

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

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

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.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	GROUP		Increase/ (Decrease) %
	FY2020 S\$'000	FY2019 S\$'000	
Revenue	49,278	54,537	(9.6)
Other operating income	4,442	663	NM
Changes in inventories of finished goods and work-in-progress	1,082	749	44.5
Materials and consumables used and other direct costs	(28,788)	(30,347)	(5.1)
Employee benefits expense	(15,886)	(15,141)	4.9
Depreciation and amortisation expense	(3,648)	(3,022)	20.7
Impairment losses on financial assets	(218)	(352)	(38.1)
Other operating expenses	(2,959)	(3,663)	(19.2)
Share of results of an associate	(57)	(62)	(8.1)
Finance costs	(460)	(521)	(11.7)
Profit before tax	2,786	2,841	(1.9)
Income tax expense	(278)	(548)	(49.3)
Profit for the year	2,508	2,293	9.4
Other comprehensive income:			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
- Fair value loss on investments in equity instruments designated as at FVTOCI	(431)	-	NM
<i>Items that may be reclassified subsequently to profit or loss</i>			
- Fair value gain on investments in debt instruments measured at FVTOCI	9	-	NM
- Exchange differences on translation of foreign operations	21	(6)	NM
Other comprehensive loss for the year, net of tax	(401)	(6)	NM
Total comprehensive income for the year	2,107	2,287	(7.9)
Profit attributable to:			
Owners of the Company	2,073	2,267	(8.6)
Non-controlling interests	435	26	NM
	2,508	2,293	9.4
Total comprehensive income attributable to:			
Owners of the Company	1,664	2,259	(26.3)
Non-controlling interests	443	28	NM
	2,107	2,287	(7.9)

NM: Not meaningful

FVTOCI : Fair Value Through Other Comprehensive Income

1(a)(ii) Notes to income statement and statement of comprehensive income.

The Group's profit before tax was arrived at after crediting / (charging) the following:

	GROUP		
	FY2020 S\$'000	FY2019 S\$'000	Increase/ (Decrease) %
<u>Material items included in other income:</u>			
Gain on disposal of property, plant and equipment	-	23	NM
Reversal of allowance for inventories	62	-	NM
Gain on disposal of financial assets	23	-	NM
Gain on foreign exchange - net	51	-	NM
Fair value changes on financial instruments	7	-	NM
Net gain arising on financial assets measured at FVTPL ⁽¹⁾	120	-	NM
Rental rebates and income	115	-	NM
Government grants	3,766	319	NM
Interest income	116	173	(32.9)
Commission income	77	102	(24.5)
Dividend income	21	-	NM
Other income	84	46	82.6
<u>Material items included in other operating expenses:</u>			
Allowance for inventories and inventories written off	-	(222)	NM
Impairment of goodwill	(35)	-	NM
Property, plant and equipment written off	(10)	(34)	(70.6)
Intangible assets written off	(4)	-	NM
Rental expense	(15)	(242)	(93.8)
Loss on foreign exchange – net	-	(114)	NM
Loss on disposal of property, plant and equipment	(43)	-	NM
Fair value changes on derivative financial instruments	-	(4)	NM
<u>Others:</u>			
Depreciation of property, plant and equipment	(1,871)	(1,799)	4.0
Depreciation of right-of-use assets	(1,386)	(806)	72.0
Amortisation of intangible assets	(391)	(417)	(6.2)
Interest expense	(394)	(467)	(15.6)

⁽¹⁾ FVTPL : Fair Value Through Profit or Loss

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		COMPANY	
	As at 31 Dec 2020 S\$'000	As at 31 Dec 2019 S\$'000	As at 31 Dec 2020 S\$'000	As at 31 Dec 2019 S\$'000
<u>ASSETS</u>				
Current assets				
Cash and bank balances	25,289	25,178	9,032	12,818
Derivative financial instruments	2	-	-	-
Trade and other receivables	15,231	13,620	214	548
Inventories	12,080	10,906	-	-
Total current assets	52,602	49,704	9,246	13,366
Non-current assets				
Property, plant and equipment	17,574	19,129	7	3
Right-of-use assets	7,158	7,687	-	-
Intangible assets	4,717	5,147	-	-
Investment in subsidiaries	-	-	3,564	3,564
Investment in an associate ⁽¹⁾	-	57	-	-
Investment in joint venture ⁽¹⁾	-	-	-	-
Investments in financial assets	3,461	-	3,371	-
Total non-current assets	32,910	32,020	6,942	3,567
Total assets	85,512	81,724	16,188	16,933
<u>EQUITY AND LIABILITIES</u>				
Current liabilities				
Trade and other payables	16,625	14,463	496	314
Lease liabilities	1,532	1,181	-	-
Bank borrowings	1,073	830	-	-
Derivative financial instruments	-	5	-	-
Income tax payable	661	698	-	-
Total current liabilities	19,891	17,177	496	314
Non-current liabilities				
Other payables	84	131	-	-
Deferred tax liabilities	1,565	1,689	-	-
Lease liabilities	5,861	6,716	-	-
Bank borrowings	4,833	3,618	-	-
Total non-current liabilities	12,343	12,154	-	-
<u>CAPITAL AND RESERVES</u>				
Share capital	11,351	11,351	11,351	11,351
Accumulated profits	39,271	38,420	3,744	4,680
Reserves	336	745	597	588
Equity attributable to owners of the Company	50,958	50,516	15,692	16,619
Non-controlling interests	2,320	1,877	-	-
Total equity	53,278	52,393	15,692	16,619
Total equity and liabilities	85,512	81,724	16,188	16,933

⁽¹⁾ Cost of investment is reduced by share of post-acquisition loss, net of dividends received.

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

As at 31 Dec 2020		As at 31 Dec 2019	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
2,605	-	2,011	-

Amount repayable after one year

As at 31 Dec 2020		As at 31 Dec 2019	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
10,694	-	10,334	-

Details of any collateral

- (i) The Group's bank borrowings are secured by a corporate guarantee and the Group's land and buildings; and
- (ii) The Group's finance leases are secured by a corporate guarantee and the lessors' title to the leased assets.

- 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.

CONSOLIDATED STATEMENT OF CASH FLOWS

	GROUP	
	FY2020 S\$'000	FY2019 S\$'000
Operating activities		
Profit before taxation	2,786	2,841
Adjustments for:		
Interest income	(116)	(173)
Dividend income	(21)	-
Impairment of goodwill	35	-
Depreciation of property, plant and equipment	1,871	1,799
Depreciation of right-of-use assets	1,386	806
Intangible assets written off	4	-
Amortisation of intangible assets	391	417
Property, plant and equipment written off	10	34
Impairment losses on financial assets	218	352
Loss (Gain) on disposal of property, plant and equipment	43	(23)
Interest expense	394	467
Fair value changes on derivative financial instruments	(7)	4
Net gain arising on financial assets measured at FVTPL	(120)	-
Gain on disposal of financial assets	(23)	-
(Reversal of) Allowance for inventories and inventories written off	(62)	222
Share of results of an associate	57	62
Operating cash flows before movements in working capital	6,846	6,808
Inventories	(1,103)	(893)
Trade and other receivables	(1,635)	1,563
Trade and other payables	2,078	(1,376)
Cash flows generated from operations	6,186	6,102
Income tax paid	(439)	(394)
Net cash from operating activities	5,747	5,708
Interest received	116	173
Dividend received	21	-
Proceeds from disposal of property, plant and equipment	30	47
Proceeds from disposal of quoted shares	144	-
Purchases of property, plant and equipment	(445)	(1,201)
Purchases of financial assets measured at FVTPL	(2,613)	-
Purchases of quoted debt securities measured at FVTOCI	(750)	-
Investment in equity instrument designated at FVTOCI	(521)	-
Payment of contingent consideration	-	(800)
Net cash (outflow) inflow on acquisition of subsidiaries	(120)	511
Net cash used in investing activities	(4,138)	(1,270)
Contribution by non-controlling interest	-	55
Dividends paid	(1,222)	(1,199)
Interest paid	(384)	(412)
Decrease (Increase) in pledged fixed deposits	426	(13)
Repayment of lease liabilities	(1,349)	(821)
Repayment of bank borrowings	(3,538)	(827)
Drawdown of bank borrowings	5,000	-
Net cash used in financing activities	(1,067)	(3,217)
Net increase in cash and cash equivalents	542	1,221
Cash and cash equivalents at beginning of year	24,539	23,332
Effect of foreign exchange rate changes	(5)	(14)
Cash and cash equivalents at end of year	25,076 ⁽¹⁾	24,539 ⁽¹⁾

(1) Excludes pledged fixed deposits of S\$213,000 (FY2019: S\$639,000).

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

Group	Share capital S\$'000	Accumulated profits S\$'000	Reserves⁽¹⁾ S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total S\$'000
Balance as at January 1, 2020	11,351	38,420	745	50,516	1,877	52,393
Transactions with owners, recognised directly in equity:						
Dividends paid to owners of the company	-	(1,222)	-	(1,222)	-	(1,222)
Total	-	(1,222)	-	(1,222)	-	(1,222)
Total comprehensive income for the year:						
Profit for the year	-	2,073	-	2,073	435	2,508
Other comprehensive (loss) income for the year	-	-	(409)	(409)	8	(401)
Total	-	2,073	(409)	1,664	443	2,107
Balance as at December 31, 2020	11,351	39,271	336	50,958	2,320	53,278
Balance as at January 1, 2019	11,351	37,352	753	49,456	1,757	51,213
Transactions with owners, recognised directly in equity:						
Dividends paid to owners of the company	-	(1,199)	-	(1,199)	-	(1,199)
Contribution by non-controlling interest	-	-	-	-	55	55
Non-controlling interest arising from acquisition of subsidiaries	-	-	-	-	37	37
Total	-	(1,199)	-	(1,199)	92	(1,107)
Total comprehensive income for the year:						
Profit for the year	-	2,267	-	2,267	26	2,293
Other comprehensive (loss) income for the year	-	-	(8)	(8)	2	(6)
Total	-	2,267	(8)	2,259	28	2,287
Balance as at December 31, 2019	11,351	38,420	745	50,516	1,877	52,393

⁽¹⁾ Comprises investments valuation reserve, foreign currency translation reserve and capital reserve.

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. (Continue)

Company	Share capital S\$'000	Accumulated profits S\$'000	Reserves S\$'000	Total S\$'000
Balance as at January 1, 2020	11,351	4,680	588	16,619
<i>Transaction with owners, recognized directly in equity:</i>				
Dividends paid	-	(1,222)	-	(1,222)
Profit for the year, representing total comprehensive income for the year		286	9	295
Balance as at December 31, 2020	11,351	3,744	597	15,692
Balance as at January 1, 2019	11,351	6,622	588	18,561
<i>Transaction with owners, recognised directly in equity:</i>				
Dividend paid	-	(1,199)	-	(1,199)
Loss for the year, representing total comprehensive loss for the year	-	(743)	-	(743)
Balance as at December 31, 2019	11,351	4,680	588	16,619

- 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 corresponding period immediately preceding financial year.**

	Number of shares	Issued and paid-up share capital S\$
Balance as at 30 June 2020 and 31 December 2020	235,000,000	11,350,674

There are no outstanding options, convertibles or treasury shares held by the Company or subsidiary holdings as at 31 December 2020 and 31 December 2019.

- 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 31 Dec 2020	As at 31 Dec 2019
Total number of issued shares excluding treasury shares	235,000,000	235,000,000

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

There were no treasury shares.

- 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.

- 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 of the Company.

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

Not applicable.

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

- (a) Updates on the efforts taken to resolve each outstanding audit issue.**

The latest financial statements are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

Not applicable.

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

The Group has applied the same accounting policies and methods of computation in the Group's financial statements for the financial year ended 31 December ("FY") 2020 as those applied in its most recently audited financial statements for FY2019.

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.

There are no changes to the Group's accounting policies and methods of computation including any required by the accounting standards. The adoption of the new and revised Singapore Financial Reporting Standards (International) ("**SFRS(I)**") pronouncements is not expected to have material effect on the amounts reported for the current period.

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	
	FY2020	FY2019
Profit attributable to owners of the Company (S\$'000)	2,073	2,267
Number of shares ('000)	235,000	235,000
Basic and diluted earnings per share (cents)	0.88	0.96

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		Company	
	As at 31 Dec 2020	As at 31 Dec 2019	As at 31 Dec 2020	As at 31 Dec 2019
Net asset value (S\$'000)	50,958	50,516	15,692	16,619
Number of shares ('000)	235,000	235,000	235,000	235,000
Net asset value per share (cents)	21.68	21.50	6.68	7.07

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.**

REVIEW OF INCOME STATEMENT

Revenue decreased by S\$5.2 million or 9.6% from S\$54.5 million in FY2019 to S\$49.3 million in FY2020. This was mainly attributable to a decrease in revenue from the Engineering business of S\$7.0 million, partially offset by the increase in revenue from the Training business of S\$1.8 million. The Engineering business comprises Equipment Sales, Repairs and Servicing and Projects. The decrease in demand in the Engineering business was mainly attributed to the impact from the COVID-19 pandemic, which resulted in a decrease in demand for such products and services from our customers in Singapore, Myanmar and Malaysia. The increase in revenue from the Training business was due to a stronger uptake of online courses offered by the Group during Singapore's circuit breaker period.

Other operating income increased by S\$3.7 million from S\$0.7 million in FY2019 to S\$4.4 million in FY2020. The increase was mainly attributable to government grants received, such as the Jobs Support Scheme and foreign worker levy rebates in Singapore, as part of the COVID-19 support measures introduced by the Singapore government.

Changes in inventories of finished goods and work-in-progress, as well as materials and consumables used and other direct costs, decreased by S\$1.9 million or 6.4% from S\$29.6 million in FY2019 to S\$27.7 million in FY2020 mainly due to a decrease in purchases of equipment in line with the decrease in revenue from Equipment Sales.

Employee benefits expense increased by S\$0.8 million or 4.9% from S\$15.1 million in FY2019 to S\$15.9 million in FY2020 mainly due to the additional headcount arising from the expansion of the Training business.

Depreciation and amortisation expense increased by S\$0.6 million or 20.7% from S\$3.0 million in FY2019 to S\$3.6 million in FY2020 mainly due to additional depreciation charge on right-of-use assets.

Impairment losses on financial assets decreased by S\$0.1 million or 38.1% from S\$0.3 million in FY2019 to S\$0.2 million in FY2020 mainly due to decline in bad debts written off.

Other operating expenses decreased by S\$0.7 million or 19.2% from S\$3.7 million in FY2019 to S\$3.0 million in FY2020. The decrease was mainly due to receipt of rental relief as part of the COVID-19 support measures introduced by the Singapore government, reduction in travelling expenses and decrease in impairment on inventories.

Finance costs remain relatively stable at S\$0.5 million in both FY2019 and FY2020.

As a result of the foregoing, profit after tax increased by S\$0.2 million or 9.4% from S\$2.3 million in FY2019 to S\$2.5 million in FY2020.

REVIEW OF FINANCIAL POSITION

The Group's current assets increased by S\$2.9 million or 5.8% from S\$49.7 million as at 31 December 2019 to S\$52.6 million as at 31 December 2020, mainly due to an increase in cash and bank balances of S\$0.1 million, an increase in inventories of S\$1.2 million and an increase in trade and other receivables of S\$1.6 million.

The Group's non-current assets increased by S\$0.9 million or 2.8% from S\$32.0 million as at 31 December 2019 to S\$32.9 million as at 31 December 2020, mainly due to an increase in investments in equity and debt instruments of S\$3.4 million, partially offset by a decrease in property, plant and equipment of S\$1.6 million, a decrease in right-of-use assets of S\$0.5 million and a decrease in intangible asset of S\$0.4 million. The decrease in intangible asset and property, plant and equipment were due to amortisation and depreciation during the period. Properties are stated at historical cost less accumulated depreciation.

The Group's current liabilities increased by S\$2.7 million or 15.8% from S\$17.2 million as at 31 December 2019 to S\$19.9 million as at 31 December 2020, mainly due to an increase in trade and other payables of S\$2.1 million, an increase in lease liabilities of S\$0.4 million and an increase in bank borrowings of S\$0.2 million.

The Group's non-current liabilities increased by S\$0.1 million or 1.6% from S\$12.1 million as at 31 December 2019 to S\$12.3 million as at 31 December 2020, mainly due to an increase in bank borrowings of S\$1.2 million, partially offset by a decrease in lease liabilities of S\$0.9 million and a decrease in deferred tax liabilities of S\$0.1 million.

REVIEW OF CASH FLOWS

In FY2020, the Group generated net cash from operating activities before changes in working capital of S\$6.8 million. Net cash used in working capital amounted to S\$0.6 million mainly due to an increase in trade and other receivables of S\$1.6 million and an increase in inventories of S\$1.1 million, partially offset by an increase in trade and other payables of S\$2.1 million. We also paid income tax of S\$0.4 million. As a result, net cash generated from operating activities amounted to S\$5.7 million.

Net cash used in investing activities amounted to S\$4.1 million in FY2020, mainly due to purchases of property, plant and equipment of S\$0.4 million, net cash outflow on acquisition of subsidiaries of S\$0.1 million, purchases of financial assets measured at fair value through profit or loss of S\$2.6 million, purchase of quoted debt securities measured at fair value through profit or loss of S\$0.7 million and investments in equity instrument designated at fair value through other comprehensive income of S\$0.5 million, partially offset by interest received of S\$0.1 million and proceeds from disposal of quoted shares of S\$0.1 million.

Net cash used in financing activities amounted to S\$1.1 million in FY2020, mainly due to payment of dividends of S\$1.2 million, repayment of bank borrowings and lease liabilities of S\$4.9 million in aggregate and interest paid of S\$0.4 million, partially offset by a decrease in pledged fixed deposits of S\$0.4 million and drawdown of bank borrowings of S\$5.0 million.

As a result of the above, the Group's cash and cash equivalents increased by S\$0.5 million to S\$25.1 million in FY2020.

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

Not applicable. No forecast or prospect statement 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.

Singapore is still in the midst of overcoming the COVID-19 pandemic with the gradual opening of its borders and controlled partial resumption of economic and social activities. Whilst the Group envisages the next 12 months to be challenging, barring any further worsening of the pandemic, we expect the Group's business activities to gradually return to pre-COVID levels.

Accordingly, we anticipate that the Equipment Sales, Projects and the Repairs and Servicing segments to lead the recovery for the Engineering business in Singapore. However, the recovery for the Engineering business may be affected by the prolonged movement control order in most parts of Malaysia and the unstable political situation in Myanmar.

In addition, we anticipate for the Training business to continue its expansion as it targets to increase the diversity of courses and suite of services offered whilst actively looking for synergistic partnerships.

Barring any unforeseen circumstances, the management will continue to closely monitor and streamline its operations whilst actively investing in strategic alliances and most importantly, its employees and the grooming of potential future leaders.

11. Dividend

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

Yes

(b) (i) Amount per share

Name of dividend	Final
Dividend type	Cash
Dividend amount per share (cents)	0.43
Tax rate	Tax exempt (one-tier)

The final dividend is subject to shareholders' approval at the forthcoming annual general meeting of the Company to be held on 28 April 2021 ("AGM").

(ii) Previous corresponding period

Name of dividend	Final
Dividend type	Cash
Dividend amount per share (cents)	0.52
Tax rate	Tax exempt (one-tier)

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of 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).

Tax exempt (one-tier)

(d) The date the dividend is payable.

Subject to shareholders' approval at the AGM, the date payable is to be advised.

(e) The date on which Registrable Transfers received by the Company (up to 5.00 p.m.) will be registered before entitlements to the dividend are determined.

Subject to shareholders' approval at the AGM, the books closure date is to be advised.

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

Not applicable.

- 13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group has not obtained a general mandate from shareholders for interested person transactions. There was no interested person transaction of S\$100,000 or more in FY2020.

- 14. Negative confirmation by the Board pursuant to Rule 705(5)**

Not required for announcement on full year results.

- 15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)**

The Company has procured the undertakings from all its directors and executive officers as required under Rule 720(1) of the Catalist Rules.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

16. **Segmented revenue and results for operating 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.**

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segment:

	Group			
	Revenue		Profit before income tax	
	FY2020 S\$'000	FY2019 S\$'000	FY2020 S\$'000	FY2019 S\$'000
Engineering	33,975	41,033	1,054	1,339
Training	15,303	13,504	2,149	1,919
	<u>49,278</u>	<u>54,537</u>	<u>3,203</u>	<u>3,258</u>
Other operating expenses			(16)	(7)
Interest income			116	173
Share of results of an associate			(57)	(62)
Finance costs			(460)	(521)
Profit before income tax			<u>2,786</u>	<u>2,841</u>
Income tax expense			(278)	(548)
Profit after income tax			<u>2,508</u>	<u>2,293</u>

Segment assets

	Group	
	FY2020 S\$'000	FY2019 S\$'000
Engineering	52,836	51,349
Training	19,406	17,247
Total segment assets	<u>72,242</u>	<u>68,596</u>
Unallocated assets	13,270	13,128
Consolidated total assets	<u>85,512</u>	<u>81,724</u>

Liabilities are not allocated as they are not monitored by the chief operating decision makers for the purposes of resource allocation and assessment of segment performance.

Other segment information

	Group			
	Depreciation and amortisation		Additions to non- current assets	
	FY2020 S\$'000	FY2019 S\$'000	FY2020 S\$'000	FY2019 S\$'000
Engineering	1,642	1,638	326	617
Training	2,005	1,384	1,238	3,288
Unallocated	1	-	5	-
Total	<u>3,648</u>	<u>3,022</u>	<u>1,569</u>	<u>3,905</u>

17. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

Please refer to paragraph 8 of this announcement.

18. A breakdown of sales

	Group		
	FY2020	FY2019	Increase/ (Decrease)
	S\$'000	S\$'000	%
Sales reported for:			
(a) First half of the financial year	22,481	24,774	(9.3)
(b) Second half of the financial year	26,797	29,763	(10.0)
Profit attributable to owners of the Company reported for:			
(a) First half of the financial year	995	1,620	(38.6)
(b) Second half of the financial year	1,078	647	66.6

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

	FY2020 S\$	FY2019 S\$
Ordinary		
- Final	1,010,500	1,222,000
- Special	-	-
Total	1,010,500	1,222,000

The proposed final dividend is subject to shareholders' approval at the AGM.

20. **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
Lew Siew Choo	50	Sister of Liew Chern Yean and Eric Lew	Year 2019: Director of Group Supply Chain and Operations and Human Resource. Oversees the Group's supply chain and operations and also oversees the Group's human resource functions.	No change
Jean Liew	62	Sister of James Liew	Year 1994: Finance Manager. Oversees the import and export logistics documentation, corporate secretarial matters of the Group as well as liaison with banks.	No change
Liu Shanni	37	Son of James Liew	Year 2019: Director of Group Business Development and Information Technology. Oversees the business development and information technology function.	No change
Ng Chin Yee	67	Father-in-law of Eric Lew	Year 2019: Production Manager and Facilities and Sourcing Manager. Oversees the workshop operations efficiency and infrastructure maintenance.	No change
Wong Kong Chong	57	Son of Liew Khuen Choy	Year 2019: Production Manager. Oversees the production planning and management functions as well as housekeeping activities at 16 Tuas Avenue 6 site.	No change
Wong Kong San	58	Son of Liew Khuen Choy	Year 2013: Senior Engineering Manager. Oversees the sourcing and management of subcontracting projects in China as well as oversees design and development function.	No change

21. **Disclosure pursuant to Rule 706A of the Catalist Rules**

Save as disclosed in the Company's announcement dated 14 August 2020 entitled "Announcement pursuant to Rule 706A of the Listing Manual", there was no acquisition or sale of shares by the Company during FY2020 which requires disclosure pursuant to Rule 706A of the Catalist Rules.

BY ORDER OF THE BOARD

Pao Kiew Tee
Independent Chairman

James Liew
Co-Founder and Group Chief Executive Officer

25 February 2021

This announcement has been prepared by Wong Fong Industries Limited (the "Company") and has been reviewed by the Company's sponsor, United Overseas Bank Limited (the "Sponsor"), for compliance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst. This announcement has not been examined or approved by the SGX-ST. 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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