

**NIPPECRAFT LIMITED**

(Incorporated in the Republic of Singapore)  
Company registration number: 197702861N

The announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited ("Sponsor"). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("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.

The contact person for the Sponsor is Ms. Charmian Lim (Tel: +65 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.

**UNAUDITED FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020****PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS.****1(a)(i) A statement of comprehensive income (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	<b>Group</b>		<b>Change</b>
	<b>Financial year ended</b>		
	<b>31-Dec-20</b>	<b>31-Dec-19</b>	
	<b>US\$'000</b>	<b>US\$'000</b>	
<b>Revenue</b>	<b>143,048</b>	<b>120,629</b>	<b>19%</b>
Cost of sales	(135,144)	(112,388)	20%
<b>Gross profit</b>	<b>7,904</b>	<b>8,241</b>	<b>-4%</b>
Distribution and marketing expenses	(4,676)	(4,798)	-3%
Administrative expenses	(3,740)	(3,888)	-4%
Impairment loss on financial assets	(146)	(128)	14%
Other income, net	1,200	442	>100%
Finance expense, net	(317)	(622)	-49%
<b>Profit/ (loss) before tax</b>	<b>225</b>	<b>(753)</b>	<b>N.M.</b>
Tax expense	(166)	(111)	50%
<b>Net profit/ (loss) for the year</b>	<b>59</b>	<b>(864)</b>	<b>N.M.</b>
<b>Other comprehensive income:</b>			
<u>Items that may be reclassified subsequently to profit</u>			
- Foreign currency translation differences for foreign operations	471	133	>100%
<b>Other comprehensive income for the year, net of tax</b>	<b>471</b>	<b>133</b>	<b>&gt;100%</b>
<b>Total comprehensive income/ (loss) for the year</b>	<b>530</b>	<b>(731)</b>	<b>N.M.</b>
<b>Earnings/ (loss) per share (US cents)</b>			
- <b>Basic &amp; Diluted</b>	<b>0.017</b>	<b>(0.246)</b>	

Note: N.M. - Not meaningful



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**1(a)(ii) Net profit/ (loss) for the year is arrived at after charging/(crediting) the following:**

	<b>Group</b>		
	<b>Financial year ended</b>		
	<b>31-Dec-20</b>	<b>31-Dec-19</b>	<b>Change</b>
	<b>US\$'000</b>	<b>US\$'000</b>	
Depreciation of property, plant and equipment	645	506	27%
Write-down of inventories	480	1,388	-65%
Loss on disposal of property, plant and equipment	3	-	N.M.
Foreign exchange (gain)/ loss, net	(142)	72	N.M.
Under provision of tax in prior years	-	7	N.M.

Note: N.M. - Not meaningful



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**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.**

	<u>Group</u>		<u>Company</u>	
	As at 31-Dec-20 US\$'000	As at 31-Dec-19 US\$'000	As at 31-Dec-20 US\$'000	As at 31-Dec-19 US\$'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	4,618	5,103	4,279	4,691
Intangible assets	-	-	-	-
Subsidiaries	-	-	16,512	16,512
	<u>4,618</u>	<u>5,103</u>	<u>20,791</u>	<u>21,203</u>
<b>Current assets</b>				
Inventories	2,707	3,527	335	348
Trade and other receivables	31,699	24,629	2,807	3,665
Prepayments	421	332	110	38
Cash and bank balances	18,242	14,072	1,324	620
	<u>53,069</u>	<u>42,560</u>	<u>4,576</u>	<u>4,671</u>
<b>Total assets</b>	<u>57,687</u>	<u>47,663</u>	<u>25,367</u>	<u>25,874</u>
<b>Current liabilities</b>				
Trade and other payables	24,827	15,201	1,069	1,593
Lease liabilities	275	257	110	108
Income tax payable	202	101	-	-
	<u>25,304</u>	<u>15,559</u>	<u>1,179</u>	<u>1,701</u>
<b>Non-current liabilities</b>				
Lease liabilities	1,534	1,785	1,491	1,566
	<u>1,534</u>	<u>1,785</u>	<u>1,491</u>	<u>1,566</u>
<b>Total liabilities</b>	<u>26,838</u>	<u>17,344</u>	<u>2,670</u>	<u>3,267</u>
<b>Net assets</b>	<u>30,849</u>	<u>30,319</u>	<u>22,697</u>	<u>22,607</u>
<b>Equity</b>				
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital	36,817	36,817	36,817	36,817
Reserves	1,604	1,133	748	748
Accumulated losses	(7,572)	(7,631)	(14,868)	(14,958)
<b>Total equity</b>	<u>30,849</u>	<u>30,319</u>	<u>22,697</u>	<u>22,607</u>



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**1(b)(ii) Aggregate amount of group's borrowing and debt securities**

	As at 31-Dec-20		As at 31-Dec-19	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Amount repayable in one year or less, or on demand	-	-	-	-
Amount repayable after one year	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Details of any collateral**

Not applicable.



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**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.**

	<b>Group</b>	
	<b>Financial year ended</b>	
	<b>31-Dec-20</b>	<b>31-Dec-19</b>
	<b>US\$'000</b>	<b>US\$'000</b>
<b>Cash flows from operating activities</b>		
<b>Profit/ (loss) before tax</b>	<b>225</b>	<b>(753)</b>
<b>Adjustments:</b>		
Depreciation of property, plant and equipment	645	506
Loss on disposal of property, plant and equipment	3	-
Impairment on financial assets	146	128
Interest income	(127)	(61)
Interest expense	444	683
Write-down of inventories	480	1,388
<b>Operating profit before working capital changes</b>	<b>1,816</b>	<b>1,891</b>
<b>Movement in working capital:</b>		
Inventories	495	(884)
Trade and other receivables	(6,940)	1,389
Trade and other payables	9,303	(2,708)
<b>Cash generated from/ (used in) operations</b>	<b>4,674</b>	<b>(312)</b>
Income tax (paid)/refunded, net	(65)	53
<b>Net cash from/ (used in) operating activities</b>	<b>4,609</b>	<b>(259)</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(163)	(73)
Interest received	127	61
<b>Net cash used in investing activities</b>	<b>(36)</b>	<b>(12)</b>
<b>Cash flows from financing activities</b>		
Deposits pledged	(1,400)	-
Interest paid for trade financing	(360)	(594)
Payment of lease liabilities including interest	(349)	(232)
<b>Net cash used in financing activities</b>	<b>(2,109)</b>	<b>(826)</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>2,464</b>	<b>(1,097)</b>
Effects of exchange rate changes on cash and cash equivalents	306	158
Cash and cash equivalents as at beginning of the year	11,972	12,911
<b>Cash and cash equivalents as at end of the year</b>	<b>14,742</b>	<b>11,972</b>



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**Consolidated Statement of Cash Flows (Cont'd)**

**Group**  
**Financial year ended**  
**31-Dec-20 31-Dec-19**

**Note to Consolidated Statement of Cash Flows:**

**Note A:**

Total addition of property, plant and equipment	176	574
Less: Addition of right-of-use assets	(13)	(501)
Acquisition of property, plant and equipment	<u>163</u>	<u>73</u>

**Note B:**

Cash and cash equivalents included in the Consolidated Statement of Cash Flows comprise the following amounts:

Cash at bank and in hand	14,703	11,933
Short-term bank deposits	3,539	2,139
<b>Cash and bank balances</b>	<b><u>18,242</u></b>	<b><u>14,072</u></b>
Bank balances and deposits pledged	(3,500)	(2,100)
<b>Cash and cash equivalents per consolidated statement of cash flows</b>	<b><u>14,742</u></b>	<b><u>11,972</u></b>



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**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.**

**Statements of Changes in Equity**

Group	Share capital	Asset revaluation reserve	Foreign currency translation reserve	Accumulated losses	Total equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Balance as at 01.01.2020</b>	<b>36,817</b>	<b>748</b>	<b>385</b>	<b>(7,631)</b>	<b>30,319</b>
Profit for the year	-	-	-	59	59
<b>Other comprehensive income for the year, net of tax</b>					
- Currency translation differences	-	-	471	-	471
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>471</b>	<b>59</b>	<b>530</b>
<b>Balance as at 31.12.2020</b>	<b>36,817</b>	<b>748</b>	<b>856</b>	<b>(7,572)</b>	<b>30,849</b>
<b>Balance as at 01.01.2019</b>	<b>36,817</b>	<b>748</b>	<b>252</b>	<b>(6,767)</b>	<b>31,050</b>
Loss for the year	-	-	-	(864)	(864)
<b>Other comprehensive loss for the year, net of tax</b>					
- Currency translation differences	-	-	133	-	133
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>-</b>	<b>133</b>	<b>(864)</b>	<b>(731)</b>
<b>Balance as at 31.12.2019</b>	<b>36,817</b>	<b>748</b>	<b>385</b>	<b>(7,631)</b>	<b>30,319</b>

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**Statements in Changes in Equity (Continued)**

Company	Share	Asset	Accumulated	Total
	capital	revaluation	losses	equity
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Balance as at 01.01.2020</b>	<b>36,817</b>	<b>748</b>	<b>(14,958)</b>	<b>22,607</b>
Profit for the year	-	-	90	<b>90</b>
<b>Total comprehensive profit for the year</b>	<b>-</b>	<b>-</b>	<b>90</b>	<b>90</b>
<b>Balance as at 31.12.2020</b>	<b>36,817</b>	<b>748</b>	<b>(14,868)</b>	<b>22,697</b>
<b>Balance as at 01.01.2019</b>	<b>36,817</b>	<b>748</b>	<b>(14,448)</b>	<b>23,117</b>
Loss for the year	-	-	(510)	(510)
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>-</b>	<b>(510)</b>	<b>(510)</b>
<b>Balance as at 31.12.2019</b>	<b>36,817</b>	<b>748</b>	<b>(14,958)</b>	<b>22,607</b>

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.

There was no change in the Company's issued and paid-up share capital from 1 January 2020 to 31 December 2020. There were no outstanding convertibles, treasury shares and subsidiary holdings as at 31 December 2020 and 31 December 2019.





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**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.**

	<b>31-Dec-20</b>	<b>31-Dec-19</b>
Total number of issued shares ('000)	<u>351,398</u>	<u>351,398</u>

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

There were no sales, transfers, cancellation and/or use of treasury shares during the financial year ended 31 December 2020.

**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 sales, transfers, cancellation and/or use of subsidiary holdings during the financial year ended 31 December 2020.

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

The figures have not been audited nor reviewed by the Company's auditors.

**3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications 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.**

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

**This is not required for any audit issue that is a material uncertainty to going concern.**

Not applicable. The Group's latest audited financial statements for the financial year ended 31 December 2019, released on 15 April 2020 was not subject to an adverse opinion, qualified opinion or disclaimer of opinion from the independent auditors.

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

Accounting policies and methods of computation used in the consolidated financial statements for the financial year ended 31 December 2020 are consistent with those applied in the audited financial statements for the financial year ended 31 December 2019, except for the adoption of new Financial Reporting Standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 January 2020 as disclosed in paragraph 5 below.



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**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.**

During the financial year, the Group and the Company have adopted the following new Singapore Financial Reporting Standards (International) (“SFRS(I)s”) and amendments which took effect from financial year beginning 1 January 2020:

- Amendments to References to the Conceptual Framework in FRS Standards
- Amendments to SFRS(I) 3: Definition of a Business
- Amendments to SFRS(I) 1-1 and SFRS(I) 1-8: Definition of Material
- Amendments to SFRS(I) 1-9, SFRS(I) 1-39 and SFRS(I) 1-107: Interest Rate Benchmark Reform

The adoption of the above new and amended financial reporting standards do not have any material effect on the financial statements 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.**

**Earnings/ (loss) per share (LPS)**

	<b>Group</b>	
	<b>Financial year ended</b>	
	<b>31-Dec-20</b>	<b>31-Dec-19</b>
EPS/ (LPS) based on average number of shares (US cents)	0.017	(0.246)
EPS/ (LPS) based on a fully diluted basis (US cents)	0.017	(0.246)
Weighted average number of shares ('000)	351,398	351,398
Weighted average number of shares - diluted ('000)	351,398	351,398

The Company has no dilutive equity instruments as at 31 December 2020 and 31 December 2019.



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- 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.**

### Net asset value (NAV)

	Group As at		Company As at	
	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19
Net asset value per share (US cents)	8.78	8.63	6.46	6.43
Number of issued shares less treasury shares ('000)	351,398	351,398	351,398	351,398

- 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.**

### A) Consolidated Statement of Comprehensive Income

#### Revenue

	Financial year ended		Variance	
	31-Dec-20 US\$'000	31-Dec-19 US\$'000	US\$'000	%
Stationery business	14,740	15,773	(1,033)	-7%
Trading business	128,308	104,856	23,452	22%
	<b>143,048</b>	<b>120,629</b>	<b>22,419</b>	19%

The Group recorded revenue of US\$143.0 million for the financial year ended 31 December 2020 ("FY2020") as compared to US\$120.6 million in the previous corresponding financial year ended 31 December 2019 ("FY2019"). The increase in revenue of US\$22.4 million or 19% was mainly attributed to growth in the trading business that was partially offset by a decline in the stationery business.

Stationery business revenue decreased by US\$1.0 million or 7%. Sales were lower mainly due to decline in the traditional stationery business, exacerbated by COVID-19 locked down in our key markets which affected our wholesale and retail channel customers. Through proactive supply chain management, the Group was able to avoid any material supply disruptions due to the pandemic. While there has been growth in the lifestyle stationery and online businesses, these were not sufficient to offset the headwinds in FY2020.



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Trading business revenue increased by US\$23.5 million or 22% to US\$128.3 million mainly due to increase in sales to a mandated interested person due to increase in market demand for paper products (Please refer to paragraph 13).

The increase in revenue from customers in Indonesia, Malaysia and United Kingdom is partially offset by the decrease in revenue from customers in Hong Kong and Singapore.

### Gross profit

	Financial year ended 31-Dec-20		Financial year ended 31-Dec-19		Variance
	US\$'000	Margin	US\$'000	Margin	US\$'000
Stationery business	4,534	30.8%	5,473	34.7%	(939)
Trading business	3,370	2.6%	2,768	2.6%	602
	<b>7,904</b>	<b>5.5%</b>	<b>8,241</b>	<b>6.8%</b>	<b>(337)</b>

Gross profit for FY2020 decreased by US\$0.3 million to US\$7.9 million as compared to FY2019.

Overall gross profit margin for FY2020 decreased by 1.3 percentage point mainly due to the change in gross profit contributions by the stationery and trading business. For FY2020, the trading business contributed to approximately 43% of the gross profit, compared to 34% in FY2019. Gross profit margin for the stationery business also decreased by 3.9 percentage point to 30.8% mainly driven by sales mix and higher discounts provided to customers due to the poor consumer sentiments and stock write-down in FY2020. Gross profit margin for trading business was flat at 2.6%.

### Distribution and marketing and Administrative expenses

	Financial year ended		Variance	
	31-Dec-20 US\$'000	31-Dec-19 US\$'000	US\$'000	%
Distribution and marketing expenses	4,676	4,798	(122)	-3%
Administrative expenses	3,740	3,888	(148)	-4%
<b>Total operating expenses</b>	<b>8,416</b>	<b>8,686</b>	<b>(270)</b>	<b>-3%</b>

Distribution and marketing expenses incurred in FY2020 decreased by US\$0.1 million or 3% as compared to FY2019. This was mainly attributable to the decrease of US\$0.3 million in advertising and marketing expenses incurred as certain advertising and promotional activities were held back or postponed due to the COVID-19 pandemic. The lower advertising and marketing expenses were offset by the increase of US\$0.2 million in freight, storage and other expenditures.

Administrative expenses incurred in FY2020 decreased by US\$0.1 million or 4% as compared to FY2019. This was mainly due to decrease in office rental in both United Kingdom ("UK") and Australia. The lower office rental expenses were partially offset by the increase in personnel expenses, including *inter alia*, recruitment costs incurred during the second half of FY2020 and other expenditures. Other expenditures include depreciation of property, plant and equipment which increased by US\$0.1 million or 27% mainly due to the leases that were taken up in the second half of FY2019 pursuant to the adoption of SFRS(I) 16.



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### **Impairment on financial assets**

Impairment on financial assets increased were due to impairment of trade receivables from the Stationery Business.

### **Other income, net**

The increase in other income of US\$0.8 million in FY2020 was mainly due to receipt of government grant for sustaining employment amid the COVID-19 pandemic as well as foreign exchange gains.

### **Finance expense, net**

Finance expense was lower by US\$0.3 million in FY2020 compared to FY2019 mainly due to lower interest expense incurred in financing the trading business.

### **Tax expense**

Losses suffered by certain overseas subsidiaries cannot be transferred to offset against profits of profitable entities. As a result, a tax provision of approximately US\$0.2 million was made.

### **Net profit for the year**

As a result of the above, the Group profit after tax improved to approximately US\$0.1 million in FY2020 as compared to a net loss of US\$0.9 million recorded in FY2019.

## **B) Statements of Financial Position**

### **i) Group**

#### Current assets

Inventories decreased by US\$0.8 million mainly due to better inventory management which resulted in lower purchases and lower write-down of inventories in FY2020 compared to FY2019.

Trade and other receivables increased by US\$7.1 million mainly due to higher December sales attributed to the trading business.

Cash and bank balances increased by US\$4.2 million to US\$18.2 million as at 31 December 2020.

#### Current liabilities

Trade and other payables increased by US\$9.6 million mainly due to higher December purchases attributed to the trading business.

The Group was in an income tax payable position as at 31 December 2020.

#### Non-current liabilities

Long-term lease liabilities decreased by US\$0.3 million to US\$1.5 million as at 31 December 2020 mainly due to contractual payment made in FY2020.



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**C) Consolidated Statement of Cash Flows**

Net cash from operating activities in FY2020 amounted to US\$4.6 million. The operating profit was US\$1.8 million. The operating activities' net cash inflows during FY2020 were due to increase in trade and other payables of US\$9.3 million and decrease in inventories of US\$0.5 million which were partially offset by an increase of trade and other receivables of US\$7.0 million.

Net cash used in investing activities were for capital expenditure on acquisition of property, plant and equipment which was partially offset by interest income.

Net cash used in financing activities of US\$2.1 million was due to deposits pledged, interest expense incurred on financing the trading business and payment of lease liabilities including interest.

As a result of the above, cash and cash equivalents increased by US\$2.5 million in FY2020. Together with the positive effect of exchange rate changes, the cash and cash equivalents stood at US\$14.7 million as at 31 December 2020.



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**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 had been previously disclosed to the shareholders for FY2020.

**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**

Amid the economic uncertainty in the retail sector, coupled with the COVID-19 pandemic which is expected to continue in the foreseeable future, the traditional stationery business in the United Kingdom and Australia will continue to experience a downward trend. The online businesses though have increased, the bulk of the sales online derived mainly from retail sector. On the other hand, gross margin from our trading business is expected to reduce significantly in FY2021 due to strong market competition. Overall, the performance of the Group is expected to decline due to depressed margins from the trading business in the next reporting period and the next twelve months.

In light of the forecasted averse economic conditions and the protracted COVID-19 pandemic, we will continue to defend our fortress on our traditional stationery business by creating growth opportunities via our innovative stationery, exploring new markets and expanding more online channels. We will continuously work towards strengthen our position in the new norm by accelerating and sharpening our technical capabilities in digitalisation arena. This new focus will allow us to operate efficiently under any “lock down” or “circuit breaker” disruption.

The Group will continue to take proactive measures to strengthen our financial position, including preserving cash, optimising cash flows, improve liquidity and reduce operational costs.

**11 Dividend**

**(a) Current Financial Period Reported On**

**Any dividend declared for the current financial period report on?**

No.

**(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**

Not applicable.

**(d) Books closure date**

Not applicable.

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

No dividend has been declared or recommended for FY2020 as the Group wants to conserve cash during this challenging period.

**13 If the group has obtained a general mandate from shareholders for Interested Person Transactions (“IPT”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii) of the Catalist Rules. If no IPT mandate has been obtained, a statement to that effect.**

The Group has renewed its general mandate for IPT at the recent annual general meeting held on 24 June 2020. The IPTs for 1H2020 were as follows:

Name of Interested Person	Nature of relationship	Aggregate value of all IPTs during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Catalist Rules)		Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 of the Catalist Rules (excluding transactions less than S\$100,000)	
		Financial year ended 31-Dec-20 US\$'000	Financial year ended 31-Dec-19 US\$'000	Financial year ended 31-Dec-20 US\$'000	Financial year ended 31-Dec-19 US\$'000
<u>Sales</u> PT Paramitra Gunakarya Cemerlang*	PT Paramitra Gunakarya Cemerlang is an entity under the Sinarmas Group. APP Golden Limited, the controlling shareholder of the Company is an affiliate of the Sinarmas Group. Both APP Golden Limited and Sinarmas Group have the same ultimate beneficial owners.	-	-	65,492	43,263

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

The Company confirms that it has procured the undertakings from all its Directors and Executive Officers in the format set out in Appendix 7H pursuant to Rule 720(1) of the Catalist Rules.





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**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

**15 Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

**Reportable segments**

<b>Group</b>	<b>Stationery</b>	<b>Trading</b>	<b>Total</b>
<b>Financial year ended 31-Dec-20</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
Segment revenue	22,336	128,348	150,684
Intra-Segment revenue	(7,596)	(40)	(7,636)
External revenue	14,740	128,308	143,048
Segment (loss)/profit	(1,403)	1,945	542
Finance income			127
Finance expense			(444)
Profit before tax			225
Tax expense			(166)
Consolidated profit for the year			59
Segment assets	21,629	36,058	57,687
Segment liabilities	5,307	21,531	26,838
Other segment information:			
Capital expenditure	163	-	163
Depreciation	645	-	645
Write-down of inventories	480	-	480
Impairment loss on financial assets	146	-	146
<b>Group</b>	<b>Stationery</b>	<b>Trading</b>	<b>Total</b>
<b>Financial year ended 31-Dec-19</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
Segment revenue	23,329	104,897	128,226
Intra-Segment revenue	(7,556)	(41)	(7,597)
External revenue	15,773	104,856	120,629
Segment (loss)/profit	(1,691)	1,560	(131)
Finance income			61
Finance expense			(683)
Loss before tax			(753)
Tax expense			(111)
Consolidated loss for the year			(864)
Segment assets	22,708	24,955	47,663
Segment liabilities	5,585	11,759	17,344
Other segment information:			
Capital expenditure	48	-	48
Depreciation	506	-	506
Write-down of inventories	1,388	-	1,388
Impairment loss on financial assets	126	2	128



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**Geographical information**

In presenting information of geographical segments, segment revenue is based on the geographical location of customers and segment assets are based on geographical location of the assets.

<u>Revenue</u>	Financial year ended	
	31-Dec-20 US\$'000	31-Dec-19 US\$'000
Indonesia	65,509	43,344
Malaysia	32,567	4,737
United Kingdom	24,483	6,540
Hong Kong	12,425	36,137
Australia	7,271	7,964
Singapore	383	21,536
Continental Europe	169	128
United States of America	42	65
Others	199	178
<b>Total</b>	<b>143,048</b>	<b>120,629</b>

<u>Non-current assets</u>	Financial year ended	
	31-Dec-20 US\$'000	31-Dec-19 US\$'000
Singapore	4,278	4,691
United Kingdom	208	215
Australia	132	197
<b>Total</b>	<b>4,618</b>	<b>5,103</b>

**16 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.

**17 A breakdown of sales as follows:**

	Financial year ended		
	31-Dec-20 US\$'000	31-Dec-19 US\$'000	Variance %
Sales reported for:			
(a) First half of the financial year	66,168	63,786	4%
(b) Second half of the financial year	76,880	56,843	35%
	<b>143,048</b>	<b>120,629</b>	<b>19%</b>
Profit/ (loss) attributable to owners of the Company			
(a) First half of the financial year	(822)	(988)	-17%
(b) Second half of the financial year	881	124	>100%
	<b>59</b>	<b>(864)</b>	<b>N.M.</b>

N.M. : Not Meaningful



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

Not applicable.

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

Pursuant to Rule 704(10) of the Catalist Rules, the Board of Nippecraft Limited hereby confirms that to the best of its knowledge, as at the date of this announcement, none of the persons occupying managerial positions in the Company or any of its subsidiaries is a relative of a director or chief executive officer or a substantial shareholder of the Company.

**BY ORDER OF THE BOARD**

**Raja Hayat  
Executive Director and  
Interim Chief Executive Officer  
22 February 2021**