

# Manufacturing Integration Technology Ltd.

(Company Registration No. 199200075N)

## FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

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

This statement is presented in compliance with SFRS(I) 5\*

	Group		
	S\$' 000		%
	31/12/2018	31/12/2017	Increase/ -Decrease
<b>Revenue</b>	18,708	65,929	-71.6%
Cost of sales	(16,818)	(46,176)	-63.6%
<b>Gross profit</b>	1,890	19,753	-90.4%
Interest income	13	159	-91.8%
Other gains	1,366	2,456	-44.4%
Marketing and distribution costs	(865)	(5,054)	-82.9%
Administrative expenses	(3,314)	(8,821)	-62.4%
Finance costs	(43)	(71)	-39.4%
Other losses	-	(1,912)	NM
(Loss) profit before tax from continuing operations	(953)	6,510	NM
Income tax expenses	(1,075)	(504)	113.3%
(Loss) profit from continuing operations, net of tax	(2,028)	6,006	NM
Loss from discontinued operations, net of tax	(4,091)	-	NM
<b>(Loss) profit net of tax</b>	<b>(6,119)</b>	<b>6,006</b>	<b>NM</b>
<b><u>Other comprehensive (loss) income:</u></b>			
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Exchange differences on translating foreign operations, net of tax	(124)	(93)	33.3%
<b>Other comprehensive loss for the year, net of tax</b>	<b>(124)</b>	<b>(93)</b>	<b>33.3%</b>
<b>Total comprehensive (loss) income for the year</b>	<b>(6,243)</b>	<b>5,913</b>	<b>NM</b>

NM: Not meaningful

\*Refer to non-current assets held for sale and discontinued operations.

**1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statements for the current financial period reported on and the corresponding period of the immediately preceding financial year.**

The Group's subsidiary, MIT Semiconductor Pte Ltd ("MSPL") together with its subsidiaries, were held for sale and the entire assets and liabilities related to MSPL and its subsidiaries were classified as a disposal group held for sale in the 1H FY2018 statement of financial position.

The entire results from the disposal group are presented separately in the consolidated income statement as "Discontinued operations".

	Continuing Operations	Discontinued Operations	Total	Total
	S\$'000	S\$'000	S\$'000	S\$'000
	31/12/2018	31/12/2018	31/12/2018	31/12/2017
Revenue	18,708	36,372	55,080	65,929
Cost of sales	(16,818)	(31,095)	(47,913)	(46,176)
Gross profit	1,890	5,277	7,167	19,753
Interest income	13	83	96	159
Other gains	1,366	529	1,895	2,456
Marketing and distribution costs	(865)	(4,655)	(5,520)	(5,054)
Administrative expenses	(3,314)	(4,474)	(7,788)	(8,821)
Finance costs	(43)	(10)	(53)	(71)
Other losses	-	(1,545)	(1,545)	(1,912)
(Loss) profit before tax	(953)	(4,795)	(5,748)	6,510
Income tax (expenses) income	(1,075)	704	(371)	(504)
(Loss) profit net of tax	(2,028)	(4,091)	(6,119)	6,006

The Group's profit from operating activities is arrived at after other items of income & (expenses) the following:-

		Group	
		S\$'000	
		31/12/2018	31/12/2017
<b><u>Continuing Operations</u></b>			
1) Other gains include, mainly:			
- Rental income		615	670
- Government grant income		-	197
- Reversal on allowance for impairment loss on inventories		-	400
- Gain on disposal of development projects		-	396
- Gain on disposal of property, plant and equipment		-	70
- Foreign exchange adjustment gains		36	-
- Reversal on allowance for impairment loss on trade receivables		669	-
2) Other losses include, mainly:			
- Inventories written down		-	(717)
- Allowance for impairment loss on trade receivables		-	(175)
- Amortisation of intangible assets		-	(41)
- Amortisation of development projects		-	(330)
- Foreign exchange adjustment losses		-	(572)
<b><u>Discontinued Operations</u></b>			
1) Other gains include, mainly:			
- Gain on disposal of development projects		87	-
- Gain on disposal of property, plant and equipment		10	-
- Foreign exchange adjustment gains		88	-
- Reversal on allowance for impairment loss on trade receivables		103	-
2) Other losses include, mainly:			
- Inventories written down		(445)	-
- Amortisation of intangible assets		(31)	-
- Amortisation of development projects		(988)	-

**1(a)(iii) Amount of any adjustment for under or overprovision of tax in respect of prior years.**

There was an over-provision of tax in respect of prior years of S\$693k in current financial year. (2017: S\$4,000, under-provision of tax)

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

	Group		Company	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Assets</b>				
<b>Non-current assets:</b>				
Plant and equipment	993	2,263	134	1,621
Investment properties	8,571	8,761	8,571	8,761
Development projects	-	3,592	-	3,128
Investments in subsidiaries	-	-	30,440	5,990
Intangible assets	-	48	-	48
Deferred tax assets	-	1,330	-	217
<b>Total non-current assets</b>	<b>9,564</b>	<b>15,994</b>	<b>39,145</b>	<b>19,765</b>
<b>Current assets:</b>				
Inventories	3,026	16,457	-	1,674
Trade and other receivables	4,641	14,368	6,145	17,369
Other assets, current	415	816	117	313
Cash and cash equivalents	11,554	21,884	9,088	18,764
Assets of a disposal group classified as held for sale	36,562	-	-	-
<b>Total current assets</b>	<b>56,198</b>	<b>53,525</b>	<b>15,350</b>	<b>38,120</b>
<b>Total assets</b>	<b>65,762</b>	<b>69,519</b>	<b>54,495</b>	<b>57,885</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Share capital	47,742	47,051	47,742	47,051
Other reserves	91	247	233	265
(Accumulated losses) retained earnings	(3,826)	3,832	(3,242)	3,060
<b>Total equity</b>	<b>44,007</b>	<b>51,130</b>	<b>44,733</b>	<b>50,376</b>
<b>Non-current liability:</b>				
Other finance liabilities, non-current	-	70	-	70
<b>Total non-current liability</b>	<b>-</b>	<b>70</b>	<b>-</b>	<b>70</b>
<b>Current liabilities:</b>				
Trade and other payables	4,033	16,270	2,762	5,670
Income tax payable	74	1,830	-	1,550
Other financial liabilities, current	7,000	47	7,000	47
Provisions	-	172	-	172
Liabilities of a disposal group classified as held for sale	10,648	-	-	-
<b>Total current liabilities</b>	<b>21,755</b>	<b>18,319</b>	<b>9,762</b>	<b>7,439</b>
<b>Total liabilities</b>	<b>21,755</b>	<b>18,389</b>	<b>9,762</b>	<b>7,509</b>
<b>Total equity and liabilities</b>	<b>65,762</b>	<b>69,519</b>	<b>54,495</b>	<b>57,885</b>

**1(b)(ii) Aggregate amount of group's borrowings and debt securities.****Amount repayable in one year or less, or on demand**

As at 31/12/18		As at 31/12/17	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
7,000	-	47	-

**Amount repayable after one year**

As at 31/12/18		As at 31/12/17	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	-	70	-

**Details of any collateral**

1. Short-term loan of S\$7.00m was secured to support Company's divestment plan.

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

	Group (S\$'000)	
	31/12/2018	31/12/2017
<b>Cash flows from operation activities</b>		
(Loss) Profit before tax from Continuing Operations	(953)	6,510
(Loss) before tax from Discontinued Operations	(4,795)	-
	(5,748)	6,510
Adjustments for:-		
Depreciation of property, plant and equipment	1,198	849
Depreciation of investment properties	190	189
Interest income	(96)	(159)
Interest expense	53	71
Gains on disposal of other assets, non-current	-	(2)
Gains on disposal of development projects	(87)	(396)
Gains on disposal of plant and equipment	(10)	(70)
Amortisation of development projects	988	330
Amortisation of intangible assets	31	41
Share based payment	154	179
Net effect of exchange rate changes in consolidation foreign operations	(62)	(24)
Operating cash flow (used in) from changes in working capital	(3,389)	7,518
Trade and other receivables	(150)	(2,372)
Other assets	35	(587)
Inventories	1,087	(1,893)
Trade and other payables	(1,636)	7,184
Provisions	(125)	(82)
Net cash flow (used in) from operations	(4,178)	9,768
Income tax paid	(862)	(5)
Net cash flow (used in) from operating activities	(5,040)	9,763
<b>Cash flow from investing activities</b>		
Addition of patents	3	(47)
Proceeds on disposal of development projects	1,120	1,251
Proceeds on disposal of plant and equipment	12	88
Proceeds on disposal of other assets, non-current	-	45
Purchase of plant and equipment	(1,140)	(1,503)
Development projects incurred	(3,177)	(1,899)
Interest received	96	159
Net cash flow used in investing activities	(3,086)	(1,906)
<b>Cash flows from financing activities</b>		
Interest paid	(53)	(71)
Increase (decrease) in borrowings	7,000	(3,590)
Dividend paid	(1,725)	(571)
Re-issued of treasury shares	-	44
Decrease in finance leases	(117)	(46)
Issues of shares	691	369
Net cash from (used in) financing activities	5,796	(3,865)
<b>Net (decrease) increase in cash and cash equivalents</b>	(2,330)	3,992
Cash and cash equivalents, beginning balance	21,884	17,892
<b>Cash and cash equivalents, ending balance</b>	<b>19,554</b>	<b>21,884</b>

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following amounts:

**Cash and bank balances**

Continuing operations  
Discontinued operations

Group (S\$'000)	
31/12/2018	31/12/2017
11,554	21,884
8,000	-
19,554	21,884

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

Group	Total equity	Share capital	(Accumulated losses) Retained earnings	Translation reserves	Share option reserve
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Current Year :</b>					
<b>Opening balance at 1 January 2018</b>	51,130	47,051	3,832	(18)	265
<b>Changes in Equity:</b>					
Total comprehensive loss for the year	(6,243)	-	(6,119)	(124)	-
Issuance of shares pursuant to employee share option scheme	691	691	-	-	-
Exercise of share options	-	-	169	-	(169)
Expiry of share options	-	-	17	-	(17)
Share based payment expenses	154	-	-	-	154
Dividends paid	(1,725)	-	(1,725)	-	-
<b>Closing balance at 31 December 2018</b>	<b>44,007</b>	<b>47,742</b>	<b>(3,826)</b>	<b>(142)</b>	<b>233</b>
<b>Previous year :</b>					
<b>Opening balance at 1 January 2017</b>	45,198	46,621	(1,720)	75	222
<b>Changes in equity:</b>					
Total comprehensive income for the year	5,913	-	6,006	(93)	-
Issuance of shares pursuant to employee share option scheme	369	369	-	-	-
Exercise of share options	-	-	119	-	(119)
Expiry of share options	-	-	17	-	(17)
Share based payment expenses	179	-	-	-	179
Dividends paid	(571)	-	(571)	-	-
Treasury shares reissued pursuant to employees' share option scheme	61	61	-	-	-
Loss on reissuance of treasury shares to equity pursuant to employees' share option scheme	(19)	-	(19)	-	-
<b>Closing balance at 31 December 2017</b>	<b>51,130</b>	<b>47,051</b>	<b>3,832</b>	<b>(18)</b>	<b>265</b>

Company	Total equity	Share capital	(Accumulated losses) Retained earnings	Share option reserves
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Current Year :</b>				
<b>Opening balance at 1 January 2018</b>	50,376	47,051	3,060	265
<b>Changes in Equity:</b>				
Total comprehensive income for the year	(4,763)	-	(4,763)	-
Issuance of shares pursuant to employee share option scheme	691	691	-	-
Exercise of share options	-	-	169	(169)
Expiry of share options	-	-	17	(17)
Share based payment expenses	154	-	-	154
Dividends paid	(1,725)	-	(1,725)	-
<b>Closing balance at 31 December 2018</b>	<b>44,733</b>	<b>47,742</b>	<b>(3,242)</b>	<b>233</b>
<b>Previous year :</b>				
<b>Opening balance at 1 January 2017</b>	47,239	46,621	396	222
<b>Changes in equity:</b>				
Total comprehensive income for the year	3,118	-	3,118	-
Issuance of shares pursuant to employee share option scheme	369	369	-	-
Exercise of share options	-	-	119	(119)
Expiry of share options	-	-	17	(17)
Share based payment expenses	179	-	-	179
Dividends paid	(571)	-	(571)	-
Treasury shares reissued pursuant to employees' share option scheme	61	61	-	-
Loss on reissuance of treasury shares to equity pursuant to employees' share option scheme	(19)	-	(19)	-
<b>Closing balance at 31 December 2017</b>	<b>50,376</b>	<b>47,051</b>	<b>3,060</b>	<b>265</b>

**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 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 Capital**

During the year, the Company issued and allotted 4,229,500 ordinary shares in the share capital of the Company upon exercise of options under the MIT Employees' Share Option Scheme ("the Scheme") and issued and allotted 400,000 ordinary shares in the share capital of the Company to the employee under the MIT Performance Share Plan ("PSP").

As at 31 December 2018, the number of ordinary shares issued was 233,916,970 (31 December 2017: 229,287,470 ordinary shares).

### **Share Options**

As at 31 December 2018, the number of outstanding options under the Scheme was 6,654,500 (31 December 2017: 11,371,400). During the year, 4,229,500 options were exercised under the Scheme. 487,400 unexercised options had lapsed and were cancelled during the year.



**Performance Shares**

During the year, the Company has issued and allotted 400,000 ordinary shares in the share capital of the Company to the employee under the PSP. As at 31 December 2018, the number of outstanding performance shares held under the PSP was 150,000 (31 December 2017: 550,000).

**Treasury Shares**

As at 31 December 2018, no ordinary shares were held as Treasury Shares (31 December 2017: NIL). No shares were bought back by the Company during the year.

The Company does not have any subsidiary holdings.

**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.**

	Group & Company	
	as at 31/12/18	as at 31/12/17
Total number of issued shares	229,287,470	225,012,870
Add : New Issued Shares	4,629,500	4,274,600
<b>Total number of issued shares (excluding treasury shares)</b>	<b>233,916,970</b>	<b>229,287,470</b>

**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 were no sales, transfer, cancellation and/or use of treasury shares during the period.

**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 not been audited or reviewed.

**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.**

The Group and Company have applied the same accounting policies and methods of computation in the financial statements for the current reporting year, which are consistent with those described in the Audited Financial Statements for the year ended 31 December 2017, except for the adoption of the new Singapore Financial Reporting Standards (International) ("SFRS(I)s") and the related interpretations SFRS(I) ("SFRS(I) INT") which became effective for financial years beginning on or after 1 January 2018.

The adoption of the new and revised SFRS(I) does not have any material impact to the financial statements for the Group and Company 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.**

Not applicable.

**6. Earnings (loss) 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	
	31/12/18	31/12/17
Earnings (loss) per ordinary share of the group, after deducting any provision for preference dividends (in cents):		
(a) Based on weighted average number of ordinary shares on issue		
Continuing operations	(0.88)	2.65
Discontinued operations	(1.77)	-
(b) On a fully diluted basis		
Continuing operations	(0.86)	2.61
Discontinued operations	(1.74)	-

- a) Earnings per ordinary share on existing issued share capital is computed based on the weighted average number of shares in issue during the year.
- b) Earnings per ordinary share on a fully diluted basis is computed based on the weighted average number of shares during the period adjusted to assume conversion of all dilutive ordinary shares.

**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.**

	Company		Group	
	31/12/18	31/12/17	31/12/18	31/12/17
Net asset value per ordinary share based on issued share capital at the end of (in cents):	19.12	21.97	18.81	22.30

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.**

### **Latest Updates**

On 20 February 2019, the proposed disposal of the Company's semiconductor equipment business was completed. As a result, the Company's core business focuses on Contract Equipment Manufacturing (CEM), comprising built-to-print and customised automation. This is conducted through its wholly owned subsidiaries, Casem (Asia) Pte Ltd, Automated Manufacturing Solutions Pte. Ltd. and MIT (Shanghai) Co.,Ltd.

### **Revenue**

Group revenue decreased 72% to S\$18.71m in FY2018 from S\$65.93m in the previous financial year. The decline was mainly due to discontinued operations arising from the disposal of the semiconductor equipment business.

In contrast, the S\$18.71m sales for the remaining CEM business represented a significant 52% growth over the previous year. This was due to new customized automation contracts and strong build-to-print sales.

### **Earnings**

The Group recorded a loss before tax of S\$0.95m from continuing operations and an after tax loss of S\$2.03m after a reversal of deferred tax assets of S\$1.08m. The operating loss was primarily due to our continued investments in manpower for the customized automation business as well as losses incurred in MIT Shanghai.

The lower interest income was in line with the lower cash on hand.

Other gains mainly come from rental income from our investment properties in Yishun, reversal on allowance for impairment on trade receivables and foreign exchange adjustments gains.

Following the lower revenue, slower business activities and discontinued operations, marketing and distribution costs as well as administrative expenses were lower by 83% and 62% respectively.

Income tax expenses amounted S\$1.08m after reversal of deferred tax assets which were previously recognized.

## **Assets and Liabilities**

Plant and equipment and investment properties had decreased due to the current year depreciation charges.

Investment in subsidiaries increased mainly due to the investment in newly incorporated – MIT Semiconductor Pte. Ltd. during the financial year.

Other assets decreased due to lower deposits and prepayment when compared to the same period of last year.

The lower amount in trade and other payables was in line with the lower inventory level maintained.

A short-term loan of S\$7.00m was secured to support Company's divestment plan during the financial year. It will be repaid upon completion of the proposed disposal.

## **Cash Flow**

After significant spending on investment in development projects (S\$3.17m) and plant and equipment (S\$1.14m), dividend payments (S\$1.75m) etc, we ended the year with cash and cash equivalent of S\$19.55m.

Cash and cash equivalents per share stood at 8.3 cents, which accounts for about 44% of the net asset per share.

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

The results are in line with the prospect statement disclosed in the previous results announcement.

## **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.**

- a. On 20 February 2019, the proposed disposal of MIT Semiconductor Pte. Ltd. ("MSPL") to MIT Semiconductor (Tian Jin) Company Limited was completed. As a result, the Company's core business focuses on Contract Equipment Manufacturing (CEM), comprising built-to-print and customised automation. This is conducted through its wholly owned subsidiaries, Casem (Asia) Pte Ltd, Automated Manufacturing Solutions Pte. Ltd. and MIT (Shanghai) Co., Ltd.
- b. Coming from a smaller market share, there is scope for the company to continue growing the CEM business. We will focus on getting new customers in the built-to-print area in order to achieve greater stability in our top-line. We also expect further growth in the customised automation area as there are a few promising projects in the pipeline.
- c. The Company will continue to explore new or related areas of business that can make use of our current resources and strengths.
- d. In the short term, a return of capital to shareholders using proceeds from our divestment of the semiconductor business will be implemented. This may be via dividends and capital reduction modes.

A computation of the estimated interim earnings based on proceeds of 80% of the sale price is as follows:

	S\$'000
Proceeds (80%)	67,600
Less:	
- Net book value excluded cash	(17,914)
- Expenses	(6,555)
Interim earnings from divestment	43,131

The pro forma financial effects of the disposal are shown below for illustrative purposes only.

The NTA per Share, assuming that the disposal had been completed on 31 December 2018 is as follows:

	Before Disposal	After Disposal
NTA as at 31 December 2018 (S\$)	44,007,000	87,138,000
Number of Shares as at 31 December 2018	233,916,970	233,916,970
NTA per Share (cents)	18.81	37.25

The Earnings Per Share (EPS), assuming that the disposal had been completed on 31 December 2018 is as follows:

	Before Disposal	After Disposal
(Loss)/Profit after tax (S\$)	(6,119,000)	37,012,000
Weighted average number of shares as at 31 December 2018	231,367,644	231,367,644
EPS (cents)	(2.64)	16.00

- e. Appropriate announcements on the return of capital shall be made after we clear the necessary regulatory requirements.

## 11. Dividend

### (a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

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

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

Name of Dividend	Interim	Final
Dividend Type	Cash	Cash
Dividend Amount per Share	0.25 cent	0.75 cent
Tax Rate	Tax Exempt (One-Tier)	Tax Exempt (One-Tier)

**(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 or recommended due to loss making situation.

**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 does not have a shareholders' mandate for IPTs.

During the financial year ended 31 December 2018, the Group did not enter into any interested person transaction which aggregate value exceeds \$100,000.

**14. The Directors' and Executive Officers' Undertakings**

The Company has procured the requisite undertakings from all its directors and executive officers as referred to in the Listing Rule 720 (1).

**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.**

During the year, management has the following segmental reporting to better reflect the performance of different business units:

(1) Semiconductor (2) Non-semiconductor business (3) Unallocated – Rental income from investment properties

<b>Business Segments</b>	Semiconductor		Non-semiconductor		Unallocated		Group	
	2018	2017	2018	2017	2018	2017	2018	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Revenue by segment</b>								
Revenue	-	53,610	18,708	12,319	-	-	18,708	65,929
Segment result	-	7,975	(1,287)	(1,786)	334	321	(953)	6,510
(Loss) Profit before tax from continuing operations							(953)	6,510
Income tax expenses							(1,075)	(504)
(Loss) Profit from continuing operations							(2,028)	6,006
Loss from discontinued operations							(4,091)	-
<b>(Loss) Profit for the year</b>							<b>(6,119)</b>	<b>6,006</b>
<b>Assets and reconciliations</b>								
Segment assets	36,562	47,078	20,629	13,680	8,571	8,761	65,762	69,519

Geographical information	Singapore		China		Asia (others)		Europe & USA		Group	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	8,347	32,043	6,049	10,568	1,909	20,579	2,403	2,739	18,708	65,929
Segment assets	61,257	64,298	4,505	5,221	-	-	-	-	65,762	69,519

**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.**

**Segment Result**

The Group's total sales turnover from its non-semiconductor segments has increased significantly by 52% when compare to FY2017.

Asia (including Singapore & China) remains the Group's key market which accounted for 87% of the total revenue.

**17. A breakdown of sales.**

	Group		
	S\$'000		%
	31.12.2018	31.12.2017	Increase/ - Decrease
a <u>Sales reported for first half year</u>			
Continuing operations	7,619	33,148	-77.0%
b <u>(Loss) Profit after tax reported for the first half year</u>			
Continuing operations	(515)	2,820	NM
Discontinued operations	(2,890)	-	NM
c <u>Sales reported for second half year</u>			
Continuing operations	11,089	32,781	-66.2%
d <u>(Loss) Profit after tax reported for the second half year</u>			
Continuing operations	(1,513)	3,186	NM
Discontinued operations	(1,201)	-	NM

NM: Not meaningful

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

	Latest Full Year (S\$)	Previous Full Year (S\$)
Ordinary	-	2,295,928
Preference	-	-
Total	-	2,295,928

- 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.**

Pursuant to Rule 704(13) of the Listing Manual, we confirm that there is no person occupying managerial positions 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.

**ON BEHALF OF THE BOARD**

**Lim Chin Tong**  
**Executive Director and Chief Executive Officer**  
26 February 2019