

Unaudited Full Year Financial Statements Announcement

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), HALF-YEAR AND FULL YEAR RESULTS

- 1(a) 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 FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2018

	The Group		Increase/ (Decrease) %	The Group		Increase/ (Decrease) %
	4Q 2018 \$'000	4Q 2017 \$'000		FY 2018 \$'000	FY 2017 \$'000	
Continuing operations						
Revenue	9,000	11,429	(21)	26,248	61,002	(57)
Cost of sales	(7,158)	(7,596)	(6)	(20,124)	(43,278)	(54)
Gross profit	<u>1,842</u>	<u>3,833</u>	(52)	<u>6,124</u>	<u>17,724</u>	(65)
Other income	5,415	24,405	(78)	6,651	25,185	(74)
Selling and distribution expenses	(532)	(511)	4	(2,133)	(2,546)	(16)
General and administrative expenses	(949)	(1,459)	(35)	(3,958)	(6,031)	(34)
Other expenses	(11)	(59,307)	(100)	(106)	(61,669)	(100)
Finance costs (net)	(705)	(2,667)	(74)	(2,853)	(12,525)	(77)
Profit/(loss) before tax	<u>5,060</u>	<u>(35,706)</u>	(>100)	<u>3,725</u>	<u>(39,862)</u>	(>100)
Income tax	(26)	(226)	(88)	(34)	(727)	(95)
Profit/(loss) for the period/year	<u>5,034</u>	<u>(35,932)</u>	(>100)	<u>3,691</u>	<u>(40,589)</u>	(>100)
Profit/(loss) attributable to :						
Owners of the Company	2,499	(6,962)	(>100)	520	(10,190)	(>100)
Non-controlling interests	2,535	(28,970)	(>100)	3,171	(30,399)	(>100)
Profit/(loss) for the period/year	<u>5,034</u>	<u>(35,932)</u>	(>100)	<u>3,691</u>	<u>(40,589)</u>	(>100)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2018

	The Group		Increase/ (Decrease) %	The Group		Increase/ (Decrease) %
	4Q 2018 \$'000	4Q 2017 \$'000		FY 2018 \$'000	FY 2017 \$'000	
Profit/(loss) for the period/year	5,034	(35,932)	(>100)	3,691	(40,589)	(>100)
Other comprehensive income						
Total items that are or may be reclassified subsequently to profit or loss:						
Translation differences relating to financial statements of foreign operations and a subsidiary with non-singapore dollar functional currency	104	(178)	(>100)	208	46	>100
Other comprehensive income for the period/year	104	(178)	(>100)	208	46	>100
Total comprehensive income for the period/year	5,138	(36,110)	(>100)	3,899	(40,543)	(>100)
Total comprehensive income attributable to :						
Owners of the Company	2,500	(7,137)	(>100)	635	(9,951)	(>100)
Non-controlling interests	2,638	(28,973)	(>100)	3,264	(30,592)	(>100)
Total comprehensive income for the period/year	5,138	(36,110)	(>100)	3,899	(40,543)	(>100)

(A) Revenue

	The Group		The Group	
	4Q 2018 \$'000	4Q 2017 \$'000	FY 2018 \$'000	FY 2017 \$'000
Piling contract, construction, and rental and servicing of machinery	3,000	2,808	9,244	19,701
Trading of e-waste / metals	915	1,088	3,784	3,457
Recycling and refining of metals	4,159	3,278	9,425	19,254
Income from property investments and management	814	4,113	3,319	17,998
Others	112	142	476	592
	9,000	11,429	26,248	61,002

(B) Profit/(loss) for the period/year

	<u>The Group</u>		<u>The Group</u>	
	4Q 2018 \$'000	4Q 2017 \$'000	FY 2018 \$'000	FY 2017 \$'000
<i>Profit/(loss) for the period/year is arrived at after:</i>				
(Crediting)/charging:				
Amortisation of deferred income	-	-	-	(233)
Depreciation of property, plant and equipment	479	724	2,084	3,142
Fair value (gain)/loss on investment properties	(5,430)	24,220	(6,266)	26,536
Foreign exchange loss/(gain)	85	(98)	161	105
Gain on disposal of other investments	-	(24,038)	-	(24,038)
Gain on disposal of property, plant and equipment	(14)	(50)	(28)	(281)
Loss on disposal of a subsidiary	-	34,664	-	34,664
Impairment losses on property, plant and equipment	-	413	-	413
Property, plant and equipment written off	-	-	59	*
Allowance for/(reversal of) allowance for impairment loss on trade and other receivables	27	33	93	(150)
Allowance for/(reversal of) allowance for write-down of inventories	84	(229)	84	(229)

* Denotes amount less than \$1,000.

(C) Finance costs (net)

	<u>The Group</u>		<u>The Group</u>	
	4Q 2018 \$'000	4Q 2017 \$'000	FY 2018 \$'000	FY 2017 \$'000
Finance income:				
- cash and cash equivalents	11	12	19	78
Finance costs:				
- Finance leases	(2)	(4)	(9)	(19)
- Bank loans	(714)	(2,638)	(2,863)	(12,263)
- Trust receipts	-	(26)	-	(155)
- Bank overdrafts	-	-	-	(76)
- Related companies	-	(11)	-	(87)
- Others	-	-	*	(3)
	<u>(716)</u>	<u>(2,679)</u>	<u>(2,872)</u>	<u>(12,603)</u>
	<u>(705)</u>	<u>(2,667)</u>	<u>(2,853)</u>	<u>(12,525)</u>

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.

STATEMENTS OF FINANCIAL POSITION

	<u>The Group</u>		<u>The Company</u>	
	<u>31.12.18</u>	<u>31.12.17</u>	<u>31.12.18</u>	<u>31.12.17</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
		Restated		
Non-current assets				
Property, plant and equipment	15,834	16,833	105	52
Investment properties	134,700	139,350	-	-
Subsidiaries	-	-	32,493	28,717
Other investments	-	*	-	-
Trade and other receivables	10	8	-	-
	<u>150,544</u>	<u>156,191</u>	<u>32,598</u>	<u>28,769</u>
Current assets				
Inventories	2,087	1,242	-	-
Trade and other receivables	9,061	9,494	23,958	22,246
Cash and cash equivalents	5,376	21,266	493	9,819
Investment properties held for sale	1,350	-	-	-
	<u>17,874</u>	<u>32,002</u>	<u>24,451</u>	<u>32,065</u>
Total assets	<u>168,418</u>	<u>188,193</u>	<u>57,049</u>	<u>60,834</u>
Equity attributable to owners of the Company				
Share capital	96,158	95,888	96,158	95,888
Foreign currency translation reserve	354	239	-	-
Other reserve	(6,852)	(6,852)	-	-
Accumulated losses	<u>(41,426)</u>	<u>(35,643)</u>	<u>(59,996)</u>	<u>(58,880)</u>
	48,234	53,632	36,162	37,008
Non-controlling interests	<u>(4,675)</u>	<u>(10,663)</u>	-	-
Total equity	<u>43,559</u>	<u>42,969</u>	<u>36,162</u>	<u>37,008</u>
Non-current liabilities				
Loans and borrowings	93,983	105,308	-	-
Trade and other payables	<u>16,177</u>	<u>20,573</u>	-	<u>3,229</u>
	<u>110,160</u>	<u>125,881</u>	-	<u>3,229</u>
Current liabilities				
Trade and other payables	10,545	15,106	20,887	20,597
Loans and borrowings	4,111	4,202	-	-
Current tax payable	43	35	-	-
	<u>14,699</u>	<u>19,343</u>	<u>20,887</u>	<u>20,597</u>
Total liabilities	<u>124,859</u>	<u>145,224</u>	<u>20,887</u>	<u>23,826</u>
Total equity and liabilities	<u>168,418</u>	<u>188,193</u>	<u>57,049</u>	<u>60,834</u>

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

Amount repayable in one year or less, or on demand.

As at 31.12.18		As at 31.12.17	
Secured	Unsecured	Secured	Unsecured
4,111,000	-	4,202,000	-

Amount repayable after one year.

As at 31.12.18		As at 31.12.17	
Secured	Unsecured	Secured	Unsecured
93,983,000	-	105,308,000	-

The Group's borrowings comprise obligations under finance leases and secured bank loans.

Details of any collateral

The finance lease liabilities are secured on plant and equipment under the leases with carrying value of \$553,000 (31 December 2017 : \$832,000).

The bank loans are secured by/on :

- a) First legal mortgages over a leasehold property with carrying amount of \$8,772,000 (31 December 2017 : First legal mortgages over a leasehold property with carrying amount of \$9,298,000);
- b) First legal mortgages over investment properties, including a strata unit classified as investment properties held for sale with a total carrying amount of \$136,050,000 (31 December 2017 : \$139,350,000);
- c) Fixed deposits amounting to \$1,334,000 (31 December 2017 : \$1,406,000);
- d) Fixed charges on certain plant and machinery with carrying amount of \$255,000 (31 December 2017 : \$1,233,000);
- e) Guarantees by the Executive Chairman of the Company; and
- f) Fixed charges on 200 million shares of the Company held by the Executive Chairman (31 December 2017 : 200 million shares).

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 FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2018

	4Q 2018 \$'000	4Q 2017 \$'000	FY 2018 \$'000	FY 2017 \$'000
Cash flows from operating activities				
Profit/(loss) for the period/year	5,034	(35,932)	3,691	(40,589)
Adjustments for:				
Impairment losses on property, plant and equipment	-	413	-	413
Impairment losses on other investment	*	-	*	-
Depreciation of property, plant and equipment	479	724	2,084	3,142
Allowance for/(reversal of) allowance for impairment losses on trade and other receivables	27	33	93	(150)
Finance income	(11)	(12)	(19)	(78)
Finance costs	716	2,679	2,872	12,603
Fair value (gain)/loss on investment properties	(5,430)	24,220	(6,266)	26,536
Share-based payment transactions	-	-	(10)	-
Allowance for/(reversal of) allowance for write-down of inventories	84	(229)	84	(229)
Gain on disposal of property, plant and equipment	(14)	(50)	(28)	(281)
Gain on disposal of other investments	-	(24,038)	-	(24,038)
Loss on disposal of a subsidiary	-	34,664	-	34,664
Amortisation of deferred income	-	-	-	(233)
Property, plant and equipment written off	-	-	59	*
Income tax	26	226	34	727
	911	2,698	2,594	12,487
Changes in working capital				
Inventories	266	280	(910)	1,535
Trade and other receivables	1,866	756	441	7,271
Trade and other payables	(1,462)	(6,685)	(4,890)	(7,318)
Cash generated from/(used in) operations	1,581	(2,951)	(2,765)	13,975
Income taxes paid	(10)	(163)	(26)	(517)
Net cash from/(used in) operating activities	1,571	(3,114)	(2,791)	13,458
Cash flows from investing activities				
Acquisition of property, plant and equipment	(439)	(739)	(1,128)	(1,224)
Payment for renovation of investment properties	-	(12)	-	(12)
Proceeds from disposal of property, plant and equipment	14	50	44	860
Proceeds from disposal of other investments	-	24,038	-	24,038
Net proceeds from disposal of subsidiary	-	41,708	-	41,708
Proceeds from disposal of investment properties held for sale	7,858	7,655	9,710	13,514
Repayment of quasi-equity loan from a related company	-	-	-	5,224
Interest received	11	12	19	78
Net cash from investing activities	7,444	72,712	8,645	84,186

Cash flows from financing activities

(Pledging of)/withdrawal of fixed deposit

Repayment of long-term loans and borrowings

Repayment of short-term loans and borrowings

Payment of finance leases

Repayment of loans to a related party

Repayment of loans to a related company

Loans repayment to non-controlling interests

Dividend paid

Interest paid

Net cash used in financing activities**Net increase/(decrease) in cash and cash equivalents**

Effect of exchange rate fluctuation on cash held

Cash and cash equivalents at the beginning of the financial period/year

Cash and cash equivalents at the end of the financial period/year**Cash and cash equivalents are made up of the following:-**

Cash at bank and on hand

Fixed deposits

Less: Deposits pledged

Cash and cash equivalents at the end of the financial period/year

(130)	(406)	72	(406)
(7,250)	(7,609)	(11,264)	(21,498)
-	(3,542)	-	(2,455)
(29)	(120)	(152)	(422)
-	(4,070)	(3,229)	(4,547)
-	-	-	(3,910)
-	(33,173)	(1,167)	(32,539)
-	-	(3,299)	-
(720)	(1,658)	(2,667)	(11,853)
<u>(8,129)</u>	<u>(50,578)</u>	<u>(21,706)</u>	<u>(77,630)</u>
886	19,020	(15,852)	20,014
(5)	(5)	34	(27)
<u>3,161</u>	<u>845</u>	<u>19,860</u>	<u>(127)</u>
<u>4,042</u>	<u>19,860</u>	<u>4,042</u>	<u>19,860</u>
		3,542	19,657
		<u>1,834</u>	<u>1,609</u>
		5,376	21,266
		<u>(1,334)</u>	<u>(1,406)</u>
		<u>4,042</u>	<u>19,860</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.

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

	Share capital \$'000	Foreign currency translation reserve \$'000	Other reserve \$'000	Accumulated losses \$'000	Total attributable to owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
As at 1 January 2018	95,888	(6,697)	(6,852)	(28,707)	53,632	(10,663)	42,969
Adjustment - SFRS(I)	-	6,936	-	(6,936)	-	-	-
Restated as at 1 January 2018	95,888	239	(6,852)	(35,643)	53,632	(10,663)	42,969
Changes in equity for the year							
Profit for the year	-	-	-	520	520	3,171	3,691
Other comprehensive income							
- Translation differences relating to financial statements of foreign operations and a subsidiary with functional currency in foreign currency	-	115	-	-	115	93	208
Total other comprehensive income	-	115	-	-	115	93	208
Total comprehensive income	-	115	-	520	635	3,264	3,899
Transactions with owners, recognised directly in equity							
Contributions by and distributions to							
Dividends paid	-	-	-	(3,101)	(3,101)	(198)	(3,299)
Share-based payment transactions	270	-	-	(280)	(10)	-	(10)
Acquisition of a subsidiary	-	-	-	(2,922)	(2,922)	2,922	-
Total contributions by and distributions to owners	270	-	-	(6,303)	(6,033)	2,724	(3,309)
As at 31 December 2018	96,158	354	(6,852)	(41,426)	48,234	(4,675)	43,559
As at 1 January 2017	95,888	(6,936)	(6,852)	(18,517)	63,583	19,929	83,512
Adjustment - SFRS(I)	-	6,936	-	(6,936)	-	-	-
Restated as at 1 January 2017	95,888	-	(6,852)	(25,453)	63,583	19,929	83,512
Changes in equity for the year							
Loss for the year	-	-	-	(10,190)	(10,190)	(30,399)	(40,589)
Other comprehensive income							
- Translation differences relating to financial statements of foreign operations and a subsidiary with functional currency in foreign currency	-	239	-	-	239	(193)	46
Total other comprehensive income	-	239	-	-	239	(193)	46
Total comprehensive income	-	239	-	(10,190)	(9,951)	(30,592)	(40,543)
Restated as at 31 December 2017	95,888	239	(6,852)	(35,643)	53,632	(10,663)	42,969

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

	Share capital \$'000	Accumulated losses \$'000	Total \$'000
As at 1 January 2018	95,888	(58,880)	37,008
Changes in equity for the year			
Loss for the year	-	(1,116)	(1,116)
Total comprehensive income	-	(1,116)	(1,116)
Share-based payment transactions	270	-	270
As at 31 December 2018	<u>96,158</u>	<u>(59,996)</u>	<u>36,162</u>
As at 1 January 2017	95,888	(80,053)	15,835
Changes in equity for the year			
Profit for the year	-	21,173	21,173
Total comprehensive income	-	21,173	21,173
Restated as at 31 December 2017	<u>95,888</u>	<u>(58,880)</u>	<u>37,008</u>

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 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.

For the year ended 31 December 2018, the total number of ordinary shares in issue was 1,033,746,142 shares (31 December 2017: 1,026,650,198).

<u>Changes in share capital</u>	<u>No. of ordinary shares in issue</u>	<u>\$'000</u>
Balance as at 1 January 2018	1,026,650,198	95,888,463
Issuance of shares arising from Share Award Scheme (Note 1)	7,095,944	269,646
Balance as at 31 December 2018	<u>1,033,746,142</u>	<u>96,158,109</u>

The Company did not have any outstanding convertibles and treasury shares 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.

Note 1:

The Company has allotted and issued 7,095,944 shares to the Company's directors on 13 April 2018 which was granted under Enviro-Hub Share Award Scheme ("the Scheme"). The Scheme was approved and adopted by its members at an Extraordinary General Meeting held on 22 November 2012.

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.

Total number of issued shares excluding treasury shares: 1,033,746,142 (31 December 2017: 1,026,650,198)

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.

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 by the Company's auditors.

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.

Except as disclosed in paragraph 5 below, the accounting policies and methods of computation adopted in the financial statements for the current reporting period are consistent with those disclosed in the most recently audited consolidated financial statements for the financial 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.

In adopting SFRS(I)s, the Group's opening balance sheet under SFRS(I)s has been prepared as at 1 January 2017, which is the Group's date of transition to SFRS(I)s.

a) Application of SFRS(I) 1

The Group has elected for the optional exemption to reset its cumulative foreign currency translation reserve for all foreign operations to nil at the date of transition at 1 January 2017. After the date of transition, any gain or loss on disposal of any foreign operations will exclude translation differences that arose before the date of transition.

The effects of the adoption of SFRS(I)1 are as follows:

Statement of consolidated financial position

Increase in foreign currency translation reserve
Increase in accumulated losses

The Group	
As at 31.12.2017 \$'000	As at 1.1.2017 \$'000
6,936	6,936
(6,936)	(6,936)

b) Adoption of SFRS(I)s

In addition, during the current financial year, the Group and the Company have adopted the following new SFRS(I)s, amendments and interpretations of SFRS(I)s which took effect from financial year beginning 1 January 2018:

- SFRS(I) 15 Revenue from Contracts with Customers
- Amendments to SFRS(I) 15 Clarifications to SFRS(I) 15
- SFRS(I) 9 Financial Instruments
- Amendments to SFRS(I) 1-40 Transfers of Investment Property
- Amendments to SFRS(I) 1 Deletion of short-term exemptions for first-time adopters
- SFRS(I) INT 22 Foreign Currency Transactions and Advance Consideration

The adoption of these SFRS(I)s, amendments and interpretations of SFRS(I)s did not have any significant impact on the financial statements of the Group.

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.

	<u>The Group</u>		<u>The Group</u>	
	4Q 2018	4Q 2017	FY 2018	FY 2017
Earning/(loss) per share				
Basic and diluted earning/(loss) per share (cents)	0.24 cts	(0.68) cts	0.05 cts	(0.99) cts
	<u>3Q 2018</u>	<u>3Q 2017</u>	<u>FY 2018</u>	<u>FY 2017</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Profit/(loss) attributable to owners of the Company				
Continuing operations	2,499	(6,962)	520	(10,190)
	<u>1,033,746</u>	<u>1,026,650</u>	<u>1,031,802</u>	<u>1,026,650</u>
Basic and diluted earnings per share is computed based on weighted average number of shares of the company in issue.				
Weighted average number of shares ('000)	1,033,746	1,026,650	1,031,802	1,026,650

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>The Group</u>		<u>The Company</u>	
	31.12.18	31.12.17	31.12.18	31.12.17
Net asset value per ordinary share for the Group and the Company (cents)	4.67 cts	5.22 cts	3.50 cts	3.60 cts

Net asset value per ordinary share for the Group and the Company are computed based on the net asset value of the Group and the Company after deduction of non-controlling interests divided by the number of ordinary shares of the Company in issue as at 31 December 2018 of 1,033,746,142 shares (31 December 2017: 1,026,650,198 shares).

- 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

STATEMENTS OF FINANCIAL POSITION

Comparing 31 December 2018 to 31 December 2017 figures:

- (i) The decrease in investment properties was due to disposal of 4 strata industrial units in FY2018 and reclass of 1 strata industrial units held at 63 Hillview Avenue, Lam Soon Industrial Building, to investment properties held for sale.
- (ii) The decrease in cash and cash equivalents was due mainly to repayment of loans.
- (iii) The increase in investment properties held for sale relates to the reclassification of a committed disposal of 1 strata industrial unit at 63 Hillview Avenue held by the Company's subsidiary, QF 8 Pte Ltd, during 4Q 2018.
- (iv) The decrease in loans and borrowings was attributed mainly to loan redemption and repayments of long-term loans and borrowings.
- (v) The decrease in trade and other payables was due mainly to repayment of bridging and shareholder loan to a related party and payment made to other creditors.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Comparing 4Q/FY2018 figures to 4Q/FY2017 figures:

- (i) Revenue decreased by \$34.8 million or 57% from \$61.0 million to \$26.2 million in FY2018 and \$2.4 million or 21% from \$11.4 million to \$9.0 million in 4Q 2018. The decrease was due mainly to the following:
 - (a) The absence of revenue from the Group's joint operation with SB Procurement Pte Ltd (as announced via SGXNET on 18 May 2014) under construction business as the construction project was completed in 2Q 2017;
 - (b) Lower rental income generated from the Group's investment property business due to the disposal of a subsidiary (divestment of "PoMo", as announced via SGXNET on 20 September 2017, 17 November 2017 and 15 December 2017) in 4Q 2017; and
 - (c) Lower sales from recycling businesses was mainly due to relocation of the Group's recycling plant.

- (ii) The Group's gross profit dropped by \$11.6 million or 65% from \$17.7 million to \$6.1 million in FY2018 and \$2.0 million or 52% from \$3.8 million to \$1.8 million in 4Q 2018, was attributed mainly to the reduced rental income resulting from the divestment of PoMo in 4Q 2017 and construction activity as a result of the completion of a construction project from the joint operation with SB Procurement Pte Ltd (as announced via SGXNET on 18 May 2014) in 2Q 2017.

The Group's gross profit margin dropped in FY2018 mainly attributed to construction business and the decrease was partially offset by the improvement in the Group's recycling and piling businesses. For 4Q 2018, the Group's gross profit margin dropped was due to increase in lower margin precious metals sales.

- (iii) Other income for 4Q/FY2018 was lower due mainly to absence of gain on disposal of other investment and lower gain on disposal of plant and equipments, partially negated by higher fair value gain on investment properties.

- (iv) The general and administrative expenses was lower in 4Q/FY2018 due mainly to warehouse and office relocation and restoration expenses incurred in 4Q/FY2017 and lower bank charges in 4Q/FY2018. The decrease was further attributed to the divestment of PoMo in 4Q 2017.

- (v) The decrease in other expenses due mainly to loss on disposal of a subsidiary, F2S1 and fair value loss of investment properties held at 63 Hillview Avenue, Lam Soon Building recognised in 4Q/FY2017.

- (vi) The decrease in finance costs for 4Q/FY2018 was attributed mainly to lower term loan interests resulted from the significant redemption of term loans in 4Q 2017 .

- (vii) Selling and distribution expenses for 4Q/FY2018 were generally comparable to 4Q/FY2017.

SEGMENT RESULTS

Comparing 4Q/FY2018 figures to 4Q/FY2017 figures:

(i) Revenue

The trading, recycling and refining of e-waste/metals business segment contributed \$13.2 million or 50% and \$22.7 million or 37% of the Group's revenue for FY2018 and FY2017 respectively. The decrease was attributed to relocation of the Group's recycling plant during the year.

Investment properties business segment contributed \$3.3 million or 13% and \$18.0 million or 30% of the Group's revenue for FY2018 and FY2017 respectively. The decrease was attributed to disposal of a subsidiary (divestment of "PoMo") in 4Q 2017.

Piling contract, construction, rental and servicing of machinery business segment contributed \$9.2 million or 35% and \$19.7 million or 32% of the Group's revenue for FY2018 and FY2017, respectively. The decrease was attributed mainly to the completion of a joint operation with SB Procurement Pte Ltd (as announced via SGXNET on 18 May 2014) for the construction project at 60 Jalan Lam Huat, Singapore, in 2Q 2017. This is partially offset by improvement in piling revenue.

(ii) Profitability

Segment profitability from the trading, recycling and refining of e-waste/metals business segments has decreased from \$3.6 million in FY2017 to \$2.7 million in FY2018. The decrease was due to relocation of the Group's recycling plant.

Segment profitability from the investment properties business segment has improved from segmental loss of \$50.1 million in FY2017 to segmental profit of \$8.1 million in FY2018. This was due mainly to loss on disposal of a subsidiary and fair value loss recorded for the Group's investment properties held at 63 Hillview Avenue, Lam Soon Industrial Building in FY2017.

Segmental loss from the piling contract, construction, rental and servicing of machinery business segment has increased from \$0.3 million in FY2017 to \$0.8 million in FY2018 due mainly to completion of joint operation with SB Procurement Pte Ltd (as announced via SGXNET on 18 May 2014) for the construction project at 60 Jalan Lam Huat in 2Q 2017.

CONSOLIDATED STATEMENT OF CASH FLOWS

Comparing 4Q/FY2018 figures to 4Q/FY2017 figures:

- (i) The net cash outflows from operating activities in 4Q FY2017 and FY2018 and the net cash inflows from operating activities in 4Q 2018 and FY2017 due mainly to changes in working capital.
- (ii) The lower net cash inflows from investing activities in 4Q/FY2018 compare to 4Q/FY2017 was due mainly to proceeds from disposal of other investments and proceeds from disposal of a subsidiary received in 4Q/FY2017.
- (iii) In FY2018, the lower of net cash outflows from financing activities was due mainly to lesser interest payment, lower loan repayment to non-controlling interest and lower repayment of short-term and long-term loans and borrowings.

In 4Q 2018, the lower of net cash outflows from financing activities was due mainly to lesser interest payment, lower repayment of short term and long term loans and borrowings and absence of repayment of loans to a related party and non-controlling interest during the period.

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

No forecast or prospect statements were previously made.

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

The Group expects the current uncertain economic conditions to prevail in next 12 months and intends to focus on its core business and further optimising costs.

11 If a decision regarding dividend has been made:-

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

None.

(b) Final ordinary dividend

None.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable.

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 IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If not IPT mandate has been obtained, a statement to that effect.**

Name of interested person	Aggregate value of all Interested Person Transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under Shareholders' Mandate pursuant to Rule 920)	Aggregate value of all Interested Person Transactions conducted under Shareholders' Mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
EH Property & Investments Pte Ltd	Shareholder's loan - \$Nil (note 1)	-
BS Pantech Pte Ltd	Warehouse and office rental - \$711,122 (note 2)	-
Kranji Development Pte Ltd	-	Construction-related revenue - \$143,713 (note 3)

Notes:

- (1) The Company has an existing obligation to fund the joint venture entered into between the Company and BS Capital Pte. Ltd. in relation to EH Property & Investments Pte. Ltd. ("EH Property") by way of shareholder's loan ("EH Property Shareholder's Loan"). Details of the joint venture and the EH Property Shareholder's Loan were set out in the Company's circular to shareholders dated 29 August 2013 and the Company's announcements on the SGXNET dated 25 June 2013, 8 July 2013 and 24 February 2014. As at financial year ended 31 December 2018, the Company has disbursed an aggregate amount of S\$14,183,733 to EH Property pursuant to the EH Property Shareholder's Loan, net of part repayment of the EH Property Shareholder's Loan amounting to \$1,215,298 during the financial year under review.
- (2) The subsidiary of the Company, Cimelia Resource Recovery Pte. Ltd., has entered into an tenancy agreement with BS Pantech Pte. Ltd. for rental of warehouse and office at 200 Pandan Loop, Pantech 21.
- (3) The Company has, at the Company's AGM held on 24 April 2018, obtained a renewal of the shareholders' general mandate ("IPT Mandate") for (i) the grant of corporate guarantees by the Company to banks and financial institutions for banking and financing facilities to be granted to the Company's subsidiaries which fall within the definition of "interested person" as defined in Chapter 9 of the Listing Manual from time to time; and (ii) the provision of construction-related services by a wholly-owned subsidiary of the Company, Leong Hin Piling (Pte.) Limited, its subsidiaries and associated companies from time to time, or any of them, to Mr Raymond Ng Ah Hua and his associates which are expected to be recurrent in nature. For the financial year ended 31 December 2018, the Group has entered into IPT transactions amounting to S\$143,713 under the IPT Mandate.

- 14 **Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).**

The Company confirms that the undertakings under Rule 720(1) of the Listing Manual have been obtained from all its directors and executive officers in the format set out in Appendix 7.7.

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.

Information on reportable segments

Year ended 31 December 2018

<u>The Group</u>	Trading, recycling and refining of e-waste/ metals \$'000	Property investments and management \$'000	Piling contracts, construction, rental and servicing of machinery \$'000	Others \$'000	Total \$'000
External revenue	13,209	3,320	9,243	-	25,772
Depreciation of property, plant and equipment	(269)	(3)	(1,249)	-	(1,521)
Reportable segment profit/(loss) before tax and finance costs	2,708	8,093	(793)	(294)	9,714
Other material non-cash items:					
- Allowance for write-down of inventories	(84)	-	-	-	(84)
- Fair value gain on investment properties, net	-	6,266	-	-	6,266
- Finance income	1	11	-	-	12
- Finance costs	(2)	(2,517)	(7)	-	(2,526)
- Gain on disposal of property, plant and equipment	26	-	-	2	28
- Property, plant and equipment written off	-	(59)	-	-	(59)
- Allowance for impairment losses on trade and other receivables	(44)	-	(36)	(13)	(93)
Reportable segment assets	4,917	136,269	12,455	370	154,011
Capital expenditure	965	-	77	-	1,042
Reportable segment liabilities	1,869	102,663	5,877	2,785	113,194

Year ended 31 December 2017

The Group	Trading, recycling and refining of e-waste/ metals \$'000	Property investments and management \$'000	Piling contracts, construction, rental and servicing of machinery \$'000	Others \$'000	Total \$'000
External revenue	22,711	17,998	19,701	-	60,410
Inter-segment revenue	5,956	1,807	-	-	7,763
Depreciation of property, plant and equipment	(242)	(388)	(1,841)	(5)	(2,476)
Reportable segment profit/(loss) before tax and finance costs	3,562	(50,148)	(279)	401	(46,464)
Other material non-cash items:					
- Reversal of allowance for write-down of inventories	229	-	-	-	229
- Amortisation of deferred income	193	-	-	-	193
- Fair value loss on investment properties, net	-	(26,536)	-	-	(26,536)
- Finance income	-	12	-	-	12
- Finance costs	(291)	(10,287)	(105)	(15)	(10,698)
- Gain on disposal of property, plant and equipment	11	-	52	218	281
- Impairment losses on property, plant and equipment	-	-	(413)	-	(413)
- Loss on disposal of a subsidiary	-	(34,664)	-	-	(34,664)
- Reversal of/(allowance for) impairment losses on trade and other receivables	182	-	(32)	-	150
Reportable segment assets	3,447	139,849	13,787	409	157,492
Capital expenditure	1,149	14	30	-	1,193
Reportable segment liabilities	1,904	115,839	8,180	2,779	128,702

Reconciliation of reportable segment revenue, profit or loss, assets and liabilities and other material items

	2018 \$'000	2017 \$'000
Revenue		
Total revenue for reportable segments	25,772	68,173
Revenue from other segments	476	592
Elimination of inter-segment revenue	-	(7,763)
Consolidated revenue	<u>26,248</u>	<u>61,002</u>
Profit or loss		
Total profit/(loss) for reportable segments before tax and finance costs	9,714	(46,464)
Unallocated amounts:		
- Other corporate (expenses)/income	(5,989)	6,602
Consolidated loss before tax from continuing operations	<u>3,725</u>	<u>(39,862)</u>
Assets		
Total assets for reportable segments	154,011	157,492
Other unallocated amounts	14,407	30,701
Consolidated total assets	<u>168,418</u>	<u>188,193</u>
Liabilities		
Total liabilities for reportable segments	113,194	128,702
Other unallocated amounts	11,665	16,522
Consolidated total liabilities	<u>124,859</u>	<u>145,224</u>

Other material items 2018

	Reportable segment total \$'000	Adjustments \$'000	Consolidated total \$'000
Depreciation of property, plant and equipment	(1,521)	(563)	(2,084)
Fair value gain on investment properties	6,266	-	6,266
Finance costs	(2,526)	(346)	(2,872)
Finance income	12	7	19
Gain on disposal of property, plant and equipment	28	-	28
Property, plant and equipment written off	(59)	-	(59)
Reversal of allowance for write-down of inventories	(84)	-	(84)
Reversal of impairment losses on trade and other receivables	(93)	-	(93)
Capital expenditure	1,042	86	1,128

Other material items 2017

	Reportable segment total \$'000	Adjustments \$'000	Consolidated total \$'000
Amortisation of deferred income	193	40	233
Depreciation of property, plant and equipment	(2,476)	(666)	(3,142)
Fair value loss on investment properties	(26,536)	-	(26,536)
Finance costs	(10,698)	(1,905)	(12,603)
Finance income	12	66	78
Gain on disposal of property, plant and equipment	281	-	281
Impairment losses on property, plant and equipment	(413)	-	(413)
Reversal of allowance for write-down of inventories	229	-	229
Loss on disposal of a subsidiary	(34,664)	-	(34,664)
Reversal of impairment losses on trade and other receivables	150	-	150
Capital expenditure	1,193	31	1,224

Geographical information**31 December 2018**

Singapore
 Hong Kong and China
 Malaysia
 Europe
 Other countries

	Revenue \$'000	Non-current assets \$'000
Singapore	15,585	150,544
Hong Kong and China	8,329	-
Malaysia	826	-
Europe	1,147	-
Other countries	361	-
	<u>26,248</u>	<u>150,544</u>

Geographical information**31 December 2017**

Singapore
 Hong Kong and China
 Malaysia
 Europe
 Other countries

	Revenue \$'000	Non-current assets \$'000
Singapore	43,830	156,191
Hong Kong and China	15,438	-
Malaysia	-	-
Europe	1,359	-
Other countries	375	-
	<u>61,002</u>	<u>156,191</u>

Major customer

Revenue from a customer of the Group's trading of e-waste/metals, recycling and refining of metals segment represents approximately 10% of the Group's revenue for FY2018. Revenue from a customer of the Group's piling contracts, construction, rental and servicing of machinery segment represents approximately 21% of the Group's revenue for FY2017.

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.

Not applicable.

17 A breakdown of sales.

The Group	FY2018 \$'000	FY2017 \$'000	Increase/ (Decrease) %
a) Sales reported for the first half year	10,597	36,050	(71)
b) Operating loss after tax before deducting non-controlling interests reported for first half year	(1,093)	(1,894)	(42)
c) Sales reported for the second half year	15,651	24,952	(37)
d) Operating profit/(loss) after tax before deducting non-controlling interests reported for second half year	4,784	(38,695)	>100

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

Annual Dividend (\$'000)	FY2018	FY2017
Ordinary final	-	3,101
Preference	-	-
Total	-	3,101

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.

Not applicable.

BY ORDER OF THE BOARD

JOANNA LIM
 Company Secretary
 28 February 2019