SHS Holdings Ltd.
(Company Registration No. 197502208Z)

Unaudited Financial Statement Announcement for the Fourth Quarter of and Full Year 2018

PART I INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), 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.

	Group 3 months ended 31 Dec			Group 12 months ended 31 Dec		
	2018	2017	Change	2018	2017	Change
	S$'000	S$'000	%	S$'000	S$'000	%
Continuing Operations						
Revenue	10,477	12,072	(13%)	46,606	37,725	24%
Cost of sales and services	(11,452)	(12,295)	(7%)	(42,779)	(33,493)	28%
Gross profit	(975)	(223)	337%	3,827	4,232	(10%)
Other income	1,792	760	136%	3,837	2,096	83%
Selling and distribution expenses	(186)	(178)	4%	(972)	(770)	26%
Administrative expenses	(2,809)	(2,460)	14%	(9,159)	(8,688)	5%
Other operating expenses	(6,919)	(12,411)	(44%)	(11,811)	(16,367)	(28%)
Loss from operations	(9,097)	(14,512)	(37%)	(14,278)	(19,497)	(27%)
Finance costs	(197)	(144)	37%	(576)	(246)	134%
Share of loss of associated companies	(28)	(256)	(89%)	(197)	(571)	(66%)
Share of profit of joint ventures	-	45	(100%)	58	101	(43%)
Loss before income tax	(9,322)	(14,868)	(37%)	(14,993)	(20,214)	(26%)
Income tax	62	7	786%	58	12	383%
Loss from continuing operations after tax	(9,260)	(14,861)	(38%)	(14,935)	(20,202)	(26%)
Discontinued operations #						
Profit from discontinued operations after tax	-	(43)	(100%)	101	149	(32%)
Loss after income tax	(9,260)	(14,904)	(38%)	(14,834)	(20,052)	(26%)
Attributable to:						
Equity holders of the Company						
- Continuing Operations	(8,289)	(13,957)	(41%)	(12,019)	(18,376)	(35%)
- Discontinued Operations	-	(43)	(100%)	101	149	(32%)
	(8,289)	(14,000)	(41%)	(11,918)	(18,227)	(35%)
Non-controlling interests, net of income tax						
- Continuing Operations	(971)	(904)	7%	(2,916)	(1,825)	60%
- Discontinued Operations	-	-	N/M	-	-	N/M
	(971)	(904)	7%	(2,916)	(1,825)	60%
	(9,260)	(14,904)	(38%)	(14,834)	(20,052)	(26%)

[#] Discontinued operations relates to the Refined Petroleum Business which was divested in FY 2015

Statement of Comprehensive Income

	Group 3 months ended 31 Dec			Group 12 months ended 31 Dec		
	2018	2017	Change	2018	2017	Change
	S$'000	S$'000	%	S$'000	S$'000	%
Loss after income tax	(9,260)	(14,904)	(38%)	(14,834)	(20,052)	(26%)
Other comprehensive (expense)/ income						
Foreign currency translation	29	69	(58%)	(567)	(268)	112%
Revaluation of leasehold property	-	5,708	N/M	-	5,708	N/M
Net fair value loss on financial asset desiganted at fair value through other comprehensive income	(2,465)	-	N/M	(2,465)	-	N/M
	(2,436)	5,777	N/M	(3,032)	5,440	N/M
Total comprehensive loss	(11,696)	(9,127)	28%	(17,866)	(14,612)	22%
Attributable to:						
Equity holders of the Company	(10,725)	(8,203)	31%	(14,775)	(12,745)	16%
Non-controlling interests, net of income tax	(971)	(924)	5%	(3,091)	(1,867)	66%
	(11,696)	(9,127)	28%	(17,866)	(14,612)	22%

Additional Information to Group Consolidated Profit and Loss Accounts Under the Provision of Rule 705 of SGX-ST Listing Manual

(Loss)/profit from continuing operations is arrived at after (charging)/crediting the following:

		Group 3 months ended 31 Dec			Group 12 months ended 31 Dec		
		2018	2017	Change	2018	2017	Change
	Note	S$'000	S$'000	%	S$'000	S$'000	%
Other Income	1	1,571	459	242%	3,404	817	317%
Dividend income	2	60	77	(22%)	126	175	(28%)
Interest Income	3	87	166	(48%)	377	1,045	(64%)
Interest on borrowings	4	(197)	(144)	37%	(576)	(246)	134%
Depreciation of property, plant and equipments	5	(1,278)	(1,361)	(6%)	(5,061)	(3,529)	43%
Impairment loss of goodwill	6	(3,651)	(9,600)	(62%)	(3,651)	(9,600)	(62%)
Impairment loss of land held for development	7	(1,650)	-	n/m	(1,650)	-	n/m
Allowance for doubtful receivables	8	(449)	(746)	(40%)	(431)	(791)	(46%)
Foreign exchange gain/(loss)	9	74	(109)	(168%)	(59)	(914)	(94%)

1) The increase was largely due to higher rental and service income from E&C Segment; wages credit scheme & PIC cash payout from CP Segment and; write back of profit warranty costs previously provided of S$1.2 million as the profit warranty was not met.
2) Dividend income relates to the dividends received from the investment in a Korean fund.
3) The decrease was largely due to lower surplus cash for fixed deposit placement and lower interest yield whilst in 12M17 interest income included under accrual of interest from shareholder loan to an associate company.
4) The increase was mainly due to higher borrowings for the re-development of Hetat's factory and office building.
5) The increase was mainly due to depreciation charge for Hetat's new factory and office building.
6) The impairment loss of goodwill derived from acquisition of the TLC Modular Joint Stock Company.
7) The impairment loss of land held for development relates to the Gold Coast land purchase during the year for modular development purpose.
8) Increase in allowance for doubtful receivable due to expected credit loss computation as per the adoption the new accounting standard SFRS (I) 9.
9) The decrease in exchange loss was mainly due to unrealized exchange gain from the appreciation of the US$ as compared to last year.

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 2018 S$'000	31 Dec 2017 S$'000 Restated*	1 Jan 2017 S$'000 Restated*	31 Dec 2018 S$'000	31 Dec 2017 S$'000 Restated*
ASSETS					
Non-current assets					
Property, plant and equipment	91,506	75,408	42,793	134	199
Investment property	-	-	-	13,228	14,400
Investment in subsidiary companies	-	-	-	44,747	54,347
Investments in associated companies	1,302	9,330	22,291	-	7,004
Other Financial Assets	30,510	19,711	19,711	29,356	17,135
Investment in joint ventures	-	102	6	-	-
Intangible assets	-	-	52	-	-
Goodwill	16,850	20,501	26,450	-	-
Other receivable and prepayments	-	16,541	-	-	-
Prepaid land lease	3,645	3,752	-	-	-
	143,813	145,345	111,303	87,465	93,085
Current Assets					
Prepaid land lease	132	189	-	-	-
Inventories	7,849	8,151	3,848	-	-
Land held for development	5,591	-	-	-	-
Contract assets	18,774	15,603	10,823	86	83
Trade receivables	10,676	11,445	16,417	-	350
Amount due from subsidiaries	-	-	-	90,121	72,432
Amount due from joint ventures	-	-	328	-	-
Other receivables and prepayments	10,097	21,473	31,888	129	7,980
Loan receivale from joint ventures	-	2,276	2,633	-	-
Loan receivables from an associated company	-	-	600	-	-
Fixed deposits	20,030	35,000	51,000	20,030	35,000
Cash and bank balances	9,860	14,107	19,792	579	2,670
	83,009	108,244	137,329	110,945	118,515
Assets held for sale	6,299	-	-	-	-
	89,308	108,244	137,329	110,945	118,515
Total Assets	**233,121**	**253,589**	**248,632**	**198,410**	**211,600**
LIABILITIES					
Current Liabilities					
Trade payables and accruals	8,883	10,916	12,311	268	982
Contract liabilities	5,037	1,012	-	-	-
Other payables	7,646	10,005	4,397	307	310
Amount due to related parties	-	-	-	776	83
Term loans	4,945	13,050	18	-	-
Other amounts due to associates	801	1,029	-	-	-
Other amounts due to bankers	3,147	2,927	5,314	-	-
Hire purchase creditors	59	79	103	-	-
Provision for taxation	608	811	528	-	-
	31,126	39,829	22,671	1,351	1,375
Liabilities directly associated with the assets held for sale	29	-	-	-	-
	31,155	39,829	22,671	1,351	1,375
Non-current Liabilities					
Term loans	13,062	3,776	3,840	-	-
Hire purchase creditors	49	128	278	-	-
Deferred taxation	3,533	3,598	2,015	1,802	1,802
	16,644	7,502	6,133	1,802	1,802
Total Liabilities	47,799	47,331	28,804	3,153	3,177
EQUITY					
Share capital	160,637	160,637	160,636	160,637	160,637
Treasury shares	(5,003)	(5,003)	(5,003)	(5,003)	(5,003)
Asset revalution reserve	7,456	7,456	1,748	8,582	8,582
Foreign currency translation reserve	(618)	(226)	-	-	-
Other reserve	-	-	-	3,297	3,297
Fair Value reserve	(2,465)	-	-	(2,773)	-
Retained earnings	26,144	40,456	60,396	30,517	40,910
	186,151	203,320	217,777	195,257	208,423
Non-controlling interests	(829)	2,938	2,051	-	-
Total Equity	185,322	206,258	219,828	195,257	208,423
Total Liabilities and Equity	**233,121**	**253,589**	**248,632**	**198,410**	**211,600**

*The Group's comparative balance sheet as at 31 December 2017 has been restated to take into account the retrospective adjustments relating to SFRS (I) 1 and SFRS (I) 15 (please refer to paragraph 5)

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

	31-Dec-18 S$'000	31-Dec-17 S$'000
Amount Repayable in one year or less, or on demand		
Secured	8,151	16,056
Unsecured	-	-
	8,151	16,056
Amount Repayable after one year, or on demand		
Secured	13,111	3,904
Unsecured	-	-
	13,111	3,904

Details of any collateral

The credit facilities of the Group were secured by the following:

i) A mortgage in-escrow and deed of assignment over 81 Tuas South Street 5, and a mortgage in-escrow and deed of assignment over 19 Tuas Avenue 20, corporate guarantee of S$41.10 million by the Company extended to Hetat Pte Ltd for banking facilities of approximately S$23.68 million and US$12 million.

ii) A mortgage in-escrow and deed of assignment over industrial land together with a factory building to be erected held under title GM2485, Lot 1979, Mukim Jeram Batu. Daerah Pontian, Johor, Malaysia, corporate guarantee by the Company of $$9.46 million and RM1.30 million for banking facility of approximately S$3.99 million and RM5.30 million (including foreign exchange spot and forward).

iii) A corporate guarantee for S$5.75 million by the Company for banking facility extended to Sinenergy Holdings Pte Ltd of approximately S$5 million.

iv) A corporate guarantee of US$1.3 million for banking facilities extended to Aenergy Holdings Company Limited of approximately US$5.2 million.

v) Fixed assets under hire purchase arrangements.

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		Group	
	3 months ended 31 Dec		12 months ended 31 Dec	
	2018	2017	2018	2017
	S$'000	S$'000	S$'000	S$'000
Cash Flows from Operating Activities				
Loss before income tax from continuing operations	(9,322)	(14,868)	(14,993)	(20,213)
Profit before income tax from discontinued operations	-	(43)	101	149
Loss before income tax, total	(9,322)	(14,911)	(14,892)	(20,064)
Adjustments for:				
Depreciation of property, plant and equipments	1,275	1,361	5,061	3,529
Property, plant and equipment written off	3	1	10	18
Amortisation of prepaid landlease	22	34	87	34
Amortisation of intangible assets	-	5	-	48
(Loss)/gain on disposal of property, plant and equipments	-	(58)	11	(59)
Interest on borrowings	197	144	576	246
Interest income	(87)	(166)	(377)	(1,045)
Share of profit of joint ventures	-	8	(58)	(47)
Share of loss of associated companies	28	223	197	538
Impairment of goodwill	3,651	9,600	3,651	9,600
Impairment of land held for development	1,650	-	1,650	-
Impairment of property, plant & equipment	-	16	-	16
Gain on disposal of joint ventures	-	-	(238)	-
Allowance/(reversal) for doubtful debts	449	746	431	791
Write-back on alllowance for inventory obsolescence	25	43	25	(151)
Dividend income	(60)	(77)	(126)	(175)
Inventories written back	-	3	(107)	(12)
Net foreign currency translation adjustments	(5)	16	(181)	(550)
Operating cash flow before working capital changes	(2,174)	(3,012)	(4,280)	(7,284)
Changes in working capital				
Inventories	(1,472)	2,205	(805)	(8,103)
Receivables and contract assets	(3,954)	(3,755)	(7,223)	1,890
Payables and contract liabilities	1,329	(3,839)	1,634	(5,330)
Cash used in from operations	(6,270)	(8,401)	(10,673)	(18,827)
Interest paid	(197)	(144)	(576)	(246)
Interest received	87	166	377	1,045
Income tax payment	34	182	(209)	178
Net cash used in operating activities	(6,346)	(8,197)	(11,081)	(17,850)
Cash Flows from Investing Activities				
Dividend received from other investment	60	1,577	126	13,675
Purchase of property, plant and equipment	(1,690)	(5,826)	(5,299)	(26,552)
Proceeds from disposal of property, plant and equipment	-	-	-	23
Purchase of land held for development	-	5	(6,410)	5
Capital reduction/(investment) in associated company	-	-	1,200	(1,110)
Loan repayment by Joint Venture	-	71	2,681	335
Reduction of other investment	584	-	907	-
Dividend received from associated company	-	-	450	-
Loan/repayment from assosiated companies	-	-	-	600
Cashflow on acquisition of subsidiary (net of cash)	-	-	-	(5,837)
Net cash used in investing activities	(1,046)	(4,173)	(6,345)	(18,861)
Cash Flows from Financing Activities				
Net proceeds from issue of shares	-	1	-	1
Dividends paid	-	-	(1,370)	(1,713)
Fund repayment to hire purchase	(15)	(38)	(98)	(175)
Drawdown of term loan	(366)	1,215	1,181	12,968
Drawdown/ (repayment) of trusts receipts	150	(26)	219	(2,387)
(Acquisition)/capital contribution from non-controlling interest	(0)	36	(676)	1,196
Increase in amount due to associates	(9)	1,029	879	1,029
(Decrease)/ increase in amount due to non-controlling interest	-	63	(1,979)	4,112
Net cash (used in)/generated from financing activities	(240)	2,280	(1,844)	15,031
Effects of exchange rate changes on the balance of cash held in foreign currencies	1	225	54	(6)
Net decrease in cash and cash equivalents	(7,632)	(9,865)	(19,217)	(21,685)
Cash and cash equivalents at the beginning of the period	37,522	58,972	49,107	70,792
Cash and cash equivalents at the end of the period	29,890	49,107	29,890	49,107

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

	Share Capital S$'000	Treasury Share S$'000	Revaluation Reserve S$'000	Other Reserve S$'000	Fair Value Reserve S$'000	Foreign Currency Translation Reserve S$'000	Retained Earnings S$'000	Total S$'000	Non-controlling Interests S$'000	Total Equity S$'000
Group										
Balance at 01 January 2018	160,637	(5,003)	7,456	-	-	671	39,559	203,320	2,938	206,258
Effect of addopting SFRS (I) 1	-	-	-	-	-	(897)	897	-	-	-
Adjustment on initial application of SFRS (I) 9 net of tax	-	-	-	-	-	-	(1,024)	(1,024)	-	(1,024)
Balance at 01 January 2018 (restated)	160,637	(5,003)	7,456	-	-	(226)	39,432	202,296	2,938	205,234
Comprehensive income	-	-	-	-	(2,465)	(392)	(11,918)	(14,775)	(3,091)	(17,866)
Acquisition of non-controlling interest		-	-	-	-	-	-	-	(676)	(676)
Dividends paid	-	-	-	-	-	-	(1,370)	(1,370)	-	(1,370)
Balance at 31 December 2018	160,637	(5,003)	7,456	-	(2,465)	(618)	26,144	186,151	(829)	185,322
Balance at 01 January 2017	160,636	(5,003)	1,748	-	-	897	59,499	217,777	2,051	219,828
Effect of addopting SFRS (I) 1	-	-	-	-	-	(897)	897	-	-	-
Balance at 01 January 2017 (restated)	160,636	(5,003)	1,748	-	-	-	60,396	217,777	2,051	219,828
Comprehensive income	-	-	5,708	-	-	(226)	(18,227)	(12,745)	(1,867)	(14,612)
Exercise of warrants	1	-	-	-	-	-	-	1	-	1
Acquisition of subsidiary	-	-	-	-	-	-	-	-	1,558	1,558
Capital contribution by non-controlling interest	-	-	-	-	-	-	-	-	1,196	1,196
Dividends paid	-	-	-	-	-	-	(1,713)	(1,713)	-	(1,713)
Balance at 31 December 2017	160,637	(5,003)	7,456	-	-	(226)	40,456	203,320	2,938	206,258
Company										
Balance at 01 January 2018	160,637	(5,003)	8,582	3,297	-	-	40,910	208,423	-	208,423
Comprehensive income	-	-	-	-	(2,773)	-	(9,023)	(11,796)	-	(11,796)
Dividends paid	-	-	-	-	-	-	(1,370)	(1,370)	-	(1,370)
Balance at 31 December 2018	160,637	(5,003)	8,582	3,297	(2,773)	-	30,517	195,257	-	195,257
Balance at 01 January 2017	160,636	(5,003)	2,874	3,297	-	-	30,144	191,948	-	191,948
Comprehensive income	-	-	5,708	-	-	-	12,479	18,187	-	18,187
Exercise of warrants	1	-	-	-	-	-	-	1	-	1
Dividends paid	-	-	-	-	-	-	(1,713)	(1,713)	-	(1,713)
Balance at 31 December 2017	160,637	(5,003)	8,582	3,297	-	-	40,910	208,423	-	208,423

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Details of the changes in the share capital of the Company are as follows: -

	2018		2017	
	Number of shares	S$	Number of shares	S$
Ordinary shares				
As at beginning of financial year	710,620,712	160,636,626	710,618,161	160,636,116
Exercise of warrants	-	-	2,551	510
As at 31 December	710,620,712	160,636,626	710,620,712	160,636,626
Treasury shares				
As at beginning of financial year	25,490,900	5,003,269	25,490,900	5,003,269
Share buy-back	-	-	-	-
As at 31 December	25,490,900	5,003,269	25,490,900	5,003,269
Total shares excluding treasury shares as at 31 December	685,129,812	155,633,357	685,129,812	155,633,357

Pursuant to announcements made on 18 December 2014, 303,641,586 Warrants were issued on 17 December 2014, and listed and quoted on the Mainboard of SGX-ST with effect from 19 December 2014 at an exercise price of SGD0.20. The Warrants have a 5-year excercise period from the date of issue and it will expire on 17 December 2019.

At the end of the financial period, the unissued ordinary shares of the Company under warrants were 218,582,052.

There were no subsidiary holdings as at 31 December 2018 and 31 December 2017.

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.

	31-Dec-18	31-Dec-17
Total number of shares (including treasury shares)	710,620,712	710,620,712
Less treasury shares	(25,490,900)	(25,490,900)
Total number of shares (excluding treasury shares)	685,129,812	685,129,812

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

There are no sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

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

There are no sales, transfers, disposal, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

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

These figures have not been reviewed nor audited by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report including any qualifications or emphasis of 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 Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements 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

The Group and Company have applied the same accounting policies and method of computation in the financial statements for current financial period consistent with those of the audited financial statements for year end 31 December 2017, except for the adoption of all applicable new and revised Singapore Financial Reporting Standards (International), ("SFRS (I)") and Interpretations of SFRS(I) ("INT SFRS(I)") which becomes effective from annual periods beginning on or after 1 January 2018.

The application of the new and revised standards and interpretations has no material effect on the financial statements, except as decribed below:

a) SFRS (I) 1

The Group has applied SFRS (I) with 1 January 2017 as the date of transition for the Group and Company, on a retrospective basis, as if such accounting policies had been applied, SFRS (I) 1 provide mandatory exceptions and optional exemptions from retrospective application. The Group has elected the transition option to reset the foreign currency translation reserve to zero at the date of transition on 1 January 2017. As a result the Group reclassified cumulative translation gain from foreign currency translation reserve account to retained earnings as at 1 January 2017. The effect of the election to reset the foreign currency translation reserve to zero requires an adjustment of S$897,000 to retained earnings as shown in 1(d)(i).

b) SFRS (I) 9

SFRS (I) 9 was introduced to replace FRS 39 Financial Instruments: Recognition and Measurement. SFRS (I) 9 changes the classification and measurement requirements for financial assets and liabilities, and also introduces a three-stage impairment model that will impair financial assets based on expected losses regardless of whether objective indicators of impairment have occurred. SFRS (I) 9 also provides a simplified hedge accounting model that will align more closely with companies' risk management strategies.

Based on the Group'sl assessment, the Group's unlisted equity investments classified as financial assets, available-for-sale can no longer be carried at cost but to be measured at fair value under SFRS (I) 9 using the framework within FRS 113 Fair Value Measurement (please refer to 1(d)(i) on the impairment adjustments taken to "Fair Value Reserves"); and the application of the expected credit loss model of SFRS (I) 9 may increase the amount of loss allowance recognised. The impairment calculated using the expected credit loss model results to the increase in loss during the year and reduce in accumulated profits as at 1 January 2018 (please refer to 1(d)(i) on the expected credit loss adjustment to opening retained earnings as at 1 January 2018).

c) SFRS (I) 15

SFRS (I) 15 establishes a five-step model that will apply to revenue arising from contracts with customers. Under SFRS (I) 15, revenue is recognised at an amount that reflects the consideration which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in SFRS (I) 15 provide a more structured approach to measuring and recognising revenue when the promised goods and services are transferred to the customer i.e. when performance obligations are satisfied.

Based on the Group's assessment of its main source of revenue, the adoption of SFRS (I) 15 does not have a significant impact on the revenue recognition from construction contracts. The Group has specifically considered SFRS (I) 15's guidance on contract combinations, contract modifications arising from variation orders, variation consideration, and the assessment of whether there is a significant financing component in the contracts. The Group has assessed that revenue from these construction contracts should be recognised over time as the customer control the projects during the course of construction by the Group. Furthermore, the Group considers the input method currently used to measure the progress towards complete satisfaction of these performance obligations will continue to be appropriate under SFRS (I) 15.

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

	Group		Group	
	3 months ended 31 DEC		12 months ended 31 DEC	
	2018	2017	2018	2017
Continuing Operations				
Loss per ordinary share for the financial year based on consolidated (loss)/profit attributable to members of the Company (Basic and diluted)				
- Basic	(1.21) cents	(2.04) cents	(1.75) cents	(2.68) cents
-Diluted	(1.17) cents	(1.98) cents	(1.70) cents	(2.61) cents
Based on the weighted averge number of shares (Basic)	685,127,863	685,127,863	685,127,863	685,127,863
Based on the weighted averge number of shares (Diluted)	706,446,565	705,374,175	706,446,565	705,374,175

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.

	GROUP		COMPANY	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
Net asset backing per ordinary share	27.17 cents	29.68 cents	28.51 cents	30.41 cents
Based on the number of shares in issue, excluding treasury shares	685,129,812	685,129,812	685,129,812	685,129,812

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.

Overview

For the fourth quarter ended 31 December 2018 ("4Q18"), the Group recorded a 13% decrease in revenue from continuing operations to S$10.5 million and a net loss attributable to equity holders from continuing operations of S$8.3 million which included impairment charge on goodwill of S$3.7 million and S$1.6 million impairment charge on the value of land held for development. This compares with a net loss attributable to equity holders from continuing operations of S$14.0 million in the corresponding period a year ago which included impairment charges of goodwill of S$9.6 million.

For the 12 months ended 31 December 2018 ("FY18"), the Group achieved revenue from continuing operations of S$46.6 million, an increase of 24% from FY17. Net loss attributable to equity holders from continuing operations in FY18 was S$12 million which included impairment charges totaling S$5.3 million against a net loss of S$18.4 million a year ago which included impairment charges of S$9.6 million (as mentioned above).

As at 31 December 2018, the Group's total equity attributable to shareholders stood at S$186.2 million compared to S$203.3 million as at 31 December 2017. The Group has cash and cash equivalent balance of S$29.9 million. It is in a net cash position with low debt-to-total equity ratio of 10.9%.

Revenue from Continuing Operations

S$'000	4Q18	4Q17	Change	FY18	FY17	Change
Corrosion Prevention ("CP")	3,949	1,255	117%	14,761	9,976	48%
Engineering & Construction ("E&C")*	5,058	9,837	-49%	24,274	25,773	-6%
Solar Energy	1,292	626	106%	6,811	1,049	549%
Others	178	354	-49%	760	927	-18%
Total	**10,477**	**12,072**	**-13%**	**46,606**	**37,725**	**24%**

**formerly classified as Structural Engineering & Façade"*

The Group's revenue declined 13% to S$10.5 million in 4Q18, compared with S$12.1 million in the previous corresponding period last year. This was mainly due to the lower revenue from the E&C segment attributed to the lower steel engineering contracts on hand.

For FY18, revenue was 24% higher at S$46.6 million. This was mainly due to higher revenue contribution from the CP and Solar Energy segments which helped offset lower revenue from the E&C segment.

Corrosion Prevention ("CP") segment

Revenue from the CP segment jumped 117% to S$3.9m largely driven by increase in orders from plant operations and site operations. Similarly for FY18, revenue increased 48% driven by significant improvement of orders from the plant operations and to a lesser extent from site operations. With oil prices balancing at around USD60 per barrel we are slowly seeing a return of confidence and resultant increase in orders for the marine and offshore sectors in particular new vessel builds which our plant operations are dependent on coupled with our endeavors to diversify our CP services to other sectors in particular, construction and infrastructure also helped to boost revenue.

Engineering & Construction ("E&C") segment

Revenue for the E&C segment fell 49% to S$5.1 million in 4Q18 from the lower order books of the steel engineering business. Similarly for FY18, revenue decreased 6% year-on-year to S$24.3 million as lower revenue from the steel engineering business negated higher revenue contribution from the progressive delivery of pre-fabricated bathroom (PBU) units for the Lendlease Paya Lebar condominium project of the modular construction business.

Solar Energy segment

Revenue for the Solar Energy segment rose to S$1.3 million in 4Q18 from S$0.6 million in 4Q17 and also jumped to S$6.8 million in FY18 from S$1 million in FY17 as it starts to deliver delayed projects in 2017 and new contracts secured for 2018.

Gross Profit and Gross Profit Margin

Gross Profit from Continuing Operations

S$'000	4Q18	4Q17	Change	FY18	FY17	Change
CP	939	(331)	nm	3,717	1,058	251%
E&C	(1,934)	60	nm	(1,026)	3,155	nm
Solar Energy	(38)	(29)	-31%	860	(238)	nm
Others	58	77	-25%	276	257	7%
Total	**(975)**	**(223)**	**-357%**	**3,827**	**4,232**	**-10%**

For 4Q18, the Group incurred a loss of S$1 million at the gross profit level against a loss of S$0.2 million in 4Q17. The decrease was mainly due to the significant drop in revenue in the E&C segment as discussed above from the steel engineering business and in particular, provision for foreseeable losses for costs over-runs for projects in the modular construction business.

For the same reasons above, the Group's FY18 gross profit decreased 10% from S$4.2 million in FY17 to S$3.8 million in FY18.

CP segment

CP segment's gross profit jumped to S$0.9 million in 4Q18 from a loss of S$0.3 million in 4Q17 and surged to S$3.7 million in FY18 from S$1.1 million in FY17 on the back of the more CP services delivered by the plant operations and improvement from the site operations throughout 2018. The increased revenue helped improve utilization of the factory capacity and equipment resulting also in FY18 gross margin increasing to 25.2% from 10.6% a year ago.

E&C segment

Gross profit for E&C segment in 4Q18 plunged from a profit of S$60,000 in 4Q17 to a loss of S$1.9 million in 4Q18. This is driven by provision for foreseeable losses from significant cost overruns for the above-mentioned PBU project and the modular hotel project in Christchurch, New Zealand currently under construction for the modular construction business.

Similarly, for FY18, gross profit for E&C segment fell to a loss of S$1.0 million against a profit of S$3.2 million in FY17 as shortfalls from steel engineering businesses and in particular significant costs overruns on projects (as mentioned above) from the modular construction business contributed to the dismal performance.

Solar Energy segment

For 4Q18, a marginal loss was incurred at the gross profit level for the Solar Energy segment due to higher costs incurred on a project. For FY18, gross profit of S$0.9 million was registered against an operating loss in the previous year. The significant improvement in gross profit for the solar energy segment was driven by the higher number of projects being executed in 2018 as explained above.

Other Income

Other income increased 136% year-on-year from S$0.8 million in 4Q17 to S$1.8 million in 4Q18 mainly due to write-back of provision of S$1.2 million for the two years profit warranty unmet by the vendors in the acquisition of 60% of TLC Modular Construction business in 2016. For the same reason above, Other income in FY18 increased 83% from S$2.1 million in FY17 to S$3.8 million in FY18 coupled with higher rental and service income and supply of labor from the E&C segment and; wage credit scheme from the CP segment which helped offset lower interest income earned due to lower surplus cash placed in fixed deposits.

Selling, Distribution, Administrative and Other Operating Expenses

S$'000	4Q18	4Q17	Change	FY18	FY17	Change
Selling & Distribution	(186)	(178)	4%	(972)	(770)	26%
Administrative	(2,809)	(2,460)	14%	(9,159)	(8,688)	5%
Other OPEX	(1,618)	(2,811)	42%	(6,510)	(6,767)	9%
Total OPEX (excluding Impairment charges)	**(4,613)**	**(5,449)**	**-15%**	**(16,641)**	**(16,225)**	**3%**
Impairment Charges	(5,301)	(9,600)	-45%	(5,301)	(9,600)	-45%
Total OPEX (including Impairment charges)	**(9,914)**	**(15,049)**	**-34%**	**(21,942)**	**(25,825)**	**-15%**

Total Opex in 4Q18 and FY18 was 34% and 18% lower respectively due mainly to the lower impairment charges.

Included in "Other Opex" in 4Q18/FY18 was S$5.3 million of impairment charges comprising S$3.7 million of goodwill impairment from the acquisition of the TLC modular construction business in 2016 and S$1.6 million impairment for the value of land acquired in the Gold Coast for development using modular construction. Correspondingly, included in 4Q17/FY17 was S$9.6 million of goodwill impairment from the acquisition of the Structural Steel Engineering business in 2014 as the business had been hit by slowing orders and compressed margins.

Excluding the goodwill impairment charges above, Total OPEX decreased year-on-year from S$5.45 million in 4Q17 to S$4.6 million in 4Q18 from lower Other OPEX due largely to the reinstatement costs (S$0.5m) provided in 4Q17 for a leasehold land to be returned to the JTC ,S$0.75m for bad debts allowance provided in 4Q17 and higher foreign exchange loss in 4Q17 which helped negate higher administrative and selling and distribution expenses in 4Q18 and higher allowance for doubtful receivables (S$0,38 million) for the CP segment as required to be provided from adopting the new accounting standard SFRS (I) (9).

Notwithstanding the lower Total OPEX in 4Q18 as explained above, Total OPEX increased marginally by 3% from S$16.2 million in FY17 to S$16.6 million in FY18 from higher expenses incurred by the E&C segment, in particular the modular construction business coupled with the expenses incurred pertaining to the land in the Gold Coast which was originally intended to be developed using modular construction.

Selling and distribution expenses increase by 4% to S$186,000 in 4Q18 and increase by 26% to S$972,000 in FY18 due to higher travelling and business development expenses for the modular construction business as the Group extends its operations in Asia-Pacific in particular its modular construction business in the Australasia region.

Administrative expenses increased 14% to S$2.8 million in 4Q18 on higher staff related and professional fees incurred for the development projects for the modular construction business of the E&C segment and generally higher administrative expenses for CP and the Solar Energy segments on higher business activities. For the same reasons, administrative expenses in FY18 increased 5% to S$9.2m which was soften by cost rationalization measures in the steel engineering business conducted during the year.

Other operating expenses decreased 4% to S$6.9 million in 4Q18 due largely to lower impairment charges; the provision for reinstatement cost (S$0.5 million) in 4Q17 for one of the JTC leasehold land to be returned upon lease expiry; provision for doubtful debts of S$0.75 million in 4Q17 and unrealized exchange loss from the depreciation of the USD in FY17 coupled with higher allowance for doubtful receivables (S$0,38 million) for the CP segment provided in 4Q18 adopting the changes in accounting standards provided for under SFRS (I) (9). For the same reasons, Other operating expenses decreased 28% in FY18 over the previous year but the rate of decline was significantly lower than 4Q18 due to higher expenses from the modular construction business of the E&C incurred during the financial year.

Finance Costs

Finance costs were higher at S$197,000 in 4Q18 and S$576,000 in FY18 due largely to higher bank borrowings for the re-development of the Hetat factory and office building of the E&C segment.

Share of Associates' Results

Lower share of loss of associated companies was reported in 4Q18 against 4Q17 largely from improvements from write back of provisions for the Heron Bay project in the closing stage of the project and lower losses from the development costs incurred for hydro-power business. For FY18, share of loss from associate companies was S$197,000 against a loss reported of S$571,000 in FY17 as the latter include the loss from the sale of two final unit from the Heron Bay project and higher loss from the mini-hydro power projects of Aenergy which was in its development phase.

Financial Position and Cash Flow Analysis

Non-current assets decreased S$1.5 million from S$145.3 million as at 31 December 2017 to S$143.8 million as at 31 December 2018. This was mainly due:

a) increase in fixed assets of S$16.1 million from reclassification of S$18.2 million from previously prepaid development cost (included in "Other receivable and prepayments") to property, plant and equipment as part of the recognition of the construction in progress of the Solar project in Bangladesh coupled with further additions in capital expenditure in Solar and E&C segments offset partially by the full year depreciation expense of S$5.1 million;

b) decrease in value of Associate companies from dividends received and capital reduction from the Heron Bay project and the reclassification of S$6.2m investment in Aenergy's mini-hydro project to 'Financial asset, available for sale' as the group investment in the project falls below 20%;

c) increase in other financial assets of S$10.8 million due to $6.2m had been reclassified from investment in associate companies as mentioned above; reclassification from S$7m from 'Other receivables and prepayments' in Current Assets pertaining to loan that in substance relate to the Group's investment in Energy Drilling less S$1.1m cash received from capital redemption in the investment in the Evia Korean Fund;

d) decrease goodwill of S$3.7 million from the impairment of the goodwill arising from the acquisition of the TLC modular business in 2016;

e) nil balance for other receivable and prepayments against S$16.5 million in 2017 as the development cost of the Bangladesh project has been reclassified to property, plant and equipment as explained above.

Current assets decreased S$18.9 million from S$108.2 million as at 31 December 2017 to S$89.3 million as at 31 December 2018. This is largely attributed to:

a) decrease of inventories of S$0.3m from lower inventories in the CP segment;

b) Land held for development at fair value (S$4.8m) relates to purchase of a piece of land for modular construction development purpose in Gold Coast, Australia after taking impairment charge of S$1.6 million and S$0.8m relating to a land in Auckland for construction of modular houses;

c) Higher Contract assets of S$3.2 million is due to the improved business activities of the CP and Solar segments coupled with the progress works of the modular construction project relating to the modular hotel contract in New Zealand;

d) Lower other receivables and prepayments of S$11.4 million due to reclassification of S$7 million to 'Financial Assets, held for sale' in Non-Current Assets as mentioned above and S$2.4 million to 'Fair Value Reserve' applying SFRS (I) 9 as the amounts in substance relate to the Group's investment in Energy Drilling; reclassification of S$5.3 million of prepaid development costs pertaining to the Vietnam Solar Project to Assets Held for Sale following the sale of the project as announced on 26 December 2018 offset by S$1.7 million of deposit place for a piece of land for purpose of development of modular houses in Auckland, New Zealand;

e) Lower 'Other receivable from joint ventures' due to full collection of loan from joint venture partner following the divestment of the 51% interests in the 3.6MW SATS solar asset in Changi;

f) increase in 'Asset held for sale' of S$6.3 million due to reclassification pertaining to the Vietnam Solar Project mentioned above;

g) lower cash and cash equivalents of S$19.2 million for the purchase of the lands S$8.9 million for development and cash used for working capital needs including the financing for the current year's losses.

Current liabilities of the Group decreased S$8.7 million from S$39.8 million as at 31 December 2017 to S$31.1 million as at 31 December 2018. This was mainly due to:

a) Settlement of trade payables and accruals of S$2 million largely from the E&C segment;

b) Increase in Contract liabilities of S$4m relates principally to the advance payments received from customers for the modular construction business;

c) Decrease in other payables of S$2.6 million relating largely to the non-controlling shareholder interests in the Bangladesh solar project has been adjusted following the acquisition of additional 10% equity interests by the Group from the non-controlling shareholder in 2018;

d) Reclassification of S$9.3 million of term loan to non-current liabilities following the transfer of construction loan to a term loan by the bank following the completion of the redevelopment of the Hetat factory and office building.

Non-current liabilities of the Group increased S$9.1 million from S$7.5 million as at 31 December 2017 to S$16.6 million as at 31 December 2018 due mainly to the reclassification of term loan from current liabilities as explained above.

Shareholders' equity decreased to S$186.2 million as at 31 December 2018 from S$203.3 million as at 31 December 2017. The decrease was largely attributed to the loss for the Group in the year and the dividends paid during the year.

During FY18, the Group recorded a net cash outflow of S$19.2 million.

S$11m was used for to fund operating activities after using S$8.2 million for changes in working capital largely driven by working capital used for the modular construction and solar projects currently in progress and the balance largely for funding the FY18 operating loss.

Net cash used in investing activities amounted to S$6.3 million in FY18 mainly due to the capital expenditures for the E&C segment and the development in progress of the Bangladesh Solar Plant amounting to S$5.3 million and the purchase of land in Gold Coast, Australia for modular construction development of S$6.4 million offset partially by funds (S$1.2 million) received from capital reduction in an associate from the Heron Bay project, repayment of loan by joint venture of S$2.7 million from the Solar SATS project and dividends received from associate and other investments.

Net cash generated from financing activities in FY18 was negligible comprising two notable activities, namely payment of dividends of S$1.4 million and the drawdown of term loan of S$1.2 million.

After taking into account the above net cash outflows and net foreign currency translation adjustments, the Group's cash and cash equivalents as at 31 December 2018 stood at S$29.9 million.

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

The current announced results are in line with the prospect commentary previously disclosed to shareholders in the results announcement for the period ended 30 September 2018.

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.

2018 had been a tumultuous year in particular the business development of our modular construction and our first Bangladesh solar farm project which were intended to extend our regional footprint in Asia Pacific, encountered execution issues that were unforeseen that held the Group back in delivering the anticipated value.

Against these setbacks, we have adjusted our expectations of these business going forward.

For the E&C segment comprising modular construction and steel engineering business, we will moderate our investment in the modular construction joint venture to focus on closing out the loss-making projects, namely the PBU project in Singapore and the modular hotel project in Christchurch, New Zealand. Taking the key learnings from existing projects in its stride and especially the shortening of the regulatory approval process with this new construction technology, the entry into this construction method has provided us with a first market mover advantage in New Zealand. We will take on new projects already in hand in New Zealand in a measured way with the desire to first turnaround from loss to deliver value to the Group in 2019 before accelerating growth in 2020. For our steel engineering business, we will endeavor to take on more projects with the redevelopment of the factory completed and steer towards positive contribution in 2019.

For the Group's solar segment, as recently announced, we will focus on seeking to bridge the financing gap to progress the construction and thereafter to seek a further extension of the deadline for completion of the Bangladesh solar project. In addition, we will continue to seek more engineering, procurement and commissioning (EPC) solar contracts in Singapore and in Asean as we grow our experience and expertise in this field.

Notwithstanding the oil and gas industry has been in a prolonged downturn since late 2014, there was recent consensus pointing to a modest recovery of this sector which the Group is hopeful will continue to generate opportunities for the Group's corrosion prevention services. Likewise, the Group expects the contribution from this segment to improve modestly in 2019. However, whether it can return to profitability remains uncertain but certainly expected to be cash flow positive as in 2018. The Group will continue its cost rationalisation exercise and enhance productivity to maintain an appropriate and efficient cost structure while it focuses on delivering value from its improved orders.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No dividend has been declared or recommended for FY2018.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Yes.

Name of Dividend	:	Final
Dividend Type	:	Cash
Dividend Amount per Ordinary Share	:	0.20 cents
Tax Rate	:	Tax exempt one-tier

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

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

No dividend has been declared or recommended for FY2018, as the Group recorded net loss in FY2018 and the Board of Directors deem it appropriate to conserve funds for the Group's business 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 no IPT mandate has been obtained, a statement to that effect,

There were no interested person transactions during the three months ended 31 December 2018. The Group does not have a general mandate pursuant to Rule 920(1)(a)(ii).

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

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

Products and services from which reportable segments derive their revenues

Segment information reported externally was analysed on the basis of the types of goods supplied and services provided by the Group's operating divisions. Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is also focussed on the three principal reportable segments of the group. The Group's reportable segments under FRS 108 are therefore as follows:

Corrosion Prevention
Engineering & Construction
Solar Energy

The corrosion prevention segment provides coating services to marine, oil and gas, construction and infrastructure industries.

The engineering & construction is in the business of designing, engineering and construction of steel, aluminium and glass structures and modular construction

The Solar Energy is specialising in solar energy development and M&E works.

Information regarding the Group's reportable segments is presented below.

(a) Segment revenues and results

The following is an analysis of the Group's revenue and results from continuing operations by reportable segment:

	Corrosion prevention		Engineering & Contruction		Solar Energy		Others		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Segment revenue	14,761	9,976	24,274	25,773	6,811	1,049	760	927	46,606	37,725
Segment result	945	(876)	(4,929)	(886)	518	(1,085)	(189)	(442)	(3,655)	(3,289)
Impairment of goodwill	-	-	(3,651)	(9,600)	-	-	-	-	(3,651)	(9,600)
Impairment of property, plant and equipment	-	-	-	-	-	-	-	(16)	-	(16)
Impairment of land held for development	-	-	(1,650)	-	-	-	-	-	(1,650)	-
Finance cost	-	(1)	(576)	(245)	-		-	-	(576)	(246)
Share of loss of associates, net of tax									(197)	(571)
Share of profit of joint venture, net of tax									58	101
Central administration costs and directors' salaries									(9,159)	(8,688)
Other income									3,837	2,096
Profit before tax									(14,993)	(20,214)

Revenue reported above represents revenue generated from external customers. Inter-segment sales for the year 2018 was S$3,108,508 (2017: S$2,325,500).

Segment profit represents the profit earned by each segment without allocation of central administration costs and directors' salaries, share of profits of associates, other income and finance costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

(b) Segment assets and liabilities

	Group 2018 S$'000	Group 2017 S$'000
Segment assets		
Corrosion prevention	29,620	32,575
Solar Energy	45,479	43,243
Engineering & Construction	101,269	102,560
Others	56,753	75,211
Total segment assets	233,121	253,589
Consolidated assets	233,121	253,589
Segment liabilities		
Corrosion prevention	3,213	4,172
Solar Energy	5,346	6,387
Engineering & Construction	34,518	31,767
Others	581	596
Total segment liabilities	43,658	42,922
Unallocated liabilities		
- Provision for taxation	608	811
- Deferred income tax	3,533	3,598
Consolidated liabilites	47,799	47,331

(c) Other segment information

	Group			
	Depreciation and amortisation		Additions to non-current assets	
	Year ended 2018 S$'000	Year ended 2017 S$'000	Year ended 2018 S$'000	Year ended 2017 S$'000
Corrosion prevention	1,955	1,653	97	1,470
Solar Energy	98	36	2,796	10,315
Engineering & Construction	3,008	1,871	8,816	23,197
Others	-	51	-	-
	5,061	3,611	11,709	34,982

Note: Non-current assets excluding investment in associates, loan receivable from associate and financial assets available-for-sale.

(d) Geographical information

The Group's continuing operation is primarily carried out in Singapore. The Group's revenue from external customers and information about its non-current assets by geographical location are detailed below:

	Group's revenue from external customers		Group's non-current assets #	
	Year ended 2018	Year ended 2017	Year ended 2018	Year ended 2017
	S$'000	S$'000	S$'000	S$'000
Singapore	43,331	31,573	66,904	78,894
Rest of South East Asia (a)	3,111	3,920	15,525	17,515
People of Republic China	8	2	1	2
Others (b)	156	2,230	30,872	12,719
	46,606	37,725	113,303	109,130

(a) Includes Malaysia, Vietnam, Thailand and Indonesia
(b) Includes Mongolia, Korea, Bangladesh and others

Non-current assets exclude financial assets available for sale.

(e) Any single individual customer contributed significantly to the Group's revenue

No.

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

Please refer to paragraph 8.

16. A breakdown of sales

	Full Year 2018 S$'000	Full Year 2017 S$'000	Change %
Revenue reported for first half year			
Continuing operation	21,875	15,749	39%
Discontinued operation	-	-	NM
Net profit reported for first half year			
Continuing operation	(2,835)	(2,814)	1%
Discontinued operation	101	184	(45%)
Revenue reported for second half year			
Continuing operation	24,731	21,976	13%
Discontinued operation	-	-	NM
Net profit reported for second half year			
Continuing operation	(12,100)	(17,387)	(30%)
Discontinued operation	(1)	(35)	(97%)
Total revenue reported for the full year			
Continuing operation	46,605	37,725	24%
Discontinued operation	-	-	NM
Total net profit reported for the full year			
Continuing operation	(14,935)	(20,202)	(26%)
Discontinued operation	100	149	(33%)

17. 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

	Latest Full Year (S$'000)	Previous Full Year (S$'000)
Ordinary	1,370	1,713
Preference	0	0
Total	1,370	1,713

18. **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Goh Sia Teck	59	Nephew of Thomas Lim Siok Kwee	Manager (Operations) - Assisting CEO in marine projects (since May 2006)	Nil
Lim Peng Cheng	50	Nephew of Thomas Lim Siok Kwee	Production Manager - Assisting CEO in plant operation (since April 2010)	Nil

19. **Undertaking from Directors and Executive Officers pursuant to Rule 720(1) of the SGX Listing Manual**

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

BY ORDER OF THE BOARD

Ng Han Kok, Henry
Group CEO
27 February 2019