



LUXKING GROUP HOLDINGS LIMITED

(Incorporated in Bermuda)

HALF YEAR FINANCIAL STATEMENT ANNOUNCEMENT FOR THE SIX MONTHS ENDED 31 DECEMBER 2020

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

The directors are pleased to announce the unaudited operating results of the Group for the six months ended 31 December 2020.

UNAUDITED RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2020

1(a)(i) Income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group Six months ended 31.12.2020 RMB'000	Group Six months ended 31.12.2019 RMB'000	+ / (-) %
Revenue	250,794	229,470	9.3%
Cost of sales	(221,120)	(207,093)	6.8%
Gross profit	29,674	22,377	32.6%
Other income (Note 1)	3,272	2,973	10.1%
Selling and distribution costs	(10,469)	(8,488)	23.3%
Administrative expenses	(14,522)	(15,698)	(7.5%)
Other operating expenses	(3)	(63)	(95.2%)
Finance costs	(1,402)	(2,830)	(50.5%)
Profit/(Loss) before income tax	6,550	(1,729)	n/m
Income tax expense	(3,248)	(1,812)	79.2%
Profit/(Loss) for the period	3,302	(3,541)	n/m

n/m = not meaningful

1(a)(ii) A statement of profit or loss and other comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group Six months ended 31.12.2020 RMB'000	Group Six months ended 31.12.2019 RMB'000	+ / (-) %
Profit/(Loss) for the period	3,302	(3,541)	n/m
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of financial statements of foreign operations	(1,222)	84	n/m
Total comprehensive income attributable to the owners of the Company	2,080	(3,457)	n/m

1(a)(iii) Profit/(Loss) before income tax is arrived at after charging/(crediting): -

	Group Six months ended 31.12.2020 RMB'000	Group Six months ended 31.12.2019 RMB'000	+ / (-) %
Depreciation of property, plant and equipment	6,087	6,556	(7.2%)
Property, plant and equipment written-off	-	47	n/m
Bad debts written-off	-	17	n/m
Depreciation of right-of-use assets	1,444	1,429	1.0%
Inventories write-down	-	321	n/m
Interest expenses	1,402	2,830	(50.5%)
Net foreign exchange (gain)/loss	(882)	260	n/m

Note 1:

Other income comprises the following items: -

	Group Six months ended 31.12.2020 RMB'000	Group Six months ended 31.12.2019 RMB'000	+ / (-) %
Interest income	16	15	6.7%
Net gain on sale of raw materials	-	24	n/m
Net gain on disposal of property, plant and equipment	220	-	n/m
Write-back of impairment of trade receivables	2,101	2,934	(28.4%)
Net foreign exchange gain	882	-	n/m
Employment support subsidy	41	-	n/m
Others	12	-	n/m
	3,272	2,973	10.1%

n/m = not meaningful

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.

	Group		Company	
	As at	As at	As at	As at
	31.12.2020	30.6.2020	31.12.2020	30.6.2020
	RMB'000	RMB'000	RMB'000	RMB'000
ASSETS				
Non-current assets				
Property, plant and equipment	52,336	56,571	-	-
Right-of-use assets	20,484	19,479	-	-
Interests in subsidiaries	-	-	93,227	104,835
	72,820	76,050	93,227	104,835
Current assets				
Inventories	52,295	52,579	-	-
Trade and bills receivables	90,603	91,423	-	-
Prepayments, deposits and other receivables	22,308	16,087	9	6
Cash and bank balances	16,908	20,307	-	-
	182,114	180,396	9	6
TOTAL ASSETS	254,934	256,446	93,236	104,841
EQUITY AND LIABILITIES				
Equity attributable to the owners of the Company				
Share capital	133,557	133,557	133,557	133,557
Reserves	(21,785)	(23,865)	(40,508)	(30,138)
Total equity	111,772	109,692	93,049	103,419
Current liabilities				
Trade payables	49,314	27,745	-	-
Accrued expenses and other payables	15,919	13,545	187	1,422
Lease liabilities	569	1,306	-	-
Bank borrowings, secured	60,548	91,171	-	-
Income tax payables	3,338	1,724	-	-
	129,688	135,491	187	1,422
Non-current liabilities				
Lease liabilities	654	763	-	-
Deferred income	12,820	10,500	-	-
	13,474	11,263	-	-
Total liabilities	143,162	146,754	187	1,422
TOTAL EQUITY AND LIABILITIES	254,934	256,446	93,236	104,841

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

Amount repayable in one year or less, or on demand

As at 31.12.2020		As at 30.6.2020	
Secured RMB'000	Unsecured RMB'000	Secured RMB'000	Unsecured RMB'000
60,548	-	91,171	-

Details of any collateral

The Group's bank borrowings of RMB60,548,000 represent: -

- (i) bank loans granted by China Construction Bank and Bank of Communications in the People's Republic of China (the "PRC");
- (ii) export and invoice finance granted by Industrial and Commercial Bank of China Limited, China Construction Bank and Bank of Communications in the PRC;

As at 31 December 2020, the Group's bank borrowings were secured by Mr Leung Chee Kwong, director of the Company, the pledge of certain of the Group's property, plant and equipment, the Group's certain right-of-use assets and the land use rights of the Company's substantial shareholder.

As at 31 December 2020, these bank borrowings bear fixed interest rates ranging from 1.6% to 6.3% per annum and floating interest rates ranging from 1.7% to 3.9% per annum.

- 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 Year ended 31.12.2020 RMB'000	Group Year ended 31.12.2019 RMB'000
Cash flows from operating activities		
Profit/(Loss) before income tax	6,550	(1,729)
Adjustments for:		
Interest income	(16)	(15)
Interest expenses	1,402	2,830
Depreciation of right-of-use assets	1,444	1,429
Depreciation of property, plant and equipment	6,087	6,556
Gain on disposal of property, plant and equipment	(220)	-
Bad debts written-off	-	17
Inventories write-down	-	321
Property, plant and equipment written-off	-	47
Write-back of impairment of trade receivables	(2,101)	(2,934)
Operating profit before working capital changes	13,146	6,522
Decrease in inventories	249	12,064
Decrease in trade and bills receivables	2,214	2,511
Increase in prepayments, deposits and other receivables	(6,229)	(3,931)
Increase/(Decrease) in trade payables	21,569	(2,064)
Increase/(Decrease) in accrued expenses and other payables	2,448	(1,267)
Cash generated from operations	33,397	13,835
Bank interest received	16	15
Income taxes paid	(1,616)	(2,041)
Net cash generated from operating activities	31,797	11,809
Cash flows from investing activities		
Decrease in deposit for acquisition of land use rights	-	4,100
Increase in restricted bank deposits	-	(29)
Purchases of property, plant and equipment	(1,866)	(584)
Proceeds from disposal of property, plant and equipment	235	9
Purchase of land use rights	(2,320)	(4,100)
Net cash used in investing activities	(3,951)	(604)
Cash flows from financing activities		
Interest on bank borrowings and other borrowings	(1,224)	(2,830)
Increase in deferred income	2,320	4,100
Net (repayments)/proceeds of bank borrowings	(30,623)	327
Repayments of other borrowings	-	(12,525)
Repayments of principal portion of lease liabilities	(1,251)	(1,296)
Interest paid on lease liabilities	(178)	(78)
Net cash used in financing activities	(30,956)	(12,302)
Net decrease in cash and cash equivalents	(3,110)	(1,097)
Cash and cash equivalents at beginning of year	20,307	19,248
Effect of foreign exchange rate changes, net	(289)	215
Cash and cash equivalents at end of year	16,908	18,366
Analysis of balances of cash and cash equivalents		
Cash and bank balances	16,908	18,366

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 RMB'000	Share premium RMB'000	Other reserves RMB'000	Exchange reserve RMB'000	Accumulated losses RMB'000	Total equity RMB'000
At 1.7.2019	133,557	33,961	11,599	(15,558)	(54,882)	108,677
Loss for the period	-	-	-	-	(3,541)	(3,541)
Other comprehensive income, net of income tax						
- Exchange gain on translation of financial statements of foreign operations	-	-	-	84	-	84
Total comprehensive income for the period	-	-	-	84	(3,541)	(3,457)
At 31.12.2019	133,557	33,961	11,599	(15,474)	(58,423)	105,220
At 1.7.2020	133,557	33,961	12,435	(14,607)	(55,654)	109,692
Profit for the period	-	-	-	-	3,302	3,302
Other comprehensive income, net of income tax						
- Exchange gain on translation of financial statements of foreign operations	-	-	-	(1,222)	-	(1,222)
Total comprehensive income for the period	-	-	-	(1,222)	3,302	2,080
At 31.12.2020	133,557	33,961	12,435	(15,829)	(52,352)	111,772

* These reserve accounts comprise the consolidated reserves of a deficit of approximately RMB21,785,000 (30 June 2020: RMB23,865,000) in the consolidated statement of financial position.

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.

Company

	Share capital RMB'000	Share premium RMB'000	Exchange reserve RMB'000	Accumulated losses RMB'000	Total equity RMB'000
At 1.7.2019	133,557	33,961	(30,340)	(33,124)	104,054
Loss for the period	-	-	-	(2,609)	(2,609)
Other comprehensive income, net of income tax					
- Exchange gain on translation of the Company's financial statements to RMB	-	-	1,898	-	1,898
Total comprehensive income for the period	-	-	1,898	(2,609)	(711)
At 31.12.2019	133,557	33,961	(28,442)	(35,733)	103,343
At 1.7.2020	133,557	33,961	(26,428)	(37,671)	103,419
Loss for the period	-	-	-	(2,347)	(2,347)
Other comprehensive income, net of income tax					
- Exchange gain on translation of the Company's financial statements to RMB	-	-	(8,023)	-	(8,023)
Total comprehensive income for the period	-	-	(8,023)	(2,347)	(10,370)
At 31.12.2020	133,557	33,961	(34,451)	(40,018)	93,049

* These reserve accounts comprise the Company's reserves of a deficit of approximately RMB40,508,000 (30 June 2020: RMB30,138,000) in the Company's statement of financial position.

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.

Not applicable

- 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.

	Ordinary shares	
	As at 31.12.2020	As at 30.6.2020
Total number of issued shares	12,650,000	12,650,000

(There were no treasury shares)

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

Not applicable

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

Not applicable

- 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 Company's auditors.

- 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.
 (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 relating to going concern.

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.**

Except as disclosed in item 5 below, the same accounting policies and methods of computations used in the audited financial statements for the year ended 30 June 2020 have been applied to the financial statements for the current year.

- 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 Group has adopted the applicable new and amended International Financial Reporting Standards ("IFRS") that are effective during the year. The adoption of these new and amended IFRS did not result in significant changes to the Group's accounting policies and has no material effect on the accounts reported for the current and prior financial periods.

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 Six months ended 31.12.2020 RMB Cents	Group Six months ended 31.12.2019 RMB Cents
Basic earnings/(loss) per ordinary share	26.10	(27.99)

Basic earnings/(loss) per ordinary share for the period ended 31 December 2020 are calculated based on the profit attributable to the owners of the Company of approximately RMB3,302,000 (FY2019: loss of RMB3,541,000) divided by 12,650,000 (FY2019: 12,650,000) ordinary shares in issue during the year.

Diluted earnings/(loss) per share for the period ended 31 December 2020 and 2019 are the same as the basic earnings/(loss) per share, as the Group has no dilutive potential shares during both years.

7. **Net assets value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the: -**

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

	Group		Company	
	As at 31.12.2020 RMB Cents	As at 30.6.2020 RMB Cents	As at 31.12.2020 RMB Cents	As at 30.6.2020 RMB Cents
Net assets value per ordinary share	883.57	867.13	735.57	817.54

Net assets value per ordinary share is calculated based on the issued ordinary shares of 12,650,000 ordinary shares as at 31 December 2020 and 30 June 2020.

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.**

HY2021 vs HY2020

Group Revenue

Despite a deteriorating environment due to the COVID-19 pandemic ("pandemic"), the Group's Revenue increased 9.3% from RMB229.5 million in HY2020 to RM250.8 million in HY2021. This was attributed to broad-based sales growth driven by volume from customers across the Group's business segments.

The biaxially oriented polypropylene films ("BOPP films") segment registered 4.7% increase in sales from RMB97.8 million in HY2020 to RMB102.4 million in HY2021, driven by domestic demand.

Sales of industrial specialty tapes (“IS tapes”) also increased 8.7% from RMB78.1 million in HY2020 to RMB84.9 million in HY2021. The Group recorded higher sales from the domestic demand in HY2021 which offset weaker demand from overseas markets which were adversely affected by the pandemic.

Sales of general purpose tapes (“General tapes”) grew 18.4% from RMB53.5 million in HY2020 to RMB63.4 million in HY2021 mainly due to domestic demand.

As a result, the General tapes segment’s revenue contribution expanded to 25.3% in HY2021 (23.3% in HY2020). The IS tapes segment accounted for 33.9% of total sales (34.0% in HY2020) while the BOPP films segment made up 40.8% of Group revenue in HY2021 (42.6% in HY2020).

In terms of revenue by geographical markets, sales to the domestic market climbed 20.7% from RMB183.1 million in HY2020 to RMB220.9 million in HY2021. This was due to higher sales of BOPP films, IS tapes and General tapes. On the other hand, sales to overseas markets fell 35.7% from RMB46.4 million in HY2020 to RMB29.8 million in HY2021 due mainly to a slowdown in demand from overseas customers, the result of the adverse impact of the pandemic and the depreciation of the USD against the RMB. As a result, the domestic market accounted for 88.1% of Group revenue in HY2021 (79.8% in HY2020) with the remaining 11.9% of revenue derived from overseas markets (20.2% in HY2020).

Group Gross Profit and Gross Profit Margin

The Group’s gross profit increased 32.6% from RMB22.4 million in HY2020 to RMB29.7 million in HY2021. Correspondingly, gross profit margin expanded to 11.8% from 9.8% in HY2020. The increase in gross profit margin was attributed mainly to lower raw material and energy costs, higher capacity utilisation, shift in product mix and the Group’s initiatives to improve production efficiency and cost management.

Other Income

Other income increased from RMB3.0 million in HY2020 to RMB3.3 million in HY2021. This was attributed mainly to a net foreign exchange gain and net gain on disposal of property, plant and equipment, offset partially by a decline in recovery of trade receivables that were previously impaired.

Selling and Distribution Costs, Administrative and Other Operating Expenses

Selling and distribution costs increased 23.3% from RMB8.5 million in HY2020 to RMB10.5 million in HY2021. This was due mainly to an increase in the headcount of sales team and staff salaries, as well as promotional expenses.

Administrative expenses declined 7.5% from RMB15.7 million to RMB14.5 million. The decrease was due mainly to an exemption of staff pension contribution of approximately RMB1.1 million granted by the PRC government for the measures to mitigate the adverse impact of pandemic and this exemption expired on 31 December 2020.

Finance Costs

Finance costs dropped 50.5% from RMB2.8 million in HY2020 to RMB1.4 million in HY2021 due mainly to a decrease in total borrowings.

Income Tax

Income tax expense increased from RMB1.8 million in HY2020 to RMB3.2 million in HY2021 in tandem with the growth in the Group’s taxable income.

Group Net Profit / Loss

As a result of the above, the Group recorded net profit of RMB3.3 million in HY2021. This represented a reversal from the net loss of RMB3.5 million that it reported in HY2020.

(b) Review of Financial Position as at 31 December 2020

Non-current assets decreased from RMB76.1 million as at 30 June 2020 to RMB72.8 million as at 31 December 2020. This was due mainly to the net effect of purchases of property, plant and equipment as well as right-of-use assets in relation to the acquisition of land use rights in Hubei, the PRC; and depreciation of these fixed assets in HY2021.

Inventories were relatively stable at RMB52.3 million as at 31 December 2020 compared to RMB52.6 million as at 30 June 2020. Trade and bills receivables decreased from RMB91.4 million as at 30 June 2020 to RMB90.6 million as at 31 December 2020 as the Group stepped up its credit control and management to better manage credit risk since the start of the pandemic situation. Debtor turnover days on an annualised basis shortened to 66 days in HY2021 compared to 84 days in FY2020.

Prepayments, deposits and other receivables increased from RMB16.1 million as at 30 June 2020 to RMB22.3 million as at 31 December 2020. This was due mainly to deposits paid to suppliers to secure supply of raw materials for production requirements during the peak season before Chinese New Year holidays. The increase was also attributed to prepayments and deposits paid to vendors for the Group's new manufacturing facility in Hubei, the PRC.

Cash and bank balances decreased from RMB20.3 million as at 30 June 2020 to RMB16.9 million as at 31 December 2020, due mainly to net repayment of bank borrowings. Hence, total borrowings declined substantially from RMB91.2 million as at 30 June 2020 to RMB60.5 million as at 31 December 2020.

Trade payables increased from RMB27.7 million as at 30 June 2020 to RMB49.3 million as at 31 December 2020. This was attributed primarily to the purchase of larger quantities of raw materials to meet production requirements during the peak season and higher prices of raw materials. There was also comparatively higher proportion of purchases made on credit terms instead of cash terms.

Accrued expenses and other payables increased from RMB13.5 million as at 30 June 2020 to RMB15.9 million as at 31 December 2020 in tandem with higher salaries and commission payables. The Group recognised lease liabilities of RMB1.2 million as at 31 December 2020.

Income tax payables increased from RMB1.7 million as at 30 June 2020 to RMB3.3 million as at 31 December 2020. The Group recorded an increase in deferred income from RMB10.5 million as at 30 June 2020 to RMB12.8 million, attributed to a local government grant for its new manufacturing facility in Hubei, the PRC.

Group Cash Flows

Net cash generated from operating activities in HY2021 amounted to RMB31.8 million. This was derived primarily from operating profit before working capital changes of RMB13.1 million and net working capital inflows of around RMB20.3 million, offset partially by payment of income taxes. Net cash used in investing activities amounted to RMB4.0 million in HY2021, mainly for the purchase of property, plant and equipment and acquisition of land use rights. Net cash used in financing activities was RMB31.0 million, due mainly to the net repayment of bank borrowings.

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

Not applicable

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.

The Group expects the business environment to remain challenging in the second half of FY2021, particularly in overseas markets where demand continues to be weak due to the impact of COVID-19 pandemic. The Group remains mindful of the impact of the recent spike in costs of raw materials and volatility in foreign currency exchange rates, particularly the USD/RMB exchange rate, on its profit margins.

Until a recovery is seen in overseas markets, the Group will continue focusing its sales efforts in the domestic market. China's GDP grew 2.3% in 2020 as most major economies contracted.

In addition, the Group has strengthened its credit control. It has taken steps to assess the impact of the pandemic on each customer's business and adjusts its credit limits and terms. It has also implemented strict control of credit terms for new customers and closely monitors trade receivables.

The Group's operations are located in Guangdong Province where the pandemic situation has been brought under control. Nevertheless, to safeguard the well-being of employees and keep its operations running, the Group is continuing with daily temperature checks of their staff who have been directed to report immediately to the relevant department should they feel unwell.

Notwithstanding the current challenging environment, the Group will stay focused on its long term business strategy. The Group will continue to build sales of its higher-grade BOPP films products and expand the customer base and range of products for its IS tapes business. The Group is also planning to expand the market share for its General tapes in Northern and Western China.

The Group is in the process of setting up a new production facility in Hubei Province. Construction is being carried out in phases, subject to market circumstances. The Group presently has plans to install a Polyethylene ("PE") extrusion coating line at the new facility to make PE coated paper which is one of the key raw materials to produce the Group's double-sided tapes.

The new coating line is expected to have a maximum production capacity to manufacture PE coated paper with an estimated value of approximately RMB9 million per month based on its current market price. The new line will increase the Group's vertically-integrated capabilities as approximately 60% of the output will be used by the Group's factory in Zhongshan. The remaining 40% of the monthly output will be put up for sale to third parties.

The first production facility and installation of the PE coating line are expected to be completed during the second half of FY2021. The Group will conduct a trial run for the new coating line in the first half of FY2022 and expects to launch the PE coated paper product thereafter. Nonetheless, the Group is closely monitoring the operating landscape and will revise its plans in line with any changes in the external environment.

The total capital expenditure for the first stage of Hubei production facility is expected to be approximately RMB27.8M, of which RMB13.8M is bought forward from FY2020 and for FY2021 is expected to be RMB14M.

11. If a decision regarding dividend has been made: -

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

No dividend has been declared or recommended for the current financial period reported on.

(b)	(i)	Amount per share	:	Not applicable
	(ii)	Previous corresponding period	:	Not applicable

(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).

Not applicable

(d) The date the dividend is payable.

Not applicable

(e) The date on which Registrable Transfers received by the company (up to 5:00 pm) will be registered before entitlements to the dividend are determined.

Not applicable

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

No dividend has been declared or recommended for the period ended 31 December 2020 as the Group wants to conserve fund for working capital purpose during this challenging business conditions.

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.

There was no IPT mandate has been obtained under Rule 920(1)(a)(ii) in HY2021.

14. Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1)

Pursuant to Rule 720(1) of the Listing Manual, the Company has procured undertakings from all its directors and executive officers.

Negative assurance confirmation on the interim financial results under Rule 705(5)

To the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited half year financial results of the Group as at 31 December 2020 to be false or misleading in any material respect.

BY ORDER OF THE BOARD

Yoo Loo Ping
Company Secretary

2 February 2021