

Unaudited Full Year Financial Statements And Dividend Announcement For The Financial Year Ended 31 December 2019

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF-YEAR AND FULL-YEAR RESULTS

1(a) A Statement of Comprehensive Income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

The Group

	Twelve Months Ended		
	31-Dec-19 (Unaudited) S\$'000	31-Dec-18 (Audited) S\$'000	Increase/ (Decrease) %
Revenue	19,903	23,820	(16.4)
Cost of sales	(14,675)	(18,256)	(19.6)
Gross profit	5,228	5,564	(6.0)
Other income	371	336	10.4
Selling and distribution expenses	(81)	(89)	(9.0)
Administrative expenses	(4,992)	(4,359)	14.5
Other operating expenses	(60)	(110)	(45.5)
Finance expenses	(7)	(6)	16.7
Profit before income tax	459	1,336	(65.6)
Income tax expense	(69)	(175)	(60.6)
Net profit for the year	390	1,161	(66.4)
Other comprehensive (loss)/profit			
Items that will not be reclassified to profit or loss:			
Net fair value losses on equity instruments	(4)	(1)	300.0
at fair value through other comprehensive income			
Other comprehensive (loss)/profit, net of tax	(4)	(1)	300.0
Total comprehensive income for the year	386	1,160	(66.7)
Profit attributable to :			
Equity holders of the Company	390	1,161	(66.4)
Total comprehensive income attributable to:			
Equity holders of the Company	386	1,160	(66.7)
Earnings per share (cents)			
Basic	0.21	0.61	
Diluted	0.21	0.61	

Profit before income tax is arrived at after charging / (crediting) the following items:

The Group

	Twelve Months Ended		
	31-Dec-19 (Unaudited) S\$'000	31-Dec-18 (Audited) S\$'000	Increase/ (Decrease) %
Interest income	(318)	(213)	49.3
Depreciation of property, plant and equipment ("PPE")	370	207	78.7
Gain on disposal of PPE	(1)	(64)	(98.4)
Allowance for impairment of trade receivables	-	43	(100.0)

1(b)(i) A Statement of Financial Position (for the Issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31-Dec-19 (Unaudited) S\$'000	31-Dec-18 (Audited) S\$'000	31-Dec-19 (Unaudited) S\$'000	31-Dec-18 (Audited) S\$'000
<u>ASSETS</u>				
<u>Non-current Assets</u>				
Property, plant and equipment	882	709	244	324
Investments in subsidiaries	-	-	28,450	27,950
Investment securities	22	26	-	-
	<u>904</u>	<u>735</u>	<u>28,694</u>	<u>28,274</u>
<u>Current Assets</u>				
Inventories	13	4	-	-
Trade and other receivables	1,873	3,248	26	23
Contract assets	1,365	1,650	-	-
Cash and bank balances	23,505	20,838	1,531	1,939
	<u>26,756</u>	<u>25,740</u>	<u>1,557</u>	<u>1,962</u>
Total Assets	<u>27,660</u>	<u>26,475</u>	<u>30,251</u>	<u>30,236</u>
<u>LIABILITIES</u>				
<u>Non-Current Liabilities</u>				
Lease liabilities	39	83	22	74
<u>Current Liabilities</u>				
Trade and other payables	6,130	4,980	1,084	1,284
Contract liabilities	1,469	1,602	-	-
Lease liabilities	170	62	51	48
Current income tax liabilities	84	176	-	-
	<u>7,853</u>	<u>6,820</u>	<u>1,135</u>	<u>1,332</u>
Total Liabilities	<u>7,892</u>	<u>6,903</u>	<u>1,157</u>	<u>1,406</u>
Net Assets	<u>19,768</u>	<u>19,572</u>	<u>29,094</u>	<u>28,830</u>
<u>EQUITY</u>				
<u>Capital and Reserves Attributable to Equity Holders of the Company</u>				
Share capital	4,477	4,477	40,072	40,072
Treasury shares	(630)	(630)	(630)	(630)
Other reserves	(261)	(257)	-	-
Retained profits / (accumulated losses)	16,182	15,982	(10,348)	(10,612)
Total Equity	<u>19,768</u>	<u>19,572</u>	<u>29,094</u>	<u>28,830</u>

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

	31-Dec-19 (Unaudited)		31-Dec-18 (Audited)	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable in one year or less, or on demand	68	102	62	-
Amount repayable after one year	22	17	83	-
	<u>90</u>	<u>119</u>	<u>145</u>	<u>-</u>

Details of collateral:

1. The Group's secured borrowings relates to hire purchase facilities secured against the respective motor vehicles with carrying amount of approximately S\$148,000 (31 Dec 2018: S\$379,000).

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

Group	Twelve Months Ended	
	31-Dec-19 (Unaudited) S\$'000	31-Dec-18 (Audited) S\$'000
Cash flows from operating activities		
Net profit	390	1,161
Adjustments for:		
Income tax expense	69	175
Depreciation of property, plant and equipment	370	207
Allowance for impairment of trade receivables	-	43
Interest expenses	7	6
Interest income	(318)	(213)
Gain on disposal of PPE	(1)	(64)
Operating profit before working capital changes	517	1,315
Change in working capital:		
Inventories	(9)	(4)
Trade and other receivables, contract assets	1,633	1,810
Trade and other payables, contract liabilities	1,017	615
Cash generated from operations	3,158	3,736
Income tax paid	(161)	(43)
Net cash generated from operating activities	2,997	3,693
Cash flows from investing activities		
Additions to PPE	(291)	(406)
Proceed on disposal of PPE	1	64
Interest received	344	170
Net cash generated from / (used in) investing activities	54	(172)
Cash flows from financing activities		
Secured bank deposits pledged to banks	(5)	(509)
Interest paid	(7)	(6)
Issuance of shares upon exercise of share options	-	21
Repayment of lease liabilities	(187)	(75)
Dividends paid to equity holders of the company	(190)	(190)
Net cash used in financing activities	(389)	(759)
Net increase in cash and cash equivalents	2,662	2,762
Cash and cash equivalents as at:		
Beginning of financial year	19,728	16,966
End of financial year	22,390	19,728

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.

Non-cash transaction:

During the financial year ended 31 December 2019, the Group acquired property, plant and equipment with an aggregate cost of S\$542,000 (31 December 2018: S\$557,000), of which S\$251,000 (31 December 2018: S\$150,000) was acquired under finance and operating leases and the remaining of S\$291,000 (31 December 2018: S\$406,000) via cash payment.

Reconciliation of liabilities arising from financing activities

	1-Jan-19	Principal & Interest	Acquisition	Interest Expense	31-Dec-19
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2019					
Lease liabilities	145	(194)	251	7	209
	1-Jan-18	Principal & Interest	Acquisition	Interest Expense	31-Dec-18
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2018					
Lease liabilities	70	(81)	150	6	145

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Twelve Months Ended	
The Group	31-Dec-19 (Unaudited) S\$'000	31-Dec-18 (Audited) S\$'000
Short-term bank deposits	16,435	14,245
Cash and bank balances	7,070	6,593
	23,505	20,838
Less: bank deposits pledged	(1,115)	(1,110)
Cash and cash equivalents per consolidated statement of cash flows	22,390	19,728

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.

	Attributable to equity holders of the Company				
	Share Capital S\$'000	Treasury Shares S\$'000	Other Reserves S\$'000	Retained Profits S\$'000	Total Equity S\$'000
The Group					
Balance as at 1 January 2019	4,477	(630)	(257)	15,982	19,572
Profit for the year	-	-	-	390	390
<u>Other comprehensive income</u>					
Net fair value losses on equity instruments	-	-	(4)	-	(4)
Total comprehensive income for the year	-	-	(4)	390	386
<u>Contribution by and distributions to owners</u>					
Dividend relating to 2018 paid	-	-	-	(190)	(190)
Issuance of share on exercise of share options	-	-	-	-	-
Total contributions by and distributions to owners	-	-	-	(190)	(190)
As at 31 December 2019	4,477	(630)	(261)	16,182	19,768
Balance as at 1 January 2018	4,449	(630)	(249)	15,011	18,581
Profit for the year	-	-	-	1,161	1,161
<u>Other comprehensive income</u>					
Net fair value losses on equity instruments	-	-	(1)	-	(1)
Total comprehensive income for the year	-	-	(1)	1,161	1,160
<u>Contribution by and distributions to owners</u>					
Dividend relating to 2017 paid	-	-	-	(190)	(190)
Issuance of share on exercise of share options	28	-	(7)	-	21
Total contributions by and distributions to owners	28	-	(7)	(190)	(169)
As at 31 December 2018	4,477	(630)	(257)	15,982	19,572

	Share Capital	Treasury Shares	Other Reserves	(Accumulated Losses)	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Company					
Balance as at 1 January 2019	40,072	(630)	-	(10,612)	28,830
Total comprehensive income for the year	-	-	-	454	454
Dividend relating to 2018 paid	-	-	-	(190)	(190)
Issuance of share on exercise of share options	-	-	-	-	-
Balance as at 31 December 2019	40,072	(630)	-	(10,348)	29,094
Balance as at 1 January 2018	40,044	(630)	7	(10,636)	28,785
Total comprehensive income for the year	-	-	-	214	214
Dividend relating to 2017 paid	-	-	-	(190)	(190)
Issuance of share on exercise of share options	28	-	(7)	-	21
Balance as at 31 December 2018	40,072	(630)	-	(10,612)	28,830

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State 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.

Ordinary Shares

	<u>Number of shares</u>	<u>Share capital</u>
Ordinary shares (excluding treasury shares) as at 31 December 2019 and 30 June 2019	189,823,497	S\$ 39,442,252

There was no change in the Company's share capital from 30 June 2019 to 31 December 2019.

Outstanding Convertibles

There were no other outstanding convertibles as at 31 December 2019 and at 31 December 2018.

Treasury Shares

The Company has 6,300,000 treasury shares as at 31 December 2019 and 31 December 2018, which represented 3.32% of the Company's ordinary shares (excluding treasury shares) of 189,823,497 as at 31 December 2019 and 31 December 2018.

Subsidiary Holdings

There were no subsidiary holdings as at 31 December 2019 and 31 December 2018.

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 immediately preceding year.

	<u>Company</u>	
	31-Dec-19	31-Dec-18
Total number of issued shares (excluding treasury shares)	<u>189,823,497</u>	<u>189,823,497</u>

The Company holds 6,300,000 treasury shares as at 31 December 2019 and 31 December 2018.

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. There were no sales, transfers, cancellations and/or use of treasury shares during and as at the end of the financial year reported on.

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

Not applicable. There were no subsidiary holdings during and as at the end of the financial year reported on.

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 modifications or emphasis of a matter).

Not Applicable.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion (This is not required for any audit issue that is a material uncertainty relating to going concern):

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

Not Applicable.

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

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.

Save as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the financial year ended 31 December 2019 as those used in the most recently audited financial statements for the financial year ended 31 December 2018.

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

The Group has adopted the new Singapore Financial Reporting Standards (International) ("SFRS(I)") 16 Leases, which took effect on 1 January 2019, using the modified retrospective approach. SFRS(I) 16 introduces a single, on-balance sheet lease accounting model. The rationale of the change is to better reflect the economic substance of lease transactions. It requires a lessee to recognise a right-of-use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

Upon adoption of SFRS(I) 16, the Group recognized right-of-use assets of \$221,000, current lease liabilities of \$102,000 as at 1 January 2019.

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.

	Twelve Months Ended	
	31-Dec-19 (Unaudited)	31-Dec-18 (Audited)
Earnings per ordinary share of the Group based on weighted average number of ordinary shares in issue:		
(a) Basic (Singapore cents)	0.21	0.61
(b) Fully diluted (Singapore cents)	0.21	0.61
Earnings per share was calculated based on weighted average number of ordinary shares in issue: ('000)		
(a) Basic	189,823	189,798
(b) Fully diluted	189,823	189,798

Basic and diluted earnings per share of the Group were the same for the financial years ended 31 December 2019 and 31 December 2018 as there were no potentially dilutive securities in issue as at 31 December 2019 and 31 December 2018.

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 reported on; and (b) immediately preceding financial year.

	The Group		The Company	
	31-Dec-19 (Unaudited)	31-Dec-18 (Audited)	31-Dec-19 (Unaudited)	31-Dec-18 (Audited)
Net asset value (\$'000)	19,768	19,572	29,094	28,830
Net asset value per ordinary share (Singapore cents/ordinary share)	10.41	10.31	15.33	15.19

The calculation of net asset value per ordinary share is based on 189,823,497 issued ordinary shares (excluding treasury shares) as at 31 December 2019 and 31 December 2018.

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

Twelve months ended 31 December 2019 ("FY2019") vs Twelve months ended 31 December 2018 ("FY2018")

REVIEW OF RESULTS OF OPERATIONS

i) Revenue

	GROUP					
	Twelve Months Ended 31 Dec					
	2019		2018		Increase/(decrease)	
	S\$'000	%	S\$'000	%	S\$'000	%
Mechanical Engineering	8,632	43.4	13,542	56.9	(4,910)	(36.3)
Electrical Engineering	1,120	5.6	979	4.1	141	14.4
Facilities Management	10,151	51.0	9,299	39.0	852	9.2
Total	19,903	100.0	23,820	100.0	(3,917)	(16.4)

ii) Gross Profit

	GROUP					
	Twelve Months Ended 31 Dec					
	2019		2018		Increase/ (decrease)	
	S\$'000	%	S\$'000	%	S\$'000	%
Mechanical Engineering	2,118	40.5	2,334	42.0	(216)	(9.3)
Electrical Engineering	227	4.3	115	2.0	112	97.4
Facilities Management	2,883	55.2	3,115	56.0	(232)	(7.4)
Total	5,228	100.0	5,564	100.0	(336)	(6.0)

iii) Gross Profit Margin

	Increase/ (decrease)		
	2019	2018	%
	%	%	%
Mechanical Engineering	24.5	17.2	7.3
Electrical Engineering	20.3	11.7	8.6
Facilities Management	28.4	33.5	(5.1)
Total	26.3	23.4	2.9

Decrease in total revenue for FY2019 is mainly attributable to the decrease in revenue from the mechanical engineering segment. Revenue contribution from the mechanical engineering segment decreased mainly attributable to projects completed during the year and a new project being at the initial phase. Revenue contribution from facilities management segment increased as it comprised full year services rendered, whilst in 2018, it comprised less than 6 months services due to projects commencing in late 2018. Revenue contribution from the electrical engineering segment increased due to variation works carried out during the year.

The decrease in Cost of sales was in line with the decrease in revenue. Gross Profit decreased despite an increase in gross profit margin from 23.4% in FY2018 to 26.3% in FY2019. The increase in gross profit margin was mainly due to higher profit margin from the mechanical and electrical engineering segments.

Gross profit margin was higher in FY2019 for mechanical engineering and electrical engineering segments due to the recognition of variation orders from completed projects, and was lower for the facilities management segment due to a decrease in variation works carried out as the projects approached the end of their respective contract periods.

Other Income

Other income increased mainly due to an increase in interest income of S\$105,000 due to an increase in the placement of bank deposits offset by a decrease in gain on disposal of motor vehicle of S\$63,000.

Administrative Expenses

Administrative expenses increased mainly due to an increase in staff cost as a result of the increased hiring for new projects, and an increase in depreciation expenses of computer and motor vehicles of S\$160,000.

Other Operating Expenses

Other operating expenses decreased mainly due to an absence of the allowance made for impairment of trade receivables of S\$43,000 in FY2018, and a decrease in repair and maintenance expenses.

Income Tax Expense

Income tax expense decreased as a result of a decrease in Group's profit before income tax due to the aforementioned.

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

REVIEW OF STATEMENT OF FINANCIAL POSITION

Total assets as at 31 December 2019 have increased as compared to 31 December 2018, and are mainly attributable to the following :-

- (i) **Property, plant and equipment** increased by 24.4%, mainly due to purchase of motor vehicles for new projects and the recognition of right-of-use asset upon the adoption of the new SFRS(I)16.
- (ii) **Trade and other receivables** decreased by 42.3% due to an improvement in trade receivables turnover days from 45 days to 21 days as at 31 December 2019.
- (iii) **Contract assets** decreased by 17.3% as a result of prompt invoicing to customers of work completed.
- (iv) **Cash and bank balances** increased by 12.8% mainly due to an improvement in collection of receivables in FY2019.

Total liabilities as at 31 December 2019 have increased as compared to 31 December 2018, and are mainly attributable to the following :-

- (i) **Trade and other payables** increased by 23.0% due to an amount due to a customer of S\$2.6 million relating to advance mobilization payment, offset by a decrease in trade and other payables of S\$1.4 million as a result of prompt payment of purchased materials and to subcontractors.
- (ii) **Contract liabilities** decreased by 8.3% due to the contract liabilities having been reclassified to trade payables at the point at which said contract liabilities were invoiced by the supplier/sub-contractors.
- (iii) **Lease liabilities (for current and non-current)** increased due to recognition of right-of-use assets for operating lease and was offset by the repayment of finance lease for purchase of vehicle.
- (iv) **Current income tax liabilities** decreased due to lower profit before tax in FY2019.

REVIEW OF STATEMENT OF CASH FLOWS

The Group generated positive operating cash flow before changes in working capital of S\$0.5 million. The decrease in trade and other receivables and contract assets of S\$1.7 million and an increase in trade and other payables and contract liabilities of S\$1.0 million, offset by S\$0.2 million of income tax paid has resulted in positive net cash generated from operating activities of S\$3.0 million.

The net cash generated from investing activities amounting to S\$54,000 was mainly due to additions of property, plant and equipment, offset by interest received from funds placed in banks.

The net cash used in financing activities amounting to S\$0.4 million was mainly due to the payment of S\$0.2 million for dividend declared in respect of FY2018 and repayment of lease liabilities of S\$0.2 million.

As at 31 December 2019, the Group has cash and cash equivalents of S\$22.4 million. This excludes fixed deposits of S\$1.1 million pledged to banks as securities for the banking facilities of the Group.

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

Not applicable. No forecast or prospect statement had been previously disclosed to shareholders for current reporting period.

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.

At the date of this announcement, the Group has approximately S\$95 million worth of contracts on hand, with completion dates ranging from financial years 2020 to 2026. The Group expects the financial year ending 31 December 2020 to remain challenging. As such, the Group may continue to explore for revenue/profit accretive acquisitions as part of its growth strategies.

11. Dividend

(a) Any dividend declared for the current financial year reported on?

Yes.

The Directors are pleased to recommend a tax exempt one-tier final dividend of S\$0.001 per ordinary share in respect of FY2019 for approval by shareholders at the next annual general meeting ("**AGM**") to be convened.

Name of dividend	First & Final
Dividend type	Cash
Dividend amount per share	S\$0.001 per ordinary share
Tax rate	Tax-exempt (1-tier)

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

Yes.

Name of dividend	First & Final
Dividend type	Cash
Dividend amount per share	S\$0.001 per ordinary share
Tax rate	Tax-exempt (1-tier)

(c) Date payable

To be announced at a later date, subject to shareholders' approval being obtained at the forthcoming AGM.

(d) Books closure date

To be announced at a later date

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

Not Applicable.

13. Interested Person Transactions

There were no Interested Party Transactions that were S\$100,000 and above during FY2019 and the Company does not have a general IPT mandate.

14. Confirmation pursuant to Rule 720(1) of the SGX Catalyst Rules

Pursuant to Rule 720(1) of the SGX Catalyst Rules, the Company has procured undertakings from all its directors and executive officers in the required format.

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.

Business Segments (31 Dec 2019)	Mechanical Engineering S\$'000	Electrical Engineering S\$'000	Facilities Management S\$'000	Total S\$'000
Revenue				
Revenue from external parties	8,632	1,120	10,151	19,903
Gross Profit	2,118	227	2,883	5,228
Other Income				371
Unallocated expenses				(5,140)
Profit before income tax				459
Income tax expense				(69)
Net Profit for the year				390
(31 Dec 2018)				
Revenue				
Revenue from external parties	13,542	979	9,299	23,820
Gross Profit	2,334	115	3,115	5,564
Other Income				336
Unallocated expenses				(4,564)
Profit before income tax				1,336
Income tax expense				(175)
Net Profit for the year				1,161

Geographically, all the Group's operations are located in Singapore.

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.

Please refer to paragraph 8 above.

17. A breakdown of sales:

The Group	Twelve Months Ended		% Increase/ (Decrease)
	31-Dec-19	31-Dec-18	
	S\$'000	S\$'000	
Sales reported for first half year	11,844	9,427	25.6
Operating profit after income tax before deducting non-controlling interests reported for first half year	327	836	(60.9)
Sales reported for second half year	8,059	14,393	(44.0)
Operating profit after income tax before deducting non-controlling interests reported for second half year	63	325	(80.6)

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

Total annual dividend proposed	FY2019 ** (S\$'000)	FY2018 * (S\$'000)
Ordinary shares	190	190
Preference shares	-	-
Total	190	190

* Please refer to Paragraph 11.

Subject to the approval of shareholders of the Company at the forthcoming annual general meeting to be convened.

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(10) 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
Dalat Kositanon	68	<p>(1) Spouse of Foo Chek Heng, Managing Director and substantial shareholder of Koyo International.</p> <p>(2) Daughter-in-law of Heng Jee Moi who owns 100% of Salix Capital Pte Ltd, a substantial shareholder of Koyo International.</p> <p>(3) Mother of Foo Suay Wei and Foo Suay Lun, Executive Directors of Koyo International.</p> <p>Note: Dalat Kositanon is also a shareholder of Koyo International Limited, holding 400,000 shares (representing 0.21% of the Company's 189,823,497 shares (excluding treasury shares))</p>	<p>Oversees the administrative and human resource functions of the Group.</p> <p>Manager/Administration & Human Resources since 1994 for Koyo Engineering S.E. Asia Pte Ltd and since 21 January 2009 for Koyo International Limited.</p>	<p>On 1 July 2019, the Company has changed the designation of its heads of departments. As a result, Mdm Dalat Kositanon was designated as the Group's Corporate Services Director. Mdm Dalat Kositanon's duties remain unchanged and she continues to oversee the administrative and human resource functions of the Group.</p>

On behalf of the board of directors


Foo Suay Wei
Executive Director


Wong Loke Tan
Chairman

BY ORDER OF THE BOARD

Mr. Foo Suay Wei
Executive Director
28 February 2020

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst.

This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms. Gillian Goh, Director, Head of Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and Email: sponsorship@ppcf.com.sg).