



**SINJIA LAND LIMITED**  
**FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND**  
**ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31**  
**DECEMBER 2018 (UNAUDITED)**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 and 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**

S\$'000	12 month ended 31.12.2018 <u>(Unaudited)</u>	12 month ended 31.12.2017 <u>(Audited)</u>
<b><u>Continuing operations</u></b>		
Revenue	526	474
Cost of sales	<u>(547)</u>	<u>(397)</u>
Gross (loss)/profit	(21)	77
Other income	40	7
Other credits	720	1,190
Expenses		
- Distribution and marketing	(7)	(8)
- Administrative	(2,050)	(2,100)
- Finance	(8)	(23)
- Other charges	<u>(2,063)</u>	<u>(4,387)</u>
Loss before tax	(3,389)	(5,244)
Income tax expense	-	(3)
<b>Loss from continuing operations</b>	<u>(3,389)</u>	<u>(5,247)</u>
<b><u>Discontinued operations</u></b>		
Loss from discontinued operations, net of tax	-	(3,618)
<b>Total loss</b>	<u>(3,389)</u>	<u>(8,865)</u>
<b>Other comprehensive loss, net of tax:</b>		
Items that may be reclassified subsequently to profit or loss:		
Available-for-sale financial assets		
- Fair value losses	-	(2,232)
Currency translation differences arising from consolidation		
- Losses	-	(123)
- Reclassification	-	1,701
Reclassification of defined benefit obligation	-	74
Items that will not be reclassified subsequently to profit or loss:		
Financial assets, at FVOCI		
- Fair value losses - equity instrument	(262)	-
Re-measurement of defined benefit obligation	-	(35)
<b>Other comprehensive loss, net of tax</b>	<u>(262)</u>	<u>(615)</u>
<b>Total comprehensive loss</b>	<u>(3,651)</u>	<u>(9,480)</u>
<b>Loss attributable to:</b>		
Equity holders of the Company	(3,549)	(7,662)
Non-controlling interests	160	(1,203)
	<u>(3,389)</u>	<u>(8,865)</u>
<b>Loss attributable to equity holders of the Company relates to:</b>		
Loss from continuing operations	(3,549)	(4,044)
Loss from discontinued operations	-	(3,618)
	<u>(3,549)</u>	<u>(7,662)</u>
<b>Total comprehensive loss attributable to:</b>		
Equity holders of the Company	(3,811)	(8,277)
Non-controlling interests	160	(1,203)
	<u>(3,651)</u>	<u>(9,480)</u>
<b>(Loss)/earnings per share for loss attributable to equity holders of the Company</b>		
	<u>Cents</u>	
<b>Basic and diluted loss per share</b>		
From continuing operations	(2.00)	(2.42)
From discontinued operations	-	(2.17)

NM – not meaningful

**Loss from continuing operations, net of income tax is arrived at after (charging)/crediting the following:**

S\$'000	12 month ended 31.12.2018 <u>(Unaudited)</u>	12 month ended 31.12.2017 <u>(Audited)</u>
Depreciation of plant and equipment	(26)	(93)
Foreign exchange adjustment gain	265	99
Loss on liquidation of subsidiary	(1,301)	-
Allowance for impairment on goodwill	-	(758)
Rental income	102	85
Reversal / (allowance) of impairment on plant and equipment	-	(2,469)
Gain on realisation of convertible loan note	-	996
Fair value loss on financial assets, at fair value through profit or loss	(754)	(269)
Write back/(Write off) of trade and other receivables	22	(780)
Fair value adjustment on non-current receivables	-	(91)
Others	-	10

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**

(In S\$'000)

	<u>Group</u>		<u>Company</u>	
	<u>31.12.2018</u> (Unaudited)	<u>31.12.2017</u> (Audited)	<u>31.12.2018</u> (Unaudited)	<u>31.12.2017</u> (Audited)
<b>ASSETS</b>				
<b>Current assets</b>				
Trade and other receivables	2,912	682	3,074	686
Other current assets	202	152	66	65
Financial assets, at fair value through profit or loss	1,028	1,782	1,028	1,782
Cash and cash equivalents	<u>3,823</u>	<u>5,939</u>	<u>3,705</u>	<u>5,793</u>
	7,965	8,555	7,873	8,326
Assets of disposal group classified as held-for-sale	<u>792</u>	<u>792</u>	<u>853</u>	<u>853</u>
	<u>8,757</u>	<u>9,347</u>	<u>8,726</u>	<u>9,179</u>
<b>Non-current assets</b>				
Financial assets at fair value through other comprehensive income	11,245	-	11,245	-
Available-for-sale financial assets	-	11,507	-	11,507
Other receivables	-	2,356	-	2,356
Investments in subsidiary corporations	-	-	4,091	4,091
Plant and equipment	16	39	8	32
Investment property	<u>2,540</u>	<u>2,540</u>	<u>2,540</u>	<u>2,540</u>
	<u>13,801</u>	<u>16,442</u>	<u>17,884</u>	<u>20,526</u>
<b>Total assets</b>	<b><u>22,558</u></b>	<b><u>25,789</u></b>	<b><u>26,610</u></b>	<b><u>29,705</u></b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	10,703	12,281	10,641	10,973
Current income tax liabilities	-	-	-	-
Borrowings	<u>44</u>	<u>99</u>	<u>4,175</u>	<u>4,132</u>
	<u>10,747</u>	<u>12,380</u>	<u>14,816</u>	<u>15,105</u>
<b>Non-current liabilities</b>				
Borrowings	<u>135</u>	<u>179</u>	<u>135</u>	<u>179</u>
	<u>135</u>	<u>179</u>	<u>135</u>	<u>179</u>
<b>Total liabilities</b>	<b><u>10,882</u></b>	<b><u>12,559</u></b>	<b><u>14,951</u></b>	<b><u>15,284</u></b>
<b>EQUITY</b>				
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital	25,247	25,247	25,247	25,247
Treasury shares	(2,602)	(2,602)	(2,602)	(2,602)
Accumulated losses	(11,741)	(8,192)	(11,626)	(9,126)
Other reserves	<u>640</u>	<u>902</u>	<u>640</u>	<u>902</u>
	<u>11,544</u>	<u>15,355</u>	<u>11,659</u>	<u>14,421</u>
<b>Non-controlling interests</b>	<u>132</u>	<u>(2,125)</u>	<u>-</u>	<u>-</u>
<b>Total equity</b>	<b><u>11,676</u></b>	<b><u>13,230</u></b>	<b><u>11,659</u></b>	<b><u>14,421</u></b>
<b>Total equity and liabilities</b>	<b><u>22,558</u></b>	<b><u>25,789</u></b>	<b><u>26,610</u></b>	<b><u>29,705</u></b>

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

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

(In S\$'000)

	As at 31.12.2018		As at 31.12.2017	
	Secured	Unsecured	Secured	Unsecured
Finance lease liabilities	44	-	39	-
Borrowings	-	-	-	60
Total	<u>44</u>	<u>-</u>	<u>39</u>	<u>60</u>

### Amount repayable after one year

(In S\$'000)

	As at 31.12.2018		As at 31.12.2017	
	Secured	Unsecured	Secured	Unsecured
Finance lease liabilities	135	-	179	-
Borrowings	-	-	-	-
Total	<u>135</u>	<u>-</u>	<u>179</u>	<u>-</u>

### Details of any collateral

Finance lease liabilities are secured over the Group's leased motor vehicles.

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**

(In \$'000)

	12 month ended 31.12.2018 (Unaudited)	12 month ended 31.12.2017 (Unaudited)
<b>Cash flows from operating activities</b>		
- Loss from continuing operations	(3,389)	(5,247)
- Profit from discontinued operations	-	(3,618)
Total loss	<u>(3,389)</u>	<u>(8,865)</u>
Adjustments for :		
- Income tax expenses	-	1,131
- Depreciation of plant and equipment	26	544
- Write back of trade and other receivables	(22)	-
- Impairment loss on plant and equipment	-	2,469
- Interest income	(40)	(43)
- Finance expense	8	98
- Allowance for impairment on goodwill	-	758
- Gain on realisation of convertible loan note	-	(996)
- Loss on disposal of a subsidiary corporation	-	6,388
- Loss on liquidation of subsidiary	1,301	-
- Unrealised currency translation gains	(265)	(163)
- Financial assets, at fair value through profit or loss	754	269
	<u>(1,627)</u>	<u>1,590</u>
<b>Change in working capital, net of effects from disposal of subsidiary corporations:</b>		
- Inventories	-	(55)
- Trade and other receivables	135	(2,449)
- Other current assets	(50)	417
- Trade and other payables	(504)	5,760
<b>Cash used in operations</b>	<u>(2,046)</u>	<u>5,263</u>
Income tax paid	-	(857)
<b>Net cash (used in)/provided by operating activities</b>	<u>(2,046)</u>	<u>4,406</u>
<b>Cash flows from investing activities</b>		
Additions to plant and equipment	(3)	(467)
Proceeds from available-for-sale financial assets	-	30
Disposal of a subsidiary corporation, net of cash disposed of	-	(6,786)
Proceeds from disposal of subsidiary	-	476
Interest received	40	43
<b>Net cash provided by/(used in) investing activities</b>	<u>37</u>	<u>(6,704)</u>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of ordinary shares	-	2,100
Interest paid	(8)	(98)
Repayment of finance lease liabilities	(39)	(38)
Repayment of borrowings	(60)	(277)
<b>Net cash (used in)/provided by financing activities</b>	<u>(107)</u>	<u>1,687</u>
<b>Net decreased in cash and cash equivalents</b>	<u>(2,116)</u>	<u>(611)</u>
<b>Cash and cash equivalents</b>		
Beginning of the financial year	<u>5,939</u>	<u>6,550</u>
<b>End of the financial year</b>	<u>3,823</u>	<u>5,939</u>

**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**

	Attributable to Equity Holders of the Company					Non-Controlling Interest	Total Equity
	Share Capital	Treasury Shares	Accumulated Losses	Other Reserves	Subtotal		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Group</b>							
<b>2018</b>							
<b>As at 1 January</b>	25,247	(2,602)	(8,192)	902	15,355	(2,125)	13,230
(Loss)/profit for the year	-	-	(3,549)	-	(3,549)	160	(3,389)
Other comprehensive loss for the year	-	-	-	(262)	(262)	-	(262)
Total comprehensive (loss)/income for the year	-	-	(3,549)	(262)	(3,811)	160	(3,651)
Liquidation of Subsidiary Corporations	-	-	-	-	-	2,097	2,097
Total transactions with owners, recognised directly in equity	-	-	-	-	-	2,097	2,097
<b>As at 31 December</b>	25,247	(2,602)	(11,741)	640	11,544	132	11,676
<b>2017</b>							
<b>As at 1 January</b>	23,147	(2,602)	(615)	1,602	21,532	(922)	20,610
Loss for the year	-	-	(7,662)	-	(7,662)	(1,203)	(8,865)
Other comprehensive loss for the year	-	-	39	(654)	(615)	-	(615)
Total comprehensive loss for the year	-	-	(7,623)	(654)	(8,277)	(1,203)	(9,480)
Issue of new shares	2,100	-	-	-	2,100	-	2,100
Disposal of Subsidiaries	-	-	46	(46)	-	-	-
Total transactions with owners, recognised directly in equity	2,100	-	46	(46)	2,100	-	2,100
<b>As at 31 December</b>	25,247	(2,602)	(8,192)	902	15,355	(2,125)	13,230
<b>Company</b>							
<b>2018</b>							
<b>As at 1 January</b>	25,247	(2,602)	(9,126)	902	14,421	-	14,421
Loss for the year	-	-	(2,500)	-	(2,500)	-	(2,500)
Other comprehensive loss for the year	-	-	-	(262)	(262)	-	(262)
Total comprehensive loss for the year	-	-	(2,500)	(262)	(2,762)	-	(2,762)
<b>As at 31 December</b>	25,247	(2,602)	(11,626)	640	11,659	-	11,659
<b>2017</b>							
<b>As at 1 January</b>	23,147	(2,602)	(1,568)	3,134	22,111	-	22,111
Loss for the year	-	-	(7,558)	-	(7,558)	-	(7,558)
Other comprehensive loss for the year	-	-	-	(2,232)	(2,232)	-	(2,232)
Total comprehensive loss for the year	-	-	(7,558)	(2,232)	(9,790)	-	(9,790)
Issue of new shares	2,100	-	-	-	2,100	-	2,100
Total transactions with owners, recognised directly in equity	2,100	-	-	-	2,100	-	2,100
<b>As at 31 December</b>	25,247	(2,602)	(9,126)	902	14,421	-	14,421

- 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**

	<b>Issued and paid-up ordinary shares</b>	<b>Share capital S\$'000</b>
Balance as at 1 July 2018 and 31 December 2018 (excluding treasury shares)	177,072,685	25,247

	<b>Number of treasury shares</b>	<b>Number of shares outstanding</b>	<b>Percentage of the aggregate number of treasury shares held against the total number of shares outstanding</b>
As at 31 December 2017 and 31 December 2018	14,978,000	177,072,685	8.46%

There were no outstanding convertibles or subsidiary holdings as at 31 December 2017 and 31 December 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**

Total number of issued shares excluding treasury shares as at 31 December 2018 was 177,072,685 (31 December 2017: 177,072,685 ).

- 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**

There was no sale, transfer, cancellation and/or use of treasury shares for the financial year ended 31 December 2018.

- 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. The Company did not have any subsidiary holdings during and as at the end of the current 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 external 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**

Except as disclosed in Section 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year compared with those used in the audited financial statements for the financial year ended 31 December 2017.

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

The Group has adopted the Singapore Financial Reporting Standards (International) ("SFRS(I)"), that is identical to the International Financial Reporting Standards with effect from 1 January 2018. The adoption of SFRS(I) for the first time for the financial year ending 31 December 2018 does not result in any changes to the Group's and the Company's current accounting policies and no material adjustments are required on transition to this new framework.

Specifically, the Group has adopted SFRS(I) 9 Financial Instruments and SFRS(I) 15 Revenue from Contracts with Customers that are effective for annual periods beginning on or after 1 January 2018 and are relevant to the Group's operations. The adoption of SFRS(I) 9 has resulted in the reclassification of certain equity investments as financial assets measured at fair value through profit or loss (FVTPL) and financial assets at fair value through other comprehensive income (FVOCI). Apart from this, the adoption of these new SFRS(I)s did not result in any changes to the Group's and the Company's accounting policies and has no material effect on the amounts reported for the current financial year or prior financial years.

**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**

	<b>12 months ended 31.12.2018</b>	<b>12 months ended 31.12.2017</b>
Net loss attributable to equity holders of the Company (S\$'000)	(3,549)	(7,662)
Weighted average number of ordinary shares outstanding	177,072,685	177,072,685
Basic and fully diluted loss per share (S\$ cents)	(2.00)	(4.33)

**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**

	<b>Group</b>		<b>Company</b>	
	<b>As at 31.12.2018</b>	<b>As at 31.12.2017</b>	<b>As at 31.12.2018</b>	<b>As at 31.12.2017</b>
Net asset value per ordinary share (cents)	6.52	8.67	6.58	8.14

Net asset value per share of the Group and the Company is calculated based on 177,072,685 issued shares (excluding treasury shares) as at 31 December 2018 (31 December 2017: 177,072,685 issued shares (excluding treasury shares)).

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

### Income Statement

"Discontinued operations" relate to the Company's investments in HLN Rubber Products Pte. Ltd. and its subsidiaries (the "**Disposal Group**"). The Company completed the disposal of the Disposal Group on 15 December 2017. Accordingly, the results of the Disposal Group have been presented separately as "Discontinued Operations".

"Continuing Operations" relate to the Company's remaining businesses in (i) hostel management (operating under G4 Station Pte. Ltd. ("**G4**")); and (ii) investment in fund management.

Revenue increased by 11% from S\$474,000 in FY2017 to S\$526,000 in FY2018. The increase was primarily due to the growth in visitor arrivals in FY2018. Despite the increase in revenue, the Group reported a gross loss of S\$21,000 in FY2018 whereas a gross profit of S\$77,000 was reported in FY2017. This was mainly due to the increase in labour cost as the Ministry of Manpower of Singapore increased the qualifying salary criteria for work pass holders to qualify for dependant privileges from 1 January 2018.

Other income relates to interest income from bank deposits which increased by S\$33,000, from S\$7,000 in FY2017 to S\$40,000 in FY2018, mainly due to placement of fixed deposit in FY2018.

Other credits decreased by S\$0.5 million from S\$1.2 million in FY2017 to S\$0.7 million in FY2018, mainly due to (i) absence of gain of S\$1.0 million in FY2017 which rose from the settlement of convertible loan note issued by Barons Vista LLC (ii) a reversal of accrual of S\$0.3 million and increase in foreign exchange gain of S\$0.2 million, as a result of depreciation of Renminbi against Singapore Dollars in FY2018.

Administrative expenses decreased by S\$0.05 million, from S\$2.10 million in FY2017 to S\$2.05 million in FY2018, mainly due to the decrease in office rental of S\$0.06 million and depreciation of plant and equipment of S\$0.07 million, and partly offset by increase of staff related costs in FY2018.

Finance costs decreased from S\$23,000 in FY2017 to S\$8,000 in FY2018, mainly due to the settlement of certain borrowings in FY2018, which resulted in lower interest expense payable in FY2018 as compared to FY2017.

Other charges of S\$2.06 million in FY2018 (FY2017: S\$4.39 million) mainly due to (i) fair value loss on financial assets (at fair value through profit or loss) in the Company's investment fund (namely, Fortune Asia Long Short Fund) of \$0.75 million in FY2018; (ii) a loss in liquidation of subsidiary, Sinjia RTE Solutions Pte Ltd of S\$1.3 million which currently under liquidation process.

As a result of the above, the Group registered a net loss before tax of S\$3.39 million in FY2018, as compared to S\$5.24 million in FY2017. The Group posted a loss attributable to equity holders of the Company of S\$3.55 million in FY2018, as compared to S\$7.66 million in FY2017.



## **Financial Position**

### **Current Assets**

The Group's current assets decreased by S\$0.59 million to S\$8.76 million as at 31 December 2018, from S\$9.35 million as at 31 December 2017. The Group's current assets as at 31 December 2018 comprised trade and other receivables of S\$2.91 million, other current assets of S\$0.20 million, financial assets (at fair value through profit or loss) of S\$1.03 million, cash and cash equivalents of S\$3.82 million and assets of the disposal group classified as held-for-sale of S\$0.79 million.

Trade and other receivables increased by S\$2.23 million to S\$2.91 million as at 31 December 2018, from S\$0.68 million, mainly due from proceeds receivable of approximately S\$2.8 million from the sale of the Disposal Group whereby final purchase consideration due on 31 December 2019 was classified under non-current asset in FY2017.

Financial assets, at fair value through profit or loss decreased by S\$0.75 million, from S\$1.78 million as at 31 December 2017 to S\$1.03 million as at 31 December 2018, due to a decrease in the fair value of the Company's investment fund (namely, Fortune Asia Long Short Fund).

Cash and cash equivalents decreased by S\$2.12 million, from S\$5.94 million as at 31 December 2017 to S\$3.82 million as at 31 December 2018. Please refer to the section on "Consolidated Statement on Cash Flows" below for the reasons on the decrease in cash and cash equivalents.

Assets of the disposal group classified as held-for-sale, which relate to the carrying amount of investment in associated company, Ace Empire Capital Sdn. Bhd., amounted to S\$0.79 million as at 31 December 2018. The proposed disposal of the entity is expected to be completed in FY2019.

### **Non-current Assets**

The Group's non-current assets decreased by S\$2.64 million to S\$13.80 million as at 31 December 2018, from S\$16.44 million as at 31 December 2017. The Group's non-current assets as at 31 December 2018 comprised financial assets at fair value through other comprehensive income of S\$11.25 million, investment property of S\$2.54 million and plant and equipment of S\$16,000.

Financial assets at fair value through other comprehensive income decreased by S\$0.26 million, from S\$11.51 million as at 31 December 2017 to S\$11.25 million as at 31 December 2018. The financial assets at fair value through other comprehensive income relate to the Company's investment in Tianjin Swan Lake Real Estate Development Co., Ltd. ("TJSL"). Partial consideration for the disposal of TJSL was received by the Company from the prospective buyer in the form of shares in Abterra Ltd, a listed company on the SGX-ST. The decrease was mainly due to a decrease in fair value of these quoted securities in Abterra Ltd of S\$0.26 million in FY2018.

Plant and equipment decreased by S\$23,000 from S\$39,000 as at 31 December 2017 to S\$16,000 as at 31 December 2018, mainly due to the depreciation charges recognised in FY2018.

Investment property of S\$2.54 million as at 31 December 2018 and 31 December 2017 was received as a repayment for the convertible loan note the Group had subscribed to for which the issuer, Barons Vista LLS could not repay. The value of the investment property was derived using Fair Values.

### **Current Liabilities**

The Group's current liabilities decreased by S\$1.63 million, from S\$12.38 million as at 31 December 2017 to S\$10.75 million as at 31 December 2018. The Group's current liabilities as at 31 December 2018 comprised mainly trade and other payables of S\$10.70 million and borrowings of S\$0.04 million.

Trade and other payables decreased by S\$1.58 million, from S\$12.28 million as at 31 December 2017 to S\$10.70 million as at 31 December 2018, mainly due to the liquidation of a subsidiary, Sinjia RTE Solutions Pte Ltd and payment of amount due to suppliers of G4 in FY2018. Trade and other payables comprised mainly an amount of S\$10.23 million which relates to partial consideration received from the prospective buyer in connection with the disposal of financial assets at fair value through other comprehensive income of investment in equity security of TJSL.

Total borrowings decreased from S\$278,000 as at 31 December 2017 to S\$179,000 as at 31 December 2018, due to the repayment of finance lease liabilities of S\$39,000 and borrowings of S\$60,000 in FY2018, partly offset by a reclassification of borrowings from “Non-current Liabilities” to “Current Liabilities”.

The Group reported a negative working capital of S\$1.99 million as at 31 December 2018, as compared to a negative working capital of S\$3.03 million as at 31 December 2017. The Group’s negative working capital as at 31 December 2018 and 31 December 2017 were largely due to the partial consideration of S\$10.23 million and S\$10.47 million respectively received from the prospective buyer of TJSJ which was recorded as a “Current liability – Other Payables”, whereas the value of the equity security in TJSJ was recorded as a “Non-current asset – Financial assets at fair value through other comprehensive income”.

### **Non-current Liabilities**

The Group’s non-current liabilities comprised borrowings, which decreased by S\$0.04 million, from S\$0.18 million as at 31 December 2017 to S\$0.14 million as at 31 December 2018. The decrease was due to the reclassification of borrowings from “Non-current Liabilities” to “Current Liabilities”.

### **Equity**

Total equity decreased by S\$1.55 million, from S\$13.23 million as at 31 December 2017 to S\$11.68 million as at 31 December 2018, mainly due to (i) an increase in accumulated losses of S\$3.55 million as at 31 December 2018, as a result of net loss incurred in FY2018; (ii) decrease in other reserves of S\$0.26 million as at 31 December 2018, as a result of changes in the financial assets at fair value through other comprehensive income in FY2018; and (iii) decrease in non-controlling interests by S\$2.26 million as a result of liquidation of a subsidiary in FY2018.

### **Consolidated Statement of Cash Flows**

Net cash outflow for operating activities for FY2018 amounted to S\$2.05 million, mainly due to cash used in operations of S\$1.63 million and net cash outflows arising from working capital changes of S\$419,000. Net cash outflows arising from working capital in FY2018 amounted to S\$419,000, mainly due to increase in (i) trade and other receivables of S\$135,000 and partially offset by decrease in (i) trade and other payables of S\$504,000 and (ii) other current assets of \$50,000.

Net cash inflow from investing activities of S\$37,000 in FY2018 was mainly due to interest received of S\$40,000, partially offset by purchase of plant and equipment of S\$3,000.

Net cash outflow from financing activities of S\$107,000 in FY2018 was mainly due to the repayment of borrowings and lease liabilities of S\$99,000 and interest paid of S\$8,000.

As a result of the above, the Group had cash and cash equivalents of S\$3.82 million as at 31 December 2018, representing a decrease of S\$2.12 million as compared to at 31 December 2017.

**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 Board of Directors remains cautious in FY2019 due to market challenges and will continue to stay lean and maintain positive cash flow in order to stay competitive in the challenging business environment.

Notwithstanding a loss attributable to shareholders, the Group is financially strong with cash at bank of \$3.82 million as at 31 December 2018.

The Group is generally optimistic about tourism prospects for the year ahead.

The Company will focus its resources on property related business which include property development, property investment and property management. As announced on 13 December 2018, the Company has proposed an acquisition of 49% stake in the capital of G & S Realty Limited in Thailand and this will enable the Company to gain a strong foothold in the property business in Thailand. The first tranche of the purchase consideration of THB5.0 million has been completed as announced on 29 January 2019. The second tranche of the purchase consideration of THB4.8 million will be due in June 2019.

The Company will continue to explore new business opportunities which can enhance long term shareholder value. These include geographical expansion, mergers and acquisitions, divestment and partnering with long term strategic investor(s) who can add depth and breadth to the Group's existing business portfolio.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

No dividend has been declared for FY2018.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

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

No dividend was declared for the previous financial year.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

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

No dividend has been declared/recommended for FY2018 in view that the Company was loss making.

**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 has not obtained an IPT general mandate from the Company's shareholders. There was no interested person transaction exceeding S\$100,000 entered into during FY2018.

**14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7 of the Catalist Rules) under Rule 720(1) of the Catalist Rules**

The Company confirms that it has procured all the required undertakings under Rule 720(1) of the Catalist Rules from all its directors and executive officers in the format set out in Appendix 7H of the Catalist Rules.

## 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.

On 15 December 2017, the Company completed the disposal of HLN Rubber Products Pte. Ltd. and its subsidiaries, and accordingly, the Office Automation ("OA"), the Lifestyle Products ("LP") and Energy Power ("EP") segments ceased and are considered discontinued operations of the Group.

Following the completion of the disposal of HLN Rubber Products Pte. Ltd., the Group's principal businesses are in Hospitality Management ("HM") and corporate ("IH") segments and are the continued operations of the Group.

- 1) The **Hospitality Management** ("HM") segment manages and operates lodging and boarding houses and backpackers hostels.
- 2) The **Corporate** ("IH") segment is involved in Group level corporate services, treasury functions and investments. It derives its income substantially from inter-company transactions.

### Financial Information by Operating Segments from Continuing Operations

	OA S\$'000	EP S\$'000	HM S\$'000	IH S\$'000	Total S\$'000
<b>Year 2018</b>					
Sales:					
Total sales segment	-	-	526	-	526
Adjusted EBITDA	-	-	(107)	(1,905)	(2,012)
Depreciation	-	-	(2)	(24)	(26)
ORBIT	-	-	(109)	(1,929)	(2,038)
Finance costs	-	-	-	(8)	(8)
Other items	-	-	102	(1,445)	(1,343)
Loss before tax from operations					(3,389)
Income tax expense					-
Loss from continuing operations					(3,389)
Profit from discontinued operations					-
					(3,389)
<b>Year 2017</b>					
Sales:					
Total sales segment	-	-	474	-	474
Adjusted EBITDA	92	11	(205)	(1,691)	(1,793)
Depreciation	-	(1)	(2)	(90)	(93)
ORBIT	92	10	(207)	(1,781)	(1,886)
Finance costs	-	-	-	(23)	(23)
Other items	(1)	(2,416)	85	(1,003)	(3,335)
Loss before tax from operations					(5,244)
Income tax expense					(3)
Loss from continuing operations					(5,247)
Profit from discontinued operations					(3,618)
					(8,865)

### Assets and Reconciliations

	OA S\$'000	EP S\$'000	HM S\$'000	IH S\$'000	Unallocated S\$'000	Group S\$'000
<b>Year 2018</b>						
Segment assets for reportable segments	-	-	106	18,629	-	18,735
Unallocated:						
Add: Cash and cash equivalents	-	-	-	-	3,823	3,823
	-	-	106	18,629	3,823	22,558
<b>Year 2017</b>						
Segment assets for reportable segments	1	15	103	19,731	-	19,850
Unallocated:						
Add: Cash and cash equivalents	-	-	-	-	5,939	5,939
	1	15	103	19,731	5,939	25,789

## **Liabilities and Reconciliations**

	OA S\$'000	EP S\$'000	HM S\$'001	IH S\$'000	Unallocated S\$'000	Group S\$'000
<b>Year 2018</b>						
Segment liabilities for reportable segments	-	-	57	10,646	-	10,703
Unallocated:						
Deferred and current tax liabilities	-	-	-	-	-	-
Other financial liabilities	-	-	-	-	-	-
Finance lease liabilities	-	-	-	-	179	179
	-	-	57	10,646	179	10,882
<b>Year 2017</b>						
Segment liabilities for reportable segments	4	1,150	153	10,974	-	12,281
Unallocated:						
Deferred and current tax liabilities	-	-	-	-	-	-
Other financial liabilities	-	-	-	-	60	60
Finance lease liabilities	-	-	-	-	218	218
	4	1,150	153	10,974	278	12,559

## **Geographical Information**

The Group's operations are located in Singapore. Non-current assets are allocated based on the Group's country of domicile and all foreign countries in which the assets are held.

The Group's reportable segments are based on differences in products and services, no additional disclosure of revenue information about products and services are required.

	Revenue		Non-Current Assets	
	Yea 2018 S\$'000	Year 2017 S\$'000	Yea 2018 S\$'000	Year 2017 S\$'000
Singapore	526	474	11,261	13,902
United States	-	-	2,540	2,540
<b>Total</b>	<b>526</b>	<b>474</b>	<b>13,801</b>	<b>16,442</b>

### **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**

Refer to paragraph 8 - Review of the performance of the Group, found on pages 8 to 10 of this announcement.

### **17. A breakdown of sales**

(In S\$'000)	Group		% Increase/(Decrease)
	FY2018	FY2017	
Sales reported for first half year	258	212	NM
Operating loss after tax before deducting non-controlling interest reported for first half year	(1,218)	1,517	2.3%
Sales reported for second half year	268	262	NM
Operating loss after tax before deducting non-controlling interest reported for second half year	(2,171)	(6,764)	NM

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

(In S\$'000)	Latest full year	Previous full year
	FY2018	FY2017
Ordinary	NIL	NIL
Preference	NIL	NIL
<b>Total</b>	<b>NIL</b>	<b>NIL</b>

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

Pursuant to Rule 704(10) of the Catalist Rules, there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

**BY ORDER OF THE BOARD**

Cheong Weixiong  
Executive Director  
25 February 2019

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), Asian Corporate Advisors Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**Exchange**"). The Company's Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.*

*This announcement has not been examined or approved by the Exchange and the Exchange 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.*

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