



HAI LECK HOLDINGS LIMITED
(Company Registration No. : 199804461D)
FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT
FOR FULL YEAR AND FOURTH QUARTER ENDED 30 JUNE 2019

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

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			Group		
	4Q19 \$'000	4Q18 \$'000	Change %	FY19 \$'000	FY18 \$'000	Change %
Revenue	15,222	19,454	(21.8)	82,701	87,690	(5.7)
Less:						
Cost of sales	(11,179)	(13,084)	(14.6)	(50,824)	(50,495)	0.7
Other income	283	454	(37.7)	1,394	1,770	(21.2)
Distribution and selling expenses	(99)	(158)	(37.3)	(414)	(1,017)	(59.3)
Administrative expenses	(5,253)	(7,514)	(30.1)	(26,405)	(30,220)	(12.6)
Other operating expenses	(1,583)	(1,622)	(2.4)	(6,683)	(6,733)	(0.7)
Interest expense	(3)	(3)	-	(11)	(11)	-
Share of results of joint venture	16	(248)	n.m.	298	(210)	n.m.
(Loss)/profit before taxation	(2,596)	(2,721)	(4.6)	56	774	(92.8)
Taxation	1,197	1,333	(10.2)	661	584	13.2
(Loss)/profit for the period	(1,399)	(1,388)	0.8	717	1,358	(47.2)
Attributable to:						
Equity holders of the Company	(1,399)	(1,388)	0.8	717	1,358	(47.2)

Net (loss)/profit included the following:	Group		Group	
	4Q19 \$'000	4Q18 \$'000	FY19 \$'000	FY18 \$'000
Interest income	159	65	489	335
Interest expense	(3)	(3)	(11)	(11)
Foreign exchange loss, net	(6)	(4)	(73)	(6)
Property, plant and equipment written off	-	(629)	-	(629)
Gain on disposal of property, plant and equipment, net	55	294	253	597
Gain on disposal of intangible assets, net	-	-	87	-
Amortisation of intangible assets	(36)	(50)	(168)	(235)
Depreciation of property, plant and equipment	(1,498)	(1,557)	(6,235)	(6,364)
(Allowance for)/write back of allowance for doubtful debts	(89)	66	(89)	(151)
Write back of provision for warranty	309	23	309	23
Write back of provision for onerous contract	36	1,441	36	1,441

Consolidated statement of comprehensive income

	Group		Group	
	4Q19 \$'000	4Q18 \$'000	FY19 \$'000	FY18 \$'000
(Loss)/profit for the period	(1,399)	(1,388)	717	1,358
Other comprehensive income:				
<u>Items that may be reclassified to profit and loss</u>				
Foreign currency translation	208	108	428	70
Total comprehensive income for the period	(1,191)	(1,280)	1,145	1,428
Total comprehensive income attributable to:				
Equity holders of the Company	(1,191)	(1,280)	1,145	1,428

Note:

4Q18: The 4th quarter ended 30 June 2018

4Q19: The 4th quarter ended 30 June 2019

FY18: The financial year ended 30 June 2018

FY19: The financial year ended 30 June 2019

n.m. denotes not meaningful

1(b)(i) A statement of financial position (for the issuer and the group), together with a comparative statement as at the end of the immediately preceding financial year

	Group		Company	
	30.6.2019 \$'000	30.6.2018 \$'000	30.6.2019 \$'000	30.6.2018 \$'000
Non-current assets:				
Property, plant and equipment	44,284	47,063	502	433
Investments in subsidiary companies	-	-	52,615	54,351
Investment in joint venture	7,154	6,453	-	-
Intangible assets	166	341	-	-
Customer retention	-	1,139	-	-
Other receivables and deposits	15	25	-	-
Deferred tax assets	158	23	-	-
	<u>51,777</u>	<u>55,044</u>	<u>53,117</u>	<u>54,784</u>
Current assets:				
Inventories	2,107	2,790	-	-
Trade receivables	12,659	21,189	-	-
Other receivables and deposits	586	990	227	186
Prepayments	207	284	91	87
Customer retention	3,685	2,474	-	-
Amounts due from subsidiary companies - non-trade	-	-	244	776
Contract assets	9,583	2,215	-	-
Fixed deposits pledged	1,308	1,827	-	-
Cash and cash equivalents	57,871	61,135	30,277	25,449
	<u>88,006</u>	<u>92,904</u>	<u>30,839</u>	<u>26,498</u>
Current liabilities:				
Trade and other payables	14,066	21,243	390	334
Advances from customers	153	153	-	-
Supplier retention	578	537	-	-
Amounts due to subsidiary companies - trade	-	-	71	59
Contract liabilities	592	325	-	-
Provisions	3,049	3,384	-	-
Finance lease obligation - current portion	20	78	-	-
Provision for taxation	588	82	47	36
	<u>19,046</u>	<u>25,802</u>	<u>508</u>	<u>429</u>
Net current assets	<u>68,960</u>	<u>67,102</u>	<u>30,331</u>	<u>26,069</u>
Non-current liabilities:				
Deferred taxation	732	1,577	3	5
Supplier retention	-	232	-	-
Provisions, non-current portion	600	-	-	-
Finance lease obligation, non-current portion	-	20	-	-
	<u>1,332</u>	<u>1,829</u>	<u>3</u>	<u>5</u>
Net assets	<u>119,405</u>	<u>120,317</u>	<u>83,445</u>	<u>80,848</u>
Equity attributed to equity holders of the Company				
Share capital	65,403	65,403	65,403	65,403
Treasury shares	(160)	(160)	(160)	(160)
Capital reserve	1,046	1,046	1,046	1,046
Accumulated profits	52,618	53,958	17,156	14,559
Translation reserve	498	70	-	-
Total equity	<u>119,405</u>	<u>120,317</u>	<u>83,445</u>	<u>80,848</u>

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

Amount repayable in one year or less, or on demand

	As at 30.6.2019		As at 30.6.2018	
	\$'000	\$'000	\$'000	\$'000
	Secured	Unsecured	Secured	Unsecured
Finance lease liabilities	20	-	78	-

Amount repayable after one year

	As at 30.6.2019		As at 30.6.2018	
	\$'000	\$'000	\$'000	\$'000
	Secured	Unsecured	Secured	Unsecured
Finance lease liabilities	-	-	20	-

Details of any collateral

Hire purchase financing for plant and equipment.

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

Consolidated Statement of Cash Flows	Group		Group	
	4Q19 \$'000	4Q18 \$'000	FY19 \$'000	FY18 \$'000
Cash flows from operating activities:				
(Loss)/profit before taxation	(2,596)	(2,721)	56	774
Adjustments for:				
Depreciation of property, plant and equipment	1,498	1,557	6,235	6,364
Amortisation of intangible assets	36	50	168	235
Property, plant and equipment written off	-	629	-	629
Intangible assets written off	1	-	11	-
Gain on disposal of property, plant and equipment, net	(55)	(294)	(253)	(597)
Gain on disposal of intangible assets, net	-	-	(87)	-
Share of results of joint venture	(16)	248	(298)	210
Write back of provision for onerous contract	(36)	(1,441)	(36)	(1,441)
Write back of provision for warranty	(309)	(23)	(309)	(23)
Utilisation of provision for warranty	(26)	-	(26)	-
Allowance for/(write back of allowance for) doubtful debts	89	(66)	89	151
Interest income	(159)	(65)	(489)	(335)
Interest expense	3	3	11	11
Unrealised exchange (gain)/loss	(10)	(4)	(19)	39
Operating cash flows before working capital changes	(1,580)	(2,127)	5,053	6,017
<i>(Increase)/Decrease in:</i>				
Customer retention, trade and other receivables and prepayments	1,410	(1,048)	8,915	10,971
Inventories	(369)	(1,295)	683	(1,180)
Contract assets/liabilities, net	610	(1,751)	(7,065)	(1,491)
<i>Increase/(Decrease) in:</i>				
Trade and other payables, supplier retention, deferred income and advances from customers	(477)	4,660	(7,368)	(1,578)
Cash (used in)/generated from operations	(406)	(1,561)	218	12,739
Tax paid	(8)	(153)	228	(1,306)
Net cash flows (used in)/generated from operating activities	(414)	(1,714)	446	11,433
Cash flows from investing activities:				
Interest received	203	64	438	264
Purchase of property, plant and equipment	(1,021)	(235)	(2,986)	(3,391)
Purchase of intangible assets	-	(24)	(4)	(75)
Proceeds from disposal of property, plant and equipment	128	320	382	702
Proceeds from disposal of intangible assets	-	-	87	-
Net cash flows (used in)/generated from investing activities	(690)	125	(2,083)	(2,500)
Cash flows from financing activities:				
Net proceeds from issue of new shares	-	-	-	211
Repayment of finance lease obligations	(19)	(20)	(78)	(79)
Decrease/(increase) in fixed deposits pledged	380	-	519	(141)
Dividend paid	-	-	(2,057)	-
Interest paid	(3)	(3)	(11)	(11)
Net cash flows generated from/(used in) financing activities	358	(23)	(1,627)	(20)
Net (decrease)/increase in cash and cash equivalents	(746)	(1,612)	(3,264)	8,913
Cash and cash equivalents at beginning of period	58,617	62,747	61,135	52,222
Cash and cash equivalents at end of period	57,871	61,135	57,871	61,135

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

Statements of changes in equity
For period ended 30 June 2019

Group	Share capital \$'000	Treasury shares \$'000	Capital reserve \$'000	Accumulated profits \$'000	Translation reserve \$'000	Total equity \$'000
At 1 July 2017 (FRS framework)	65,112	(160)	1,126	52,393	207	118,678
Cumulative effects of adopting SFRS(I)	-	-	-	207	(207)	-
At 1 July 2017 (SFRS(I) framework)	65,112	(160)	1,126	52,600	-	118,678
Profit net of tax	-	-	-	1,358	-	1,358
Other comprehensive income for the period	-	-	-	-	70	70
Total comprehensive income for the period	-	-	-	1,358	70	1,428
<u>Contributions by and distributions to owners</u>						
Issuance of ordinary shares	291	-	(80)	-	-	211
Balance at 30 June 2018	65,403	(160)	1,046	53,958	70	120,317
At 1 July 2018	65,403	(160)	1,046	53,958	70	120,317
Loss net of tax	-	-	-	717	-	717
Other comprehensive income for the period	-	-	-	-	428	428
Total comprehensive income for the period	-	-	-	717	428	1,145
<u>Contributions by and distributions to owners</u>						
Dividend on ordinary shares	-	-	-	(2,057)	-	(2,057)
Balance at 30 June 2019	65,403	(160)	1,046	52,618	498	119,405
Company						
	Share capital \$'000	Treasury shares \$'000	Capital reserve \$'000	Accumulated profits \$'000	Total \$'000	
At 1 July 2017	65,112	(160)	1,126	7,228	73,306	
Profit net of tax	-	-	-	7,331	7,331	
Total comprehensive income for the period	-	-	-	7,331	7,331	
<u>Contributions by and distributions to owners</u>						
Issuance of ordinary shares	291	-	(80)	-	211	
Balance at 30 June 2018	65,403	(160)	1,046	14,559	80,848	
At 1 July 2018	65,403	(160)	1,046	14,559	80,848	
Profit net of tax	-	-	-	4,654	4,654	
Total comprehensive income for the period	-	-	-	4,654	4,654	
<u>Contributions by and distributions to owners</u>						
Dividend on ordinary shares	-	-	-	(2,057)	(2,057)	
Balance at 30 June 2019	65,403	(160)	1,046	17,156	83,445	

1(d)(ii) Details of any changes in the company's share capital arising from right 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 previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

Share consolidation

Following the completion of the Share Consolidation, which became effective on 25 November 2015, the total number of issued shares of the Company (excluding treasury shares) was 204,578,897 after disregarding any fractions of a consolidated share arising from the Share Consolidation.

2013 Warrants

On 14 May 2014, the Company had allotted and issued the Warrants ("2013 Warrants") pursuant to the Warrants Issue. The 200,990,250 2013 Warrants were listed and quoted on the Official List of SGX-ST on 16 May 2014. The new shares arising from the exercise of the Warrants will be listed and quoted on the Official List of SGX-ST.

Further to the completion of the above Share Consolidation, the Company has made the following adjustments to the 2013 Warrants on the same date:

- a. on the basis that two (2) 2013 Warrants will be consolidated into one (1) Consolidated 2013 Warrant.
- b. the existing exercise price of each 2013 Consolidated Warrant will be adjusted from \$0.33 to \$0.66.
- c. each Consolidated 2013 Warrant shall carry the right to receive one (1) Consolidated Share.

Since 1 July 2018, no Consolidated 2013 Warrants were exercised to acquire new shares.

As of 30 June 2018, 97,396,852 Consolidated 2013 Warrants were outstanding.

The Consolidated 2013 Warrants expired on 13 May 2019. Consequently, the remaining 97,396,852 unexercised Consolidated 2013 Warrants lapsed.

In view of the above, the changes in the Company's share capital are as follows:-

Issued and paid up capital

As at beginning of financial year
Share issued pursuant to the exercise of Warrants
At 30 June

FY19		FY18	
No of shares	\$'000	No of shares	\$'000
205,993,947	65,403	205,189,122	65,019
-	-	804,825	93
205,993,947	65,403	205,993,947	65,112
Treasury shares		Treasury shares	
As at beginning of financial year and at 30 June	320,000 160	320,000 160	
Percentage of treasury shares against total number of shares outstanding	0.16%	0.16%	
Total shares excluding treasury shares as at end of period	205,673,947 65,243	205,673,947 64,952	

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

As at 30 June 2019, the total number of issued ordinary shares (excluding treasury shares) was 205,673,947 (30 June 2018: 205,673,947).

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

Not applicable.

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

The figures have not been audited nor reviewed.

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

The Accounting Standards Council announced on 29 May 2014 that Singapore incorporated companies listed on the Singapore Exchange will apply a new financial reporting framework identical to the International Financial Reporting Standards. The Group adopted the new financial reporting framework on 1 July 2018. The adoption of the new financial reporting framework has no material impact on the financial statements in the year of initial application.

The Group has adopted the same methods of computation in the financial statements for the current financial period as those applied for the most recently audited financial statements for the year ended 30 June 2018.

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

Comparative figures have been reclassified to conform with current period's presentation.

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	
	4Q19 \$'000	4Q18 \$'000	FY19 \$'000	FY18 \$'000
(Loss)/profit attributable to ordinary equity holders of the Company (\$'000)	(1,399)	(1,388)	717	1,358
Weighted average number of ordinary shares in issue (excluding treasury shares) applicable to basic earnings per share ('000)	205,674	205,674	205,674	205,341
Weighted average number of ordinary shares in issue (excluding treasury shares) applicable to diluted earnings per share ('000)	205,674	205,674	205,674	205,577
Earnings per share -				
Basic (cents)	(0.7)	(0.7)	0.3	0.7
Fully diluted (cents)	(0.7)	(0.7)	0.3	0.7

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 period reported on and (b) immediately preceding financial year

	Group		Company	
	30.6.2019	30.6.2018	30.6.2019	30.6.2018
Net asset value (\$'000)	119,405	120,317	83,445	80,848
Number of ordinary shares in issue (excluding treasury shares) at end of quarter ('000)	205,674	205,674	205,674	205,674
Net asset value per ordinary share based on the number of shares in issue (excluding treasury shares) at end of period (cents)	58.1	58.5	40.6	39.3

- 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

Review of Financial Results

Results for financial year and fourth quarter ended 30 June 2019

Revenue

Revenue for FY19 decreased by 5.7% to \$82.7 million compared to \$87.7 million recorded in FY18 mainly due to lower project and maintenance revenue.

Quarter-on-quarter, revenue decreased by \$4.2 million to \$15.2 million in 4Q19 due to lower project and maintenance revenue.

Cost of sales

For FY19, cost of sales increased marginally to \$50.8 million notwithstanding the lower revenue in FY19 mainly due to higher manpower related and material costs.

Quarter-on-quarter, cost of sales decreased by \$1.9 million to \$11.2 million in 4Q19 as compared to \$13.1 million in 4Q18 in tandem with the decrease in lower revenue in 4Q19 compared to 4Q18.

Other income

Other income comprise mainly of interest income, miscellaneous income earned from non-core businesses, safety and performance incentives, gain on disposal of property, plant and equipment as well as government grant, jobs credit grant and special employment credit. The amount of other income for FY19 and 4Q19 was \$1.4 million and \$0.3 million respectively. The decrease of approximately \$0.4 million and \$0.2 million respectively compared to FY18 and 4Q18 was mainly due to lower net gain on disposal of property, plant and equipment, partially offset by higher interest income.

Operating expenses

Operating expenses consist of distribution and selling expenses, administrative expenses and other operating expenses, including depreciation, amortisation and exchange differences.

Total operating expenses decreased \$4.5 million from \$38.0 million in FY18 to \$33.5 million in FY19 mainly due to lower personnel related costs as well as absence of property, plant and equipment written off expenses in FY19.

For 4Q19, total operating expenses decreased \$2.4 million from \$9.3 million in 4Q18 to \$6.9 million due to the same reasons as above.

Taxation

The tax credit recorded in 4Q19 and FY19 is mainly due to write-back of overprovision of tax for prior years.

Profit attributable to equity holders of the Company

The profit attributable to equity holders for FY19 decreased by \$0.6 million to \$0.7 million compared to FY18.

Quarter-on-quarter, the loss attributable to equity holders for 4Q19 remained comparable to 4Q18 at a loss of \$1.4 million.

Review of Financial Position

Non-current assets

Non-current assets of the Group decreased from \$55.0 million as at 30 June 2018 to \$51.8 million as at 30 June 2019 mainly due to the effects of depreciation of property, plant and equipment and reclassification of customer retention to current assets.

Current assets

Current assets decreased by \$4.9 million, from \$92.9 million as at 30 June 2018 to \$88.0 million as at 30 June 2019. The decrease was due to decrease in trade receivables and cash and cash equivalents, which was partially offset by increase in customer retention and contract assets.

Current liabilities

Current liabilities comprise of payables to suppliers of materials and equipment and subcontractors, other payables, advances from customers, provision for warranty as well as tax provision. Current liabilities decreased by \$6.8 million, from \$25.8 million as at 30 June 2018 to \$19.0 million as at 30 June 2019 mainly due to decrease in trade and other payables.

Non-current liabilities

Non-current liabilities decreased from \$1.8 million as at 30 June 2018 to \$1.3 million as at 30 June 2019 mainly due to lower deferred tax liabilities as at 30 June 2019, which was partially offset by provision for costs that are not expected to be paid within 12 months from 30 June 2019.

Utilisation of Warrant Issue Proceeds

2013 Warrants

On 16 May 2014, the Company had allotted and issued 200,990,250 2013 Warrants and raised net proceeds of \$13,000 for general working capital. The amount was applied in accordance with the announcement dated 9 May 2014.

From 16 May 2014 to the expiration date on 13 May 2019, 6,196,359 2013 Warrants were exercised for 6,196,359 new shares. The Company raised net proceeds of approximately \$2.0 million, which was used to acquire property, plant and equipment for business expansion.

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

The actual results are in line with the profit guidance announcement made on 16 August 2019.

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

The oil and gas industry remains weak and recovery is not expected to be immediately forthcoming. The Group will continue to judiciously control operating cost and capital investments, whilst it works towards securing new contracts.

11 Dividend

(a) Current financial period reported on

Any dividend declared for the current financial period reported on?

Final dividends

Name of Dividend	Final
Dividend Type	Cash
Dividend Rate	1 cent per ordinary share (one-tier tax exempt, out of accumulated profits)

Special dividends

Name of Dividend	Special
Dividend Type	Cash
Dividend Rate	1 cent per ordinary share (one-tier tax exempt, out of accumulated profits)

(b) Corresponding period of the immediately preceding financial year

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

None

(c) Date payable

To be advised

(d) Books closure date

To be advised

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

Not applicable

13 If the Group has obtained a general mandate from shareholders for Interested Persons Transactions ("IPT"), 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

No IPT mandate has been obtained.

14 Confirmation of Undertakings from Directors and Executive Officers pursuant to Rule 720(1) of the Listing Manual

The Company has procured undertakings in the format set out in Appendix 7.7 collectively from all its directors and executive officers under Rule 720(1) of the Listing Manual.

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

(a) By business segments

<u>Revenue by business segment</u>	Project and Maintenance Services		Contact Centre Services		Elimination		Group FY19 \$'000	Group FY18 \$'000
	Group FY19 \$'000	Group FY18 \$'000	Group FY19 \$'000	Group FY18 \$'000	Group FY19 \$'000	Group FY18 \$'000		
	<u>Revenue</u>							
External customers	75,280	78,906	7,421	8,784	-	-	82,701	87,690
Inter-segment	42,414	40,395	40	40	(42,454)	(40,435)	-	-
	<u>117,694</u>	<u>119,301</u>	<u>7,461</u>	<u>8,824</u>	<u>(42,454)</u>	<u>(40,435)</u>	<u>82,701</u>	<u>87,690</u>
<u>Results</u>								
Interest income	477	304	12	31	-	-	489	335
Depreciation and amortisation	5,880	5,958	523	641	-	-	6,403	6,599
Segment profit before tax	(901)	(1,052)	1,093	2,036	(136)	(210)	56	774
<u>Assets</u>								
Additions to non-current assets	3,452	3,394	134	-	-	-	3,586	3,394
Segment assets	223,496	230,746	8,374	9,433	(92,245)	(92,254)	139,625	147,925
<u>Segment liabilities</u>	78,911	85,738	1,453	1,150	(61,306)	(60,916)	19,058	25,972

(b) by geographical segments

	Revenue		Non-current assets	
	Group FY19 \$'000	Group FY18 \$'000	Group FY19 \$'000	Group FY18 \$'000
	Singapore	82,701	81,872	44,450
Others	-	5,818	-	-
Total	<u>82,701</u>	<u>87,690</u>	<u>44,450</u>	<u>47,404</u>

16 In the review of performance, the factors leading to any material changes in the contribution to turnover and earning by business or geo segments

Project Services and Maintenance Services segments have been combined into a single segment, namely Project and Maintenance Services segment as the management and oversight of these segments become increasingly integrated for greater operational efficiency and effectiveness.

Project and Maintenance Services segment turnover decreased from \$119.3 million in FY18 to \$117.7 million in FY19 mainly due to lesser work from on-going contracts. Turnover for Contact Centre Services segment decreased from \$8.8 million to \$7.5 million due to reduction in scope and completion of contract that ended in FY19.

Profit before tax for Project and Maintenance Services segment remained comparable at loss before tax of approximately \$1 million. Profit before tax for Contact Centre Services segment decreased from \$2.0 million in FY18 to \$1.1 million in FY19 in tandem with lower turnover in FY19.

17 A breakdown of sales

	Group		Change %
	Group FY19 \$'000	Group FY18 \$'000	
Sales reported for first half year	49,228	48,887	0.7
Operating profit after tax before deducting minority interest for first half year	1,347	4,236	(68.2)
Sales reported for second half year	33,473	38,803	(13.7)
Operating profit after tax before deducting minority interest for second half year	(630)	(2,878)	(78.1)

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

	Group	
	Group FY19 \$'000	Group FY18 \$'000
Ordinary	2,057	-

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

Name	Age	Family relationship with any director and/or chief executive officer 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
Cheng Buck Poh @ Chng Bok Poh	76	Mr Cheng Yao Tong, Ms Cheng Li Hui and Ms Cheng Li Chen are the children of Mr Cheng Buck Poh @ Chng Bok Poh, Executive Chairman and Substantial Shareholder of the Company.	Executive Chairman 1998 Responsible for charting and reviewing corporate directions and strategies for the Group and subsidiaries.	N.A.
Cheng Yao Tong	37	Son of Mr Cheng Buck Poh @ Chng Bok Poh, Executive Chairman and Substantial Shareholder of the Company and Mdm Goo Guik Bing @ Goh Guik Bing, Substantial Shareholder of the Company.	Chief Executive Officer and Executive Director 2012 Responsible for overseeing management and development of the Group's businesses, locally and overseas, and is also responsible for sales and marketing for the Group's businesses.	N.A.
Cheng Li Chen	45	Daughter of Mr Cheng Buck Poh @ Chng Bok Poh, Executive Chairman and Substantial Shareholder of the Company and Mdm Goo Guik Bing @ Goh Guik Bing, Substantial Shareholder of the Company.	Non-Executive Director 2012 Provide oversight & value added input to strategy and strategic development	N.A.
Cheng Li Hui	43	Daughter of Mr Cheng Buck Poh @ Chng Bok Poh, Executive Chairman and Substantial Shareholder of the Company and Mdm Goo Guik Bing @ Goh Guik Bing, Substantial Shareholder of the Company.	Non-Executive Director 2018 Provide oversight & value added input to strategy and strategic development	N.A.
Cheng Wee Ling	40	Daughter of Mr Cheng Buck Poh @ Chng Bok Poh, Executive Chairman and Substantial Shareholder of the Company and Mdm Goo Guik Bing @ Goh Guik Bing, Substantial Shareholder of the Company.	Managing Director of Tele-centre Services Pte. Ltd. ("Tele-centre") 2014 Responsible for overseeing management and development, as well as the daily operations of Tele-centre	N.A.

BY THE ORDER OF THE BOARD

Cheng Yao Tong
Chief Executive Officer
26 August 2019