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 2019 ("FY2019")

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 30/09/2019 (unaudited) $'000	**Year ended 30/09/2018 (audited) $'000**	**Change %**
Revenue	243,442	240,822	1.1
Cost of sales	(229,675)	(226,789)	1.3
Gross profit	13,767	14,033	(1.9)
Other operating income	1,145	1,526	(25.0)
Distribution costs	(1,405)	(1,299)	8.2
Administrative expenses	(9,444)	(9,110)	3.7
Other operating expenses	(283)	(439)	(35.5)
Results from operating activities	3,780	4,711	(19.8)
Finance costs	(2,567)	(2,067)	24.2
Profit before tax	**1,213**	**2,644**	**(54.1)**
Income tax expense	(1,192)	(743)	60.4
Profit after tax	**21**	**1,901**	**(98.9)**

NM: Not Meaningful

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 30/09/2019 (unaudited) $'000	**Year ended 30/09/2018 (audited) $'000**	**Change %**
Profit for the year	21	1,901	(98.9)
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Revaluation of properties	2,545	557	356.9
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations	88	18	388.9
Other comprehensive income, net of tax	2,633	575	357.9
Total comprehensive income for the year	**2,654**	**2,476**	**7.2**

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 30/09/2019 (unaudited) $'000	**Year ended 30/09/2018 (audited) $'000**	**Change %**
Interest income	(241)	(113)	113.3
Interest expense	2,567	2,067	24.2
Depreciation of property, plant and equipment	3,246	2,900	11.9
Gain on disposal of property, plant and equipment	(4)	(11)	(63.6)
Foreign exchange gain (loss), net	(7)	353	NM
(Reversal of) Allowance for inventories	4	(25)	NM
Bad debts written off – trade and other receivables	4	-	NM
Property, plant and equipment written-off	4	1	300.0

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		
	As at 30/09/ 2019 (Unaudited) $'000	As at 30/09/ 2018 (Audited) $'000	As at 1/10/ 2017 (Restated) $'000	As at 30/09/ 2019 (Unaudited) $'000	As at 30/09/ 2018 (Audited) $'000	As at 1/10/ 2017 (Audited) $'000
Assets						
Current assets						
Cash and cash equivalents	21,413	18,141	10,407	295	125	278
Trade and other receivables	52,429	46,888	52,470	10	171	2,125
Inventories	13,961	19,008	5,772	-	-	-
Total current assets	**87,803**	**84,037**	**68,649**	**305**	**296**	**2,403**
Non-current assets						
Property, plant and equipment	30,006	29,092	27,289	-	-	-
Goodwill	338	338	338	-	-	-
Subsidiaries	-	-	-	31,988	31,767	31,554
Other receivables	634	702	677	-	-	-
Insurance assets	4,101	3,985	3,359	-	-	-
Deferred tax assets	-	57	49	-	-	-
Total non-current assets	**35,079**	**34,174**	**31,712**	**31,988**	**31,767**	**31,554**
Total assets	**122,882**	**118,211**	**100,361**	**32,293**	**32,063**	**33,957**
Liabilities and equity						
Current liabilities						
Bank overdrafts, loans and trade bills	58,970	56,498	42,951	1,000	1,000	1,283
Trade and other payables	14,445	14,488	9,876	4,617	3,874	3,434
Convertible notes	-	-	1,900	-	-	1,900
Finance leases	309	319	238	-	-	-
Income tax payable	252	379	545	-	-	-
Total current liabilities	**73,976**	**71,684**	**55,510**	**5,617**	**4,874**	**6,617**
Non-current liabilities						
Bank overdrafts, loans and trade bills	2,358	3,269	4,083	-	-	-
Finance leases	562	703	578	-	-	-
Other payables	78	53	63	-	-	-
Deferred tax liabilities	2,106	1,354	1,455	-	-	-
Total non-current liabilities	**5,104**	**5,379**	**6,179**	**-**	**-**	**-**
Total liabilities	**79,080**	**77,063**	**61,689**	**5,617**	**4,874**	**6,617**
Capital, reserves and non-controlling interests						
Share capital	40,255	40,255	40,255	40,255	40,255	40,255
Merger deficit	(3,454)	(3,454)	(3,454)	-	-	-
Translation reserve	(7,315)	(7,403)	(7,421)	-	-	-
Revaluation reserve	11,168	8,623	8,066	-	-	-
Capital reserve	2,605	2,605	2,605	-	-	-
Retained earnings (Accumulated losses)	543	522	(1,379)	(13,579)	(13,066)	(12,915)
Net equity attributable to owners of the Company	**43,802**	**41,148**	**38,672**	**26,676**	**27,189**	**27,340**
Total liabilities and equity	**122,882**	**118,211**	**100,361**	**32,293**	**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 30/09/2019 (Unaudited)		As at 30/09/2018 (Audited)	
Secured $'000	Unsecured $'000	Secured $'000	Unsecured $'000
59,279	-	56,817	-

Amount repayable after one year:

As at 30/09/2019 (Unaudited)		As at 30/09/2018 (Audited)	
Secured $'000	Unsecured $'000	Secured $'000	Unsecured $'000
2,920	-	3,972	-

Details of any collateral:-

As at 30 September 2019, total bank borrowings amounting to $61,328,000 (30 September 2018: $59,767,000) were secured on one or more of the followings:

(i) Mortgage over certain freehold land and buildings of the Group;
(ii) Mortgage over a leasehold land and building of the Group;
(iii) Deposits pledged with financial institutions;
(iv) Corporate guarantee given by the Company;
(v) Personal guarantee by a Director;
(vi) Assignment of life insurance policies[(1)] assured on a Director; and
(vii) Assignment of life insurance policy[(1)] assured on a general manager of a subsidiary.

The finance leases of $871,000 (30 September 2018: $1,022,000) were secured by the lessor's title to the leased assets.

Note:

(1) The life insurance policies refer to key-man life insurance policies purchased by a subsidiary for the Executive Chairman and Executive Director of the Company and a Key Management Personnel of the subsidiary, with the subsidiary being the beneficiary.

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 30/09/2019 $'000 (unaudited)	**Year ended 30/09/2018 $'000 (audited)**
Operating activities		
Profit before income tax	1,213	2,644
Adjustments for:		
(Reversal of) Allowance for inventories	4	(25)
Bad debts written off on trade and other receivables	4	-
Loss allowance for receivables	58	-
Interest income	(241)	(113)
Interest expense	2,567	2,067
Depreciation of property, plant and equipment	3,246	2,900
Net foreign exchange loss	62	16
Gain on disposal of property, plant and equipment	(4)	(11)
Property, plant and equipment written off	4	1
Post-employment benefits	22	2
Increase in fair value of insurance assets	(91)	(68)
Impairment loss on property, plant and equipment	66	-
Operating cash flows before movements in working capital	**6,910**	**7,413**
Trade and other receivables	(5,270)	179
Inventories	5,048	(13,203)
Trade and other payables	(104)	5,298
Trade bills and banker acceptances	2,609	13,635
Cash generated from operations	9,193	13,322
Income taxes paid	(1,181)	(1,123)
Income taxes refund	-	3
Net cash from operating activities	**8,012**	**12,202**
Investing activities		
Interest received	178	56
Purchase of plant and equipment	(703)	(3,550)
Purchase of insurance assets	-	(582)
Proceeds from disposal of property, plant and equipment	13	3,097
Net cash used in investing activities	**(512)**	**(979)**
Financing activities		
Interest paid	(2,567)	(2,067)
Repayments of borrowings	(1,168)	(1,328)
Repayments of finance lease liabilities	(337)	(296)
Increase in pledged deposits with financial institutions	(1,075)	(8,115)
New bank loans raised	857	-
Net cash (used in) from financing activities	**(4,290)**	**(11,806)**
Net (decrease) increase in cash and cash equivalents	**3,210**	**(583)**
Cash and cash equivalents at beginning of the year	1,056	1,798
Effect of exchange rate changes on cash balances held in foreign currencies	(266)	(159)
Cash and cash equivalents at end of the year	**4,000**	**1,056**
Cash at banks and in hand	4,325	2,128
Fixed deposits with financial institutions	17,088	16,013
Cash and cash equivalents in statement of financial position	21,413	18,141
Fixed deposits pledged with financial institutions	(17,088)	(16,013)
Bank overdraft (secured)	(325)	(1,072)
Cash and cash equivalents at end of the year	**4,000**	**1,056**

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	Retained earnings (Accumulated losses) $'000	Net equity attributable to owners of the Company $'000
Balance as at October 1, 2017 (audited)	**40,255**	**(3,454)**	**(7,421)**	**8,066**	**2,605**	**(1,379)**	**38,672**
Total comprehensive income for the year							
Profit for the year	-	-	-	-	-	1,901	1,901
Other comprehensive income for the year	-	-	18	557	-	-	575
Total	**-**	**-**	**18**	**557**	**-**	**1,901**	**2,476**
Balance as at September 30, 2018 (audited)	**40,255**	**(3,454)**	**(7,403)**	**8,623**	**2,605**	**522**	**41,148**
Total comprehensive income for the year							
Profit for the year	-	-	-	-	-	21	21
Other comprehensive income for the year	-	-	88	2,545	-	-	2,633
Total	**-**	**-**	**88**	**2,545**	**-**	**21**	**2,654**
Balance as at September 30, 2019 (unaudited)	**40,255**	**(3,454)**	**(7,315)**	**11,168**	**2,605**	**543**	**43,802**

Company	Share Capital $'000	Accumulated losses $'000	Total $'000
Balance as at October 1, 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 (audited)	**40,255**	**(13,066)**	**27,189**
Loss for the year, representing total comprehensive loss for the year	-	(513)	(513)
Balance as at September 30, 2019 (unaudited)	**40,255**	**(13,579)**	**26,676**

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 2019 up to 30 September 2019 were as follows:

	Number of Shares	Issued and paid-up capital – $
Balance as at 31 March 2019	864,280,038	40,254,502
Balance as at 30 September 2019	864,280,038	40,254,502

The Company did not have any outstanding options, convertibles, treasury shares or subsidiary holdings as at 30 September 2019 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 30/09/2019	Company as at 30/09/2018
Total number of issued shares excluding treasury shares	864,280,038	864,280,038

There were no treasury shares as at 30 September 2019 and 30 September 2018.

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

Not applicable. There were no sales, transfers, cancellations and/or use of treasury shares during 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 2018 ("FY2018").

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

In December 2017, the Accounting Standards Council (ASC) has issued a new financial reporting framework - Singapore Financial Reporting Standards (International) (SFRS(I)), which is to be adopted by Singapore-incorporated companies listed on the Singapore Exchange (SGX), for annual periods beginning on or after January 1, 2018. SFRS(I) is identical to the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The Group has adopted the Singapore Financial Reporting Standards (International) (SFRS(I)) and the related Interpretations to SFRS(I)s which took effect from financial period beginning 1 October 2018. The adoption of SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)*, SFRS(I) 9 *Financial Instruments* and SFRS(I) 15 *Revenue from Contract with Customers*, including amendments and interpretations of SFRS(I) 15 did not have any significant impact on the financial statements of the Group.

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

	Group	
Basic earnings per ordinary share ("EPS")	**FY2019 (Unaudited)**	**FY2018 (Audited)**
Profit attributable to equity holders of the Company ($)	21,000	1,901,000
Weighted average number of ordinary shares in issue	864,280,038	864,280,038
EPS (Singapore cents)	0.00	0.22

	Group	
Diluted EPS	**FY2019 (Unaudited)**	**FY2018 (Audited)**
Profit attributable to equity holders of the Company ($)	21,000	1,901,000
Weighted average number of ordinary shares in issue	864,280,038	864,280,038
EPS (Singapore cents)	0.00	0.22

The basic and diluted EPS for the financial year ended 30 September 2019 ("FY2019") and 30 September 2018 ("FY2018") 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 30/09/2019 (Unaudited)	As at 30/09/2018 (Audited)	As at 30/09/2019 (Unaudited)	As at 30/09/2018 (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)	5.07	4.76	3.09	3.15
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

The Group's revenue increased mainly due to an increase of revenue in the commodities segment and Electro Deposition ("ED") coating segment.

Gross profit decreased due to higher labour costs in the commodities segment and higher overheads expenses arising from the lithium-ion battery recycling line which has not been able to operate at its optimal level.

Other operating income decreased mainly due to the discontinuation of rental income in the commodities segment.

Other operating expenses decreased mainly due to a decrease in unrealised foreign exchange loss.

Finance cost increased due to additional trade financing and a new bank loan obtained by a Malaysian subsidiary in FY2019.

As a result of the foregoing, the Group registered a profit after tax of $0.02 million in FY2019 as compared to $1.9 million in FY2018.

Statement of Financial Position

Current Assets

The increase in trade and other receivables was mainly due to higher credit sales to customers towards the end of FY2019 and increase in deposits made to suppliers to secure purchases.

The decrease in inventories was mainly due to better inventory management and hence lower inventories in the commodities segment.

Non-Current Assets

The increase in property, plant and equipment was mainly due to renovation done, purchase of new equipment and upward revaluation of our premises, offset by depreciation charges.

Current Liabilities

Bank overdrafts, loans and trade bills increased due to a new bank loan obtained by a Malaysian subsidiary and additional trade financing in FY2019.

Trade and other payables remain comparable to 30 September 2018.

Income tax payable decreased 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 mainly due to the reclassification of loan repayable from "non-current liabilities" to "current liabilities".

Working Capital

The working capital of the Group as at 30 September 2019 and 30 September 2018 are set out below:

$'000	As at 30 September 2019 (Unaudited)	As at 30 September 2018 (Audited)
Total current assets	87,803	84,037
Total current liabilities	73,976	71,684
Working capital	**13,827**	**12,353**

The Group had a positive working capital of $13.8 million as at 30 September 2019, as compared to $12.4 million as at 30 September 2018 as a result of the above.

Cash Flow Analysis

Net cash used in investing activities was mainly arising from purchases of plant and equipment, offset by interest received from deposits placed with financial institutions.

Net cash used in financing activities was mainly due to interest paid on bank borrowings, repayment of borrowings and finance leases and an increase in pledged deposits with financial institutions, offset by a new bank loan obtained by a Malaysian subsidiary.

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 challenging business environment has affected our businesses especially in the commodities segment and we expect the challenges to remain in the near future.

We had taken an initiative to expand our waste management business by setting up a smelter facility. The project is expected to be completed in year 2020.

ED coating and metal components business activities are expected to remain relatively stable and we will explore opportunities in this segment in the region.

Moving forward, management will continue to strengthen our operations and manage our costs more efficiently.

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 and the reason(s) for the decision.

No dividend has been declared or recommended for FY2019 in order to conserve cash for future operations in view of prevailing business conditions of the Group.

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 from shareholders for interested person transactions. There were no interested person transactions with a value of $100,000 or more entered into during FY2019.

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

FY2019 $'000	Metal components and tool and die	ED Coating	Commodities	Others	Inter-segment elimination	Group
Revenue	4,413	14,135	227,557	1,073	(3,736)	243,442
Cost of sales	(3,411)	(8,465)	(220,985)	(21)	3,207	(229,675)
Segment result	1,002	5,670	6,572	1,052	(529)	13,767
Other operating income						1,145
Distribution costs						(1,405)
Administrative expenses						(9,444)
Other operating expenses						(283)
Finance costs						(2,567)
Profit before income tax						1,213
Income tax expense						(1,192)
Profit for the year						21
Segment assets	8,685	17,649	100,329	36,880	(40,661)	122,882
Segment liabilities	1,930	6,552	74,689	17,197	(21,288)	79,080
Other segment information						
Additions to non-current assets[1]	1,318	233	611	2	(1,255)	909
Depreciation and amortisation expenses	52	738	2,440	16	-	3,246
Revaluation of properties	274	1,239	1,032	-	-	2,545
Revaluation of insurance assets	-	-	91	-	-	91
Exchange differences on translation of foreign operations						(88)

Note

[1] During the financial year, the Group acquired plant and equipment with an aggregate cost of $909,000 (2018: $4,075,000) of which $186,000 (2018: $502,000) was acquired under finance lease arrangement and $43,000 (2018: $23,000) remains unpaid as at September 30, 2019.

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	37,993	(41,338)	118,211
Segment liabilities	2,049	7,577	72,321	17,881	(22,765)	77,063
Other segment information						
Additions to non-current assets	101	264	4,217	-	(17)	4,565
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

(b) Geographical information

	Revenue		Non-Current Assets	
$'000	**FY2019**	**FY2018**	**FY2019**	**FY2018**
Singapore	21,032	22,479	18,521	18,272
People's Republic of China	74,260	73,751	-	-
Malaysia	28,401	16,058	10,652	10,266
Indonesia	3,576	3,103	5,904	5,571
South Korea	47,503	32,785	-	-
Taiwan	41,578	54,099	-	-
Japan	15,840	19,707	-	-
Others	11,252	18,840	2	8
Total	**243,442**	**240,822**	**35,079**	**34,117**

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	FY2019	FY2018	Increase/ (Decrease)
	$'000	$'000	%
(a) Sales reported for first half year	127,312	125,493	1.4
(b) Operating (loss) profit after tax before deducting non-controlling interests reported for first half year	(555)	1,414	NM
(c) Sales reported for second half year	116,130	115,329	0.7
(d) Operating profit after tax before deducting non-controlling interests reported for second half year	576	487	18.3

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 FY2019 and FY2018.

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.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Xu Yi Rui	35	Nephew of Mr. Koh Mia Seng (Executive Chairman and Executive Director)	Assistant Manager of SMC Industrial Pte Ltd since January 2008	Not applicable

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

KOH MIA SENG
EXECUTIVE CHAIRMAN

25 November 2019

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

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

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