

New Trend Lifestyle Group Plc

("NTLG" or the "Company")

Unaudited Interim results for the six months ended 30 June 2019

New Trend Lifestyle Group (AIM: NTLG), the Singapore-based Feng Shui products and services group, announces its interim results for the six months to 30 June 2019.

The Directors of the issuer accept responsibility for this announcement. This announcement contains inside information which is disclosed in accordance with the Market Abuse Regulation which came into effect on 3 July 2016.

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Chairman's Statement

Results for the period

We are pleased to report that revenue continued to show improvement against the corresponding period last year at SGD 3,091k (1H-2018: SGD 2,543k). The trading conditions in Singapore remain challenging, however, the Board are hopeful that the improvement in sales that we have seen will continue throughout the remainder of the year.

The total comprehensive loss of for the period was SGD298k (1H-2018: SGD1,061k loss) which is a significant improvement on the prior year period. The Board continues to keep tight control of costs, continuing to make reductions, where possible, on an ongoing basis.

Cash at bank at the period end was lower than at the same date last year at SGD 187k (1H-2018: SGD659k). The Board continue to manage our cash with available resources and continue to seek cost reductions without compromising our ability to develop the business and increase revenue.

On 26 July 2019, the Company issued 50,000,000 new ordinary shares of 0.1p each to Zishange Capital Management Pte Ltd (ZSG) as part of settlement of debt owed to ZSG by New Trend Lifestyle Pte Ltd.

Update on acquisition strategy

The Board have not made any progress with the acquisition strategy as the main focus has been the continued improvement in sales performance. We continue to look for suitable, complementary businesses and will update shareholders with any progress as and when appropriate.

Outlook

The Board are very encouraged by the continued improved performance in the business against the prior year. However, we also continue to adopt a cautious view on the short-term outlook given the economic conditions in our local market. It is difficult to ascertain whether this improvement will continue, however, the Board believe that the Group's results for the current year will show an improvement over the prior year.

Gregory Collier
Chairman

New Trend Lifestyle Group Plc

Consolidated Comprehensive Income Statement For the period to 30 June 2019

	Notes	Six months to 30 June 2019 Unaudited SGD'000	Six months to 30 June 2018 Unaudited SGD'000	Year ended 31 December 2018 Audited SGD'000
Revenue		3,091	2,543	6,491
Cost of Sales		(906)	(730)	(1,545)
Gross Profit		2,185	1,813	4,946
Administrative expenses		(2,717)	(3,011)	(5,729)
Other income		298	246	520
Operating Loss	4	(234)	(952)	(263)
Finance expense		(80)	(109)	(97)
Loss before tax		(314)	(1,061)	(360)
Income tax charges		-	-	-
Loss for the year		(314)	(1,061)	(360)
Loss from discontinuing operations		-	-	(30)
Other comprehensive income/(loss) for the period		-	-	-
Total comprehensive loss for the period		(314)	(1,061)	(390)
Attributable to:				
- Non-controlling Interest		(16)	-	-
- Owners of the parent		(298)	(1,061)	(390)
Loss per share				
From continuing operations:-				
Basic and diluted loss per share	6	(0.002)	(0.008)	(0.002)

New Trend Lifestyle Group Plc
Consolidated Statement of Financial Position as at 30 June 2019

	Notes	As at 30 June 2019 Unaudited SGD'000	As at 30 June 2018 Unaudited SGD'000	As at 31 December 2018 Audited SGD'000
Assets				
Non-current assets				
Property, plant and equipment		1,166	1,254	1,280
Investment property		1,876	1,931	1,904
Intangible assets		-	11	-
		<u>3,042</u>	<u>3,196</u>	<u>3,184</u>
Current assets				
Cash and cash equivalents	8	187	659	1,216
Trade and other receivables		489	929	428
Inventories		713	717	723
		<u>1,389</u>	<u>2,305</u>	<u>2,367</u>
Total assets		<u><u>4,431</u></u>	<u><u>5,501</u></u>	<u><u>5,551</u></u>
Equity and liabilities				
Capital and reserves				
Issued capital	7	333	243	333
Share premium		3,033	2,221	3,033
Other reserves		379	303	295
Group reorganisation reserve		2,845	2,845	2,845
Currency translation reserve		(61)	(61)	(61)
Accumulated surplus		(7,325)	(7,698)	(7,027)
Total equity		<u>(796)</u>	<u>(2,147)</u>	<u>(582)</u>
Non-current Liabilities				
Restoration costs		74	-	55
Borrowings		2,740	-	2,715
		<u>2,814</u>	<u>-</u>	<u>2,770</u>
Current liabilities				
Trade and other payables		1,895	4,889	2,427
Short term borrowings		513	2,759	912
Restoration costs		5	-	24
		<u>2,413</u>	<u>7,648</u>	<u>3,363</u>
Total equity and liabilities		<u><u>4,431</u></u>	<u><u>5,501</u></u>	<u><u>5,551</u></u>

New Trend Lifestyle Group Plc
Consolidated Statement of Cash Flows

For the six months to 30 June 2019

	Notes	6 Months to 30 June 2019 Unaudited SGD'000	6 Months to 30 June 2018 Unaudited SGD'000	Year to 31 Dec 2018 Audited SGD'000
Cash flows from operating activities				
Loss before income tax		(314)	(1,061)	(360)
Adjustments for:				
Depreciation and amortisation expense		149	172	310
Interest expense		80	109	97
		<u>(85)</u>	<u>(780)</u>	<u>47</u>
Changes in working capital:-				
Inventories		10	(28)	(34)
Trade and other receivables		(62)	(428)	73
Trade and other payables		(382)	1,598	(1,054)
Hire Purchase		-	-	(176)
		<u>(519)</u>	<u>362</u>	<u>(1,144)</u>
Cash consumed in operations		(519)	362	(1,144)
Income tax paid		-	-	-
		<u>(519)</u>	<u>362</u>	<u>(1,144)</u>
Net cash consumed in operating activities				
Cash flows from investing activities				
Purchase of plant and equipment		(7)	(26)	(170)
Proceeds from disposal of PPE		-	-	25
		<u>(7)</u>	<u>(26)</u>	<u>(145)</u>
Net cash consumed in investing activities				
Cash flows from financing activities				
Issue of convertible loan notes		728	-	-
(Repayment) of bank loans		(1,251)	(1,687)	483
Interest paid		(80)	(109)	(97)
Net proceeds from share issue		100	-	-
		<u>(503)</u>	<u>(1,796)</u>	<u>386</u>
Net cash from/(consumed in) financing activities				
Net change in cash and cash equivalents		(1,029)	(1,460)	(903)

Cash and cash equivalents at beginning of year	1,216	2,119	2,119
	<hr/>	<hr/>	<hr/>
Cash and cash equivalents at end of year	187	659	1,216
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

New Trend Lifestyle Group Plc

Consolidated statement of changes in equity

For six months to 30 June 2019

	Share capital	Share premium	Retained profits	Other reserves	Group reorgani sation reserve	Currency translation reserve	Total
	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000
Balance at 1 January 2018	243	2,221	(6,637)	303	2,845	(61)	(1,086)
Loss for the period	-	-	(1,061)	-	-	-	(1,061)
Convertible loan notes	-	-	-	-	-	-	-
Currency translation	-	-	-	-	-	-	-
Balance at 30 June 2018	243	2,221	(7,698)	303	2,845	(61)	(2,147)
Profit for the period	-	-	671	-	-	-	671
Convertible Loan note	-	-	-	(8)	-	-	(8)
Share issued in the period	90	812	-	-	-	-	902
Balance at 31 December 2018	333	3,033	(7,027)	295	2,845	(61)	(582)
Loss for the period	-	-	(298)	-	-	-	(298)
Non-Controlling Interest	-	-	-	84	-	-	84
Balance at 30 June 2019	333	3,033	(7,325)	379	2,845	(61)	(796)

New Trend Lifestyle Group Plc

Notes to the Interim Financial Information

1. General Information

New Trend Lifestyle Group Plc (“NTLG” or “Group”) is a public limited company incorporated in England and Wales with company number 8000104 and is quoted on the AIM market of the London Stock Exchange Plc.

2. Basis of Preparation

This interim report, which incorporates the financial information of the Company, has been prepared using the historical cost convention, on a going concern basis and in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union, using accounting policies which are consistent with those set out in the financial statements for the year ended 31 December 2018.

Taxes

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

Standards and Interpretations adopted with no material effect on financial statements

In the current year, the Group, for the first time, has applied IFRS 16 Leases. IFRS 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to the lessee accounting by removing the distinction between operating and finance leases and requiring the recognition of a right-of-use asset and a lease liability at the lease commencement for all leases, except for short-term leases and leases of low value assets. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged. The impact of the adoption of IFRS 16 on the Group’s consolidated financial statements is described below. The Group has applied IFRS 16 using the Modified retrospective approach.

There are no other IFRS or IFRIC interpretations that are not yet effective that would be expected to have material impact on the Group.

New Trend Lifestyle Group Plc

Notes to the Interim Financial Information

3. Segmental Analysis

Segmental reporting

In the opinion of the Directors the Group has one class of business, being the provider of Feng Shui products and services in Singapore and mainland China.

The Group's primary reporting format is determined by the geographical segment according to the location of its establishments. There are currently two geographic reporting segments: Singapore and China.

	6 months to 30 June 2019			
	Singapore Unaudited SGD'000	China and HK Unaudited SGD'000	UK Unaudited SGD'000	Total Unaudited SGD'000
Income Statement				
Revenue	3,091	-	-	3,091
Other income	298	-	-	298
Direct and operating costs	(3,557)	-	(130)	(3,687)
Group loss before tax	(168)	-	(130)	(298)
Assets and Liabilities				
Segment Assets	4,430	-	1	4,431
Segment Liabilities	(5,111)	-	(116)	(5,227)
	(681)	-	(115)	(796)

	6 months to 30 June 2018			
	Singapore Unaudited SGD'000	China and HK Unaudited SGD'000	UK Unaudited SGD'000	Total Unaudited SGD'000
Income Statement				
Revenue	2,543	-	-	2,543
Other income	246	-	-	246
Direct and operating costs	(3,607)	-	(243)	(3,850)
Group profit/(loss) before tax	(818)	-	(243)	(1,061)
Assets and Liabilities				
Segment Assets	5,491	-	10	5,501
Segment Liabilities	(7,331)	-	(317)	(7,648)
	(1,840)	-	(307)	(2,147)

	Year to 31 December 2018			
	Singapore Audited SGD'000	China and HK Audited SGD'000	UK Audited SGD'000	Total Audited SGD'000
Income Statement				
Revenue	6,491	-	-	6,491
Other income	550	-	-	550
Direct and operating costs	(7,213)	-	(218)	(7,431)
Group profit/(loss) before tax	(172)	-	(218)	(390)
Assets and Liabilities				
Segment Assets	5,541	-	10	5,551
Segment Liabilities	(6,007)	-	(126)	(6,133)
	(49)	-	(533)	(582)

New Trend Lifestyle Group Plc

Notes to the Interim Financial Information

4. Operating loss for the period is stated after charging

	6 Months to 30 June 2019 Unaudited SGD'000	6 Months to 30 June 2018 Unaudited SGD'000	Year to 31 December 2018 Audited SGD'000
Depreciation	149	172	328
	<u> </u>	<u> </u>	<u> </u>

5. Directors' emoluments

	6 Months to 30 June 2019 Unaudited NTLG SGD'000	6 Months to 30 June 2018 Unaudited Total SGD'000	Year to 31 December 2018 Audited NTL SGD'000
Hillary Phang Song Hua	283	283	610
Ajay Kumar Rajpal	48	44	85
Gregory Collier	13	14	27
Leung Chi Chiu	1	12	13
Leung Bo Ye Nancy	-	-	18
	<u> </u>	<u> </u>	<u> </u>

6. Loss per share

	6 Months to 30 June 2019 Unaudited	6 Months to 30 June 2018 Unaudited	Year to 31 December 2018 Audited
Loss per ordinary share – SGD			
Basic	(0.002)	(0.008)	(0.002)
Diluted	(0.002)	(0.008)	(0.002)
	<u> </u>	<u> </u>	<u> </u>

Earnings per share has been calculated on the net basis on the loss after tax of SGD314,000 (31 December 2018 – loss SGD390,000; 30 June 2018 - loss SGD1,061,000) using the weighted average number of ordinary shares in issue of 175,000,000 (31 December 2018 – 175,000,000; 30 June 2018 – 125,000,000)

The weighted average number of ordinary shares in issue if fully diluted is 175,000,000 (31 December 2018 – 175,000,000; 30 June 2018 – 125,000,000).

New Trend Lifestyle Group Plc

Notes to the Interim Financial Information

7. Called up Share Capital

The issued share capital as at 30 June 2019 was 175,000,000 Ordinary Shares of 0.1p each.

8. Cash and cash equivalents

	As at 30 June 2019 Unaudited SGD'000	As at 30 June 2018 Unaudited SGD'000	As at 31 December 2018 Audited SGD'000
Cash and bank balance	187	659	1,216
Fixed deposits	-	-	-
	187	659	1,216
Cash and bank balances as presented in the statement of financial position	187	659	1,216
Less: Pledge fixed deposits	-	-	-
	187	659	1,216
Cash and cash equivalents as presented in the statement of cash flow	187	659	1,216

9. Events subsequent to 30 June 2019

50,000,000 new ordinary shares of 0.1p each have been issued on 26 July 2019 to Zishange Capital Management Pte Ltd (ZSG) as part of settlement of debt owed to ZSG.

- 10.** The unaudited results for period ended 30 June 2019 do not constitute statutory accounts within the meaning of Section 435 of the Companies Act 2006. The comparative figures for the year ended 31 December 2018 for NTLG extracted from the audited financial statements which contained an unqualified audit report and did not contain statements under Sections 498 to 502 of the Companies Act 2006.
- 11.** This interim financial statement will be, in accordance with the AIM Rules for Companies, available shortly on the Company's website at www.newtrendlifestylegroup.com.