SEN YUE HOLDINGS LIMITED
森跃控股有限公司

SEN YUE HOLDINGS LIMITED RCB REG. NO: 200105909M

Full Year Financial Statements and Dividend Announcement for the Financial Year Ended 30 September 2018 ("FY2018")

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

1(a)(i) An income statement and statement of comprehensive income, or statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediate preceding financial year.

	Group		
	Year ended 30/09/2018 (unaudited) $'000	**Year ended 30/09/2017 (restated) $'000**	**Change %**
Revenue	240,822	207,198	16.2
Cost of sales	(226,789)	(192,896)	17.6
Gross profit	14,033	14,302	(1.9)
Other operating income	1,526	923	65.3
Distribution costs	(1,299)	(1,185)	9.6
Administrative expenses[1]	(9,110)	(8,791)	3.6
Other operating expenses[2]	(439)	(218)	101.4
Results from operating activities	4,711	5,031	(6.4)
Finance costs	(2,067)	(1,517)	36.3
Profit before tax	**2,644**	**3,514**	**(24.8)**
Income tax expense	(743)	(918)	(19.1)
Profit after tax	**1,901**	**2,596**	**(26.8)**
Profit attributable to:			
Owners of the Company	1,901	2,076	(8.4)
Non-controlling interests	-	520	NM
	1,901	**2,596**	**(26.8)**

NM: Not Meaningful

[1] Restatement of $1.4 million was made for FY2017 due to reclassification of depreciation for plant and machinery of $1.0 million and direct labour overhead of $1.0 million to cost of sales, offset against additional expenses of $0.6 million reclassified from other operating expenses to administrative expenses.

[2] Restatement of $1.4 million was made for FY2017 due to reclassification of factory upkeep and production overhead of $0.8 million to cost of sales, staff welfare and office related expenses of $0.6 million to administrative expenses.

Note: The restatements for FY2017 were due to re-alignment of expenses account classification following the commencement of e-waste management business in FY2018.

A statement of comprehensive income (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		
	Year ended 30/09/2018 (unaudited) $'000	**Year ended 30/09/2017 (restated) $'000**	**Change %**
Profit for the year	1,901	2,596	(26.8)
Other comprehensive income (loss):			
Items that will not be reclassified to profit or loss:			
Revaluation of properties	557	3,962	85.9
Reversal of deferred tax liability on disposal of property	-	367	NM
Disposal of property	-	(392)	NM
	557	3,937	85.9
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations	18	(487)	NM
	18	(487)	NM
Other comprehensive income, net of tax	575	3,450	(83.3)
Total comprehensive income for the year	**2,476**	**6,046**	**(59.0)**
Total comprehensive income attributable to:			
Owners of the Company	2,476	5,526	(55.2)
Non-controlling interests	-	520	NM
	2,476	**6,046**	**(59.0)**

NM: Not Meaningful

1(a)(ii) Other profit and loss items disclosure.

The following items were charged (credited) to the income statement:

	Group		
	Year ended 30/09/2018 (unaudited) $'000	**Year ended 30/09/2017 (audited) $'000**	**Change %**
Interest income	(113)	(44)	156.8
Interest expense	2,067	1,517	36.3
Depreciation of property, plant and equipment	2,900	1,955	48.3
Gain on disposal of property, plant and equipment	(11)	(7)	57.1
Foreign exchange loss, net	353	180	96.1
(Reversal of) Allowance for inventories	(25)	63	NM
Bad debts written off – trade and other receivables	-	4	NM
Property, plant and equipment written-off	1	14	(92.9)
Reversal of impairment losses on loans and receivables	-	(16)	NM

NM: Not Meaningful

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	
	Year ended 30/09/2018 (Unaudited) $'000	Year ended 30/09/2017 (Restated) $'000	Year ended 30/09/2018 (Unaudited) $'000	Year ended 30/09/2017 (Audited) $'000
Assets				
Current assets				
Cash and cash equivalents	18,141	10,407	125	278
Trade and other receivables	46,888	52,470	171	2,125
Inventories	19,008	5,772	-	-
Total current assets	**84,037**	**68,649**	**296**	**2,403**
Non-current assets				
Property, plant and equipment	29,092	27,289	-	-
Goodwill	338	338	-	-
Subsidiaries	-	-	31,767	31,554
Other receivables	702	677	-	-
Insurance assets	3,985	3,359	-	-
Deferred tax assets	57	49	-	-
Total non-current assets	**34,174**	**31,712**	**31,767**	**31,554**
Total assets	**118,211**	**100,361**	**32,063**	**33,957**
Liabilities and equity				
Current liabilities				
Bank overdrafts, loans and trade bills	56,498	42,951	1,000	1,283
Trade and other payables	14,488	9,876	3,874	3,434
Convertible notes	-	1,900	-	1,900
Finance leases	319	238	-	-
Income tax payable	379	545	-	-
Total current liabilities	**71,684**	**55,510**	**4,874**	**6,617**
Non-current liabilities				
Bank loans	3,269	4,083	-	-
Finance leases	703	578	-	-
Other payables	53	63	-	-
Deferred tax liabilities	1,354	1,455	-	-
Total non-current liabilities	**5,379**	**6,179**	**-**	**-**
Total liabilities	**77,063**	**61,689**	**4,874**	**6,617**
Capital, reserves and non-controlling interests				
Share capital	40,255	40,255	40,255	40,255
Merger deficit	(3,454)	(3,454)	-	-
Translation reserve	(7,403)	(7,421)	-	-
Revaluation reserve	8,623	8,066	-	-
Capital reserve	2,605	2,605	-	-
Accumulated profit (losses)	522	(1,379)	(13,066)	(12,915)
Equity attributable to owners of the Company	**41,148**	**38,672**	**27,189**	**27,340**
Non-controlling interests	-	-	-	-
Total equity	**41,148**	**38,672**	**27,189**	**27,340**
Total liabilities and equity	**118,211**	**100,361**	**32,063**	**33,957**

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

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

As at 30/09/2018 (Unaudited)		As at 30/09/2017 (Restated)	
Secured $'000	Unsecured $'000	Secured $'000	Unsecured $'000
56,817	-	43,189	1,900

Amount repayable after one year:

As at 30/09/2018 (Unaudited)		As at 30/09/2017 (Restated)	
Secured $'000	Unsecured $'000	Secured $'000	Unsecured $'000
3,972	-	4,661	-

Details of any collateral:-

As at 30 September 2018, total bank borrowings amounting to $59,767,000 (30 September 2017: $47,034,000) were secured on one or more of the followings:

(i) Mortgage over certain freehold lands and buildings of the Group;
(ii) Mortgage over a leasehold building of the Group;
(iii) Deposits pledged with financial institutions;
(iv) Corporate guarantees given by the Company;
(v) Guarantees by certain Director(s); and
(vi) Assignment of life insurance policies assured on a Director and a Key Management Personnel.

The finance leases of $1,022,000 (30 September 2017: $816,000) are secured by the leased assets, guarantees by a Director and corporate guarantee.

The convertible notes amounting to $1,900,000 as at 30 September 2017 were fully redeemed on 23 July 2018.

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

	Group	
	Year ended 30/09/2018 $'000 (unaudited)	**Year ended 30/09/2017 $'000 (audited)**
Operating activities		
Profit before income tax	2,644	3,514
Adjustments for:		
(Reversal of) Allowance for inventories	(25)	64
Bad debts written off on trade and other receivables	-	1
Allowance for doubtful debts	-	4
Interest income	(113)	(44)
Interest expense	2,067	1,517
Depreciation of property, plant and equipment	2,900	1,955
Net foreign exchange gain	16	88
Gain on disposal of property, plant and equipment	(11)	(7)
Property, plant and equipment written off	1	14
Post-employment benefits	2	30
Increase in fair value of insurance assets	(68)	(66)
Operating cash flows before movements in working capital	**7,413**	**7,070**
Trade and other receivables	3,229	(8,425)
Inventories	(13,203)	(891)
Trade and other payables	5,298	3,070
Trade bills and banker acceptances	13,635	6,987
Cash generated from operations	16,372	7,811
Income taxes paid	(1,123)	(879)
Income taxes refund	3	83
Net cash from operating activities	**15,252**	**7,015**
Investing activities		
Interest received	56	29
Purchase of plant and equipment	(3,649)	(8,484)
Purchase of insurance assets	(582)	-
Proceeds from disposal of property, plant and equipment	47	15
Net cash used in investing activities	**(4,128)**	**(8,440)**
Financing activities		
Interest paid	(2,067)	(1,517)
Repayments of borrowings	(1,328)	(1,683)
Repayments of finance lease liabilities	(197)	(216)
Increase in pledged deposits with financial institutions	(8,115)	(1,675)
New bank loans raised	-	6,575
Net cash (used in) from financing activities	**(11,707)**	**1,484**
Net (decrease) increase in cash and cash equivalents	**(583)**	**59**
Cash and cash equivalents at beginning of the year	1,798	1,706
Effect of exchange rate changes on cash balances held in foreign currencies	(159)	33
Cash and cash equivalents at end of the year	**1,056**	**1,798**
Cash at banks and in hand	2,128	2,509
Fixed deposits with financial institutions	16,013	7,898
Cash and cash equivalents in statement of financial position	18,141	10,407
Fixed deposits pledged with financial institutions	(16,013)	(7,898)
Bank overdraft (secured)	(1,072)	(711)
Cash and cash equivalents at end of the year	**1,056**	**1,798**

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Share capital $'000	Merger deficit $'000	Translation reserve $'000	Revaluation reserve $'000	Capital reserve $'000	Accumulated (losses) profit $'000	Equity attributable to owners of the Company $'000	Non-controlling interests $'000	Total equity $'000
Balance as at October 1, 2016 (audited)	**34,366**	**(3,454)**	**(6,934)**	**6,481**	**(26)**	**(5,807)**	**24,626**	**8,675**	**33,301**
Total comprehensive income (loss) for the year									
Profit for the year	-	-	-	-	-	2,076	2,076	520	2,596
Other comprehensive (loss) income for the year	-	-	(487)	3,937	-	-	3,450	-	3,450
Total	**-**	**-**	**(487)**	**3,937**	**-**	**2,076**	**5,526**	**520**	**6,046**
Effect of acquiring non-controlling interest in a subsidiary	5,889	-	-	-	2,631	-	8,520	(9,195)	(675)
Transfer to retained earnings	-	-	-	(2,352)	-	2,352	-	-	-
Total	**5,889**	**-**	**-**	**(2,352)**	**2,631**	**2,352**	**8,520**	**(9,195)**	**(675)**
Balance as at September 30, 2017 (audited)	**40,255**	**(3,454)**	**(7,421)**	**8,066**	**2,605**	**(1,379)**	**38,672**	**-**	**38,672**
Total comprehensive income for the year									
Profit for the year	-	-	-	-	-	1,901	1,901	-	1,901
Other comprehensive income for the year	-	-	18	557	-	-	575	-	575
Total	**-**	**-**	**18**	**557**	**-**	**1,901**	**2,476**	**-**	**2,476**
Balance as at September 30, 2018 (unaudited)	**40,255**	**(3,454)**	**(7,403)**	**8,623**	**2,605**	**522**	**41,148**	**-**	**41,148**

Company	Share Capital $'000	Accumulated losses $'000	Total $'000
Balance as at October 1, 2016 (audited)	**34,366**	**(11,994)**	**22,372**
Issue of share capital, representing transactions with owners, recognised directly in equity	5,889	-	5,889
Loss for the year, representing total comprehensive loss for the year	-	(921)	(921)
Balance as at September 30, 2017 (audited)	**40,255**	**(12,915)**	**27,340**
Loss for the year, representing total comprehensive loss for the year	-	(151)	(151)
Balance as at September 30, 2018 (unaudited)	**40,255**	**(13,066)**	**27,189**

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.

Issued and fully paid-up ordinary shares of the Company ("Shares")

Movements in the Company's share capital since 31 March 2018 up to 30 September 2018 were as follows:

	Number of Shares	Issued and paid-up capital – $
Balance as at 31 March 2018	864,280,038	40,254,502
Balance as at 30 September 2018	864,280,038	40,254,502

The Company had on 30 September 2015 entered into a Convertible Notes Agreement amounting to an aggregate of $1,900,000 convertible notes (the "Notes"). The maturity dates of the Notes are 29 April 2018 and 17 July 2018 for $900,000 and $1,000,000 respectively and are convertible into an aggregate of 26,388,887 Shares (disregarding fractional entitlements of the Subscribers). As disclosed therein the Company's SGXNET announcement dated 9 May 2018 and 23 July 2018, the Notes of $900,000 and $1,000,000 were redeemed on 8 May 2018 and 23 July 2018 respectively.

Save as disclosed above, the Company did not have any other outstanding options, convertibles, treasury shares or subsidiary holdings as at 30 September 2017 and 30 September 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 the immediately preceding year.

	Company as at 30/09/2018	Company as at 30/09/2017
Total number of issued shares excluding treasury shares	864,280,038	864,280,038

There were no treasury shares as at 30 September 2018 and 30 September 2017.

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 the financial year reported on.

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

Not applicable. There were no sales, transfers, cancellations and/or use of subsidiary holdings during 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 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.

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 current financial period as those used in the most recently audited financial statements for the financial year ended 30 September 2017 ("FY2017").

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 applicable new and/or revised Financial Reporting Standards ("FRS") and Interpretations of Financial Reporting Standards ("INT FRS") which are effective for the financial periods beginning on or after 1 October 2017.

The adoption of these new or revised FRS and INT FRS did not result in any substantial change to the Group's accounting policies and has no material financial impact on the Group's financial statements for the current financial year reported on.

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	
Basic earnings per ordinary share ("EPS")	**FY2018 (Unaudited)**	**FY2017 (Audited)**
Profit attributable to equity holders of the Company ($)	1,901,000	2,076,000
Weighted average number of ordinary shares in issue	864,280,038	792,926,291
EPS (Singapore cents)	0.22	0.26

	Group	
Diluted EPS	**FY2018 (Unaudited)**	**FY2017 (Audited)**
Profit attributable to equity holders of the Company ($)	1,901,000	2,076,000
Weighted average number of ordinary shares in issue	864,280,038	792,926,291
EPS (Singapore cents)	0.22	0.26

The basic and diluted EPS for the financial year ended 30 September 2018 ("FY2018") and 30 September 2017 ("FY2017") were the same as there were no potentially dilutive ordinary shares in issue as at end of the respective financial years.

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	
	As at 30/09/2018 (Unaudited)	As at 30/09/2017 (Audited)	As at 30/09/2018 (Unaudited)	As at 30/09/2017 (Audited)
Net asset value as per ordinary share based on existing issued share capital excluding treasury shares as at the end of the period (in Singapore cents)	4.76	4.47	3.15	3.16
Number of ordinary shares in issue	864,280,038	864,280,038	864,280,038	864,280,038

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Statement of Comprehensive Income

For FY2018, the Group recorded revenue, profit before tax and profit after tax of $240.8 million, $2.6 million, and $1.9 million respectively.

The Group's revenue increased by $33.6 million or 16.2% mainly due to the increase of revenue across all segments with a significant increase in commodities segment, which included maiden revenue generated from e-waste management business in the recycling of lithium-ion batteries.

Cost of sales increased by $33.9 million or 17.6% due to increase in material costs for non-ferrous activity and cost allocated from the initial set-up of the new lithium-ion battery recycling activity in FY2018.

Gross profit decreased by $0.3 million or 1.9% due to increase in cost of sales in FY2018.

Other operating income increased by $0.6 million or 65.3% in FY2018 mainly due to rental income received and services provided by ED coating and commodities segments.

Other operating expenses increased by $0.2 million in FY2018 due to foreign exchange loss.

Finance cost increased by $0.6 million from $1.5 million in FY2017 to $2.1 million in FY2018 due to additional trade financing in relation to higher sales in FY2018.

As a result of the foregoing, the Group registered a profit after tax of $1.9 million in FY2018 as compared to $2.6 million in FY2017.

Moving forward, the commodities segment will include the contribution from e-waste management business, on top of trading of non-ferrous activity.

Statement of Financial Position

The following comparative performance for both the Group's assets and liabilities are based on the consolidated financial statements as at 30 September 2018 and 30 September 2017.

Current Assets

The Group's current assets amounted to $84.0 million in FY2018, comprising cash and cash equivalents of $18.1 million, trade and other receivables of $46.9 million and inventories of $19.0 million.

The decrease in trade and other receivables of $5.6 million was mainly due to decrease in trade debtors by $2.3 million as a result of improved collection and receipt of $3.3 million as full settlement from Jurong Town Corporation (JTC) for disposal of old premise at 16 Tuas Avenue 20.

The increase in inventories of $13.2 million was mainly due to commencement of e-waste management business in FY2018. Additional production lead time is required for additional processes to improve the quality of the output from recycled batteries, resulting in the increase in inventories as at 30 September 2018.

Non-Current Assets

The increase in property, plant and equipment from $27.3 million as at 30 September 2017 to $29.1 million as at 30 September 2018 was mainly due to addition of new assets of $4.1 million including the lithium-ion battery recycling line, trucks and renovation cost incurred by one of the Singapore subsidiaries, and property was revalued higher by $0.6 million at 3 Jalan Pesawat, partially offset by depreciation charges of $2.9 million.

Insurance assets amounting to $4.0 million as at 30 September 2018 relates to the cash surrender value of key-man life insurance policies purchased by one of the subsidiaries for the Executive Chairman and Executive Director of the Company and a Key Management Personnel of a subsidiary, with the subsidiary being the beneficiary of the policies. These policies are pledged to banks as collaterals for banking facilities related to working capital purposes.

Working Capital

The working capital of the Group as at 30 September 2018 and 30 September 2017 are set out below:

$'000	As at 30 September 2018 (Unaudited)	As at 30 September 2017 (Restated)
Total current assets	84,037	68,649
Total current liabilities	71,684	55,510
Working capital	**12,353**	**13,139**

The Group had a positive working capital of $12.4 million as at 30 September 2018, as compared to $13.1 million as at 30 September 2017.

Current Liabilities

The Group's current liabilities amounted to $71.7 million as at 30 September 2018, comprising trade and other payables of $14.5 million, bank overdrafts, loans and trade bills of $56.5 million, finance leases of $0.3 million and income tax payable of $0.4 million.

Bank overdrafts, loans and trade bills increased by $13.5 million as more banking facilities were drawn down to finance the increase of trading volume for the commodities segment.

Trade and other payables increased by $4.6 million mainly due to an increase in purchases under the commodities segment.

Income tax payable decreased by $0.1 million mainly due to tax credit and availability of capital allowances brought forward from previous financial years to offset against the estimated chargeable income.

Non-Current Liabilities

The Group's non-current liabilities of $5.4 million as at 30 September 2018, as compared to $6.2 million as at 30 September 2017.

Cash Flow Analysis

In FY2018, the Group generated net cash from operating activities of $15.3 million due to profit before income tax of $2.6 million, adjustments for interest expense and depreciation of property, plant and equipment of $2.1 million and $2.9 million respectively, and changes in working capital of $8.9 million, and offset adjustment for interest income of $0.1 million and income taxes paid of $1.1 million.

Net cash used in investing activities amounted to $4.1 million in FY2018 mainly arising from purchases of plant and equipment including the lithium-ion battery recycling line, trucks and renovation cost incurred by one of the Singapore subsidiaries.

Net cash used in financing activities of $11.7 million in FY2018 due to interest paid of $2.1 million, repayment of borrowings and finance leases of $1.5 million, and increase in pledged deposits with financial institutions of $8.1 million, which was to secure additional banking facilities for the commodities segment.

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.

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 second half of FY2018 has seen challenges in the trading and recycling of our commodities business and we expect that the market conditions in this segment to continue to face uncertainties.

Some of the countries where the customers are based are affected by tightened regulations introduced in the year 2018 and sales have slowed down. We will explore other markets for the export/ trading of the commodities.

The e-waste management business in the recycling of lithium-ion batteries have commenced and additional processes are required to further improve the quality of the output from recycled batteries.

Our other business activities are expected to remain stable and we will explore opportunities in this segment in the region.

We expect FY2019 to be a challenging year given numerous changes introduced by the various governments on trade, environment and other factors in the year 2018.

11. If a decision regarding dividend has been made:

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

No

(b)(i) Amount per share:

Not applicable

(ii)Previous corresponding period:

Not applicable

(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 of dividend 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 for FY2018.

13. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate for recurrent interested person transactions.

Name of interested person	**Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than $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 $100,000)**
Materials purchased from SMC Technology Sdn Bhd[1]	$547,927	Not applicable
Sales of materials to SMC Technology Sdn Bhd[1]	$129,020	Not applicable

[1] Mr Koh Mia Seng is the director and shareholder of SMC Technology Sdn Bhd. Mr Koh is the Company's Executive Director and Executive Chairman. The above amounts represent 1.43% and 0.34% of the Group's latest audited net tangible assets.

Save as disclosed above, there were no other interested person transactions with a value of $100,000 or more during FY2018.

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 operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediate preceding year.

(a) Reportable Segments

FY2018 $'000	**Metal components and tool and die**	**ED Coating**	**Commodities**	**Others**	**Inter-segment elimination**	**Group**
Revenue	4,535	13,738	224,399	918	(2,768)	240,822
Cost of sales	(3,183)	(8,904)	(216,899)	(35)	2,232	(226,789)
Segment result	1,352	4,834	7,500	883	(536)	14,033
Other operating income						1,526
Distribution costs						(1,299)
Administrative expenses						(9,110)
Other operating expenses						(439)
Finance costs						(2,067)
Profit before income tax						2,644
Income tax expense						(743)
Profit for the year						1,901
Segment assets	8,003	15,890	97,663	37,393	(40,738)	118,211
Segment liabilities	2,049	7,577	72,321	17,881	(22,765)	77,063
Other segment information						
Additions to non-current assets[1]	101	264	4,309	-	(17)	4,657
Depreciation and amortisation expenses	36	778	2,059	27	-	2,900
Revaluation of properties	-	-	557	-	-	557
Revaluation of insurance assets	-	-	68	-	-	68
Exchange differences on translation of foreign operations						(18)

Note

[1] During the financial year, the Group acquired plant and equipment with an aggregate cost of $4,075,000 (2017: $9,259,000) of which $403,000 (2017: $775,000) was acquired under finance lease arrangement and $23,000 remains unpaid as at 30 September 2018.

FY2017 $'000	Metal components and tool and die	ED Coating	Commodities	Others	Inter-segment elimination	Group
Revenue	3,480	12,295	191,720	1,180	(1,477)	207,198
Cost of sales	(2,548)	(8,049)	(182,814)	(34)	549	(192,896)
Segment result	932	4,246	8,906	1,146	(928)	14,302
Other operating income						923
Distribution costs						(1,185)
Administrative expenses						(8,791)
Other operating expenses						(218)
Finance costs						(1,517)
Profit before income tax						3,514
Income tax expense						(918)
Profit for the year						2,596
Segment assets	6,417	15,936	79,316	40,635	(41,943)	100,361
Segment liabilities	1,526	8,692	55,374	20,410	(24,313)	61,689
Other segment information						
Additions to non-current assets	31	230	9,026	-	(28)	9,259
Depreciation and amortisation expenses	33	791	1,105	26	-	1,955
Revaluation of properties	-	-	3,962	-	-	3,962
Revaluation of insurance assets	-	-	66	-	-	66
Exchange differences on translation of foreign operations						(487)

Note: Reclassification was made in commodities segment for FY2017.

(b) Geographical information

	Revenue		Non-Current Assets	
$'000	**FY2018**	**FY2017**	**FY2018**	**FY2017**
Singapore	22,475	5,362	18,272	18,139
People's Republic of China	73,751	94,578	-	-
Malaysia	16,058	11,148	10,266	10,175
Indonesia	3,103	3,182	5,571	3,349
South Korea	32,789	11,337	-	-
Taiwan	54,099	55,839	-	-
Japan	19,707	11,587	-	-
Others	18,840	14,165	8	-
Total	**240,822**	**207,198**	**34,117**	**31,663**

Non-current assets presented comprise property, plant and equipment, other receivables, insurance assets and goodwill excluding deferred tax assets.

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

See paragraph 8 above.

16. A breakdown of sales

Group	FY2018	FY2017	Increase/ (Decrease)
	$'000	$'000	%
(a) Sales reported for first half year	125,493	102,523	22.4
(b) Operating profit (loss) after tax before deducting non-controlling interests reported for first half year	1,414	2,059	(31.3)
(c) Sales reported for second half year	115,329	104,675	10.2
(d) Operating profit (loss) after tax before deducting non-controlling interests reported for second half year	487	729	(33.2)

NM: Not Meaningful

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

No dividend has been recommended for the FY2018 and FY2017.

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(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Mr. Xu Yi Rui is the nephew of Mr. Koh Mia Seng (Executive Chairman and Executive Director) and he is the Assistant Manager of SMC Industrial Pte Ltd.

Save as disclosed above, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries, is related to a director, the chief executive officer or substantial shareholder of the Company or its principal subsidiaries.

19. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

The Company confirms that it has procured undertakings from all of its directors and executive officers in the required format.

BY ORDER OF THE BOARD

NEO GIM KIONG
CHIEF EXECUTIVE OFFICER

23 November 2018

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") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

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

The contact person for the Sponsor is Ms Keng Yeng Pheng, Associate Director, Continuing Sponsorship (Mailing address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).