

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 2019

	The Group		Increase/ (Decrease) %	The Group		Increase/ (Decrease) %
	4Q 2019 \$'000	4Q 2018 \$'000		FY 2019 \$'000	FY 2018 \$'000	
Continuing operations						
Revenue	12,883	9,000	43	34,196	26,248	30
Cost of sales	(10,416)	(7,158)	46	(27,334)	(20,124)	36
Gross profit	2,467	1,842	34	6,862	6,124	12
Other income	3,728	5,442	(31)	4,199	6,744	(38)
Selling and distribution expenses	(562)	(532)	6	(2,833)	(2,133)	33
General and administrative expenses	(1,031)	(949)	9	(3,680)	(3,958)	(7)
Allowance for impairment loss on trade and other receivables	(79)	(27)	>100	(36)	(93)	(61)
Other expenses	(317)	(11)	>100	(352)	(106)	>100
Finance costs (net)	(922)	(705)	31	(3,273)	(2,853)	15
Profit before tax	3,284	5,060	(35)	887	3,725	(76)
Income tax	(36)	(26)	38	(45)	(34)	32
Profit for the period/year	3,248	5,034	(35)	842	3,691	(77)
Profit attributable to :						
Owners of the Company	1,837	2,499	(26)	298	520	(43)
Non-controlling interests	1,411	2,535	(44)	544	3,171	(83)
Profit for the period/year	3,248	5,034	(35)	842	3,691	(77)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2019

	<u>The Group</u>		Increase/ (Decrease) %	<u>The Group</u>		Increase/ (Decrease) %
	4Q 2019 \$'000	4Q 2018 \$'000		FY 2019 \$'000	FY 2018 \$'000	
Profit for the period/year	3,248	5,034	(35)	842	3,691	(77)
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	(82)	84	(>100)	156	208	(25)
Other comprehensive income for the period/year	(82)	84	(>100)	156	208	(25)
Total comprehensive income for the period/year	3,166	5,118	(38)	998	3,899	(74)
Total comprehensive income attributable to :						
Owners of the Company	1,760	2,530	(30)	335	635	(47)
Non-controlling interests	1,406	2,588	(46)	663	3,264	(80)
Total comprehensive income for the period/year	3,166	5,118	(38)	998	3,899	(74)

(A) Revenue

	<u>The Group</u>		<u>The Group</u>	
	4Q 2019 \$'000	4Q 2018 \$'000	FY 2019 \$'000	FY 2018 \$'000
Piling contract, construction, and rental and servicing of machinery	4,019	3,000	9,486	9,244
Recycling, refining and trading of e-waste / metals	8,063	5,074	21,554	13,209
Property investments and management	689	814	2,707	3,319
Others	112	112	449	476
	12,883	9,000	34,196	26,248

(B) Profit for the period/year

	<u>The Group</u>		Increase/ (Decrease) %	<u>The Group</u>		Increase/ (Decrease) %
	4Q 2019 \$'000	4Q 2018 \$'000		FY 2019 \$'000	FY 2018 \$'000	
Profit for the period/year is arrived at after:						
Charging/(crediting):						
Depreciation of property, plant and equipment	332	479	(31)	2,174	2,084	4
Depreciation of right-of-use assets	181	-	100	564	-	100
Fair value gain on investment properties	(3,424)	(5,430)	(37)	(3,600)	(6,266)	(43)
Foreign exchange (gain)/loss	(44)	85	(>100)	166	161	3
Gain on disposal of property, plant and equipment	(1)	(14)	(93)	(9)	(28)	(68)
Impairment losses on property, plant and equipment	12	-	100	12	-	100
Property, plant and equipment written off	294	-	100	294	59	>100
Allowance for impairment loss on trade and other receivables	79	27	>100	36	93	(61)
(Reversal of)/allowance for write-down of inventories	(111)	84	(>100)	(111)	84	(>100)

(C) Finance costs (net)

	<u>The Group</u>		<u>The Group</u>	
	4Q 2019 \$'000	4Q 2018 \$'000	FY 2019 \$'000	FY 2018 \$'000
Finance income:				
- cash and cash equivalents	3	11	13	19
Finance costs:				
- Finance leases	(3)	(2)	(11)	(9)
- Bank loans	(782)	(714)	(2,950)	(2,863)
- Trust receipts	(10)	-	(18)	-
- Bank overdrafts	(2)	-	(4)	-
- Related party	(38)	-	(98)	-
- Others	(90)	-	(205)	-
	<u>(925)</u>	<u>(716)</u>	<u>(3,286)</u>	<u>(2,872)</u>
	<u>(922)</u>	<u>(705)</u>	<u>(3,273)</u>	<u>(2,853)</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>31.12.19</u>	<u>31.12.18</u>	<u>31.12.19</u>	<u>31.12.18</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Non-current assets				
Property, plant and equipment	30,961	15,834	126	105
Investment properties	131,300	134,700	-	-
Subsidiaries	-	-	47,804	46,676
Trade and other receivables	245	10	-	-
	<u>162,506</u>	<u>150,544</u>	<u>47,930</u>	<u>46,781</u>
Current assets				
Trade and other receivables	7,660	9,061	11,571	9,775
Inventories	2,389	2,087	-	-
Cash and cash equivalents	5,015	5,376	79	493
Assets held for sale	3,442	1,350	-	-
	<u>18,506</u>	<u>17,874</u>	<u>11,650</u>	<u>10,268</u>
Total assets	<u>181,012</u>	<u>168,418</u>	<u>59,580</u>	<u>57,049</u>
Equity attributable to owners of the Company				
Share capital	96,158	96,158	96,158	96,158
Foreign currency translation reserve	391	354	-	-
Other reserve	(6,852)	(6,852)	-	-
Accumulated losses	(41,128)	(41,426)	(61,272)	(59,996)
	<u>48,569</u>	<u>48,234</u>	<u>34,886</u>	<u>36,162</u>
Non-controlling interests	<u>(4,012)</u>	<u>(4,675)</u>	<u>-</u>	<u>-</u>
Total equity	<u>44,557</u>	<u>43,559</u>	<u>34,886</u>	<u>36,162</u>
Non-current liabilities				
Loans and borrowings	99,307	93,983	17	-
Trade and other payables	20,261	16,177	3,036	-
	<u>119,568</u>	<u>110,160</u>	<u>3,053</u>	<u>-</u>
Current liabilities				
Loans and borrowings	6,696	4,111	12	-
Trade and other payables	10,161	10,545	21,629	20,887
Current tax payable	30	43	-	-
	<u>16,887</u>	<u>14,699</u>	<u>21,641</u>	<u>20,887</u>
Total liabilities	<u>136,455</u>	<u>124,859</u>	<u>24,694</u>	<u>20,887</u>
Total equity and liabilities	<u>181,012</u>	<u>168,418</u>	<u>59,580</u>	<u>57,049</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 31.12.19	As at 31.12.18
Secured	Secured
6,696,000	4,111,000

Amount repayable after one year.

As at 31.12.19	As at 31.12.18
Secured	Secured
99,307,000	93,983,000

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 \$618,000 (31 December 2018 : \$553,000).

The bank loans are secured by/on :

- a) First legal mortgages over leasehold properties with carrying amount of \$18,365,000 (31 December 2018 : \$8,772,000);
- b) First legal mortgages over investment properties, including 2 strata units classified as investment properties held for sale with a total carrying amount of \$134,742,000 (31 December 2018 : 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);
- c) Fixed deposits amounting to \$1,507,000 (31 December 2018 : \$1,334,000);
- d) Fixed charges on certain plant and machinery with carrying amount of \$745,000 (31 December 2018 : \$300,000);
- e) Guarantees by a subsidiary of the Company;
- f) Guarantees by the Executive Chairman of the Company; and
- g) Fixed charges on 200 million shares of the Company held by the Executive Chairman as at 31 December 2018.

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 2019

	4Q 2019 \$'000	4Q 2018 \$'000	FY 2019 \$'000	FY 2018 \$'000
Cash flows from operating activities				
Profit for the period/year	3,248	5,034	842	3,691
Adjustments for:				
Impairment losses on property, plant and equipment	12	-	12	-
Depreciation of property, plant and equipment	332	479	2,174	2,084
Depreciation of right-of-use assets	181	-	564	-
Allowance for impairment loss on trade and other receivables	79	27	36	93
Finance income	(3)	(11)	(13)	(19)
Finance costs	925	716	3,286	2,872
Fair value gain on investment properties	(3,424)	(5,430)	(3,600)	(6,266)
Share-based payment transactions	-	-	-	(10)
(Reversal of)/allowance for write-down of inventories	(111)	84	(111)	84
Gain on disposal of property, plant and equipment	(1)	(14)	(9)	(28)
Property, plant and equipment written off	294	-	294	59
Income tax	36	26	45	34
	1,568	911	3,520	2,594
Changes in working capital				
Inventories	2,191	266	(213)	(910)
Trade and other receivables	(85)	1,866	1,150	441
Trade and other payables	1,843	(1,462)	(417)	(4,890)
Cash generated from/(used in) operating activities	5,517	1,581	4,040	(2,765)
Income taxes paid	(12)	(10)	(58)	(26)
Net cash from/(used in) operating activities	5,505	1,571	3,982	(2,791)
Cash flows from investing activities				
Acquisition of property, plant and equipment	(279)	(439)	(11,580)	(1,128)
Proceeds from disposal of property, plant and equipment	13	14	112	44
Proceeds from disposal of investment properties held for sale	-	7,858	4,909	9,710
Interest received	3	11	13	19
Net cash (used in)/from investing activities	(263)	7,444	(6,546)	8,645

Cash flows from financing activities

(Pledge)/withdrawal of fixed deposit	(11)	(130)	(173)	72
Repayment of lease liabilities	(725)	-	(825)	-
Repayment of long-term loans and borrowings	(1,218)	(7,251)	(8,049)	(11,265)
(Repayment of)/proceed from short-term loans and borrowings	(576)	-	718	-
Proceed from long-term loans and borrowings	71	-	9,062	-
(Repayment of)/proceeds from finance leases liabilities	(1)	(28)	111	(151)
(Repayment to)/loans from a related party	(212)	1	-	(3,228)
Loans from a shareholder	-	-	3,000	-
Loans from/(repayment to) non-controlling interests	379	(1)	1,083	(1,168)
Dividend paid	-	-	-	(3,299)
Interest paid	(727)	(720)	(2,887)	(2,667)
Net cash (used in)/from financing activities	(3,020)	(8,129)	2,040	(21,706)
Net increase/(decrease) in cash and cash equivalents	2,222	886	(524)	(15,852)
Effect of exchange rate fluctuation on cash held	(19)	(5)	(10)	34
Cash and cash equivalents at the beginning of the financial period/year	1,305	3,161	4,042	19,860
Cash and cash equivalents at the end of the financial period/year	3,508	4,042	3,508	4,042

Cash at bank and on hand			3,508	3,542
Fixed deposits			1,507	1,834
			5,015	5,376
Less: Deposits pledged			(1,507)	(1,334)
Cash and cash equivalents at the end of the financial period/year			3,508	4,042

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 2019

	<u>Share capital</u> \$'000	<u>Foreign currency translation reserve</u> \$'000	<u>Other reserve</u> \$'000	<u>Accumulated losses</u> \$'000	<u>Total attributable to owners of the Company</u> \$'000	<u>Non-controlling interests</u> \$'000	<u>Total equity</u> \$'000
As at 1 January 2019	96,158	354	(6,852)	(41,426)	48,234	(4,675)	43,559
Changes in equity for the year							
Profit for the year	-	-	-	298	298	544	842
Other comprehensive income							
- Translation differences relating to financial statements of foreign operations and a subsidiary with functional currency in foreign currency	-	37	-	-	37	119	156
Total other comprehensive income	-	37	-	-	37	119	156
Total comprehensive income	-	37	-	298	335	663	998
As at 31 December 2019	96,158	391	(6,852)	(41,128)	48,569	(4,012)	44,557
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 owners							
- Dividends paid	-	-	-	(3,101)	(3,101)	(198)	(3,299)
- Share-based payment transactions	270	-	-	(280)	(10)	-	(10)
- Restructuring	-	-	-	(2,922)	(2,922)	2,922	-
Total transaction with 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

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

	Share capital \$'000	Accumulated losses \$'000	Total \$'000
As at 1 January 2019	96,158	(59,996)	36,162
Changes in equity for the year			
Loss for the year	-	(1,276)	(1,276)
Total comprehensive income	-	(1,276)	(1,276)
As at 31 December 2019	96,158	(61,272)	34,886
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)
Transactions with owners, recognised directly in equity			
Contributions by and distributions to owners			
Share-based payment transactions	270	-	270
As at 31 December 2018	96,158	(59,996)	36,162

- 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 2019, the total number of ordinary shares in issue was 1,033,746,142 shares (31 December 2018: 1,033,746,142).

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.

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 2018: 1,033,746,142)

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 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 financial statements have been prepared in accordance with the same accounting policies and methods of computation adopted in the most recently audited financial statements for the financial year ended 31 December 2018, except for the adoption of SFRS(I) 16 *Leases*.

The Group as lessee

SFRS(I) 16 eliminates the lessee's classification of leases as either operating leases or finance leases and introduces a single lessee accounting model. Applying the new model, a lessee is required to recognise right-of-use (ROU) assets and lease liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The Group has applied the standard from its mandatory adoption date of 1 January 2019 using the modified retrospective method and will not restate comparative amounts for the year prior to first adoption. Right-of-use assets have been measured at the amount of the lease liability on adoption.

As at 1 January 2019, the Group has capitalised its operating leases on leasehold properties and office equipments on the statement of financial position by recognising ROU assets and their corresponding lease liabilities of \$3.8 million.

The Group as lessor

SFRS(I) 16 substantially carries forward the previous accounting requirements for lessor under FRS 17 *Leases*. Accordingly, the Group continues to classify its leases as operating leases or finance leases.

No significant impact is expected for other leases in which the Group is a lessor after the assessment.

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 2019	4Q 2018	FY 2019	FY 2018
Earning per share				
Basic and diluted earning per share (cents)	0.18 cts	0.24 cts	0.03 cts	0.05 cts
	<u>4Q 2019</u>	<u>4Q 2018</u>	<u>FY 2019</u>	<u>FY 2018</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Profit attributable to owners of the Company				
Continuing operations	1,837	2,499	298	520
	<u>1,033,746</u>	<u>1,033,746</u>	<u>1,033,746</u>	<u>1,031,802</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)

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>	
	31.12.19	31.12.18	31.12.19	31.12.18
Net asset value per ordinary share for the Group and the Company (cents)	4.70 cts	4.67 cts	3.37 cts	3.50 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 2019 of 1,033,746,142 shares (31 December 2018: 1,033,746,142 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 2019 to 31 December 2018 figures:

- (i) The increase in property, plant and equipment was due mainly to acquisition of a leasehold property at 3 Gul Crescent and capitalisation of the Group's operating leases assets upon adoption of SFRS(I) 16 Leases, partially negated by depreciation in FY2019.
- (ii) The decrease of investment properties at 63 Hillview Avenue, Lam Soon Building was due to disposal of 2 strata industrial units and reclassification of 2 strata industrial units to assets held for sale during the year.
- (iii) The decrease in trade and other receivables was due mainly to lower receivables in the Group's piling and construction business, partially negated by higher receivables from recycling businesses.
- (iv) The increase in assets held for sale was due to the reclassification of two strata industrial units during 4Q 2019 compared to the reclassification of one strata industrial unit at 63 Hillview Avenue during 4Q 2018.
- (v) The increase in loans and borrowings was attributed mainly to loans obtained for the acquisition of a leasehold property at 3 Gul Crescent and capitalisation of the Group's operating leases upon adoption of SFRS(I) 16 Leases during the year. The increase was partially negated by repayments and redemption of loans.
- (vi) The increase in trade and other payables was due mainly to increase in loans from a shareholder and a related party during the year.
- (vii) As at 31 December 2019, the Group's current assets exceeded its current liabilities by \$1.6 million.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Comparing 4Q/FY2019 figures to 4Q/FY2018 figures:

- (i) Revenue increased by \$8.0 million or 31% from \$26.2 million to \$34.2 million in FY2019 was due mainly to higher precious metal sales generated from the Group's recycling businesses.

Revenue increased by \$3.9 million or 43% from \$9 million to \$12.9 million in 4Q 2019 was due mainly to higher precious metal sales generated from the Group's recycling businesses and higher piling revenue recognised during the current quarter.

- (ii) The Group's gross profit increased by \$0.7 million or 11% from \$6.1 million to \$6.8 million in FY2019 was due mainly to improvement in piling revenue and cost control.

The Group's gross profit increased by \$0.6 million or 33% from \$1.8 million to \$2.4 million in 4Q 2019 was due mainly to improvement from the Group's recycling and piling businesses.

The decrease in gross profit margin was due mainly to decrease in gross profit margin from recycling businesses, partially negated by improvement in piling business.

- (iii) Other income for 4Q/FY2019 was lower due mainly to lower fair value gain on investment properties recognised during the year.

- (iv) Selling and distribution expenses, general and admin expenses, other expenses and finance costs for 4Q/FY2019 were generally comparable to 4Q/FY2018.

SEGMENT RESULTS

Continuing Operations :

Comparing 4Q/FY2019 figures to 4Q/FY2018 figures:

- (i) Revenue

The trading, recycling and refining of e-waste/metals business segment contributed \$21.6 million or 64% and \$13.2 million or 51% of the Group's revenue for FY2019 and FY2018 respectively. The increase was attributed to higher precious metal sales generated from the Group's recycling plant during the year.

Investment properties business segment contributed \$2.7 million or 8% and \$3.3 million or 13% of the Group's revenue for FY2019 and FY2018 respectively. The decrease was attributed to slow down in industrial property market and the disposal of strata industrial units held at 63 Hillview Avenue during the year.

Piling contract, construction, rental and servicing of machinery business segment contributed \$9.5 million or 27% and \$9.2 million or 36% of the Group's revenue for FY2019 and FY2018, respectively. The increase was attributed mainly to improvement in piling revenue and cost savings.

Plastic to fuel ("PTF") refining business segment had not commenced operation.

- (ii) Profitability

Segment profitability from the trading, recycling and refining of e-waste/metals business segments has decreased from \$2.7 million in FY2018 to \$1.6 million in FY2019. The decrease was due to more low margin precious metal sales from recycling businesses.

Segment profitability from the investment properties business segment has decreased from \$8.1 million in FY2018 to \$4.7 million in FY2019. The decrease was attributed to lower fair value gain recorded for the Group's investment properties held at 63 Hillview Avenue and decrease in rental income due to slow down in industrial property market.

Segment profitability from the piling contract, construction, rental and servicing of machinery business segment has improved from segmental loss of \$0.8 million in FY2018 to segmental profit of \$0.3 million in FY2019 due mainly to more projects secured and effective cost control in FY2019.

CONSOLIDATED STATEMENT OF CASH FLOWS

Comparing 4Q/FY2019 figures to 4Q/FY2018 figures:

- (i) The net cash inflows from operating activities in 4Q/FY2019 and 4Q FY2018, and net cash outflows in FY2018 due mainly to changes in working capital.
- (ii) The net cash outflows from investing activities in 4Q/FY2019 and net cash inflows from investing activities in 4Q/FY2018, were due mainly to higher acquisition of property, plant and equipments negated by lower proceeds from disposal of investment properties.
- (iii) The net cash inflows from financing activities in FY2019 compared to the net cash outflows from financing activities in FY2018 were due mainly to proceeds from loans and borrowings, lower repayment of loans, absence of dividend paid and repayment to a related party during FY2019.

The lower net cash outflows from financing activities in 4Q 2019 compared to 4Q 2018 were due mainly to lower repayment of loans and borrowings during 4Q 2019.

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 global economic uncertainty due to continuous trade tension and current Covid-19 outbreak, the Group will continue to drive for efficiency and manage costs in its core businesses.

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.

No dividend has been declared or recommended. The Company is preserving its cash to pursue strategic business planning and activities.

- 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 - \$1,127,308 (note 1)	-
BS Pantech Pte Ltd	Warehouse and office rental - \$45,879 (note 2)	-

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 2019, the Company has disbursed an aggregate amount of S\$15,311,041 to EH Property pursuant to the EH Property Shareholder's Loan.
- (2) The subsidiary of the Company, Cimelia Resource Recovery Pte. Ltd., has entered into a tenancy agreement with BS Pantech Pte. Ltd. for rental of warehouse and office at 200 Pandan Loop, Pantech 21, commence from May 2017. In January 2019, BS Pantech Pte. Ltd. has disposed its property, Pantech 21, to a third party. Subsequent to the disposal, this rental no longer classified under Interested Person Transactions.

- 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 2019

<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	21,554	2,707	9,486	-	33,747
Depreciation of property, plant and equipment	(327)	-	(1,002)	-	(1,329)
Reportable segment profit/(loss) before tax and finance costs	1,598	4,747	316	(258)	6,403
Other material non-cash items:					
- Reversal of allowance for write- down of inventories	(111)	-	-	-	(111)
- Fair value gain on investment properties, net	-	3,600	-	-	3,600
- Finance income	11	1	1	-	13
- Finance costs	(66)	(2,446)	(26)	-	(2,538)
- Gain/(Loss) on disposal of property, plant and equipment	10	-	(1)	-	9
- Impairment losses on property, plant and equipment	-	-	(12)	-	(12)
- Property, plant and equipment written off	(289)	-	-	-	(289)
- Allowance for impairment losses on trade and other receivables	41	-	(77)	-	(36)
Reportable segment assets	5,845	134,825	9,965	361	150,996
Capital expenditure	716	-	24	-	740
Reportable segment liabilities	4,444	97,588	4,173	2,825	109,030

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

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

	2019	2018
	\$'000	\$'000
Revenue		
Total revenue for reportable segments	33,747	25,772
Revenue from other segments	449	476
Consolidated revenue	<u>34,196</u>	<u>26,248</u>
Profit or loss		
Total profit for reportable segments before tax and finance costs	6,403	9,714
Unallocated amounts:		
- Other corporate expenses	<u>(5,516)</u>	<u>(5,989)</u>
Consolidated profit before tax from continuing operations	<u>887</u>	<u>3,725</u>
Assets		
Total assets for reportable segments	150,996	154,011
Other unallocated amounts	<u>30,016</u>	<u>14,407</u>
Consolidated total assets	<u>181,012</u>	<u>168,418</u>
Liabilities		
Total liabilities for reportable segments	109,030	113,194
Other unallocated amounts	<u>27,425</u>	<u>11,665</u>
Consolidated total liabilities	<u>136,455</u>	<u>124,859</u>

	Reportable segment total \$'000	Adjustments \$'000	Consolidated total \$'000
Other material items 2019			
Depreciation of property, plant and equipment	(1,329)	(845)	(2,174)
Fair value gain on investment properties	3,600	-	3,600
Finance costs	(2,538)	(748)	(3,286)
Finance income	13	-	13
Gain on disposal of property, plant and equipment	9	-	9
Impairment losses on property, plant and equipment	(12)	-	(12)
Property, plant and equipment written off	(289)	(5)	(294)
Reversal of allowance for write-down of inventories	111	-	111
Allowance for impairment losses on trade and other receivables	(36)	-	(36)
Capital expenditure	740	10,840	11,580

	Reportable segment total \$'000	Adjustments \$'000	Consolidated total \$'000
Other material items 2018			
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)
Allowance for write-down of inventories	(84)	-	(84)
Allowance for impairment losses on trade and other receivables	(93)	-	(93)
Capital expenditure	1,042	86	1,128

Geographical information

31 December 2019

	Revenue \$'000	Non-current assets \$'000
Singapore	17,433	162,506
Hong Kong and China	13,471	-
Malaysia	1,739	-
Europe	343	-
Other countries	1,210	-
	<u>34,196</u>	<u>162,506</u>

Geographical information

31 December 2018

	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>

Major customer

Revenue from a customer of the Group's trading of e-waste/metals, recycling and refining of metals segment represents approximately 25% of the Group's revenue for FY2019 and 10% of the Group's revenue for FY2018.

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	FY2019 \$'000	FY2018 \$'000	Increase/ (Decrease) %
a) Sales reported for the first half year	16,002	10,597	51
b) Operating loss after tax before deducting non-controlling interests reported for first half year	(875)	(1,093)	(20)
c) Sales reported for the second half year	18,194	15,651	16
d) Operating profit after tax before deducting non-controlling interests reported for second half year	1,717	4,784	(64)

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

Not applicable.

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.

The Company confirms that there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director, chief executive director or substantial shareholder of the Company.

BY ORDER OF THE BOARD

JOANNA LIM
Company Secretary
25 February 2020