

Full Year Financial Statement and Dividend Announcement for the Year Ended 31/12/2018

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

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

Group			
		S\$'000	%
Financial year ended 31 December			
Note	2018	2017	Change
Revenue	16,782	18,526	(9.41)
Cost of sales	(13,836)	(17,509)	(20.98)
Gross profit	2,946	1,017	NM
Other operating income	1,082	1,476	(26.69)
Gain from investments	1,419	5,173	(72.57)
Administrative expenses	(11,891)	(7,516)	58.21
Distribution costs	(380)	(481)	(21.00)
Other operating expenses	(1,505)	(1,100)	36.82
Finance costs	(42)	(56)	(25.00)
Foreign exchange losses	(665)	(1,386)	(52.02)
Share of results of associate	(78)	(75)	4.00
Loss before income tax	(9,114)	(2,948)	NM
Income tax expense	(79)	(868)	(90.90)
Loss for the year	(9,193)	(3,816)	NM
Attributable to:			
Owners of the Company	(9,025)	(4,007)	NM
Non-controlling interests	(168)	191	NM
	(9,193)	(3,816)	NM

NM – Not Meaningful

Statement of Comprehensive Income

Statement of Comprehensive Income

Group			
		S\$'000	%
Financial year ended 31 December			
Note	2018	2017	Change
Loss for the year	(9,193)	(3,816)	NM
Other comprehensive (loss)/income			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences	(3,067)	(2,433)	26.06
Net fair value gains on other financial assets	-	2,022	(100.00)
Net fair value changes on other financial assets reclassified to profit or loss	-	(1,788)	(100.00)
Other comprehensive loss for the year, net of tax	(3,067)	(2,199)	39.47
Total comprehensive loss for the year	(12,260)	(6,015)	NM
Attributable to:			
Owners of the Company	(11,938)	(6,057)	97.09
Non-controlling interests	(322)	42	NM
	(12,260)	(6,015)	NM

NM – Not Meaningful

Other information

Group			
		S\$'000	%
Financial year ended 31 December			
	2018	2017	Change
Depreciation and amortisation	3,916	3,942	(0.66)
Impairment loss on trade receivables	105	-	NM
Impairment loss on other receivables	47	48	(2.08)
Write-down of inventories	243	699	(65.24)
Loss on disposal of property, plant and equipment	89	301	(70.43)
Write-down of property under development	2,562	-	NM
Provision for litigation	1,678	105	NM

Note 1

Group			
		S\$'000	%
Financial year ended 31 December			
	2018	2017	Change
Other operating income:			
Rental income	236	231	2.16
Gain on disposal of property, plant and equipment	106	-	NM
Incentive and allowance income	14	16	(12.50)
Reversal of impairment loss on property, plant and equipment	244	-	NM
Reversal of impairment loss on other receivables	205	-	NM
Project income	-	1,060	(100.00)
Sundry income	277	169	63.91
	1,082	1,476	(26.69)

Other operating income decreased due mainly to all the outstanding contract sum of the Anxi build-and-transfer ("BT") project had been fully received in 2017, the Group did not receive any interest income from the BT project in 2018. This reduction of \$1.1 million project income was offset by the reversal of impairment loss of \$0.4 million recorded in 2018.

NM – Not Meaningful

Note 2

Gain from investments:

Interest income
Gain on disposal of other financial assets
Dividend income
Net fair value (loss)/gain on other financial assets

Group		
S\$'000		%
Financial year ended 31 December		
2018	2017	Change
1,076	1,430	(24.76)
93	1,774	(94.76)
330	305	8.20
(80)	1,664	NM
1,419	5,173	(72.57)

Gain from investments decreased due to: (i) net fair value loss on other financial assets of \$80,000 in 2018 compared to net fair value gain of \$1.7 million in 2017; and (ii) gain on disposal of other financial assets decreased by \$1.7 million.

Note 3

Administrative expenses increased due mainly to: (i) compensation for work stoppage of \$1.7 million in connection with the litigation with the main contractor of Dali San Teh Xing Real Estate Co., Ltd ("DLSTX"); and (ii) write-down of property under development of \$2.6 million. Following the settlement of litigation involving DLSTX with its main contractor and the repossession of the construction site by the Group, the Group commenced a review of the current status of the property development project and made a write-down of \$2.6 million pertaining mainly to design fees and pre-development costs.

Note 4

The decrease in distribution costs was because of the lower revenue recorded at our PVC pipes and fittings operation.

Note 5

Other operating expenses increased due to reclassification of depreciation charges of \$0.5 million in respect of Nantong hotel from cost of sales to other operating expenses as the hotel ceased operation.

Note 6

Finance costs:

Interest expense

Group		
S\$'000		%
Financial year ended 31 December		
2018	2017	Change
(42)	(56)	(25.00)
(42)	(56)	(25.00)

The decrease in finance costs was because of full repayment of bank borrowings.

Note 7

The Group reported an exchange loss of \$0.7 million in 2018 due mainly to the weakening of the Renminbi against the US dollar. The currency translation loss of \$3.1 million reported in other comprehensive income was attributable to the weakening of the Renminbi against the Singapore dollar.

NM – Not Meaningful

Note 8

Income tax expense:

Current tax expense
Overseas withholding tax
Over provision in prior years
Deferred tax

Group		
S\$'000	%	
Financial year ended 31 December		
2018	2017	Change
(74)	(517)	(85.69)
(26)	(224)	(88.39)
21	37	(43.24)
-	(164)	(100.00)
(79)	(868)	(90.90)

The decrease in income tax expense was due to: (i) lower taxable profit of the Group in 2018; and (ii) higher withholding tax paid by the Company arising from the dividend income received from a China subsidiary in 2017.

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

AS AT	Note	Group		Company	
		31/12/2018	31/12/2017	31/12/2018	31/12/2017
		\$'000	\$'000	\$'000	\$'000
ASSETS					
Current assets:					
Cash and cash equivalents		25,434	48,211	14,458	13,057
Trade and other receivables	1	13,946	16,368	21,343	32,069
Inventories	2	2,627	2,136	-	-
Other financial assets	3	9,894	12,328	9,894	12,328
Total current assets		51,901	79,043	45,695	57,454
Non-current assets:					
Investments in subsidiaries		-	-	148,623	162,157
Investments in associate	4	198	280	-	-
Other financial assets	3	2,249	3,514	-	2,489
Property, plant and equipment	5	41,380	30,592	1,160	1,237
Investment properties		56,258	59,027	860	887
Property under development		31,081	32,913	-	-
Other receivables		-	-	4,387	4,282
Land use rights		8,457	8,989	-	-
Total non-current assets		139,623	135,315	155,030	171,052
Total assets		191,524	214,358	200,725	228,506
LIABILITIES AND EQUITY					
Current liabilities:					
Trade and other payables	6	12,138	15,050	348	349
Income tax payable	7	50	266	18	102
Other financial liabilities	8	-	1,843	-	-
Provision for litigation	9	69	1,475	-	-
Total current liabilities		12,257	18,634	366	451
Non-current liabilities:					
Provision for retirement benefits		586	527	586	527
Total non-current liabilities		586	527	586	527
Equity attributable to owners of the Company:					
Share capital		71,856	71,856	71,856	71,856
Treasury shares		(1,929)	(1,929)	(1,929)	(1,929)
Fair value adjustment reserve		-	1,239	-	1,239
Foreign currency translation reserve		3,164	6,077	-	-
Statutory reserve		1,855	1,110	-	-
Capital reserve		48	48	-	-
Retained earnings		101,558	109,834	129,846	156,362
		176,552	188,235	199,773	227,528
Non-controlling interests		2,129	6,962	-	-
Total equity		178,681	195,197	199,773	227,528
Total liabilities and equity		191,524	214,358	200,725	228,506

Notes:

1. Decrease in trade and other receivables was due mainly to the reduction in deposits paid to main contractor of DLSTX following the settlement of litigation.
2. Inventories increased mainly because of more raw materials and finished goods carried by the PVC pipes and fittings operation.
3. Short-term and long-term other financial assets decreased due to disposal of investment securities.
4. Decrease in investment in associate was attributable to operating losses recorded by the associate.
5. Property, plant and equipment increased due to increase in capital work-in-progress of Suzhou Hotel.
6. Trade and other payables decreased due to return of security deposit to the main contractor of DLSTX following the settlement of litigation.
7. Income tax payables decreased due to lower taxable profit of the Group.
8. Other financial liabilities decreased as the Group has fully repaid its bank borrowings.
9. Provision for litigation decreased because of settlement of litigations involving Shanghai San Teh Xing Real Estate Co., Ltd ("SSTX") with its tenants and the property management company.

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 December 2018		As at 31 December 2017	
Secured S\$	Unsecured S\$	Secured S\$	Unsecured S\$
-	-	-	1,843,000

Amount repayable after one year

As at 31 December 2018		As at 31 December 2017	
Secured S\$	Unsecured S\$	Secured S\$	Unsecured S\$
-	-	-	-

Details of any collateral

None

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

	Group	
	S\$'000	
	Financial year ended 31 Dec	
	2018	2017
Cash flows from operating activities:		
Loss before tax	(9,114)	(2,948)
Adjustments for:		
Depreciation of property, plant and equipment	1,600	1,278
Amortisation of land use rights	312	320
Depreciation of investment properties	2,004	2,344
Reversal of impairment loss on property, plant and equipment	(244)	-
Gain on disposal of property, plant and equipment	(106)	-
Loss on disposal of property, plant and equipment	89	301
Property, plant and equipment written off	37	60
Gain on disposal of other financial assets	(71)	(1,774)
Write-down of property under development	2,562	-
Share of results of associate	78	75
Provision for retirement benefits	59	59
Provision for litigation	1,678	105
Dividend income	(330)	(305)
Interest income	(1,076)	(1,430)
Interest expense	42	56
Foreign exchange adjustment unrealised losses	62	782
Operating cash flows before changes in working capital	(2,418)	(1,077)
Trade and other receivables	(183)	5,783
Inventories	(569)	1,288
Trade and other payables	(4,179)	2,053
Other financial assets	1,011	(869)
Cash flows (used in)/from operations	(6,338)	7,178
Interest paid	(45)	(53)
Income tax paid	(292)	(705)
Net cash (used in)/from operating activities	(6,675)	6,420
Cash flows from investing activities:		
Increase in investment properties	(660)	(1,874)
Purchase of property, plant and equipment	(13,210)	(4,372)
Proceeds from disposal of property, plant and equipment	322	31
Proceeds from disposal of other financial assets	3,980	5,194
Dividends received	330	305
Interest received	1,219	1,696
Net cash (used in)/from investing activities	(8,019)	980

Group		
S\$'000		
	Financial year ended 31 Dec	
	2018	2017
Cash flows from financing activities:		
Proceeds from bank borrowings	-	1,843
Repayment of bank borrowings	(1,798)	(1,307)
Dividends paid	(1,026)	(1,026)
Dividends paid to non-controlling interests by a subsidiary	-	(1,297)
Distributions to non-controlling interests pursuant to capital reduction	(4,511)	-
Net cash used in financing activities	(7,335)	(1,787)
Net (decrease)/increase in cash and cash equivalents	(22,029)	5,613
Cash and cash equivalents at beginning of financial year	48,211	43,937
Effect of exchange rate changes on cash and cash equivalents	(748)	(1,339)
Cash and cash equivalents at end of financial year	25,434	48,211

The Group had a net cash outflow of \$6.7 million used in its operating activities in 2018 as compared to a net cash inflow of \$6.4 million from its operating activities in 2017. Net cash used in investing activities of \$8.0 million in 2018 was due mainly to payment of \$13.2 million for the redevelopment work of Suzhou hotel.

Net cash used in financing activities of \$7.3 million in 2018 was because of the: (i) distribution of \$4.5 million to non-controlling shareholders in pursuant of capital reduction of a subsidiary; (ii) repayment of bank borrowings of \$1.8 million; and (iii) payment of \$1.0 million dividends to the shareholders of the Company.

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	Attributable to owners of the Company									
	Share capital S\$'000	Treasury shares S\$'000	Fair value adjustment reserve S\$'000	Capital reserve S\$'000	Foreign currency translation reserve S\$'000	Statutory reserve S\$'000	Retained earnings S\$'000	Total S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Balance at 1 January 2018 as previously reported	71,856	(1,929)	1,239	48	6,077	1,110	109,834	188,235	6,962	195,197
Adoption of SFRS(I) 9	-	-	(1,239)	-	-	-	2,520	1,281	-	1,281
Balance at 1 January 2018 as restated	71,856	(1,929)	-	48	6,077	1,110	112,354	189,516	6,962	196,478
Net loss for the year	-	-	-	-	-	-	(9,025)	(9,025)	(168)	(9,193)
Other comprehensive loss for the year										
Currency translation differences	-	-	-	-	(2,913)	-	-	(2,913)	(154)	(3,067)
Total comprehensive loss for the year	-	-	-	-	(2,913)	-	(9,025)	(11,938)	(322)	(12,260)
Dividends paid	-	-	-	-	-	-	(1,026)	(1,026)	-	(1,026)
Transfer to statutory reserve	-	-	-	-	-	745	(745)	-	-	-
Distributions to non-controlling interests pursuant to capital reduction	-	-	-	-	-	-	-	-	(4,511)	(4,511)
Balance at 31 December 2018	71,856	(1,929)	-	48	3,164	1,855	101,558	176,552	2,129	178,681

Attributable to owners of the Company

Group	Share	Treasury	Fair value	Capital	Foreign	Statutory	Retained		Non-	Total
	capital	shares	adjustment	reserve	translation	reserve	earnings	Total	controlling	equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2017	71,856	(1,929)	1,005	48	8,361	1,110	114,867	195,318	8,217	203,535
Net (loss)/profit for the year	-	-	-	-	-	-	(4,007)	(4,007)	191	(3,816)
Other comprehensive (loss)/income for the year										
Currency translation differences	-	-	-	-	(2,284)	-	-	(2,284)	(149)	(2,433)
Net fair value gains on other financial assets	-	-	2,022	-	-	-	-	2,022	-	2,022
Net fair value changes of other financial assets reclassified to profit or loss	-	-	(1,788)	-	-	-	-	(1,788)	-	(1,788)
Total comprehensive income/(loss) for the year	-	-	234	-	(2,284)	-	(4,007)	(6,057)	42	(6,015)
Dividends paid	-	-	-	-	-	-	(1,026)	(1,026)	(1,297)	(2,323)
Balance at 31 December 2017	71,856	(1,929)	1,239	48	6,077	1,110	109,834	188,235	6,962	195,197

Company	Share capital S\$'000	Treasury shares S\$'000	Fair value adjustment reserve S\$'000	Retained earnings S\$'000	Total Equity S\$'000
Balance at 1 January 2018 as previously reported	71,856	(1,929)	1,239	156,362	227,528
Adoption of SFRS(I) 9	-	-	(1,239)	1,239	-
Balance at 1 January 2018 as restated	71,856	(1,929)	-	157,601	227,528
Net loss for the year	-	-	-	(26,729)	(26,729)
Total comprehensive loss for the year	-	-	-	(26,729)	(26,729)
Dividends paid	-	-	-	(1,026)	(1,026)
Balance at 31 December 2018	71,856	(1,929)	-	129,846	199,773
Balance at 1 January 2017	71,856	(1,929)	1,005	153,947	224,879
Net profit for the year	-	-	-	3,441	3,441
Other comprehensive income/(loss) for the year					
Net fair value gains on other financial assets	-	-	2,022	-	2,022
Net fair value changes of other financial assets reclassified to profit or loss	-	-	(1,788)	-	(1,788)
Total comprehensive income for the year	-	-	234	3,441	3,675
Dividends paid	-	-	-	(1,026)	(1,026)
Balance at 31 December 2017	71,856	(1,929)	1,239	156,362	227,528

1(d)(ii)Details of any changes in the company’s share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as 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

There were no changes in the Company's issued and paid-up share capital during the fourth quarter ended 31 December 2018.

As at 31 December 2018, the Company has 342,024,763 issued ordinary shares, excluding treasury shares.

Treasury Shares

As at 31 December 2018, there were 5,414,000 (2017: 5,414,000) treasury shares held by the Company.

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

The total number of issued ordinary shares excluding treasury shares as at 31 December 2018 was 342,024,763 (31 December 2017: 342,024,763).

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

There were no sales, transfer, disposal, cancellation and/or use of treasury shares as at 31 December 2018.

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 qualifications or emphasis of matter)

N/A

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 has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 December 2017, except as disclosed in paragraph 5 below.

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 the new Singapore Financial Reporting Standards (International) ("SFRS(I)") and the related Interpretations to SFRS(I)s ("SFRS(I) INT") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2018. Except as disclosed below, the adoption of these SFRS(I) and SFRS(I) INT did not result in any significant impact on the financial statements of the Group.

SFRS(I) 9

For financial assets previously designated as available-for-sale financial assets, the Group has designated these assets as financial assets measured at fair value through profit or loss upon adoption of SFRS(I) 9. Accordingly, the fair value adjustment reserve had been reclassified to retained earnings as at 1 January 2018, resulting in an increase in retained earnings by \$1,239,000.

The Group has an unquoted equity investment recorded at cost previously. SFRS(I) 9 requires equity instruments to be measured at fair value at date of initial application. Accordingly, the Group recognized the difference of \$1,281,000 between the previous carrying amount and carrying amount at 1 January 2018, resulting in an increase in retained earnings by \$1,281,000.

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	
	Financial year ended 31 December	
	2018	2017
Loss per ordinary share for the year		
(i) Based on weighted average number of ordinary shares on issue	(2.64) cents	(1.17) cent
Weighted average number of ordinary shares	342,024,763	342,024,763
(ii) On a fully diluted basis	(2.64) cents	(1.17) cent
Adjusted weighted average number of ordinary shares	342,024,763	342,024,763

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

	Group		Company	
	As At 31/12/2018	As At 31/12/2017	As At 31/12/2018	As At 31/12/2017
Net asset value per ordinary share based on issued share capital at the end of the period reported on (S\$)	0.52	0.55	0.58	0.67
Total number of issued shares, excluding treasury shares, at the end of the period reported on	342,024,763	342,024,763	342,024,763	342,024,763

- 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.**

PERFORMANCE REVIEW

Revenue of the Group decreased by \$1.7 million from \$18.5 million in 2017 to \$16.8 million in 2018 mainly because of lower revenue recorded in the PVC pipes and fittings operation. Notwithstanding the higher revenue and better profit margin contributed by the Shanghai property operation, net loss of the Group increased from \$3.8 million in 2017 to \$9.2 million in 2018 because of: (i) write-down of property under development of \$2.6 million; (ii) compensation for work stoppage of \$1.7 million in connection with the litigation with the main contractor of DLSTX; and (iii) gain on disposal of other financial assets decreased by \$1.7 million.

Hotel and Property Operation

Hotel and property operation reported an increase in revenue of \$2.5 million from \$3.9 million in 2017 to \$6.4 million in 2018 due mainly to the higher revenue contributed by the shopping mall at the San Teh Commercial Plaza at Shanghai Anting which commenced business in December 2017. Loss on the operation increased by \$3.4 million to \$7.1 million due mainly to the above-mentioned compensation for work stoppage and a write-down pertaining to the property under development of DLSTX.

PVC Pipes and Fittings Operation

Revenue of the PVC pipes and fittings operation decreased from \$14.7 million in 2017 to \$10.3 million in 2018 owing to lower sales quantity and selling price due to weaker market conditions. Consequently, the operation reported a loss of \$0.9 million in 2018 as compared to a profit of \$0.2 million in 2017.

- 9 **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**
若公司之前向股东有披露关于业绩的预测或展望，解释这些预测或展望和真实业绩的差距

The Group's performance in the financial year 2018 is in line with the profit guidance announcement released on 22 February 2019.

- 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**

With the commencement of business in December 2018 by one of our key tenants, Haidilao (“海底捞”), a popular hotpot restaurant, the occupancy rate of our shopping mall at San Teh Commercial Plaza at Shanghai Anting has arisen to approximately 88%.

After an extensive make over, our Suzhou hotel was soft-launched in January 2019 under the new name: Novotel Suzhou Tai Lake Santeh Hotel.

The Group has signed a hotel management contract with Yagao Meihua Hotel Management Co., Ltd for the latter to manage the Nantong hotel under the Mercure brand. Under the contract the hotel is required to carry out certain renovation work to meet the requirements under the Mercure franchising agreement. The renovation work is expected to start in the second quarter of 2019 and initial operation of the hotel is targeted to commence by end of the year.

All litigations involving SSTX and DLSTX have been resolved. The arbitration proceeding of Nantong Hotel is still ongoing.

The Group expects its PVC pipes and fittings operation to continue to face difficult business environment due to the keen competition and rising raw material costs.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No

Name of Dividend

Dividend Type

Dividend Amount per Share (in cents)

Tax Rate

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend

Dividend Type

Dividend Amount per Share (in cents)

Tax Rate

First and Final

Cash

0.3 cent per ordinary share

Tax exempt (1-Tier)

(c) Date payable

N/A

(d) Books closure date

N/A

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

No dividend has been declared or recommended for the financial year ended 31 December 2018.

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 did not obtain any general mandate from its shareholders for interested person transactions.

14 Confirmation pursuant to Rule 720(1) of the Listing Manual.

The Company confirms that it has procured undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 under Rule 720(1).

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

Period ended 31 December 2018

	Investment Holding S\$'000	Hotel and Property S\$'000	PVC Pipes and Fittings S\$'000	Others S\$'000	Total S\$'000
Revenue					
Total revenue	-	6,441	10,341	-	16,782
Results					
Segment results	(2,029)	(7,114)	(898)	(29)	(10,070)
Interest income	441	530	26	79	1,076
Interest expense	-	(39)	(3)	-	(42)
Share of results of associate	(78)	-	-	-	(78)
(Loss)/Profit before tax	(1,666)	(6,623)	(875)	50	(9,114)
Income tax expense	(23)	(40)	-	(16)	(79)
(Loss)/Profit for the year	(1,689)	(6,663)	(875)	34	(9,193)
Assets					
Segment assets	27,786	144,422	14,571	4,547	191,326
Investment in associate	198	-	-	-	198
Total assets	27,984	144,422	14,571	4,547	191,524
Liabilities					
Segment liabilities	944	11,280	508	61	12,793
Income tax payable	22	15	-	13	50
Total liabilities	966	11,295	508	74	12,843
Other segment information					
Additions to property, plant and equipment	-	13,052	157	-	13,209
Additions to property under development	-	1,534	-	-	1,534
Additions to investment properties	-	573	-	-	573
Depreciation and amortisation	119	3,485	264	48	3,916
Foreign exchange losses	67	598	-	-	665

Period ended 31 December 2017

	Investment Holding	Hotel and Property	PVC Pipes and Fittings	Others	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue					
Total revenue	-	3,850	14,676	-	18,526
Results					
Segment results	(755)	(3,684)	229	(37)	(4,247)
Interest income	334	779	21	296	1,430
Interest expense	-	(51)	(5)	-	(56)
Share of results of associate	(75)	-	-	-	(75)
(Loss)/Profit before tax	(496)	(2,956)	245	259	(2,948)
Income tax expense	(248)	(595)	37	(62)	(868)
(Loss)/Profit for the year	(744)	(3,551)	282	197	(3,816)
Assets					
Segment assets	31,559	157,310	16,098	9,111	214,078
Investment in associate	280	-	-	-	280
Total assets	31,839	157,310	16,098	9,111	214,358
Liabilities					
Segment liabilities	941	16,641	1,253	60	18,895
Income tax payable	106	76	-	84	266
Total liabilities	1,047	16,717	1,253	144	19,161
Other segment information					
Additions to property, plant and equipment	4	4,253	115	-	4,372
Additions to investment properties	-	1,874	-	-	1,874
Depreciation and amortisation	122	3,480	290	50	3,942
Foreign exchange losses/(gains)	2,106	(720)	-	-	1,386

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

Refer to paragraph 8 above.

17 A breakdown of sales

		Group		
		Year ended 31/12/2018	Year ended 31/12/2017	% Increase/ (Decrease)
		S\$'000	S\$'000	
(a)	Sales reported for first half year	8,536	8,208	4.00
(b)	Operating loss after tax before deducting non-controlling interests reported for first half year	(1,508)	(1,604)	(5.99)
(c)	Sales reported for second half year	8,246	10,318	(20.08)
(d)	Operating loss after tax before deducting non-controlling interests reported for second half year	(7,685)	(2,212)	NM

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 31/12/2018 S\$'000	Previous full year 31/12/2017 S\$'000
Ordinary	1,026	1,026
Preference	-	-
Total:	1,026	1,026

19 Disclosure of person occupying a managerial position in the issuer or any of its principle subsidiaries who is a relative of a director or chief executive office 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 held	Details of changes in duties and position held, if any, during the year
Kao Chuan Trong	40	Mr Kao Chuan Trong is the son of Mrs Kao Ching Fong nee Pan, the Director and substantial shareholder of the Company.	Mr Kao Chuan Trong was appointed as an Executive Director on 31 December 2007. He was appointed as the Managing Director on 1 March 2011. He oversees the operation of the Group.	Nil
Kao Chuan Chi	44	Mr Kao Chuan Chi is the son of Mrs Kao Ching Fong nee Pan, the Director and substantial shareholder of the Company.	Mr Kao Chuan Chi was appointed as an Executive Director on 13 July 2009. He was appointed as the Executive Chairman cum Chief Executive Officer (“CEO”) on 1 September 2014. He is responsible for the overall management, day-to-day operations, strategic direction and business development of the Group.	Nil
Chang Yen-Chun	44	Mr Chang Yen-Chun is the nephew of Mrs Kao Ching Fong nee Pan, the Director and substantial shareholder of the Company. He is also the cousin of Mr Kao Chuan Chi and Mr Kao Chuan Trong, the Executive Chairman cum CEO and Managing Director of the Company respectively.	Mr Chang Yen-Chun was appointed as the Deputy General Manager on 1 February 2013. He is responsible for the Administration Department of Dali San Teh Xing Real Estate Co., Ltd.	Nil

BY ORDER OF THE BOARD

LIM WEE TZIANG
COMPANY SECRETARY
28 February 2019