

Unaudited Full Year Financial Statement And Related Announcement for the Year Ended 31 December 2020

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF FULL YEAR RESULTS

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

1(a)(i) CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020 AND 31 DECEMBER 2019

Consolidated Income Statement

	Group 2H2020	Group 2H2019	Increase/ (Decrease)	Group FY2020	Group FY2019	Increase/ (Decrease)
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Revenue	598,680	506,082	18.3%	1,108,638	976,976	13.5%
Cost of sales	(564,726)	(481,803)	17.2%	(1,048,356)	(922,790)	13.6%
Gross profit	33,954	24,279	39.8%	60,282	54,186	11.3%
Other income	1,459	888	64.3%	2,701	1,592	69.7%
Sales and distribution expenses	(15,765)	(15,300)	3.0%	(31,584)	(31,857)	(0.9%)
General and administrative expenses	(9,102)	(7,020)	29.7%	(16,403)	(14,691)	11.7%
Reversal of impairment losses/ (impairment losses) on financial assets	172	(217)	N.M.	(7)	(1,734)	(99.6%)
Interest expense	(1,066)	(2,394)	(55.5%)	(2,924)	(5,561)	(47.4%)
Profit before taxation	9,652	236	N.M.	12,065	1,935	N.M.
Income tax (expense)/ credit	(1,362)	191	N.M.	(1,726)	(336)	N.M.
Profit after taxation	8,290	427	N.M.	10,339	1,599	N.M.

Profit attributable to:-						
Equity holders of the Company	8,290	427	N.M.	10,339	1,599	N.M.

Note:-

N.M. = Not meaningful

- 1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year (Cont'd).

1(a)(i) **CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020 AND 31 DECEMBER 2019 (CONT'D)**

Consolidated Statement of Other Comprehensive Income

	Group 2H2020	Group 2H2019	Increase/ (Decrease)	Group FY2020	Group FY2019	Increase/ (Decrease)
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Profit after taxation	8,290	427	N.M.	10,339	1,599	N.M.
Other comprehensive income:-						
Item that will not be reclassified subsequently to profit or loss:-						
Net fair value changes on equity instrument at fair value through other comprehensive income ("FVOCI")	29	(9)	N.M.	19	484	(96.1%)
Items that may be reclassified subsequently to profit or loss:-						
Foreign currency translation	100	97	3.1%	195	63	N.M.
Other comprehensive income for the period	129	88	46.6%	214	547	(60.9%)
Total comprehensive income for the period	8,419	515	N.M.	10,553	2,146	N.M.
Total comprehensive income attributable to:-						
Equity holders of the Company	8,419	515	N.M.	10,553	2,146	N.M.

1(a)(ii) **NOTES TO THE CONSOLIDATED INCOME AND STATEMENT OF COMPREHENSIVE INCOME**

Notes to the consolidated income and statement of comprehensive income	Group 2H2020	Group 2H2019	Group FY2020	Group FY2019
	US\$'000	US\$'000	US\$'000	US\$'000
Interest income	143	420	205	485
Interest expenses on loans and borrowings	(978)	(2,297)	(2,748)	(5,341)
Interest expenses on lease liabilities	(88)	(97)	(176)	(220)
Reversal of impairment losses/ (impairment losses) on trade debtors	172	(217)	(7)	(1,734)
Net fair value changes on financial assets at fair value through profit or loss	(14)	–	(14)	–
Bad debt written back	–	–	–	108
Reversal of stocks written down	1,037	773	1,966	2,127
Stocks written down/ off	(2,271)	(654)	(3,252)	(1,444)
Net gain/ (loss) on disposal of property, plant and equipment	2	–	(5)	55
Property, plant and equipment written off	(1)	(10)	(6)	(10)
Depreciation of property, plant and equipment	(641)	(748)	(1,287)	(1,516)
Depreciation of right-of-use ("ROU") assets	(1,124)	(1,457)	(2,429)	(2,884)
Net foreign exchange gain/ (loss)	1,385	(417)	1,138	(676)
Net fair value change on derivatives	–	(292)	(3)	(328)
Dividend income from investment security	43	39	43	39

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.

STATEMENT OF FINANCIAL POSITION	Group 31/12/2020	Group 31/12/2019	Company 31/12/2020	Company 31/12/2019
	US\$'000	US\$'000	US\$'000	US\$'000
Non-current assets				
Property, plant and equipment	2,794	3,202	–	–
Right-of-use assets	6,921	3,644	–	–
Intangible assets	752	752	–	–
Investments in subsidiaries	–	–	27,878	27,878
Other investments	3,239	2,852	762	632
Deferred tax assets	87	89	–	–
Total non-current assets	13,793	10,539	28,640	28,510
Current assets				
Trade and other debtors	172,226	158,464	8,642	11,987
Prepayments	315	339	2	2
Stocks	179,907	147,375	–	–
Derivatives	–	3	–	–
Cash and short-term deposits	39,174	14,483	6,157	701
Total current assets	391,622	320,664	14,801	12,690
Current liabilities				
Trade and other creditors	(217,392)	(139,996)	(2,148)	(207)
Contract liabilities	(9,094)	(4,366)	–	–
Interest-bearing loans and borrowings	(79,023)	(104,643)	–	–
Lease liabilities	(2,338)	(2,429)	–	–
Provision for taxation	(1,943)	(1,751)	(40)	(82)
Total current liabilities	(309,790)	(253,185)	(2,188)	(289)
Net current assets	81,832	67,479	12,613	12,401
Non-current liabilities				
Interest-bearing loans and borrowings	(3,199)	–	–	–
Lease liabilities	(5,111)	(1,306)	–	–
Total non-current liabilities	(8,310)	(1,306)	–	–
Net assets	87,315	76,712	41,253	40,911
Equity attributable to equity holders of the Company				
Share capital	39,106	39,056	39,106	39,056
Reserves	48,209	37,656	2,147	1,855
	87,315	76,712	41,253	40,911

1(b)(ii) Aggregate amount of Group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

At 31/12/2020 (US\$'000)		At 31/12/2019 (US\$'000)	
Secured	Unsecured	Secured	Unsecured
–	79,023	–	104,643

Amount repayable after one year, or on demand

At 31/12/2020 (US\$'000)		At 31/12/2019 (US\$'000)	
Secured	Unsecured	Secured	Unsecured
–	3,199	–	–

Details of any collateral

There is no collateral on the Group's interest-bearing loans and borrowings as at 31 December 2020.

As at 31 December 2020, the Company has provided corporate guarantees to banks and institutions in connection with credit facilities provided to its subsidiaries, of which US\$84,223,000 (31 December 2019: US\$104,714,000) of the credit facilities have been utilised.

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

	Group 2H2020	Group 2H2019	Group FY2020	Group FY2019
	US\$'000	US\$'000	US\$'000	US\$'000
Operating activities				
Profit before taxation	9,652	236	12,065	1,935
Adjustments for:-				
Interest income	(143)	(420)	(205)	(485)
Interest expense	1,065	2,394	2,923	5,561
Depreciation of property, plant and equipment	641	748	1,287	1,516
Depreciation of right-of-use assets	1,124	1,457	2,429	2,884
Net (gain)/ loss on disposal of property, plant and equipment	(2)	–	5	(55)
Property, plant and equipment written off	1	10	6	10
(Reversal of impairment losses)/ impairment losses on trade debtors	(172)	217	7	1,734
Net fair value changes on financial assets at fair value through profit or loss	14	–	14	–
Net stock written down/ (reversal of stocks written down)	1,234	(119)	1,286	(683)
Dividend income from investment security	(43)	(39)	(43)	(39)
Net fair value changes on derivatives	–	292	3	328
Share based payments under EPSS	55	163	55	197
Operating cash flows before changes in working capital	13,426	4,939	19,832	12,903
(Increase)/ decrease in stocks	(27,590)	791	(33,818)	17,730
(Increase)/ decrease in trade and other debtors and prepayments	(7,325)	5,982	(13,745)	31,430
Increase/ (decrease) in trade and other creditors and contract liabilities	61,831	13,962	82,124	(10,440)
Cash flows generated from operations	40,342	25,674	54,393	51,623
Interest received	143	420	205	485
Interest paid	(1,066)	(2,394)	(2,924)	(5,561)
Income tax paid	(1,266)	(389)	(1,534)	(992)
Net cash flows generated from operating activities	38,153	23,311	50,140	45,555
Investing activities				
Purchase of investments	(250)	–	(250)	(2,000)
Purchase of property, plant and equipment	(712)	(227)	(936)	(1,320)
Proceeds from disposal of property, plant and equipment	2	–	44	55
Proceeds from derivatives	–	15	–	64
Proceeds from disposal of investment security	–	2,050	–	2,050
Dividend income from investment security	43	39	43	39
Net cash flows (used in)/ generated from investing activities	(917)	1,877	(1,099)	(1,112)
Financing activities				
Repayment of interest-bearing loans and borrowings	(28,413)	(27,771)	(22,964)	(47,304)
Repayment of revolving bank loans	(3,000)	–	(3,000)	–
Proceeds from revolving bank loans and term loans	3,543	3,000	3,543	3,000
Dividend paid on ordinary shares	–	–	–	(3,501)
Purchase of treasury shares	–	–	(5)	–
Payment of principal portion of lease liabilities	(714)	(1,462)	(2,003)	(2,791)
Net cash flows used in financing activities	(28,584)	(26,233)	(24,429)	(50,596)
Net increase/ (decrease) in cash and cash equivalents	8,653	(1,045)	24,613	(6,153)
Effects of exchange rate changes on cash and cash equivalents	(50)	99	78	65
Cash and cash equivalents at beginning of period	30,571	15,429	14,483	20,571
Cash and cash equivalents at end of period	39,174	14,483	39,174	14,483

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

Attributable to equity holders of the Company									
Group	Equity, total US\$'000	Share capital US\$'000	Treasury shares US\$'000	Reserves, total US\$'000	Other reserve US\$'000	Fair value reserve US\$'000	Statutory reserve US\$'000	Foreign currency translation reserve US\$'000	Revenue reserve US\$'000
<u>FY2020</u>									
Opening balance at 1 January 2020	76,712	39,056	–	37,656	227	246	25	42	37,116
Profit for the period	10,339	–	–	10,339	–	–	–	–	10,339
Other comprehensive income for the period	214	–	–	214	–	19	–	195	–
Total comprehensive income for the period	10,553	–	–	10,553	–	19	–	195	10,339
<u>Contributed by and distribution to owners:-</u>									
Purchase of treasury shares	(5)	–	(5)	–	–	–	–	–	–
Grant of equity-settled share awards under EPSS	55	50	5	–	–	–	–	–	–
Transaction with owners in their capacity as owners	50	50	–	–	–	–	–	–	–
Closing balance at 31 December 2020	87,315	39,106	–	48,209	227	265	25	237	47,455
<u>FY2019</u>									
Opening balance at 1 January 2019	77,870	38,859	–	39,011	227	602	25	(21)	38,178
Profit for the period	1,599	–	–	1,599	–	–	–	–	1,599
Other comprehensive income for the period	547	–	–	547	–	484	–	63	–
Total comprehensive income for the period	2,146	–	–	2,146	–	484	–	63	1,599
<u>Contributed by and distribution to owners:-</u>									
Grant of equity-settled share awards under EPSS	197	197	–	–	–	–	–	–	–
Dividends on ordinary shares	(3,501)	–	–	(3,501)	–	–	–	–	(3,501)
Transaction with owners in their capacity as owners	(3,304)	197	–	(3,501)	–	–	–	–	(3,501)
<u>Others:-</u>									
Transfer of fair value reserve of equity instrument at FVOCI upon disposal	–	–	–	–	–	(840)	–	–	840
Closing balance at 31 December 2019	76,712	39,056	–	37,656	227	246	25	42	37,116

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

Attributable to equity holders of the Company									
Group	Equity, total US\$'000	Share capital US\$'000	Treasury shares US\$'000	Reserves, total US\$'000	Other reserve US\$'000	Fair value reserve US\$'000	Statutory reserve US\$'000	Foreign currency translation reserve US\$'000	Revenue reserve US\$'000
2H2020									
Opening balance at 1 July 2020	78,841	39,056	(5)	39,790	227	236	25	137	39,165
Profit for the period	8,290	–	–	8,290	–	–	–	–	8,290
Other comprehensive income for the period	129	–	–	129	–	29	–	100	–
Total comprehensive income for the period	8,419	–	–	8,419	–	29	–	100	8,290
Contributed by and distribution to owners:-									
Grant of equity-settled share awards under EPSS	55	50	5	–	–	–	–	–	–
Closing balance at 31 December 2020	87,315	39,106	–	48,209	227	265	25	237	47,455
2H2019									
Opening balance at 1 July 2019	76,034	38,893	–	37,141	227	1,095	25	(55)	35,849
Profit for the period	427	–	–	427	–	–	–	–	427
Other comprehensive income for the period	88	–	–	88	–	(9)	–	97	–
Total comprehensive income for the period	515	–	–	515	–	(9)	–	97	427
Contributed by and distribution to owners:-									
Grant of equity-settled share awards under EPSS	163	163	–	–	–	–	–	–	–
Others:-									
Transfer of fair value reserve of equity instrument at FVOCI upon disposal	–	–	–	–	–	(840)	–	–	840
Closing balance at 31 December 2019	76,712	39,056	–	37,656	227	246	25	42	37,116

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 (Cont'd).

Company	Attributable to equity holders of the Company						
	Equity, total US\$'000	Share capital US\$'000	Treasury shares US\$'000	Reserves, total US\$'000	Other reserve US\$'000	Fair value reserve US\$'000	Revenue reserve US\$'000
<u>FY2020</u>							
Opening balance at 1 January 2020	40,911	39,056	–	1,855	227	246	1,382
Profit for the period	162	–	–	162	–	–	162
Other comprehensive income for the period	130	–	–	130	–	130	–
Total comprehensive income for the period	292	–	–	292	–	130	162
<u>Contributed by and distribution to owners:-</u>							
Purchase of treasury shares	(5)	–	(5)	–	–	–	–
Grant of equity-settled share awards under EPSS	55	50	5	–	–	–	–
Transaction with owners in their capacity as owners	50	50	–	–	–	–	–
Closing balance at 31 December 2020	41,253	39,106	–	2,147	227	376	1,544
<u>FY2019</u>							
Opening balance at 1 January 2019	41,461	38,859	–	2,602	227	602	1,773
Profit for the period	2,270	–	–	2,270	–	–	2,270
Other comprehensive income for the period	484	–	–	484	–	484	–
Total comprehensive income for the period	2,754	–	–	2,754	–	484	2,270
<u>Contributed by and distribution to owners:-</u>							
Grant of equity-settled share awards under EPSS	197	197	–	–	–	–	–
Dividends on ordinary shares	(3,501)	–	–	(3,501)	–	–	(3,501)
Transaction with owners in their capacity as owners	(3,304)	197	–	(3,501)	–	–	(3,501)
<u>Others:-</u>							
Transfer of fair value reserve of equity instrument at FVOCI upon disposal	–	–	–	–	–	(840)	840
Closing balance at 31 December 2019	40,911	39,056	–	1,855	227	246	1,382

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 (Cont'd).

Company	Attributable to equity holders of the Company						
	Equity, total US\$'000	Share capital US\$'000	Treasury shares US\$'000	Reserves, total US\$'000	Other reserve US\$'000	Fair value reserve US\$'000	Revenue reserve US\$'000
2H2020							
Opening balance at 1 July 2020	40,941	39,056	(5)	1,890	227	236	1,427
Profit for the period	117	–	–	117	–	–	117
Other comprehensive income for the period	140	–	–	140	–	140	–
Total comprehensive income for the period	257	–	–	257	–	140	117
Contributed by and distribution to owners:-							
Grant of equity-settled share awards under EPSS	55	50	5	–	–	–	–
Closing balance at 31 December 2020	41,253	39,106	–	2,147	227	376	1,544
2H2019							
Opening balance at 1 July 2019	40,650	38,893	–	1,757	227	1,095	435
Profit for the period	107	–	–	107	–	–	107
Other comprehensive income for the period	(9)	–	–	(9)	–	(9)	–
Total comprehensive income for the period	98	–	–	98	–	(9)	107
Contributed by and distribution to owners:-							
Grant of equity-settled share awards under EPSS	163	163	–	–	–	–	–
Others:-							
Transfer of fair value reserve of equity instrument at FVOCI upon disposal	–	–	–	–	–	(840)	840
Closing balance at 31 December 2019	40,911	39,056	–	1,855	227	246	1,382

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

	FY2020		FY2019	
	No. of shares	US\$'000	No. of shares	US\$'000
<u>Issued share capital</u>				
At beginning of financial period	119,757,140	39,056	119,192,840	38,859
Issuance of ordinary shares under EPSS	146,000	50	564,300	197
At end of financial period	119,903,140	39,106	119,757,140	39,056
<u>Treasury shares</u>				
At beginning of financial period	–	–	–	–
Purchase during the year	19,400	5	–	–
Treasury shares reissued pursuant to EPSS	(19,400)	(5)	–	–
At end of financial period	–	–	–	–

Grant of Share Awards Pursuant to the Excelpoint Performance Share Scheme ("EPSS")

In May 2019, the Company issued and allotted 80,000 ordinary shares in the share capital of the Company at the Market Price of US\$0.419 (S\$0.570) under the EPSS.

In November 2019, the Company issued and allotted 484,300 ordinary shares in the share capital of the Company at the Market Price of US\$0.338 (S\$0.460) under the EPSS.

In November 2020, the Company issued and allotted 146,000 ordinary shares in the share capital of the Company at the Market Price of US\$0.337 (S\$0.460) under the EPSS.

In November 2020, the Company reissued 19,400 treasury shares to eligible participants at a weighted average exercise price of US\$0.248 (S\$0.349) under the EPSS.

- 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.**

The total number of issued ordinary shares excluding treasury shares as at 31 December 2020 is 119,903,140 (31 December 2019: 119,757,140). There were no treasury shares as at 31 December 2020 (31 December 2019: Nil).

- 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.**

Refer to Note 1(d)(ii) above.

- 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.**

There were no subsidiary holdings during the current financial period reported on.

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

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

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

Not applicable ("N.A.").

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

- (a) Updates on the efforts taken to resolve each outstanding audit issue.
(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

N.A.

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's accounting policies adopted are consistent with those disclosed in the FY2019 audited financial statements except that in the current financial period, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 January 2020.

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

The adoption of the new and revised standards did not have material effect on the financial position or financial performance of the Group.

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.

	Group			
	2H2020	2H2019	FY2020	FY2019
Basic and diluted earnings per share (US cent)	6.92	0.36	8.63	1.34
Weighted average number of ordinary shares	119,776,393	119,386,019	119,761,944	119,301,840

The basic and diluted earnings per share of the Group were the same, as there were no share options and warrants granted.

7. Net asset value (for the issuer and Group) per ordinary share based on the total number of issued share excluding treasury shares of the issuer at the end of the:-

- (a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Net asset value per ordinary share based on existing issued share capital as at end of period reported on (US cents)	72.82	64.06	34.41	34.16
Number of ordinary shares, excluding treasury shares	119,903,140	119,757,140	119,903,140	119,757,140

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.

COMPARING 2H2020 TO 2H2019

INCOME STATEMENT

The Group's revenue increased by 18.3% from US\$506.1 million to US\$598.7 million and gross profit increased by 39.8% from US\$24.3 million to US\$34.0 million, mainly due to higher sales from the Singapore and Hong Kong business units.

Other income increased from US\$0.9 million to US\$1.5 million, mainly due to government grant recognised during the year.

Sales and distribution costs increased by 3.0% from US\$15.3 million to US\$15.8 million and general and administrative expense increased by 29.5% from US\$7.0 million to US\$9.1 million. These were mainly due to higher staff cost.

Interest expense decreased by 55.5% from US\$2.4 million to US\$1.1 million, due to lower interest rate and borrowings.

Overall, the Group reported profit after taxation of US\$8.3 million for 2H2020.

COMPARING FY2020 TO FY2019

INCOME STATEMENT

The Group's revenue increased by 13.5% from US\$977.0 million to US\$1,108.6 million, and gross profit increased by 11.3% from US\$54.2 million to US\$60.3 million, due to higher sales from the Singapore and Hong Kong business units.

Other income increased from US\$1.6 million to US\$2.7 million, mainly due to government grants recognised during the year.

Sales and distribution costs remained stable. General and administrative expenses increased by 11.7% from US\$14.7 million to US\$16.4 million, mainly due to higher staff cost.

Interest expense decreased by 47.4% from US\$5.6 million to US\$2.9 million mainly due to lower interest rate.

Overall, the Group reported profit after taxation of US\$10.3 million for FY2020.

CASHFLOW AND FINANCIAL POSITION

Cashflow

The Group's net cash flows generated from operating activities was US\$50.1 million in FY2020 as compared to US\$45.6 million in FY2019. This was mainly due to cash flow generated from operations.

Net cash flows used in investing activities was remained at US\$1.1 million for FY2020. It was mainly for the renovation and equipment for Planetspark Innovation Centre.

Net cash flows used in financing activities was US\$24.4 million in FY2020 as compared to US\$50.6 million in FY2019. This was mainly due to lower borrowings.

Cash and short-term deposits was US\$39.2 million as at 31 December 2020 as compared to US\$14.5 million as at 31 December 2019.

Financial Position

Non-current assets increased from US\$10.5 million to US\$13.8 million as at 31 December 2020 mainly due to the recognition of right-of-use assets, purchase of equipment and other investment. This was partially offset by the depreciation of property, plant and equipment.

Current assets increased from US\$320.7 million to US\$391.6 million as at 31 December 2020 mainly due to:-

- a) increase in trade and other debtors of US\$13.8 million due to higher sales;
- b) increase in stocks of US\$32.5 million due to higher purchase of stocks in support of the business; and
- c) increase in cash and short-term deposits of US\$24.7 million.

Current liabilities increased from US\$253.2 million to US\$309.8 million as at 31 December 2020 mainly due to:-

- a) increase in trade and other creditors of US\$77.4 million;
- b) increase in contract liabilities of US\$4.7 million; and
- c) partially offset by decrease in short-term interest-bearing loans and borrowings of US\$25.6 million.

Non-current liabilities of US\$8.3 million as at 31 December 2020 was mainly due to the increase in long-term lease liabilities and long-term interest-bearing loans and borrowings.

Overall, shareholders' equity increased from US\$76.7 million to US\$87.3 million as at 31 December 2020, mainly due to net profit of US\$10.3 million.

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

N.A. No forecast or a prospect statement has been previously disclosed to shareholders.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

While the COVID-19 pandemic globally alongside ongoing geopolitical tensions have brought about much uncertainties, we see new opportunities. China remains an important market, and we will continue to see rising demand for semiconductor chips with the accelerated scale of technology adoption in both hardware and software across the markets we operate in.

Continuous strengthening of our value-add and adapting business strategies to the environment are key to the sustainability of our business. The newly set-up PlanetSpark Innovation Centre reiterates the Group's emphasis on sharpening technical capabilities and providing more value-add to our partners with the development of solutions alongside our local start-ups. This will position us well to capture new opportunities in the AI and IoT space.

While we remain cautious of the business environment due to the COVID-19 pandemic and geopolitical uncertainties, the Group will continue to focus on enhancing our core capabilities and pursuing higher value businesses for the coming year.

11. Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? **Yes.**

Name of Dividend (First and Final)	Ordinary	Special
Dividend Type	Cash	Cash
Dividend Amount per Ordinary Share (in Singapore cent)	3.0 (tax exempt one-tier)	1.5 (tax exempt one-tier)
Tax Rate	Tax Exempted	Tax Exempted

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? **No.**

(c) Date payable

To be announced later.

(d) Record date

To be announced later.

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

N.A.

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.

No IPT mandate has been obtained.

The aggregate value of all interested person transactions during the financial year ended 31 December 2020 were as follows:-

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Description of the transaction entered into with the interested person during the financial year under review	Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
Albert Phuay Yong Hen	US\$74,000	Rental of premises	N.A.

PART II – ADDITIONAL INFORMATION REQUIRED FOR ANNOUNCEMENT OF FULL 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.

Sales Revenue and results by Business Units

	Hong Kong Business Unit		Singapore Business Unit		Corporate Business Unit		Adjustment and Eliminations		Total	
	FY2020	FY2019	FY2020	FY2019	FY2020	FY2019	FY2020	FY2019	FY2020	FY2019
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Revenue										
External customers	615,947	555,539	492,691	421,437	–	–	–	–	1,108,638	976,976
Inter-segment	820	347	1,524	4,440	–	–	(2,344)	(4,787)	–	–
Total revenue	616,767	555,886	494,215	425,877	–	–	(2,344)	(4,787)	1,108,638	976,976
Results										
Interest income	85	44	111	439	9	2	–	–	205	485
Interest expense	(1,560)	(3,015)	(1,361)	(2,546)	(3)	–	–	–	(2,924)	(5,561)
Net (loss)/ gain on disposal of property, plant and equipment	(8)	–	3	55	–	–	–	–	(5)	55
Property, plant and equipment written off	–	–	(6)	(10)	–	–	–	–	(6)	(10)
Depreciation of property, plant and equipment and ROU assets	(2,438)	(2,957)	(1,205)	(1,443)	(73)	–	–	–	(3,716)	(4,400)
Other non-cash expenses:-										
- Reversal of stocks written down	1,225	1,096	741	1,031	–	–	–	–	1,966	2,127
- Stocks written down/ off	(2,477)	(659)	(775)	(785)	–	–	–	–	(3,252)	(1,444)
- (Impairment losses)/ reversal of impairment losses on financial assets	(147)	(108)	140	(1,626)	(14)	–	–	–	(21)	(1,734)
Segment profit/ (loss) before tax	11,810	5,860	308	(4,224)	(54)	298	1	1	12,065	1,935
Income tax (expenses)/ credit	(1,717)	(401)	25	128	(34)	(63)	–	–	(1,726)	(336)
Assets										
Additions to non-current assets	148	86	294	1,234	494	–	–	–	936	1,320
Segment assets	263,727	201,517	130,660	126,078	11,027	3,606	1	2	405,415	331,203
Liabilities										
Segment liabilities	(208,161)	(155,364)	(106,503)	(98,830)	(3,436)	(297)	–	–	(318,100)	(254,491)

- 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. (Cont'd)

By geographical

	Revenue		Non-current assets	
	FY2020	FY2019	FY2020	FY2019
	US\$'000	US\$'000	US\$'000	US\$'000
Hong Kong/ PRC	854,477	719,051	5,374	4,325
South-East Asia	167,806	158,840	4,781	2,766
India	35,479	59,624	286	461
Others	50,876	39,461	26	46
	1,108,638	976,976	10,467	7,598

Non-current assets information presented above consist of property, plant and equipment, right-of-use assets and intangible assets.

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.

16. A breakdown of sales.

	Group FY2020	Group FY2019	Increase/ (Decrease)
	US\$'000	US\$'000	US\$'000
(a) Sales reported for first half year	509,958	470,894	39,064
(b) Profit after tax before deducting non-controlling interests reported for first half year	2,049	1,172	877
(c) Sales reported for second half year	598,680	506,082	92,598
(d) Profit after tax before deducting non-controlling interests reported for second half year	8,290	427	7,863

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

	FY2020	FY2019
	US\$'000	US\$'000
(a) Ordinary	Nil	3,501
(b) Preference	Nil	Nil
Total	Nil	3,501

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(13) 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 held	Details of changes in duties and position held, if any, during the year
Phuay Yong Hua	58	Younger brother of Chairman and Group CEO, Albert Phuay Yong Hen Elder brother of Executive Director, Tonny Phuay Yong Choon	(i) Group Senior Vice President, HR & Administration since 2016. Responsible for the overall Group Human Resources & Administrative departments. (ii) Appointed Directors for:- - Excelpoint Systems (H.K.) Limited - Excelpoint Systems (India) Pvt Ltd - Synergy Electronics (H.K.) Limited	N.A.
Phuay Li Ying	31	Daughter of Chairman and Group CEO, Albert Phuay Yong Hen	(i) Deputy Director, Corporate Development since 2018. Responsible for overseeing Corporate Development including the Group's branding and corporate communication strategies, as well as corporate matters. (ii) Appointed Director of PlanetSpark Pte Ltd. since 2018. (iii) Managing Director of PlanetSpark Pte Ltd, effective from 1 September 2020. Responsible for the daily operations and overseeing business in PlanetSpark Pte Ltd.	Appointed as Managing Director of PlanetSpark Pte Ltd, wholly-owned subsidiary of Excelpoint Technology Ltd., effective from 1 September 2020. Ms. Phuay Li Ying will be responsible for the daily operations and overseeing business in PlanetSpark Pte Ltd.
Ivy Chan Yuk Wah	55	Wife of Executive Director, Herbert Kwok Fei Lung	(i) Vice President of Sales Administration of Excelpoint Systems (H.K.) Limited since 2012. Responsible for over-seeing sales and administration and logistic departments in Excelpoint Systems (H.K.) Limited. (ii) Appointed Directors for:- - Excelpoint Systems (H.K.) Limited - Synergy Electronics (H.K.) Limited	N.A.

19. Use of Placement Proceeds as at Date of this Announcement

The Company refers to the net proceeds of approximately S\$7,825,000 raised from the placement of 15 million new ordinary shares at S\$0.525 each in the issued and paid-up share capital of the Company on 5 October 2016 (the "Net Proceeds") (as defined in the Company's announcement dated 2 September 2016).

The status on the use of the Net Proceeds is as follows:-

Intended Uses	Approximate Amount (S\$'000)	Estimated Percentage Allocation of Net Proceeds	Amount Utilised as at Date of this Announcement (S\$'000)	Balance as at Date of this Announcement (S\$'000)
Strategic Investments and Acquisitions	5,000	63.9%	(3,054)	1,946
Development of New Technology and Application	1,700	21.7%	(1,059)	641
Investments in Research and Development Expertise	1,125	14.4%	(1,125)	–
Total	7,825	100.0%	(5,238)	2,587

20. Confirmation Pursuant to Rule 720(1) of the Listing Manual

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Wong Yoen Har
Company Secretary
8 February 2021