

Issuer & Securities

Issuer/ Manager

TAT SENG PACKAGING GROUP LTD

FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::FULL YEARLY RESULTS

TAT SENG PACKAGING GROUP LTD - SG1K31894969 - T12

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No

Announcement Details

Announcement Title

Financial Statements and Related Announcement

Date & Time of Broadcast

27-Feb-2020 18:54:24

Status

New

Announcement Sub Title

Full Yearly Results

Announcement Reference

SG200227OTHR3LOG

Submitted By (Co./ Ind. Name)

Siau Kuei Lian

Designation

Company Secretary

Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)

Please refer to the attachment.

Additional Details

For Financial Period Ended

31/12/2019

Attachments



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Total size =408K MB

Financial Statements For The Year Ended 31 December 2019
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

	The Group		Change %
	Year ended 31-Dec-19 \$'000	Year ended 31-Dec-18 \$'000	
Revenue	288,618	333,325	-13.4%
Cost of sales	(237,043)	(272,810)	-13.1%
Gross profit	51,575	60,515	-14.8%
Other income	2,657	2,995	-11.3%
Distribution and selling expenses	(15,963)	(15,495)	3.0%
General and administrative expenses	(16,673)	(19,311)	-13.7%
Other expenses	(310)	(1,097)	-71.7%
Finance costs	(2,303)	(1,694)	36.0%
Profit before tax	18,983	25,913	-26.7%
Tax expense	(4,127)	(4,784)	-13.7%
Profit for the year	14,856	21,129	-29.7%
Profit attributable to:			
Owners of the Company	14,336	19,337	-25.9%
Non-controlling interests	520	1,792	-71.0%
Profit for the year	14,856	21,129	
Consolidated Statement of Comprehensive Income			
Profit for the year	14,856	21,129	-29.7%
Other comprehensive income:			
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences	(3,447)	(3,395)	1.5%
Effective portion of changes in fair value of cash flow hedges	10	17	-41.2%
Other comprehensive income for the year, net of tax	(3,437)	(3,378)	1.7%
Total comprehensive income for the year	11,419	17,751	-35.7%
Total comprehensive income attributable to:			
Owners of the Company	11,175	16,256	-31.3%
Non-controlling interests	244	1,495	-83.7%
Total comprehensive income for the year	11,419	17,751	
Note on profit before tax			
Profit before tax is determined after charging/(crediting) the following:			
Interest income from fixed deposit and others	(452)	(383)	
Interest expense on loans and borrowings	2,122	1,489	
Depreciation of property, plant and equipment	10,095	6,941	
Impairment loss on property, plant and equipment	6	738	
Property, plant and equipment written off	20	90	
(Gain)/loss on disposal of property, plant and equipment (net)	(93)	53	
Amortisation of intangible assets	3	3	
Allowances/(reversal of allowance) made for impairment losses of trade and other receivables (net)	46	(159)	
Allowances/(reversal of allowance) made for impairment loss for inventories (net)	5	(292)	
Gain on foreign exchange (net)	(99)	(844)	
Taxation			
Current year income tax	3,530	4,968	
(Over)/under provision of tax in respect of prior years	(719)	226	
Current year deferred tax	1,156	(354)	
Under/(over) provision of deferred tax in respect of prior years	155	(56)	
Changes in tax rates	5	-	
	4,127	4,784	

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

	The Group		The Company	
	As at 31-Dec-19 \$'000	As at 31-Dec-18 \$'000	As at 31-Dec-19 \$'000	As at 31-Dec-18 \$'000
Non-current assets				
Property, plant and equipment	88,978	86,331	4,966	2,214
Investment in subsidiaries	-	-	28,985	28,507
Intangible assets	1,072	1,106	9	12
Deferred tax assets	3,726	3,647	2,080	2,375
Trade and other receivables	534	-	-	-
	94,310	91,084	36,040	33,108
Current assets				
Inventories	22,365	26,151	85	101
Trade and other receivables	96,230	126,317	4,575	7,486
Cash and cash equivalents	51,842	59,492	11,251	1,292
	170,437	211,960	15,911	8,879
Current liabilities				
Trade and other payables	53,254	73,144	4,751	6,105
Lease liabilities	1,856	-	1,696	-
Loans and borrowings	42,905	68,678	-	13
Deferred income	297	200	4	5
Current tax payable	339	793	-	-
	98,651	142,815	6,451	6,123
Net current assets	71,786	69,145	9,460	2,756
Non-current liabilities				
Deferred income	2,128	1,434	23	27
Lease liabilities	3,271	-	2,641	-
Loans and borrowings	14,572	18,491	-	-
Deferred tax liabilities	2,968	1,530	-	-
	22,939	21,455	2,664	27
Net assets	143,157	138,774	42,836	35,837
Equity attributable to owners of the Company				
Share capital	31,440	31,440	31,440	31,440
Retained earnings	94,239	86,497	11,396	4,397
Capital reserve	3,566	3,566	-	-
Statutory reserve fund	12,567	11,710	-	-
Hedging reserve	-	(10)	-	-
Foreign currency translation reserve	(7,728)	(4,557)	-	-
	134,084	128,646	42,836	35,837
Non-controlling interests	9,073	10,128	-	-
Total equity	143,157	138,774	42,836	35,837

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

	As at 31/12/2019		As at 31/12/2018	
	Secured	Unsecured	Secured	Unsecured
Amount repayable in one year or less, or on demand	34,927	7,978	46,309	22,369
Amount repayable after one year	14,572	-	18,491	-

Details of any collateral

The Group's loans and borrowings are secured by certain property, plant and equipment with net book value of approximately S\$49.1 million (2018: S\$49.2 million) and cash and cash equivalents amounting to S\$9.2 million (2018: S\$11.0 million).

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

CONSOLIDATED STATEMENT OF CASH FLOW

	The Group	
	Year ended 31-Dec-19 \$'000	Year ended 31-Dec-18 \$'000
Cash flows from operating activities		
Profit before tax	18,983	25,913
Adjustments for:		
Amortisation of deferred income	(295)	(181)
Depreciation of property, plant and equipment	10,095	6,941
Impairment loss on property, plant and equipment	6	738
Property, plant and equipment written off	20	90
Net (gain)/loss on disposal of property, plant and equipment	(93)	53
Amortisation of intangible assets	3	3
Allowances/(reversal of allowance) made for impairment losses of trade and other receivables (net)	46	(159)
Allowances/(reversal of allowance) made for impairment loss for inventories (net)	5	(292)
Interest expense	2,122	1,489
Interest income	(452)	(383)
Net effect of exchange differences	(47)	146
	30,393	34,358
Changes in:		
- Inventories	3,240	(617)
- Trade and other receivables	26,837	3,473
- Trade and other payables	(16,743)	(2,451)
Cash generated from operations	43,727	34,763
Interest paid	(2,122)	(1,490)
Taxes paid (net)	(3,253)	(5,602)
Net cash from operating activities	38,352	27,671
Cash flows from investing activities		
Interest received	430	383
Acquisition of property, plant and equipment	(10,109)	(30,439)
Proceeds from disposal of property, plant and equipment	486	190
Net cash used in investing activities	(9,193)	(29,866)
Cash flows from financing activities		
Proceeds from loans and borrowings	108,529	145,772
Repayment of loans and borrowings	(136,381)	(117,537)
Payment of lease liabilities	(1,716)	-
Increase in pledged deposit	1,488	1,557
Dividends paid	(4,716)	(4,716)
Dividend paid to non-controlling interests	(1,299)	(236)
Net cash (used in)/from financing activities	(34,095)	24,840
Net (decrease)/increase in cash and cash equivalents	(4,936)	22,645
Cash and cash equivalents at 1 January	48,490	27,129
Effect of exchange rate fluctuations on cash held	(950)	(1,284)
Cash and cash equivalents at 31 December	42,604	48,490
Cash and cash equivalents at end of year comprise of:-		
Fixed deposits	9,000	-
Cash and bank balances	42,842	59,492
Cash and bank balances pledged as security for bills payable	(9,238)	(11,002)
	42,604	48,490

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	Capital reserve	Statutory reserve fund	Hedging reserve	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interests	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group									
At 1/1/2018	31,440	3,566	10,539	(27)	(1,459)	73,047	117,106	8,869	125,975
Total comprehensive income for the year									
Profit for the year	-	-	-	-	-	19,337	19,337	1,792	21,129
Other comprehensive income									
Foreign currency translation differences	-	-	-	-	(3,098)	-	(3,098)	(297)	(3,395)
Effective portion of changes in fair value of cash flow hedges	-	-	-	17	-	-	17	-	17
Total comprehensive income for the year	-	-	-	17	(3,098)	19,337	16,256	1,495	17,751
Transaction with owners of the Company, recognised directly in equity									
Contributions by and distributions to owners of the Company									
Dividends to owners of the Company	-	-	-	-	-	(4,716)	(4,716)	(236)	(4,952)
Transfer to reserve fund	-	-	1,171	-	-	(1,171)	-	-	-
Total contributions by and distributions to owners	-	-	1,171	-	-	(5,887)	(4,716)	(236)	(4,952)
Total transactions with owners	-	-	1,171	-	-	(5,887)	(4,716)	(236)	(4,952)
At 31/12/2018	31,440	3,566	11,710	(10)	(4,557)	86,497	128,646	10,128	138,774
At 1/1/2019	31,440	3,566	11,710	(10)	(4,557)	86,497	128,646	10,128	138,774
Effect on adoption of SFRS(I) 16	-	-	-	-	-	(1,021)	(1,021)	-	(1,021)
At 1/1/2019, as restated	31,440	3,566	11,710	(10)	(4,557)	85,476	127,625	10,128	137,753
Total comprehensive income for the year									
Profit for the year	-	-	-	-	-	14,336	14,336	520	14,856
Other comprehensive income									
Foreign currency translation differences	-	-	-	-	(3,171)	-	(3,171)	(276)	(3,447)
Effective portion of changes in fair value of cash flow hedges	-	-	-	10	-	-	10	-	10
Total comprehensive income for the year	-	-	-	10	(3,171)	14,336	11,175	244	11,419
Transaction with owners of the Company, recognised directly in equity									
Contributions by and distributions to owners of the Company									
Dividends to owners of the Company	-	-	-	-	-	(4,716)	(4,716)	(1,299)	(6,015)
Transfer to reserve fund	-	-	857	-	-	(857)	-	-	-
Total contributions by and distributions to owners	-	-	857	-	-	(5,573)	(4,716)	(1,299)	(6,015)
Total transactions with owners	-	-	857	-	-	(5,573)	(4,716)	(1,299)	(6,015)
At 31/12/2019	31,440	3,566	12,567	-	(7,728)	94,239	134,084	9,073	143,157

	Share capital	Retained earnings	Total Equity
	\$'000	\$'000	\$'000
Company			
At 1/1/2018	31,440	4,825	36,265
Total comprehensive income for the year			
Profit for the year	-	4,288	4,288
Total comprehensive income for the year	-	4,288	4,288
Transactions with owners, recognised directly in equity			
Dividends to owners of the Company	-	(4,716)	(4,716)
Total contributions by and distributions to owners / Total transactions with owners	-	(4,716)	(4,716)
At 31/12/2018	31,440	4,397	35,837
At 1/1/2019	31,440	4,397	35,837
Effect on adoption of SFRS(I) 16	-	(1,021)	(1,021)
At 1/1/2019, as restated	31,440	3,376	34,816
Total comprehensive income for the year			
Profit for the year	-	12,736	12,736
Total comprehensive income for the year	-	12,736	12,736
Transactions with owners, recognised directly in equity			
Dividends to owners of the Company	-	(4,716)	(4,716)
Total contributions by and distributions to owners / Total transactions with owners	-	(4,716)	(4,716)
At 31/12/2019	31,440	11,396	42,836

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buybacks, 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.

Since the end of 31 December 2018, there has been no change in the Company's share capital arising from rights issue, bonus issue, subdivision, consolidation, shares buy-back, 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.

There were also no outstanding convertibles for which shares may be issued. Neither was there any treasury shares being transferred, transacted, cancelled or held by the Company during or as at the end of the current financial year and the previous financial year.

There were no subsidiary holdings during or as at the end of the current financial year and the previous financial year.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 31/12/2019	As at 31/12/2018
Total number of issued shares	157,200,000	157,200,000

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

Not applicable

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

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

The figures have neither been audited nor reviewed by auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of matter)

Not applicable.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-

(a) Updates on the efforts taken to resolve each outstanding audit issues

Not applicable.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed

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 preparation of the financial statements for the current reporting year compared with those of the audited financial statements for the year ended 31 December 2018.

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as that of the audited financial statements for the year ended 31 December 2018, except for the adoption of new/revised SFRS(I) applicable for the financial period beginning 1 January 2019 as follows:

SFRS(I) 16: Leases

SFRS(I) 16 introduces a single, on-balance sheet lease accounting model for lessees. The adoption of SFRS(I) 16 results in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Exceptions to this standard are short-term and low-value leases. The accounting for lessors was not changed significantly.

Under the standard, an asset ("ROU asset") and lease liabilities are recognised in the statement of financial position and depreciation charge on the ROU assets and interest expenses on the lease liabilities are recognised in the income statement.

The Group applied SFRS(I) 16 on 1 January 2019, using the modified retrospective approach. The cumulative effect of adopting SFRS(I) 16 is recognised as an adjustment to the opening balance of retained earnings at 1 January 2019, with no restatement of comparative information. The Group applied the practical expedient to grandfather the definition of a lease on transition. SFRS(I) 16 will be applied to lease contracts entered before 1 January 2019 and are identified as leases in accordance with SFRS(I) 1-17 and SFRS(I) INT 4.

The adoption of SFRS(I) 16 resulted in adjustments to the statement of financial position of the Group as at 1 January 2019. The differences from the statement of financial position as previously reported at 31 December 2018 are as follows:

Statement of financial position as at 1 January 2019

	Group Increase/ (Decrease) \$'000
Property, plant and equipment	4,881
Trade and other receivables	(70)
Trade and other payables	726
Lease liabilities	(6,558)
Net assets	<u>(1,021)</u>
Retained earnings	<u>(1,021)</u>
Total equity	<u>(1,021)</u>

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

	<u>31-Dec-19</u>	<u>31-Dec-18</u>
Basic and diluted earnings per ordinary share (in cents)	9.12	12.30

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued share excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	The Group		The Company	
	<u>31-Dec-19</u>	<u>31-Dec-18</u>	<u>31-Dec-19</u>	<u>31-Dec-18</u>
Net asset value per ordinary share based on no. of ordinary share of the Company (in cents)	85.30	81.84	27.25	22.80

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

The Group recorded revenue of S\$288.6 million in FY2019, a decrease of 13.4% or S\$44.7 million as compared to S\$333.3 million in FY2018.

Total revenue achieved by the Singapore entities in FY2019 increased by 4.0% or S\$1.8 million from S\$45.0 million in FY2018, mainly attributable to higher demand from its customers.

Total revenue of China's operations reduced by 16.1% or S\$46.5 million in the Group's reporting currency in FY2019 mainly due to competitive selling prices and partially attributable to weakening of Renminbi ("RMB") against Singapore Dollars ("SGD") as compared to FY2018. However, total sales volume (sqm) of China's operations increased by 3.2% as compared to FY2018.

The Group's gross profit reduced by 14.8% or S\$8.9 million to S\$51.6 million in FY2019 mainly due to reduction of Group's revenue.

Other income decreased by S\$0.3 million as compared to FY2018 mainly due to reduction of net exchange gain by S\$0.7 million. However, it was partially offset by one-off insurance compensation and amortisation of deferred income by S\$0.2 million and S\$0.1 million respectively.

Distribution and selling expenses increased by S\$0.5 million or 3.0% mainly due to a moderate increase in delivery costs driven by increase in volume.

General and administrative expenses decreased by S\$2.6 million mainly due to reduction in provision of social and pension fund with reduced contribution rate for China's subsidiaries and lower provision of incentives bonus of Senior Management as a result of lower PBT achieved for FY2019 as compared to FY2018.

Other expenses decreased by S\$0.8 million mainly due to reduction of impairment losses on property, plant and equipment as compared to FY2018 .

Finance costs increased by S\$0.6 million mainly due to financing for the capital expenditure of new plant of Nantong Tat Seng Packaging Co., Ltd. ("Nantong Tat Seng") and partly attributed to the finance cost from the lease liabilities arising from the adoption of SFRS(I) 16 as compared to FY2018.

As a result, the net profit attributable to owners of the Company decreased by 25.9% or S\$5.0 million in FY2019 as compared to FY2018.

(b) 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 financial position

The Group's inventories decreased by S\$3.8 million mainly due to the decrease of raw material prices.

Current trade and other receivables decreased by S\$30.1 million mainly due to better collection from customers and reduction in revenue.

Trade and other payables decreased by S\$19.9 million as compared to 31 December 2018 mainly due to the reduction of raw material prices and partly attributable to lower provision of social and pension fund contribution of China's subsidiaries and incentives bonus of Senior Management.

Short term loans and borrowings decreased by S\$25.8 million mainly due to repayment of bank loans.

Long term lease liabilities increased by S\$3.3 million due to the adoption of the SFRS(I) 16 from 1 January 2019.

Foreign currency translation reserve reduced by S\$3.2 million due to the weakening of RMB against SGD.

Consolidated statement of cash flow

The net cash from operating activities of \$38.4 million was mainly due to operating profit before working capital changes and lower working capital requirements.

The net cash used in investing activities of \$9.2 million was mainly due to purchase of property, plant and equipment.

The net cash used in financing activities of \$34.1 million was mainly due to higher repayment on borrowings.

As a result of the above activities and couple with unfavourable effect of exchange rate fluctuations on cash held by China subsidiaries of S\$1.0m, the Group cash and cash equivalents excluding bank balances pledged as security decreased by S\$5.9 million to S\$42.6 million.

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

No forecast was provided previously .

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

Whilst the ongoing trade dispute between the US and China may affect the business environment in China, Singapore's business environment may experience challenges on the back of the weakened manufacturing sector and rise in raw material costs due to weakening in SGD against USD. The fluctuations in raw material prices may also impact our results.

The recent outbreak of the COVID-19 may affect both market conditions in Singapore and China, it is premature at this stage to ascertain the extent of the impact of the COVID-19. Meanwhile, the Group will continue to monitor the evolving situation closely, take all necessary precautionary measures to safeguard the health and safety of its employees and comply with directives from the relevant local authorities.

The Group will continue to execute its strategy to improve operational efficiencies, mitigate risks from market fluctuations, so as to ensure that it remains competitive.

11. Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial year reported on Yes

Name of Dividend	Interim Ordinary	Final
Dividend Type	Cash; Tax exempt (1-tier) dividend	Cash; Tax exempt (1-tier) dividend
Dividend Amount Per Share	S\$0.01 per ordinary share	S\$0.01 per ordinary share
Tax Rate	Exempt (1-tier)	Exempt (1-tier)
Date Paid	Paid on 27/09/2019	To be approved by shareholders at the forthcoming AGM

(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	Interim Ordinary	Final
Dividend Type	Cash; Tax exempt (1-tier) dividend	Cash; Tax exempt (1-tier) dividend
Dividend Amount Per Share	S\$0.01 per ordinary share	S\$0.02 per ordinary share
Tax Rate	Exempt (1-tier)	Exempt (1-tier)
Date Paid	Paid on 28/9/2018	Paid on 24/5/2019

(c) Date payable To be announced later

(d) Record date To be announced later

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 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 Company has not obtained a general mandate from shareholders for Interested Person Transactions. There were no Interested Person Transactions for the period under review.

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 from all its directors and executive officers under Rule 720(1) of the Listing Manual.

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

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

	2019			2018		
	Singapore \$'000	PRC \$'000	Group \$'000	Singapore \$'000	PRC \$'000	Group \$'000
Turnover	46,846	241,772	288,618	45,043	288,282	333,325
Segment results	1,203	20,083	21,286	(2,302)	29,909	27,607
Finance cost			(2,303)			(1,694)
Taxation			(4,127)			(4,784)
Net profit for the year			14,856			21,129
Segment assets	39,771	221,250	261,021	27,258	272,139	299,397
Unallocated assets			3,726			3,647
Total assets			264,747			303,044
Segment liabilities	13,535	104,748	118,283	10,108	151,839	161,947
Unallocated liabilities			3,307			2,323
Total liabilities			121,590			164,270
Other segment information:						
Amortisation of intangible assets	3	-	3	3	-	3
Capital expenditure	2,141	8,320	10,461	2,977	27,640	30,617
Impairment loss on property, plant and equipment	-	6	6	-	738	738
Depreciation	2,967	7,128	10,095	1,421	5,520	6,941

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

Please refer to item no. 8 above.

17. A breakdown of sales

	2019 \$'000	2018 \$'000	% increase/ (decrease)
Sales reported for first half year	141,560	163,205	-13.3%
Profit after tax reported for first half year	4,974	11,015	-54.8%
Sales reported for second half year	147,058	170,120	-13.6%
Profit after tax reported for second half year	9,882	10,114	-2.3%

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

	2019 \$'000	2018 \$'000
Interim cash dividend	1,572	1,572
Final cash dividend	1,572*	3,144
Total annual dividend	3,144	4,716

* To be approved by shareholders at the forthcoming AGM

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

There are no persons occupying managerial positions in the Company or any of its principal subsidiaries who are a relative to a Director, Chief Executive Officer or Substantial Shareholder of the Company

BY ORDER OF THE BOARD

Loh See Moon
Managing Director
27 February 2020