TEHO INTERNATIONAL INC LTD.
(Company Registration No: 200811433K)
(Incorporated in the Republic of Singapore)

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2019 (“FY2019”)

*This announcement has been prepared by the Company and its contents have been reviewed by the Company’s Sponsor, SAC Capital Private Limited (the “**Sponsor**”),*

*This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (“the “**SGX-ST**”) and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.*

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Following the adoption of the new Singapore Financial Reporting Standards International (“**SFRS(I)**”) on 1 July 2018, in particular SFRS(I) 1, SFRS(I) 9 and SFRS(I) 15, TEHO International Inc Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) has restated its comparative financial figures for the financial year ended 30 June 2018 (“**FY2018**”). Please refer to section 5 of this announcement for more details on the changes required under the accounting standards.

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

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

Consolidated statement of profit or loss
Year ended 30 June 2019

	Group		
	FY2019 Unaudited	FY2018 Unaudited (Restated)	Change
	$	$	%
Revenue	**54,383,476**	**64,428,269**	(15.6)
Cost of sales	(35,617,671)	(48,037,272)	(25.9)
Gross profit	**18,765,805**	**16,390,997**	14.5
Other income	541,893	3,465,811	(84.4)
Distribution expenses	(1,593,122)	(2,019,849)	(21.1)
Administrative expenses	(12,338,990)	(12,726,798)	(3.0)
Other operating expenses	(4,389,377)	(6,589,311)	(33.4)
(Impairment loss) / Reversal of impairment loss on trade and other receivables and contract assets	(82,849)	626,837	n.m.
Results from operating activities	**903,360**	**(852,313)**	n.m.
Finance income	7,201	3,731	93.0
Finance costs	(1,209,260)	(1,494,789)	(19.1)
Net finance costs	**(1,202,059)**	**(1,491,058)**	(19.4)
Loss before tax	**(298,699)**	**(2,343,371)**	(87.3)
Tax (expense) / credit	(161,154)	154,810	n.m.
Loss for the year	**(459,853)**	**(2,188,561)**	(79.0)
Loss attributable to:			
Owners of the Company	(459,853)	(2,188,561)	(79.0)
Non-controlling interests	–	–	–
Loss for the year	**(459,853)**	**(2,188,561)**	(79.0)
Loss per share			
Basic (cents)	(0.20)	(0.94)	(78.7)
Diluted (cents)	(0.20)	(0.93)	(78.5)

n.m.: not meaningful.

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

Consolidated statement of comprehensive income
Year ended 30 June 2019

	Group		
	FY2019 Unaudited	**FY2018 Unaudited (Restated)**	**Change**
	$	**$**	**%**
Loss for the year	**(459,853)**	**(2,188,561)**	(79.0)
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences, net of tax	96,055	(236,349)	n.m.
Foreign currency translation differences reclassified to profit or loss upon disposal of subsidiaries	(157,130)	–	n.m.
Other comprehensive income for the year, net of tax	**(61,075)**	**(236,349)**	(74.2)
Total comprehensive income for the year	**(520,928)**	**(2,424,910)**	(78.5)
Total comprehensive income attributable to:			
Owners of the Company	(561,638)	(2,240,344)	(74.9)
Non-controlling interests	40,710	(184,566)	n.m.
Total comprehensive income for the year	**(520,928)**	**(2,424,910)**	(78.5)

1(a)(ii) Notes to the consolidated statement of comprehensive income

	Group		
	FY2019 Unaudited	FY2018 Unaudited (Restated)	Change
	$	$	%
Reversal of allowance for foreseeable loss on development properties	–	2,814,488	n.m.
Audit fees paid to:			
- auditors of the company	(203,500)	(217,000)	(6.2)
- other auditors	(36,943)	(47,794)	(22.7)
Non-audit fees paid to:			
- auditors of the company	(15,500)	(1,500)	933.3
- other auditors	–	(23,904)	n.m.
Bad debts written off	(53,545)	(193,697)	(72.4)
Contract assets written off	(77,289)	–	n.m.
Depreciation of investment property	(127,835)	(43,376)	194.7
Depreciation of property, plant and equipment	(756,544)	(1,015,755)	(25.5)
Fair value gain on derivatives	–	40,764	n.m.
Foreign exchange (loss)/gain, net	(28,288)	6,792	n.m.
Interest expense incurred on loans and borrowings	(1,209,260)	(1,494,789)	(19.1)
Loss on disposal of property, plant and equipment	(4,084)	(14,201)	(71.2)
Liquidated damages paid to customers	–	(166,548)	n.m.
Impairment loss on development properties	–	(1,914,180)	n.m.
Land rental	(174,256)	(164,945)	5.6
Operating lease expenses	(1,266,514)	(1,374,066)	(7.8)
Other income arising from a settlement agreement	–	2,668,005	n.m.
Over provision of tax in respect of prior years	165,729	466,742	(64.5)

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.

Statements of financial position
As at 30 June 2019

	Group			Company		
	30 June 2019 Unaudited	**30 June 2018 Unaudited (Restated)**	**1 July 2017 Unaudited (Restated)**	**30 June 2019 Unaudited**	**30 June 2018 Audited**	**1 July 2017 Unaudited**
	$	**$**	**$**	**$**	**$**	**$**
Assets						
Property, plant and equipment	6,704,140	6,803,142	10,794,022	984	41,798	84,579
Intangible assets	–	–	–	–	–	–
Investment property	3,441,552	3,569,387	–	–	–	–
Investment in subsidiaries	–	–	–	16,088,856	15,261,706	18,831,877
Investment in joint venture	12,500	–	–	–	–	–
Deferred tax assets	277,597	218,596	218,596	–	–	–
Non-current assets	**10,435,789**	**10,591,125**	**11,012,618**	**16,089,840**	**15,303,504**	**18,916,456**
Inventories	20,317,476	22,102,605	21,780,022	–	–	–
Development properties	9,575,445	–	37,000,173	–	–	–
Current tax assets	118,437	–	–	–	–	–
Trade and other receivables	11,425,954	13,172,211	11,951,363	2,909,776	2,595,504	4,720,831
Contract assets	444,631	4,039,644	3,817,735	–	–	–
Cash and cash equivalents	4,621,904	4,468,143	7,781,629	92,081	84,298	88,127
	46,503,847	43,782,603	82,330,922	3,001,857	2,679,802	4,808,958
Assets held for sale	–	21,920,253	–	–	–	–
Current assets	**46,503,847**	**65,702,856**	**82,330,922**	**3,001,857**	**2,679,802**	**4,808,958**
Total assets	**56,939,636**	**76,293,981**	**93,343,540**	**19,091,697**	**17,983,306**	**23,725,414**
Equity						
Share capital	32,978,808	32,922,108	32,922,108	32,978,808	32,922,108	32,922,108
Other reserves *	55,238	(1,606,098)	161,556	47,250	(1,715,871)	–
Accumulated losses	(19,352,571)	(17,072,042)	(14,883,482)	(55,881,862)	(53,142,224)	(46,653,923)
Equity attributable to owners of the Company	**13,681,475**	**14,243,968**	**18,200,182**	**(22,855,804)**	**(21,935,987)**	**(13,731,815)**
Non-controlling interests	–	21,881,198	22,065,764	–	–	–
Total equity	**13,681,475**	**36,125,166**	**40,265,946**	**(22,855,804)**	**(21,935,987)**	**(13,731,815)**
Liabilities						
Loans and borrowings	14,130,856	12,662,998	27,732,409	–	–	–
Deferred tax liabilities	83,386	12,647	12,702	–	–	–
Non-current liabilities	**14,214,242**	**12,675,645**	**27,745,111**	**–**	**–**	**–**
Loans and borrowings	23,033,078	18,962,255	16,665,130	–	–	–
Current tax liabilities	172,566	221,653	708,158	–	7,140	10,201
Trade and other payables	5,493,451	8,111,616	7,794,167	41,947,501	39,912,153	37,447,028
Contract liabilities	344,824	157,730	165,028	–	–	–
	29,043,919	27,453,254	25,332,483	41,947,501	39,919,293	37,457,229
Liabilities directly associated with the assets held for sale	–	39,916	–	–	–	–
Current liabilities	**29,043,919**	**27,493,170**	**25,332,483**	**41,947,501**	**39,919,293**	**37,457,229**
Total liabilities	**43,258,161**	**40,168,815**	**53,077,594**	**41,947,501**	**39,919,293**	**37,457,229**
Total equity and liabilities	**56,939,636**	**76,293,981**	**93,343,540**	**19,091,697**	**17,983,306**	**23,725,414**

* In the adoption of the new Singapore Financial Reporting Standards International ("SFRS(I)"), the Group has opted to adopt the cost model for its property, plant and equipment. As a result, the "Other reserves" excluded a revaluation reserve of $11,499,364 (FY2018: $11,846,078).

1(b)(ii) In relation to the aggregate amount of the Group's borrowings and debt securities, specify the following at the end of the financial period reported on with comparative figures at the end of the immediately preceding financial year:

Amount repayable in one year or less, or on demand

As at 30 June 2019 ($)		As at 30 June 2018 ($)	
Secured	Unsecured	Secured	Unsecured
23,033,078	–	18,962,255	–

Amount repayable after one year

As at 30 June 2019 ($)		As at 30 June 2018 ($)	
Secured	Unsecured	Secured	Unsecured
14,130,856	–	12,662,998	–

Details of collateral

As at 30 June 2019, the current bank borrowings of $23,028,415 are secured by corporate guarantee by the Company, first charge on the Group's leasehold land and buildings, and legal mortgages on the Group's development properties. The current finance leases of $4,663 are secured by charge over the leased assets.

As at 30 June 2019, the non-current bank borrowings of $14,130,856 are secured by corporate guarantee by the Company, first charge on the Group's leasehold land and buildings, and legal mortgages on the Group's development properties.

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.

Consolidated Statement of Cash Flows
Year ended 30 June 2019

	Group	
	FY2019 Unaudited $	**FY2018 Unaudited (Restated) $**
<u>Cash flows from operating activities</u>		
Loss before tax	(298,699)	(2,343,371)
Adjustments for:		
Allowance for impairment / (Reversal of allowance for impairment) on trade and other receivables and contract assets	82,849	(626,837)
Reversal of allowance for foreseeable loss on development properties	–	(2,814,488)
Bad debts written off	53,545	193,697
Contract assets written off	77,289	–
Depreciation of investment property	127,835	43,376
Depreciation of property, plant, and equipment	756,544	1,015,755
Equity-settled share-based payment transactions	47,250	56,700
Fair value gain on derivatives	–	(40,764)
Fair value of shares of the Company surrendered under a settlement agreement	–	(1,772,571)
Impairment loss on development properties	–	1,914,180
Loss on disposal of plant and equipment	4,084	14,201
Loss on disposal of subsidiaries	90,688	–
Net finance costs	1,202,059	1,491,058
Operating cash flows before changes in working capital	**2,143,444**	**(2,869,064)**
Changes in:		
- Inventories	1,801,410	(347,163)
- Development properties	(9,722,217)	15,911,599
- Trade and other receivables	1,539,084	(868,529)
- Contract assets	3,508,417	(221,909)
- Trade and other payables	(2,594,183)	361,522
- Contract liabilities	187,420	(7,299)
Cash (used in) generated from operations	**(3,136,625)**	**11,959,157**
Tax paid	(254,196)	(331,750)
Net cash (used in) from operating activities	**(3,390,821)**	**11,627,407**
<u>Cash flows from investing activities</u>		
Acquisition of property, plant and equipment	(768,250)	(690,167)
Cash outflows from disposal of subsidiaries (Note 1)	(11,063)	–
Formation of equity-accounted joint venture	(12,500)	–
Interest received	7,201	3,731
Proceeds from disposal of plant and equipment	30,874	46,375
Net cash used in investing activities	**(753,738)**	**(640,061)**

Consolidated Statement of Cash Flows (continued)

Year ended 30 June 2019

	Group	
	FY2019 Unaudited	**FY2018 Unaudited (Restated)**
	$	**$**
Cash flows from financing activities		
Interest paid	(1,339,691)	(1,494,789)
Payment of finance lease liabilities	(18,223)	(17,460)
Proceeds from loans and borrowings	28,025,395	22,804,615
Repayment of loans and borrowings	(22,430,501)	(35,559,441)
Net cash from (used in) financing activities	**4,236,980**	**(14,267,075)**
Net increase / (decrease) in cash and cash equivalents	92,421	(3,279,729)
Cash and cash equivalents at beginning of the year	4,492,213	7,781,629
Effect of exchange rate fluctuations on cash held	37,270	(9,687)
Cash and cash equivalents at end of the year (Note 2)	**4,621,904**	**4,492,213**

Note 1

Analysis of assets and liabilities of subsidiaries disposed was as follows:

Property, plant and equipment	1,386	–
Development properties	22,200,477	–
Trade and other receivables	707	–
Cash and cash equivalents	20,449	–
Trade and other payables	(43,907)	–
Foreign currency translation reserve	(157,130)	–
	22,021,982	–
Non-controlling interests	(21,921,908)	–
Identified net assets	100,074	–
Loss on disposal of subsidiaries	(90,688)	–
Selling proceeds	9,386	–
Net cash outflows arising from the disposal of subsidiaries		
Cash received from selling proceeds	9,386	–
Cash and cash equivalents disposed off	(20,449)	–
Net cash outflows from disposal of subsidiaries	(11,063)	–

Note 2

Cash and cash equivalents in the statement of financial position	4,621,904	4,468,143
Cash included in assets held for sale	–	24,070
Cash and cash equivalents in the statement of cash flows	4,621,904	4,492,213

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.

Statement of changes in equity		Attributable to owners of the Company								
Group	**Note**	**Share capital $**	**Capital reserve**	**Foreign currency translation reserve $**	**Revaluation reserve $**	**Share-based compensation reserve $**	**Accumulated losses $**	**Total $**	**Non-controlling interests $**	**Total equity $**
At 1 July 2018 (Restated)		32,922,108	(1,772,571)	109,773	–	56,700	(17,072,042)	14,243,968	21,881,198	36,125,166
Adjustment on initial application of SFRS(I) 9 (net of tax)	4	–	–	–	–	–	(48,105)	(48,105)	–	(48,105)
Adjusted balance at 1 July 2018		32,922,108	(1,772,571)	109,773	–	56,700	(17,120,147)	14,195,863	21,881,198	36,077,061
Total comprehensive loss for the year										
Loss for the year		–	–	–	–	–	(459,853)	(459,853)	–	(459,853)
Foreign currency translation differences reclassified to profit or loss upon disposal of subsidiaries		–	–	(157,130)	–	–	–	(157,130)	–	(157,130)
Foreign currency translation differences		–	–	55,345	–	–	–	55,345	40,710	96,055
Total comprehensive loss for the year		–	–	(101,785)	–	–	(459,853)	(561,638)	40,710	(520,928)
Transactions with owners, recognised directly in equity										
Contributions by and distributions to owners										
Share-based payment transactions		–	–	–	–	47,250	–	47,250	–	47,250
Issuance of ordinary shares under the Performance Share Plan		56,700	–	–	–	(56,700)	–	–	–	–
Distribution of shares of the Company surrendered under a settlement agreement #		–	1,772,571	–	–	–	(1,772,571)	–	–	–
Total contributions and distributions to owners		56,700	1,772,571	–	–	(9,450)	(1,772,571)	47,250	–	47,250
Changes in ownership interests in subsidiaries										
Disposal of subsidiaries with non-controlling interests		–	–	–	–	–	–	–	(21,921,908)	(21,921,908)
Total changes in ownership interest in subsidiaries		–	–	–	–	–	–	–	(21,921,908)	(21,921,908)
At 30 June 2019		32,978,808	–	7,988	–	47,250	(19,352,571)	13,681,475	–	13,681,475

Note: The shares were surrendered as part of the global settlement in January 2018 between the Group and the two vendors of TIEC Holdings Pte. Ltd., a wholly-owned subsidiary of the Company.

Statement of changes in equity

Group	Note	Attributable to owners of the Company								
		Share capital	Capital reserve	Foreign currency translation reserve	Revaluation reserve	Share-based compensation reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		$		$	$	$	$	$	$	$
At 1 July 2017		32,922,108	–	161,556	12,192,793	–	(14,473,130)	30,803,327	22,065,764	52,869,091
Adjustment on initial application of SFRS(I) 1 (net of tax)	4	–	–	–	(12,192,793)	–	–	(12,192,793)	–	(12,192,793)
Adjustment on initial application of SFRS(I) 15 (net of tax)		–	–	–	–	–	(410,352)	(410,352)	–	(410,352)
As restated		32,922,108	–	161,556	–	–	(14,883,482)	18,200,182	22,065,764	40,265,946
Total comprehensive loss for the year										
Loss for the year		–	–	–	–	–	(2,527,647)	(2,527,647)	–	(2,527,647)
Adjustment on initial application of SFRS(I) 1 (net of tax)	4	–	–	–	–	–	417,729	417,729	–	417,729
Adjustment on initial application of SFRS(I) 15 (net of tax)		–	–	–	–	–	(78,642)	(78,642)	–	(78,642)
As restated		–		–	–	–	(2,188,560)	(2,188,560)	–	(2,188,560)
Foreign currency translation differences		–	–	(51,783)	–	–	–	(51,783)	(184,566)	(236,349)
Total comprehensive loss for the year		–	–	(51,783)	–	–	(2,188,560)	(2,240,343)	(184,566)	(2,424,909)
Transactions with owners, recognised directly in equity										
Contributions by and distributions to owners										
Share-based payment transactions		–	–	–	–	56,700	–	56,700	–	56,700
Total contributions by and distributions to owners		–	–	–	–	56,700	–	56,700	–	56,700
Others										
Fair value of shares of the Company surrendered under a settlement agreement #		–	(1,772,571)	–	–	–	–	(1,772,571)	–	(1,772,571)
Total others		–	(1,772,571)	–	–	–	–	(1,772,571)	–	(1,772,571)
At 30 June 2018 (Restated)		32,922,108	(1,772,571)	109,773	–	56,700	(17,072,042)	14,243,968	21,881,198	36,125,166

Statement of changes in equity

Company	Share capital $	Capital reserve $	Share-based compensation reserve $	Accumulated losses $	Total equity $
At 1 July 2018	32,922,108	(1,772,571)	56,700	(53,142,224)	(21,935,987)
Adjustment on initial application of SFRS(I) 9 (net of tax)	–	–	–	(51,401)	(51,401)
Adjusted balance at 1 July 2018	32,922,108	(1,772,571)	56,700	(53,193,625)	(21,987,388)
Total comprehensive loss for the year	–	–	–	(915,666)	(915,666)
Share-based payment transactions	–	–	47,250	–	47,250
Issuance of ordinary shares under the Performance Share Plan	56,700	–	(56,700)	–	–
Distribution of shares of the Company surrendered under a settlement agreement #	–	1,772,571	–	(1,772,571)	–
At 30 June 2019	32,978,808	–	47,250	(55,881,862)	(22,855,804)
At 1 July 2017	32,922,108	–	–	(46,653,923)	(13,731,815)
Total comprehensive loss for the year	–	–	–	(6,488,301)	(6,488,301)
Share-based payment transactions	–	–	56,700	–	56,700
Fair value of shares of the Company surrendered under a settlement agreement #	–	(1,772,571)	–	–	(1,772,571)
At 30 June 2018	32,922,108	(1,772,571)	56,700	(53,142,224)	(21,935,987)

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.

There was no change in the share capital of the Company since 31 December 2018 up to 30 June 2019. As at 31 December 2018 and 30 June 2019, the share capital of the Company comprised 234,374,614 ordinary shares.

Share Awards

At the extraordinary general meeting of the Company held on 25 October 2011, the shareholders of the Company approved the adoption of the TEHO Performance Share Plan. On 1 November 2017, the Company granted 2,100,000 share awards to its employees which will vest accordingly based on the prescribed timelines set by the Remuneration Committee of the Company.

A reconciliation of outstanding share awards from 1 July 2018 to 30 June 2019 is as follows:

Outstanding Share Awards	**Number of Shares**
At 1 July 2018	2,100,000
Forfeited during the period	–
Vested during the period	(1,050,000)
Granted during the period	–
At 30 June 2019	1,050,000

As at 30 June 2019, the 1,050,000 outstanding share awards in issue are convertible into 1,050,000 ordinary shares in the share capital of the Company (30 June 2018: 2,100,000).

As at 30 June 2019 and 30 June 2018, save as disclosed above, the Company had no outstanding convertibles, treasury shares or 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.

	As at 30 June 2019	**As at 30 June 2018**
Total number of issued shares (excluding treasury shares)	234,374,614	233,324,614

The Company did not have any treasury shares as at 30 June 2019 and 30 June 2018.

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

Not applicable. The Company did not have any treasury shares during the current financial period reported on.

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

Not applicable. The Company did not have any subsidiary holdings during the current financial period reported on.

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

The figures have not been audited or reviewed by the auditors.

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

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Save as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of these financial statements.

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

In December 2017, the Accounting Standards Council (ASC) issued the Singapore Financial Reporting Standards (International) (SFRS(I)), which comprises standards and interpretations that are equivalent to International Financial Reporting Standards (IFRS) issued by the International Accounting Statutory Board. The Group's financial statements for the financial year ended 30 June 2019 are prepared in accordance with SFRS(I) and IFRS.

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 30 June 2018, except for the adoption of the SFRS(I) framework as described above and the new/revised SFRS(I) applicable for the Group for the financial period beginning 1 July 2018 as follows:

- SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)*
- SFRS(I) 15 *Revenue from Contracts with Customers*
- SFRS(I) 9 *Financial Instruments*

a) SFRS(I) 1

In adopting the new framework, the Group is required to apply the specific transition requirements in SFRS(I). The Group has applied SFRS(I) with 1 July 2017 as the date of transition for the Group and the Company, on a retrospective basis, as if such accounting policies had always been applied. SFRS(I) 1 provides mandatory exceptions and optional exemptions from retrospective application. Except as described below, the application of the mandatory exceptions and the optional exemptions in SFRS(I) 1 did not have any significant impact on the financial statements.

Cost model for freehold land and building and leasehold buildings classified as property, plant and equipment

The Group previously measured its freehold land and building and leasehold buildings at revalued amounts. The Group currently measures these freehold land and building and leasehold buildings held by the Group at the date of transition to SFRS(I) 1 at cost model retrospectively in its SFRS(I) financial statements.

b) SFRS(I) 15

SFRS(I) 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It also introduces new cost guidance which requires certain costs of obtaining and fulfilling contracts to be recognised as separate assets when specified criteria are met.

The Group adopted SFRS(I) 15 using the retrospective approach with practical expedients.

(a) Revenue from sale of goods – Volume rebates

The Group granted volume rebates to the customers who meets certain sales targets. The Group previously recognised these volume rebates as a deduction to revenue at the point of the customer meeting the sales targets. Under SFRS(I) 15, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue will not occur. Therefore, the amount of revenue is adjusted for expected volume rebates, which are estimated based on historical rebates granted and experiences with the recurring customers.

The Group assessed that there is no tax effect arising from the above adoption of SFRS(I) 15 because the affected subsidiary has been utilising the tax losses of other subsidiaries within the Group under the group relief system.

(b) Revenue from sale of development properties – Liquidated damages

The Group previously recognised liquidated damages as an expense included in "cost of sales". Under SFRS(I) 15, revenue is measured at the transaction price agreed under the contract, net of rebates, discounts and liquidated damages.

(c) Borrowing costs

Arising from the tentative agenda decision issued by the IFRS Interpretation Committee (IFRIC) relating to the capitalisation of borrowing costs for the construction of development properties where revenue is recognised over time, the Group has ceased capitalisation of borrowing costs on its development properties.

(d) Success-based sales commissions

The Group pays sales commissions to external property sales agents for securing property sales contracts for the Group on a success basis. The Group previously recognised sales commissions as an expense when incurred, but now capitalises such costs as costs of obtaining a contract under SFRS(I) 15 i.e. contract costs as they are incremental and are expected to be recovered. The capitalised costs are amortised consistently with the pattern of revenue recognised for the related contract.

There is no impact to the financial statements because the Group assessed the sale commissions incurred are not recoverable as at 30 June 2018 and 1 July 2017.

c) SFRS(I) 9

SFRS(I) 9 contains new requirements for classification and measurement of financial instruments, a new expected credit loss model for calculating impairment of financial assets, and new general hedge accounting requirements.

The Group has elected to apply the exemption in SFRS(I) 1 allowing it not to restate comparative information in the 2019 SFRS(I) financial statements. Differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of SFRS(I) 9 are recognised in accumulated losses as at 1 July 2018.

As a result of the adoption of SFRS(I) 9, the Group presented impairment loss related to trade and other receivables and contract assets, separately in the statement of profit or loss. As a result, the Group reclassified reversal of impairment loss amounting to $626,837, recognised under FRS 39, from "other operating expenses" to "reversal of impairment loss on trade receivables and contract assets" in the consolidated statement of profit or loss for the year ended 30 June 2018.

SFRS(I) 9 requires the Group to record expected credit losses on all of its trade and other receivables and contract assets, either on a 12-month or lifetime basis. The Group adopts the simplified approach and records lifetime expected losses on all trade and other receivables and contract assets.

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:

Earnings per ordinary share for the year based on loss attributable to owners of the parent, net of tax:

	Group	
	Year ended 30 June 2019 Unaudited	**Year ended 30 June 2018 Audited (Restated)**
Earnings ($) (Loss attributable to owners of the Company, net of tax)	(459,853)	(2,188,561)
(i) Based on weighted average number of ordinary shares in issue (Cents) Weighted average number of ordinary shares	(0.20) 234,003,518	(0.94) 233,324,614
(ii) On a fully diluted basis (Cents) Diluted weighted average number of ordinary shares	(0.20) 235,424,614	(0.93) 234,724,614

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

	Group As at		**Company As at**	
	30 June 2019 Unaudited	**30 June 2018 Unaudited (Restated)**	**30 June 2019 Unaudited**	**30 June 2018 Audited**
Net asset value ($)	13,681,475	14,243,968	(22,855,804)	(21,935,987)
Net asset value per ordinary share (Cents)	5.84	6.10	(9.75)	(9.40)
Number of shares in issue	234,374,614	233,324,614	234,374,614	233,324,614

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.

Financial Performance Review

Revenue

The Group's revenue of $54.4 million for FY2019 decreased by $10.0 million or 15.6%, from $64.4 million for the financial year ended 30 June 2018 (FY2018).

Revenue contribution from the Marine & Offshore Segment increased by $6.2 million or 13.2% to $53.6 million in FY2019 as compared to $47.4 million in FY2018. The increase of $6.2 million is due to:

- The mooring and rigging business contributed to an increase of $4.9 million.
- The water treatment business contributed to an increase of $2.0 million, offset by a decline in the engineering business of $0.7 million.

Revenue contribution from the Property Development Segment decreased by $16.2 million or 95.5% from $17.0 million in FY2018 to $0.8 million in FY2019. The decrease was mainly due to absence of revenue contribution from the sale of the completed Elite Terrace development project in FY2018 amounting to $15.0 million and an absence of revenue contribution from the property agency business amounting to $1.0 million.

Revenue from the Singapore Segment remained the highest geographical segment, at 54.3% of the Group's revenue in FY2019, a 10.2-percentage-point decline from 64.5% in FY2018. The decline was mainly attributable to the absence of revenue contribution from the sale of the completed Elite Terrace development project in FY2018.

Gross profit

The Group's gross profit of $18.8 million in FY2019 increased by $2.4 million or 14.5% from $16.4 million in FY2018. The Group's gross profit margin in FY2019 increased by 9.1 percentage points to 34.5% as compared to 25.4% in FY2018.

- The Marine & Offshore Segment contributed gross profit of $18.0 million to the Group in FY2019 as compared to $15.8 million in FY2018. The gross profit margin in FY2018 increased marginally by 0.2 percentage points to 33.6%. $2.1 million of the $2.2 million increase in gross profit is attributable to the segment's increase in revenue.
- The Property Development Segment contributed gross profit of $0.7 million to the Group in FY2019 as compared to a gross profit of $0.6 million in FY2018. The increase was due to the absence of gross loss of $0.5 million arising from cost overrun of the Elite Terrace development project in FY2018, offset by a decline in gross profit contribution from the property consultancy and agency business of $0.4 million.

Other income

Other income of $0.5 million in FY2019 decreased by $3.0 million or 84.4% from $3.5 million in FY2018 which is partly due to the absence of the global settlement (the "**Settlement**") in January 2018 between the Group and the two vendors of TIEC Holdings Pte. Ltd., a wholly-owned subsidiary of the Company.

Distribution expenses

Distribution expenses of $1.6 million in FY2019 decreased by $0.4 million or 21.1% from $2.0 million in FY2018 due to the Group's commission expenses being reduced by $0.5 million in FY2019 as a result of an absence of commission expenses attributable to the Elite Terrace development project.

However, the decrease was offset by an increase of $0.1 million in trade exhibition and related selling expenses mainly incurred by the Marine & Offshore Segment.

Administrative expenses

Administrative expenses of $12.3 million in FY2019 decreased by $0.4 million or 3.0% from $12.7 million in FY2018. This was due to the decrease in legal and professional fees by $0.6 million in FY2019 as compared to FY2018, following the global settlement reached in January 2018 between the Group and the two vendors of TIEC Holdings Pte. Ltd., a wholly-owned subsidiary of the Company.

However, the decrease was offset by an increase in employee remuneration expenses by $0.2 million. The increase in employee remuneration relating to the head office and Marine & Offshore Segment by $0.3 million was offset by a decrease of $0.1 million in the Property Development Segment. The decrease in the Property Development Segment was mainly attributed by a reduction in headcount in the Property Development Segment.

Other operating expenses

Other operating expenses of $4.4 million in FY2019 decreased by $2.2 million or 33.4% from $6.6 million in FY2018 mainly due to the following:

- Absence of impairment loss on development properties of $1.9 million incurred by the Property Development Segment in FY2018.
- Total depreciation decreased by $0.3 million in FY2019 because more property, plant and equipment have been fully depreciated. Most of the property, plant and equipment that were acquired occurred toward the end of FY2019. The additional depreciation arising from the acquired property, plant and equipment was not for the full year.
- Expenses arising from bad debts written-off decreased by $0.1 million, mainly attributable to the Property Development Segment.

However, the decrease was offset by the increase in repair and maintenance expense by $0.1 mainly in the Marine & Offshore Segment.

Impairment loss on trade and other receivables and contract assets

Impairment loss on trade and other receivables and contract assets incurred in FY2019 was $83,000, compared to a reversal of $0.6 million in FY2018. The reversal in FY2018 related to the recovery of amounts due from former shareholders of a subsidiary.

Finance income and loss

Finance costs of $1.2 million in FY2019 decreased by $0.3 million from $1.5 million in FY2018. The decrease is mainly attributable to the absence of finance costs arising from the sale of the completed Elite Terrace development project in FY2018. The Group's finance income is insignificant.

Income tax expense

In FY2019, the Group incurred an income tax expense of $0.2 million as compared to income tax credits of $0.2 million in FY2018. Although the Group incurred a loss before tax during FY2019, the overseas subsidiaries in the Marine & Offshore Segment had taxable profits and contributed to the income tax expense.

Loss for the year

Combining the profit before tax of $2.1 million for the Marine & Offshore Segment, loss before tax of $1.6 million for the Property Development Segment, and the unallocated head office expenses of $0.8 million, the loss before tax of the Group was $0.3 million. After accounting for income tax expense of $0.2 million, the Group's loss after tax in FY2019 was $0.5 million as compared to a loss of $2.2 million incurred in FY2018.

Balance Sheet Review

Non-current assets

Non-current assets decreased by $0.2 million or 1.5% to $10.4 million as at 30 June 2019 from $10.6 million as at 30 June 2018. The decrease was mainly due to the following:

- Property, plant and equipment decreased by $0.1 million. Additions of property, plant and equipment during the year of $0.7 million was offset by depreciation and currency differences of $0.8 million.
- Investment property decreased by $0.2 million due to depreciation.

The decrease was offset by the following:

- Deferred tax assets increased by $0.1 million.

Current assets

Current assets of $46.5 million as at 30 June 2019 decreased by $19.2 million or 29.2% from $65.7 as at 30 June 2018. The decrease was mainly due to the following:

- Assets held for sale decreased by $21.9 million to nil as at 30 June 2019 following the completion of the disposal of the Group's entire shareholding interest in TEHO Development (Cambodia) Pte. Ltd. ("**TDCPL**") in FY2019.
- Contract assets decreased by $3.6 million. Following the sale of the completed Elite Terrace development project in FY2018, the Property Development Segment's unbilled revenue decreased by $3.1 million. The Marine & Offshore Segment's contract assets decreased by $0.5 million mainly due to billings of project's retention balances during FY2019.
- Inventories decreased by $1.7 million mainly due to efforts to optimize inventory levels in the Marine & Offshore Segment's business operations in Singapore and Europe. As a result, inventory turnover days decreased from 254 days in FY2018 to 218 days in FY2019.
- Trade and other receivables decreased by $1.7 million, of which $1.9 million relates to unbilled revenue and outstanding receivables arising from the completion of the Elite Terrace development project. During FY2019, the outstanding receivables have been settled in full. These decreases were offset by an increase amounting to $0.2 million attributable to the Marine & Offshore Segment. Trade and other receivables turnover days for the Marine & Offshore Segment decreased by 8 days from 78 days in FY2018 to 70 days in FY2019.

The decrease was offset by the following:

- Development properties increased by $9.6 million. The Group completed the construction of the property at 88 Farleigh Avenue during the year. In addition, the Group also acquired a property at 16 Lorong Salleh for redevelopment.
- Cash and cash equivalents, including the effect of exchange rate fluctuations on cash held, increased by $0.1 million from $4.5 million as at 30 June 2018 to $4.6 million as at 30 June 2019. Please refer to the "Cash Flows Review" section below for details.

Non-current liabilities

Non-current liabilities increased by $1.4 million or 12.1% to $14.2 million as at 30 June 2019 from $12.7 million as at 30 June 2018. The increase was mainly due an increase in the non-current portion of loans and borrowings by $1.4 million. This was due to:

- Land and construction loans were taken out for the Group's property development at 88 Farleigh Avenue and 16 Lorong Salleh, resulting in an increase in non-current portion of loans and borrowings by $6.9 million.

The increase was offset by the following:

- A term loan with a bullet repayment falling within twelve months from the balance sheet date resulted in a decrease in non-current portion of loans and borrowings by $3.3 million.
- Repayment of loans and borrowings, mainly by the Marine & Offshore Segment, which resulted in a further decrease in non-current portion of loans and borrowings by $2.2 million.

Current liabilities

Current liabilities increased by $1.5 million or 5.6% to $29.0 million as at 30 June 2019 from $27.5 million as at 30 June 2018. The increase was due to the following (the figures below do not add up due to rounding):

- Current portion of loans and borrowings increased by $4.1 million, due to a term loan with a bullet repayment falling within twelve months from the balance sheet date resulting in an increase in current portion of loans and borrowings by $3.3 million, increase in utilisation of trade facilities by $1.0 million and an increase in the drawdown of short-term revolving credit facilities by $0.5 million for working capital purposes. These increases were offset by a $0.7 million decrease due to repayment of term loans.
- Contract liabilities increased slightly by $0.2 million.

The increase was offset by the following:

- Trade and other payables decreased by $2.6 million, mainly due to the Property Development Segment which contributed to a $1.5 million decrease as a result of the completion of the Elite Terrace development project in FY2018. Most of these trade and other payables were settled during FY2019. The Marine & Offshore Segment contributed to a $0.8 million decrease in trade and other payables. The segment's trade and other payables turnover days decreased by 8 days from 60 days in FY2018 to 52 days in FY2019.

Shareholders' equity

Shareholders' equity of $13.7 million as at 30 June 2019 decreased by $22.4 million or 62.1% from $36.1 million as at 30 June 2018. The decrease was mainly due to the following:

- Loss for FY2019 amounting to $0.5 million; and
- Decrease in non-controlling interests by $21.9 million following the completion of the disposal of the Group's entire shareholding interest in TDCPL in FY2019.

<u>Cash Flows Review</u>

Cash flows from operating activities

Operating cash inflows before changes in working capital was $2.1 million in FY2019. Net cash outflow used in working capital was $5.2 million due to the following (the figures below do not add up due to rounding):

- Cash inflows arising from a decrease in inventories of $1.8 million;
- Cash outflows arising from an increase in development properties of $9.7 million;
- Cash inflows arising from a decrease in trade and other receivables of $1.5 million;
- Cash inflows arising from a decrease in contract assets of $3.6 million;
- Cash outflows arising from a decrease in trade and other payables of $2.6 million; and
- Cash inflows arising from an increase in contract liabilities of $0.2 million.

After deducting income taxes paid of $0.3 million, net cash used in operating activities in FY2019 was $3.4 million.

Cash flows used in investing activities

Net cash used in investing activities in FY2019 was $0.8 million which was mainly attributable to the purchase of property, plant and equipment by the Marine & Offshore Segment.

Cash flows from financing activities

Net cash from financing activities in FY2019 was $4.2 million, mainly attributable to the following:

- Interest paid of $1.3 million;
- Repayment of bank borrowings and finance lease liabilities totalling $22.4 million; and
- Proceeds from bank borrowings amounting to $28.0 million.

As a result of the above, cash and cash equivalents increased by approximately $92,000 during FY2019. Cash and cash equivalents as at 30 June 2019 were $4.6 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 or prospect statement had been previously disclosed.

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.

<u>Marine & Offshore Segment</u>

A weak economic climate in Europe due to Brexit and the impact of the US-China trade tensions is expected to affect the business environment that the Group operates in.

Revenue contributed by the Marine & Offshore Segment has increased by more than 10.0% during FY2019. The growth in the Segment's mooring and rigging business in FY2019 extends the improvement experienced in FY2018. The Segment's engineering and water treatment business has shown a recovery in FY2019 with its increase in revenue contribution.

In March 2019, the Group had significantly expanded its operations in the United States by setting up its own wire rope rigging facility at Houston (Texas). The new facility will now anchor and propel the Group's growth in the Americas.

In July 2019, Enterprise Singapore has offered the Company a Market Readiness Assistance Grant for the Company to set up a wholly-owned subsidiary. After the subsidiary commences business, the Group expects the subsidiary to further strengthen TEHO's platform which at present comprises 3 rigging facilities (in Rotterdam, Singapore and Houston) and 4 stock points (in Algeciras, Dubai, Panama and Shanghai).

Despite the weak sentiments in the industry, we will continue to expand on our mooring and rigging business, manage our costs prudently and align cash flows with business volume and potential opportunities.

<u>Property Development Segment</u>

The Private Residential Property Price Index has risen to a five-year high in the second quarter in 2019, after two consecutive quarters of decline. The Group views this as positive for the segment.

The Group has completed construction of its Farleigh Avenue project and has begun marketing the property. Revenue in respect of this property has not been recognised.

In June 2019, the Group has also acquired another freehold residential property for redevelopment at Lorong Salleh. Based on initial plans, the construction for this development is scheduled to be completed in first half of FY2021.

The Group's Property Development Segment will continue to focus on landed residential developments in Singapore.

11. If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended):

No.

(b)(i) Amount per share/rate%

Name of Dividend	
Dividend type	Not applicable
Dividend amount per ordinary shares (cents)	Not applicable

(b)(ii) Previous corresponding period/rate%

Name of Dividend	
Dividend type	Not applicable
Dividend amount per ordinary shares (cents)	Not applicable

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net tax, state the tax rate and the country where the dividend is derived. (if the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfer received by the company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Not applicable.

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

After considering the cash flow requirements of the Group and to be prudent, no dividend has been recommended for the financial year ended 30 June 2019.

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 did not obtain a general mandate from shareholders for Interested Person Transactions.

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

14. Segmented revenue and results for 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.

Business Segments Reporting 2019	**Marine & Offshore $**	**Property Development $**	**Unallocated $**	**Group $**
External revenues	53,621,573	761,903	–	54,383,476
Interest income	557	6,644	–	7,201
Interest expense	(1,137,390)	(71,870)	–	(1,209,260)
Depreciation and amortisation	(671,727)	(171,838)	(40,814)	(884,379)
Reportable segment profit/(loss) before tax	2,101,510	(1,614,945)	–	486,565
Other unallocated expenses	–	–	(785,264)	(785,264)
Consolidated loss before tax from continuing operations				(298,699)
Reportable segment assets	42,478,236	14,336,812	124,588	56,939,636
Capital expenditure	749,141	19,109	–	768,250
Reportable segment liabilities	33,077,465	10,046,439	134,257	43,258,161

Business Segments Reporting 2018 (Restated)	**Marine & Offshore $**	**Property Development $**	**Unallocated $**	**Group $**
External revenues	47,378,659	17,049,610	–	64,428,269
Interest income	791	2,940	–	3,731
Interest expense	(1,088,336)	(406,453)	–	(1,494,789)
Depreciation and amortisation	(831,515)	(183,380)	(44,236)	(1,059,131)
Reportable segment profit/(loss) before tax	1,247,278	(2,543,244)	–	(1,295,966)
Other unallocated expenses	–	–	(1,047,405)	(1,047,405)
Consolidated loss before tax from continuing operations				(2,343,371)
Reportable segment assets	41,760,124	34,301,403	232,454	76,293,981
Capital expenditure	598,473	90,239	1,455	690,167
Reportable segment liabilities	34,918,685	4,844,673	405,457	40,168,815

(a) The other unallocated items comprise distribution costs, administrative expenses, other operating expenses and other charges which are centralised and not segmented as these items are not directly attributable to the reportable segments.

(b) The unallocated assets and liabilities cannot be selectively segmented when they are being deployed and/or incurred, as these items are not directly attributable to the reportable segments.

Geographical Segments Reporting

	Note	Group 2019 $	2018 $
Revenue			
Singapore		29,548,375	41,541,239
Malaysia		3,130,684	2,048,798
Philippines		2,469,908	2,238,278
The Netherlands		1,815,678	1,708,796
United States of America		1,716,365	1,759,830
Germany		1,530,290	1,232,770
Denmark		1,516,688	1,488,620
United Kingdom		1,354,793	1,541,237
Greece		1,347,041	1,088,421
Hong Kong		1,345,106	1,300,699
Cyprus		1,132,232	952,606
Indonesia		889,142	1,016,093
United Arab Emirates		535,854	482,786
China		534,809	467,997
France		491,887	411,932
Spain		491,559	827,439
Other countries	1	4,533,065	4,320,728
Total revenue		54,383,476	64,428,269
Non-current asset	2		
Singapore		7,096,124	7,658,200
Other countries		3,339,665	2,932,925
		10,435,789	10,591,125

Note 1:
Revenue derived from other countries consists of countries that each contribute to less than 1% of the Group's total revenue. These include Turkey, Belgium, Norway, Sweden, Italy, Monaco, and Switzerland.

Note 2:
Non-current assets presented consist of property, plant and equipment and investment properties.

15. 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 paragraph 8 above for further details.

16. A breakdown of sales as follows:

		Group FY2019 $'000 Unaudited	FY2018 $'000 Unaudited (Restated)	% Increase/ (Decrease)
First Half				
(a)	Revenue	25,632	25,639	(0.03)
(b)	Operating loss after tax before deducting minority interest	(582)	(1,855)	(68.6)
Second half				
(a)	Revenue	28,752	38,789	(25.9)
(b)	Operating profit / (loss) after tax before deducting minority interest	122	(334)	n.m.

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

	Latest Full Year	Previous Full Year
Ordinary	nil	nil
Preference	nil	nil
Total	nil	nil

Please refer to paragraphs 11 and 12 above for further details.

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Lim Siew Choo	65	Sister of Lim See Hoe (Executive Chairman, Chief Executive Officer and substantial shareholder) and Lim Siew Cheng (Executive Director, Chief Operating Officer and substantial shareholder)	General Administration Director since 2004 and is responsible for the day-to-day operations, statutory matters, recruitment and staff welfare of the Group	Not applicable
Soare Siew Lian	60	Sister of Lim See Hoe (Executive Chairman, Chief Executive Officer and substantial shareholder) and Lim Siew Cheng (Executive Director, Chief Operating Officer and substantial shareholder)	CEO of USA Operations since 2008 and is responsible for marketing and securing new customers in USA for the Group	Not applicable
Tan Wee Lee	40	Brother-in-law of Lim See Hoe (Executive Chairman, Chief Executive Officer and substantial shareholder)	Quality and Technical/Factory Manager since 1 July 2011 and is responsible for products quality assurance at TEHO Ropes & Supplies Pte. Ltd.	Not applicable

Lim Siew Choo is presently a substantial shareholder of the Company.

19. Confirmation that the issuer has procured undertakings from all of its directors and executive officers (in the format set out in Appendix 7H) under rule 720(1)

The Company confirms that all the required undertakings in the format set out in Appendix 7H under the Rule 720(1) of the Catalist Rules have been obtained from its Directors and Executive Officers.

BY ORDER OF THE BOARD

Lim See Hoe
Executive Chairman and Chief Executive Officer
26 August 2019