meeting ("EGM") of the Company held on 22 January 2019, and completed on 1 February 2019.

After the completion of the Disposal on 1 February 2019, the Company became a cash company pursuant to Rule 1018 of the Listing Manual ("Rule 1018") of the Singapore Exchange Securities Trading Limited ("SGX-ST").

The Board of Directors of Sinwa Limited is pleased to announce the unaudited results of the Group for the financial year ended 31 December 2018. The Board of Directors of the Company cautions that the financial results disclosed in this announcement are unaudited.

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

- 1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR
ENDED 31 DECEMBER 2018**

	GROUP		
	<u>2018</u>	<u>2017</u>	<u>+ / (-)</u>
	S\$'000	S\$'000	%
		(Restated)	
Revenue	80	198	(59.6)
Cost of sales	(76)	(182)	(58.2)
Gross profit	4	16	(75.0)
Other item of income:			
Financial income	352	202	74.3
Other items of expense:			
Marketing and distribution expenses	(5)	(6)	(16.7)
Administrative expenses	(4,591)	(5,083)	(9.7)
Other income – net	54	1,388	(96.1)
Financial expenses	(518)	(695)	(25.5)
Share of (loss) / profit in joint venture, net of tax	(10)	10	(>100.0)
Loss before income tax from continuing operations	(4,714)	(4,168)	13.1
Income tax expense	(272)	(263)	3.4
Loss from continuing operations	(4,986)	(4,431)	12.5
Discontinued operations:			
Profit from discontinued operations ⁽¹⁾	15,162	13,944	8.7
Profit for the year	10,176	9,513	7.0

Note 1: Details of Profit from discontinued operations are show in Note 8.
Comparative figures were restated to show Profit from discontinued operations.



**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR
ENDED 31 DECEMBER 2018 (Continued)**

	GROUP		
	<u>2018</u>	<u>2017</u>	<u>+ / (-)</u>
	S\$'000	S\$'000	%
		(Restated)	
OTHER COMPREHENSIVE INCOME:			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Foreign currency translation differences on foreign operations	(633)	(67)	>100
<i>Item that will not be reclassified subsequently to profit or loss:</i>			
Gain on revaluation of leasehold land and buildings, net of tax	332	4,654	(92.9)
Other comprehensive (loss) / income for the year, net of tax	(301)	4,587	(>100)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	9,875	14,100	(30.0)



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 statement for the current financial period reported on and the corresponding period of the immediately preceding financial year.

NOTES TO CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	GROUP	
	<u>2018</u>	<u>2017</u>
	<u>S\$'000</u>	<u>S\$'000</u>
		(Restated)
Financial income:		
<i>Interest income from continuing operations</i>	352	202
<i>Interest income from discontinued operations</i>	14	12
Total financial income	366	214
Financial expenses:		
<i>Interest expenses on term loans</i>	(9)	(61)
<i>Foreign exchange loss, net</i>	(509)	(634)
<i>Financial expenses from continuing operations</i>	(518)	(695)
<i>Interest expenses on finance lease</i>	(7)	(7)
<i>Foreign exchange (loss) / gain, net</i>	(37)	348
<i>Financial (expenses)/income from discontinued operations</i>	(44)	341
Total financial expenses	(562)	(354)
Other income – net:		
<i>Trade receivables recovered</i>	-	2
<i>Gain on disposal of property, plant and equipment, net</i>	54	-
<i>Inventories written off</i>	(3)	-
<i>Loss on disposal of joint venture</i>	(2)	-
<i>Management fee income</i>	5	6
<i>Reversal of impairment on assets held for sale</i>	-	1,380
<i>Other income – net, from continuing operations</i>	54	1,388
<i>Trade receivables written off</i>	(49)	(7)
<i>Other receivables written off</i>	(166)	-
<i>(Allowance for) / Reversal of doubtful trade receivables</i>	(68)	9
<i>Reversal of / (Allowance for) doubtful other receivables</i>	428	(159)
<i>Gain on disposal of property, plant and equipment, net</i>	32	10
<i>Inventories written off</i>	(4)	-
<i>Property, plant and equipment written off</i>	(6)	(24)
<i>Government Grant income</i>	112	136
<i>Handling fee</i>	108	110
<i>Reversal of / (Allowance for) impairment loss on property, plant and equipment</i>	270	(174)
<i>Others</i>	139	69
<i>Other income / (expenses) – net, from discontinued operations</i>	796	(30)
Total other income – net	850	1,358
Profit before income tax is stated after charging: -		
<i>Depreciation of property, plant and equipment from continuing operations</i>	(31)	(34)
<i>Depreciation of property, plant and equipment from discontinued operations</i>	(3,120)	(2,300)
Total depreciation of property, plant and equipment	(3,151)	(2,334)



1(b) 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.

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

	GROUP		COMPANY	
	<u>31.12.2018</u>	<u>31.12.2017</u>	<u>31.12.2018</u>	<u>31.12.2017</u>
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	-	46,013	-	43
Intangible assets	-	-	-	-
Goodwill	-	548	-	-
Investments in subsidiaries	-	-	-	22,908
Investments in joint ventures	-	52	-	25
Deferred tax assets	-	417	-	-
Other assets	-	55	-	-
Other receivables	-	336	-	66
Total non-current assets	-	47,421	-	23,042
Current assets				
Inventories	-	5,601	-	-
Trade and other receivables	54	44,969	15,899	26,746
Prepayments	16	401	16	17
Cash, bank balances and fixed deposits	23,339	26,143	23,317	17,166
	23,409	77,114	39,232	43,929
Asset classified as held for sale ⁽²⁾	101,854	1,380	18,877	-
Total current assets	125,263	78,494	58,109	43,929
Total assets	125,263	125,915	58,109	66,971

Note 2: Refer to Note 8 for details on Assets of disposal group classified as held for sale.



STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2018 (Continued)

	GROUP		COMPANY	
	<u>31.12.2018</u>	<u>31.12.2017</u>	<u>31.12.2018</u>	<u>31.12.2017</u>
	S\$'000	S\$'000	S\$'000	S\$'000
EQUITY AND LIABILITIES				
Equity				
Share capital	41,963	41,963	41,963	41,963
Treasury shares	(961)	(961)	(961)	(961)
Other reserves	13,137	13,438	108	108
Retained earnings	34,409	28,497	16,320	17,596
Equity attributable to owners of the Company / Total equity	88,548	82,937	57,430	58,706
Non-current liabilities				
Deferred tax liabilities	50	2,810	50	124
Finance leases	-	109	-	-
Total non-current liabilities	50	2,919	50	124
Current liabilities				
Income tax payable	150	1,479	105	53
Trade and other payables	555	35,520	524	5,088
Current portion of finance leases	-	60	-	-
Current portion of borrowings	-	3,000	-	3,000
	705	40,059	629	8,141
Liabilities classified as held for sale ⁽³⁾	35,960	-	-	-
Total current liabilities	36,665	40,059	629	8,141
Total liabilities	36,715	42,978	679	8,265
Total equity and liabilities	125,263	125,915	58,109	66,971

Note 3: Refer to Note 8 for details on Liabilities of disposal group classified as held for sale.

	GROUP	
	<u>31.12.2018</u>	<u>31.12.2017</u>
Financial ratios		
Inventory turnover (days)	14	15
Trade receivables turnover (days)	86	93
Gearing (total borrowings to total equity)	*	0.04

* denotes amount less than 0.01



1(c) Aggregate amount of the Group's and Company's borrowings and debt securities.

Amount repayable in one year or less, or on demand

Group				Company			
<u>31.12.2018</u>		<u>31.12.2017</u>		<u>31.12.2018</u>		<u>31.12.2017</u>	
Secured	Unsecured	Secured	Unsecured	Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
-	-	3,060	-	-	-	3,000	-

Amount repayable after one year

Group				Company			
<u>31.12.2018</u>		<u>31.12.2017</u>		<u>31.12.2018</u>		<u>31.12.2017</u>	
Secured	Unsecured	Secured	Unsecured	Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
-	-	109	-	-	-	-	-

The following assets in the Group and Company were provided as securities for the credit facilities:

- a) 2 commercial properties in Singapore; and
- b) corporate guarantee provided by a subsidiary.



- 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.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

	GROUP	
	<u>2018</u>	<u>2017</u>
	S\$'000	S\$'000
Operating activities		
Profit for the year	10,176	9,513
<i>Adjustments for:</i>		
Trade receivables (recovered) / written off	49	5
Other receivables written off	166	-
Allowance for / (Reversal of) doubtful trade receivables	68	(9)
(Reversal of) / Allowance for doubtful other receivables	(428)	159
Depreciation of property, plant and equipment	3,151	2,334
Interest income	(366)	(214)
Interest expense	16	68
Gain on disposal of property, plant and equipment, net	(86)	(10)
Inventory written off	7	-
Property, plant and equipment written off	6	24
(Reversal of) / Allowance for impairment loss on property, plant and equipment	(270)	174
Allowance for / (Reversal of) impairment on assets held for sale	-	(1,380)
Loss on disposal of joint venture	2	-
Share of loss / (profit) in joint venture	10	(10)
Income tax expenses	<u>1,611</u>	<u>1,778</u>
Operating profit before working capital changes	14,112	12,432
Trade and other receivables	4,820	(7,127)
Inventories	736	(950)
Trade and other payables	<u>(3,214)</u>	<u>5,196</u>
Cash generated from operations	16,454	9,551
Interest paid	(16)	(68)
Interest received	366	214
Income tax paid	<u>(1,446)</u>	<u>(1,472)</u>
Net cash from operating activities	<u>15,358</u>	<u>8,225</u>



CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 (Continued)

	GROUP	
	<u>2018</u>	<u>2017</u>
	<u>S\$'000</u>	<u>S\$'000</u>
Investing activities		
Proceeds from disposal of joint venture	100	-
Repayment from joint venture	6	-
Repayment from PRC Licensees	539	-
Proceeds from disposal of property, plant and equipment	202	31
Purchase of property, plant and equipment	(1,114)	(5,377)
Proceeds from redemption of held-to-maturity financial assets	-	250
Effect of foreign currency alignment on investing activities	825	42
Net cash from /(used in) investing activities	<u>558</u>	<u>(5,054)</u>
Financing activities		
Repayment of borrowings	(3,000)	(2,000)
Repayment of finance leases	(60)	(66)
Dividends paid	(4,264)	(5,798)
Net cash used in financing activities	<u>(7,324)</u>	<u>(7,864)</u>
Net increase / (decrease) in cash and cash equivalents	8,592	(4,693)
Cash and cash equivalents at beginning of year	26,143	30,902
Effect of exchange rate changes on cash and cash equivalents	(636)	(66)
Cash and cash equivalents at end of year	<u>34,099</u>	<u>26,143</u>



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.

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

GROUP	Total equity	Share capital	Treasury shares	Capital reserve	Revaluation reserve	Retained earnings	Translation reserve
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1.1.2018	82,937	41,963	(961)	108	17,489	28,497	(4,159)
Foreign currency translation differences on foreign operations	(633)	-	-	-	-	-	(633)
Revaluation on leasehold land and buildings, net of tax	332	-	-	-	332	-	-
Other comprehensive income	(301)	-	-	-	332	-	(633)
Profit for the year	10,176	-	-	-	-	10,176	-
Total comprehensive income for the year	9,875	-	-	-	332	10,176	(633)
Dividend	(4,264)	-	-	-	-	(4,264)	-
Total transactions with owners	(4,264)	-	-	-	-	(4,264)	-
Balance at 31.12.2018	88,548	41,963	(961)	108	17,821	34,409	(4,792)
Balance at 1.1.2017	74,635	41,963	(961)	108	12,835	24,782	(4,092)
Foreign currency translation differences on foreign operations	(67)	-	-	-	-	-	(67)
Revaluation on leasehold land and buildings, net of tax	4,654	-	-	-	4,654	-	-
Other comprehensive income	4,587	-	-	-	4,654	-	(67)
Profit for the year	9,513	-	-	-	-	9,513	-
Total comprehensive income for the year	14,100	-	-	-	4,654	9,513	(67)
Dividend	(5,798)	-	-	-	-	(5,798)	-
Total transactions with owners	(5,798)	-	-	-	-	(5,798)	-
Balance at 31.12.2017	82,937	41,963	(961)	108	17,489	28,497	(4,159)



STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018
(Continued)

COMPANY	<u>Total equity</u> S\$'000	<u>Share capital</u> S\$'000	<u>Treasury shares</u> S\$'000	<u>Capital reserve</u> S\$'000	<u>Retained earnings</u> S\$'000
Balance at 1.1.2018	58,706	41,963	(961)	108	17,596
Total comprehensive income for the year	2,988	-	-	-	2,988
Dividends	(4,264)	-	-	-	(4,264)
Total transactions with owners of the Company	(4,264)	-	-	-	(4,264)
Balance at 31.12.2018	57,430	41,963	(961)	108	16,320
Balance at 1.1.2017	52,683	41,963	(961)	108	11,573
Total comprehensive income for the year	11,821	-	-	-	11,821
Dividends	(5,798)	-	-	-	(5,798)
Total transactions with owners of the Company	(5,798)	-	-	-	(5,798)
Balance at 31.12.2017	58,706	41,963	(961)	108	17,596

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.

Number of shares held as treasury shares against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer.

	<u>No. of Shares</u>	
	<u>31.12.2018</u>	<u>31.12.2017</u>
Treasury shares	2,177,532	2,177,532
Number of issued ordinary shares (excluding treasury shares)	341,079,335	341,079,335
Percentage (%)	0.638%	0.638%



- 1(d)(iii) To show 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.**

	No. of Shares	
	<u>31.12.2018</u>	<u>31.12.2017</u>
Number of issued ordinary shares (excluding treasury shares)	341,079,335 -----	341,079,335 -----

- 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.**

Not applicable.

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

Not applicable.

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

The figures in this announcement have not been audited or reviewed.

- 3. Where the figures have been audited or reviewed, the auditors' 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.**

The Group and the Company have applied the same accounting policies and method of computation as in the most recently audited financial statements for the year ended 31 December 2017.

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

The Group has adopted Singapore Financial Reporting Standards (International) ("SFRS(I)s"), the new accounting framework to be mandatory applied in the preparation and presentation of the financial statements for annual reporting periods beginning on or after 1 January 2018 and has prepared its first set of financial information under SFRS(I)s for the reported period.

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. (Continued)

The adoption of the following new/revised standards and interpretations applicable for the financial year beginning 1 January 2018, did not result in significant change to the Group's accounting policies nor any material impact on the Group's result, are disclosed below:

SFRS(I) 15 Revenue from Contracts with Customers

SFRS(I) 15 is effective for financial years beginning on or after 1 January 2018. In accordance with the requirements of SFRS(I) 1, the Group will adopt SFRS(I) 15 retrospectively.

SFRS(I) 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Under SFRS(I) 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

There was no significant impact to the financial statements of the Group. Accordingly, comparative financial information presented in this set of announcement has not been restated.

SFRS(I) 9 Financial Instruments

SFRS(I) 9 is effective for financial years beginning on or after 1 January 2018. SFRS(I) 9 introduces new requirements for classification and measurement of financial instruments, impairment of financial assets, and hedge accounting. SFRS(I) 9 also introduces expanded disclosure requirements and changes in presentation.

1) Classification and measurement

The Group has assessed the business models for managing the financial assets and the contractual cash flow characteristics of the financial assets to determine the appropriate classification for each financial asset under SFRS(I) 9.

2) Impairment of financial assets

Financial assets are subject to expected credit loss impairment model under SFRS(I) 9. As a result, the Group assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost.

There was no change in measurement basis arising from the adoption of the new classification and measurement model. In assessing for impairment losses on financial assets, the Group has adopted the simplified approach and recorded lifetime expected losses on all trade receivables using the expected credit loss model.

There was no significant impact to the financial statements of the Group and accordingly, no adjustments was recognised on 1 January 2018.

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

	GROUP	
	<u>FY2018</u>	<u>FY2017</u>
From continuing and discontinued operations:		
(a) Basic (cents)	2.98	2.79
(b) Diluted (cents)	2.98	2.79
From continuing operations:		
(a) Basic (cents)	(1.46)	(1.30)
(b) Diluted (cents)	(1.46)	(1.30)

The basic earnings per share is computed based on the weighted average number of 341,079,335 ordinary shares issued.

The diluted earnings per share is computed based on the weighted average number of 341,079,335 ordinary shares issued.

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.

	<u>GROUP</u>	<u>COMPANY</u>
The total number of issued shares excluding treasury shares at the end of the:		
(a) current financial period reported on	341,079,335	341,079,335
(b) immediately preceding financial year	341,079,335	341,079,335
Net asset value per issued ordinary shares as at (cents):		
(a) 31 December 2018	25.96	16.84
(b) 31 December 2017	24.32	17.21

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**

Continuing operations

Administrative expenses decreased from \$5.1 million (restated) to \$4.6 million for the financial year ended 31 December 2018 ("FY2018") was mainly due to lower staff costs.

For FY2018, the Other income – net was \$54,000 as compared to preceding previous year of \$1.4 million (restated). Included in the other income – net for FY2017 was the reversal of impairment of \$1.4 million on the asset held for sale.

Financial income are solely bank interest income which saw a 74.3% increase from \$202,000 (restated) for FY2017 to \$352,000 for FY2018. While financial expenses was \$518,000 for FY2018 as compared to \$695,000 (restated) for FY2017 which mainly due to lower foreign exchange loss.

The Group had recorded loss after tax from continuing operations of \$5.0 million in FY2018 as compared to \$4.4 million (restated) last year. This was mainly due to the reversal of impairment on the asset held for sale amounting \$1.4 million in the previous year

Total comprehensive income for the year FY2018 was \$9.9 million as compared to \$14.1 million in previous year was mainly due to the \$4.7 million gain on revaluation of the leasehold properties in Singapore in previous year.

Discontinued operations

On 13 November 2018, the Company announced that it has entered into a conditional share purchase and loan assignment agreement with Asia Ship Chandlery Holdings Pte. Ltd. for the disposal of the entire issued and paid-up capital of Sinwa SS Pte. Ltd., Seafirst Marine Services Pte. Ltd., Sinwa Offshore Pte. Ltd., Sinwa Ship Supply (HK) Pte. Ltd., Windsor Marine Pte Ltd and Sinwa Australia Pty Ltd and the Intercompany Loans, and the Australian Properties Sale (the Disposal”).

Upon the approval of the proposed Disposal by the shareholders at the Extraordinary General Meeting held on 22 January 2019, the disposal group’s operations were accounted for as “Discontinued Operations” under SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*.

Below is the income statement of the disposal group classified as discontinued operations:

	DISPOSAL GROUP		
	<u>2018</u>	<u>2017</u>	<u>+ / (-)</u>
	S\$’000	S\$’000	%
		(Restated)	
Revenue	173,610	172,396	0.7
Cost of sales	(132,089)	(132,469)	(0.3)
Gross profit	<u>41,521</u>	<u>39,927</u>	4.0
Other item of income:			
Financial income	14	12	16.7
Other items of expense:			
Marketing and distribution expenses	(8,134)	(8,306)	(2.1)
Administrative expenses	(17,652)	(16,485)	(7.1)
Other income / (expenses) – net	796	(30)	>100
Financial (expenses) / income – net	(44)	341	<100
Profit before income tax from discontinued operations	<u>16,501</u>	<u>15,459</u>	6.7
Income tax expense	(1,339)	(1,515)	(11.6)
Profit from discontinued operations	<u>15,162</u>	<u>13,944</u>	8.7

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

Net cash inflow from the operating activities for FY2018 was \$15.4 million as compared to \$8.2 million for FY2017, mainly due to better working capital management.

Net cash inflow from investing activities was \$0.6 million for FY2018 as compared to net cash outflow of \$5.1 million in FY2017 was mainly attributed to higher progress payments for the construction of the new warehouse in previous year.

Net cash outflow in financing activities for FY2018 was \$7.3 million as compared to \$7.9 million for FY2017. Lower cash outflow in financial activities for FY2018 was mainly due to lower dividend paid offset by higher repayment of borrowings.

Current Assets

Cash and cash equivalents increased from \$26.1 million as at 31 December 2017 to \$34.1 million as at 31 December 2018, mainly due to there was no payment for warehouse construction in current year as compared to last year.

The assets and liabilities of the disposal group were reclassified as “Assets and liabilities held for sale” under SFRS(I) 5, subsequent to the approval of the proposed Disposal. Details of the Disposal Group’s assets and liabilities classified as held for sales as at 31 December 2018:

	S\$'000
Property, plant and equipment	43,702
Other non-current assets	796
Inventories	4,858
Trade and other receivables	41,738
Cash, bank balances and fixed deposits	10,760
Assets of disposal group classified as held for sale	101,854
Deferred tax liabilities	2,693
Income tax liabilities	1,423
Finance leases	192
Trade and other payables	31,652
Liabilities of disposal group classified as held for sale	35,960

Equity

Other reserves as at 31 December 2018 decreased to \$13.1 million was mainly due to the loss in translation reserve arising from the depreciation of Australian dollar on translation of Australia subsidiaries.



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

Not applicable.

10. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.**

On 22 January 2019, the Company held an Extraordinary General Meeting (“EGM”) to seek shareholders’ approval for the proposed Disposal of the Sales Subsidiaries as announced on 13 November 2018. The proposed Disposal was duly approved and passed by the requisite majority of shareholders.

On 1 February 2019, the Company announced the completion of the Disposal of the Sales Subsidiaries. Upon completion of the Disposal, the Company ceased to hold any operating business, and become a Cash Company as defined under Rule 1018 of the Listing Manual. Currently, the Company is evaluating opportunities including, but not limited to potential mergers and acquisition targets. The completion of these potential mergers and acquisition may result in a reverse takeover.

11. **Dividend**

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes, subject to the approval by the shareholders in the coming Annual General Meeting, the Board of Directors wishes to declare the following dividend:

Name of Dividend: Special

Dividend Type: Cash

Dividend Amount per Share (in cents): 0.19 cents per ordinary share

Tax Rate: One tier tax exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

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

The Company announced a proposed final dividend of \$0.005 per ordinary share on 21 February 2018. This proposed final dividend has been approved by the shareholders at the Annual General Meeting held on 25 April 2018. The details of dividend are as follow:

Name of Dividend: Final

Dividend Type: Cash

Dividend Amount per Share (in cents): 0.005 cents per ordinary share

Tax Rate: One tier tax exempt



11. Dividend (Continued)

(c) Date payable

To be announced.

(d) Books closure date

To be announced.

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

Not applicable.

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

The Group does not have a shareholders' general mandate for interested person transactions.



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

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

BUSINESS SEGMENTS

<u>FY2018</u>	<u>Supply</u> S\$'000	<u>Agency & Logistics</u> S\$'000	<u>Charter</u> S\$'000	<u>Property holding</u> S\$'000	<u>Elimination</u> S\$'000	<u>Consolidated</u> S\$'000
Group revenue						
External revenue from:						
- Continuing operations	80	-	-	-	-	80
- Discontinued operations	169,789	3,684	-	137	-	173,610
Inter-segment revenue	394	580	-	2,874	(3,848)	-
Total revenue	<u>170,263</u>	<u>4,264</u>	<u>-</u>	<u>3,011</u>	<u>(3,848)</u>	<u>173,690</u>
	----- Discontinued operations -----					Continuing operations
	<u>Supply</u> S\$'000	<u>Agency & Logistics</u> S\$'000	<u>Charter</u> S\$'000	<u>Property holding</u> S\$'000	<u>Total</u> S\$'000	<u>Others</u> S\$'000
						<u>Consolidated</u> S\$'000
Group profit / (loss)						
Profit / (Loss) before interest, income tax, depreciation and amortisation	17,376	508	-	1,474	19,358	(4,328)
Interest income	(14)	-	-	-	(14)	(352)
Interest expense	7	-	-	-	7	9
Depreciation of property, plant and equipment	(1,125)	(26)	-	(1,969)	(3,120)	(31)
Reversal of impairment loss on property, plant and equipment	-	-	-	270	270	-
Loss on disposal of joint venture	-	-	-	-	-	(2)
Share of loss in joint venture	-	-	-	-	-	(10)
Profit / (Loss) before income tax	<u>16,244</u>	<u>482</u>	<u>-</u>	<u>(225)</u>	<u>16,501</u>	<u>(4,714)</u>
Income tax expense	<u>(1,283)</u>	<u>(40)</u>	<u>-</u>	<u>(16)</u>	<u>(1,339)</u>	<u>(272)</u>
Profit / (Loss) for the year	<u>14,961</u>	<u>442</u>	<u>-</u>	<u>(241)</u>	<u>15,162</u>	<u>(4,986)</u>



BUSINESS SEGMENTS (Continued)

<u>FY2018</u>	Discontinued operations				Total S\$'000	Continuing operations	Consolidated S\$'000
	<u>Supply</u> S\$'000	<u>Agency & Logistics</u> S\$'000	<u>Charter</u> S\$'000	<u>Property holding</u> S\$'000		<u>Others</u> S\$'000	
Group assets and liabilities							
Segment assets	60,538	1,597	-	39,719	101,854	-	101,854
Unallocated corporate assets	-	-	-	-	-	23,409	23,409
Total assets							<u>125,263</u>
Segment liabilities	32,857	309	-	2,794	35,960	-	35,960
Unallocated corporate liabilities	-	-	-	-	-	755	755
Total liabilities							<u>36,715</u>
Other segment information							
Capital expenditures	612	-	-	502	1,114	-	1,114
Material non-cash items:							
Allowance for doubtful trade receivables	(68)	-	-	-	(68)	-	(68)
(Allowance for)/Reversal of doubtful other receivables	428	-	-	-	428	-	428
Trade receivables (recovered) / written off	(47)	(2)	-	-	(49)	-	(49)
Other receivables written off	(166)	-	-	-	(166)	-	(166)
Gain on disposal of property, plant and equipment, net	32	-	-	-	32	54	86
Reversal of impairment loss on property, plant and equipment	-	-	-	270	270	-	270
Inventory written off	(4)	-	-	-	(4)	(3)	(7)
Property, plant and equipment written off	(6)	-	-	-	(6)	-	(6)



BUSINESS SEGMENTS (Continued)

<u>FY2017</u>	<u>Supply</u> S\$'000 (restated)	<u>Agency & Logistics</u> S\$'000 (restated)	<u>Charter</u> S\$'000 (restated)	<u>Property Holding</u> S\$'000 (restated)	<u>Elimination</u> S\$'000 (restated)	<u>Consolidated</u> S\$'000 (restated)
Group revenue						
External revenue from:						
- Continuing operations	198	-	-	-	-	198
- Discontinued operations	168,765	3,477	-	154	-	172,396
Inter-segment revenue	480	616	-	1,960	(3,056)	-
Total revenue	<u>169,443</u>	<u>4,093</u>	<u>-</u>	<u>2,114</u>	<u>(3,056)</u>	<u>172,594</u>

	----- Discontinued operations -----					Continuing operations	
	<u>Supply</u> S\$'000 (restated)	<u>Agency & Logistics</u> S\$'000 (restated)	<u>Charter</u> S\$'000 (restated)	<u>Property holding</u> S\$'000 (restated)	<u>Total</u> S\$'000 (restated)	<u>Others</u> S\$'000 (restated)	<u>Consolidated</u> S\$'000 (restated)
Group profit / (loss)							
Profit before interest, income tax, depreciation and amortisation	16,961	463	-	504	17,928	(5,665)	12,263
Interest income	12	-	-	-	12	202	214
Interest expense	(7)	-	-	-	(7)	(61)	(68)
Depreciation of property, plant and equipment	(1,001)	(25)	-	(1,274)	(2,300)	(34)	(2,334)
Allowance for impairment loss on property, plant and equipment	-	-	-	(174)	(174)	-	(174)
Allowance for impairment on asset held for sale	-	-	-	-	-	1,380	1,380
Share of profit in joint venture	-	-	-	-	-	10	10
Profit / (Loss) before income tax	<u>15,965</u>	<u>438</u>	<u>-</u>	<u>(944)</u>	<u>15,459</u>	<u>(4,168)</u>	<u>11,291</u>
Income tax expense	<u>(1,420)</u>	<u>(37)</u>	<u>-</u>	<u>(58)</u>	<u>(1,515)</u>	<u>(263)</u>	<u>(1,778)</u>
Profit / (Loss) for the year	<u>14,545</u>	<u>401</u>	<u>-</u>	<u>(1,002)</u>	<u>13,944</u>	<u>(4,431)</u>	<u>9,513</u>



BUSINESS SEGMENTS (Continued)

<u>FY2017</u>	<u>Supply</u> <u>SS'000</u>	<u>Agency &</u> <u>Logistics</u> <u>SS'000</u>	<u>Charter</u> <u>SS'000</u>	<u>Property</u> <u>Holding</u> <u>SS'000</u>	<u>Unallocated</u> <u>SS'000</u>	<u>Consolidated</u> <u>SS'000</u>
Group assets and liabilities						
Segment assets	63,519	1,108	15	41,631	-	106,273
Unallocated corporate assets	-	-	-	-	19,642	19,642
Total assets						125,915
Segment liabilities	34,204	382	14	3,240	-	37,840
Unallocated corporate liabilities	-	-	-	-	5,138	5,138
Total liabilities						42,978
Other segment information						
Capital expenditures	2,055	-	-	3,421	-	5,476

	Discontinued operations					Continuing operations	
	<u>Supply</u>	<u>Agency &</u>	<u>Charter</u>	<u>Property</u>	<u>Total</u>	<u>Others</u>	<u>Consolidated</u>
	<u>SS\$'000</u>	<u>Logistics</u>	<u>SS\$'000</u>	<u>holding</u>	<u>SS\$'000</u>	<u>SS\$'000</u>	<u>SS\$'000</u>
	(restated)	(restated)	(restated)	(restated)	(restated)	(restated)	(restated)
Material non-cash items:							
Write back of allowance for doubtful trade receivables	9	-	-	-	9	-	9
Allowance for doubtful other receivables	(159)	-	-	-	(159)	-	(159)
Trade receivables (written off) / recovered	(7)	-	-	-	(7)	2	(5)
Gain on disposal of property, plant and equipment, net	10	-	-	-	10	-	10
Allowance for impairment loss on property, plant and equipment	-	-	-	(174)	(174)	-	(174)
Reversal of allowance for impairment on asset held for sale	-	-	-	-	-	1,380	1,380



GEOGRAPHICAL SEGMENTS

GROUP	Revenue from external customers		Non-current assets ⁽⁴⁾	
	<u>FY2018</u> S\$'000	<u>FY2017</u> S\$'000 (Restated)	<u>FY2018</u> S\$'000	<u>FY2017</u> S\$'000
<i>Relates to continuing operations:</i>				
Australia	80	198	-	-
<i>Relates to discontinued operations:</i>				
Singapore	124,724	130,087	33,924	35,850
Australia	31,971	25,592	10,245	11,067
Others	<u>16,915</u>	<u>16,717</u>	<u>134</u>	<u>87</u>
	<u>173,690</u>	<u>172,594</u>	<u>44,303</u>	<u>47,004</u>

Note 4: Excluded deferred tax assets and held-to-maturity financial assets.

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

Please refer to item 8.

16. A breakdown of sales.

	FY2018			FY2017		
	Continuing operations S\$'000	Discontinued operations S\$'000	Total S\$'000	Continuing operations S\$'000	Discontinued operations S\$'000	Total S\$'000
Sales reported for the first half	69	89,204	89,273	104	84,100	84,204
(Loss) / Profit after tax for the first half	<u>(2,300)</u>	<u>7,387</u>	<u>5,087</u>	<u>(2,502)</u>	<u>6,845</u>	<u>4,343</u>
Sales reported for the second half	11	84,406	84,417	94	88,296	88,390
(Loss) / Profit after tax for the second half	<u>(2,490)</u>	<u>7,579</u>	<u>5,089</u>	<u>(1,929)</u>	<u>7,099</u>	<u>5,170</u>



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

Dividend paid during the year:

	GROUP	
	<u>FY2018</u>	<u>FY2017</u>
	S\$'000	S\$'000
Interim dividend to ordinary shares	1,705	1,705
Final dividend to ordinary shares	<u>2,559</u>	<u>4,093</u>
	<u>4,264</u>	<u>5,798</u>

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder 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.

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
Tan Leh Hong	62	Sister of Executive director, Tan Lay Ling	Director of certain subsidiaries since Year 1994	Not Applicable

19. Disclosure of confirmation of undertakings from directors and executive officers pursuant to Rule 720 (1) of the Listing Manual.

The Company has procured undertakings in the format set up in Appendix 7.7 from all its directors and executive officers under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Sim Yong Teng
Executive Chairman/Executive Director
25 February 2019