

**SUNRIGHT LIMITED**

(Company Reg. No. 197800523M)

**HALF YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 JANUARY 2021****PART 1 – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS**

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

|   | Group     |           |        |
|---|-----------|-----------|--------|
|   | S\$'000   |           | %      |
|   | 31/1/2021 | 31/1/2020 | Change |
| <b>Revenue</b>  | 58,696    | 60,374    | (3%)   |
| <b>Other items of income:</b>                                       |           |           |        |
| Interest income   | 804       | 1,197     | (33%)  |
| Dividend income   | 29        | 41        | (29%)  |
| Other income  | 3,126     | 696       | NM     |
| <b>Items of expenses:</b>   |           |           |        |
| Raw materials and consumables used                                  | (15,260)  | (11,842)  | 29%    |
| Changes in inventories of finished goods and work-in-progress       | (1,073)   | (335)     | NM     |
| Employee benefits expense   | (21,092)  | (22,511)  | (6%)   |
| Depreciation of property, plant and equipment                       | (10,487)  | (12,070)  | (13%)  |
| Finance costs   | (215)     | (613)     | (65%)  |
| Other expenses  | (11,348)  | (12,689)  | (11%)  |
| <b>Profit before tax</b>  | 3,180     | 2,248     | 41%    |
| Income tax expense  | (679)     | (1,004)   | (32%)  |
| <b>Profit, net of tax</b>   | 2,501     | 1,244     | >100%  |
| <b>Other comprehensive income:</b>                                  |           |           |        |
| <b>Item that may be reclassified subsequently to profit or loss</b> |           |           |        |
| Foreign currency translation gain                                   | 2,525     | 160       | NM     |
| <b>Other comprehensive income for the period, net of tax</b>        | 2,525     | 160       | NM     |
| <b>Total comprehensive income for the period</b>                    | 5,026     | 1,404     | >100%  |
| <b>Profit attributable to:</b>                                      |           |           |        |
| Owners of the Company   | 1,288     | 222       | >100%  |
| Non-controlling interests   | 1,213     | 1,022     | 19%    |
|   | 2,501     | 1,244     | >100%  |
| <b>Total comprehensive income attributable to:</b>                  |           |           |        |
| Owners of the Company   | 2,518     | 304       | >100%  |
| Non-controlling interests   | 2,508     | 1,100     | >100%  |
|   | 5,026     | 1,404     | >100%  |
| Earnings per share attributable to owners of the Company (cents)    |           |           |        |
| - Basic   | 1.05      | 0.18      | >100%  |

**Note:**

NM - Percentage change not meaningful.

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1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year:

The income statement included the following items:

|   | Group     |           |        |
|---|-----------|-----------|--------|
|   | S\$'000   |           | %      |
|   | 31/1/2021 | 31/1/2020 | Change |
| Net write-down of inventories                                     | (88)      | (159)     | (45%)  |
| Net exchange loss   | (246)     | (101)     | NM     |
| Net fair value gain/(loss) on investment securities               | 835       | (125)     | NM     |
| Net gain on disposal of property, plant and equipment             | 1,173     | 458       | NM     |
| Over provision of current income tax in respect of previous years | 10        | 35        | (71%)  |

**SUNRIGHT LIMITED**
**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       |               |
|---|----------------|----------------|---------------|---------------|
|   | S\$'000        |                | S\$'000       |               |
|   | 31/1/2021      | 31/7/2020      | 31/1/2021     | 31/7/2020     |
| <b>ASSETS</b>   |                |                |               |               |
| <b>Non-current assets</b>                                 |                |                |               |               |
| Property, plant and equipment                             | 45,335         | 47,027         | 586           | 719           |
| Investment in subsidiaries                                | -              | -              | 10,706        | 10,706        |
| Loans to a subsidiary                                     | -              | -              | 222           | 450           |
| Deferred tax assets                                       | 1,159          | 1,151          | -             | -             |
| Other receivables   | 531            | 568            | -             | -             |
| <b>Total non-current assets</b>                           | <b>47,025</b>  | <b>48,746</b>  | <b>11,514</b> | <b>11,875</b> |
| <b>Current assets</b>                                     |                |                |               |               |
| Investment securities                                     | 4,690          | 3,190          | 371           | 313           |
| Inventories   | 5,430          | 5,432          | -             | -             |
| Prepayments   | 1,419          | 1,275          | 121           | 78            |
| Tax recoverables  | 484            | 375            | -             | -             |
| Trade and other receivables                               | 23,690         | 15,090         | 2,192         | 2,619         |
| Loans to a subsidiary                                     | -              | -              | 457           | 457           |
| Cash and short-term deposits                              | 99,218         | 103,334        | 19,271        | 19,919        |
| <b>Total current assets</b>                               | <b>134,931</b> | <b>128,696</b> | <b>22,412</b> | <b>23,386</b> |
| <b>Total assets</b>                                       | <b>181,956</b> | <b>177,442</b> | <b>33,926</b> | <b>35,261</b> |
| <b>EQUITY AND LIABILITIES</b>                             |                |                |               |               |
| <b>Equity</b>   |                |                |               |               |
| Share capital   | 35,727         | 35,727         | 35,727        | 35,727        |
| Retained earnings/(accumulated losses)                    | 36,335         | 35,415         | (4,522)       | (4,083)       |
| Other reserves  | 13,350         | 12,120         | 155           | 155           |
| <b>Total equity attributable to owners of the Company</b> | <b>85,412</b>  | <b>83,262</b>  | <b>31,360</b> | <b>31,799</b> |
| Non-controlling interests                                 | 61,783         | 59,713         | -             | -             |
| <b>Total equity</b>                                       | <b>147,195</b> | <b>142,975</b> | <b>31,360</b> | <b>31,799</b> |
| <b>Non-current liabilities</b>                            |                |                |               |               |
| Loans and borrowings                                      | 5,466          | 3,658          | 39            | 140           |
| Defined benefit liabilities                               | 1,527          | 1,445          | -             | -             |
| Deferred tax liabilities                                  | 96             | 353            | -             | -             |
| <b>Total non-current liabilities</b>                      | <b>7,089</b>   | <b>5,456</b>   | <b>39</b>     | <b>140</b>    |
| <b>Current liabilities</b>                                |                |                |               |               |
| Trade and other payables                                  | 19,944         | 16,852         | 1,093         | 1,160         |
| Contract liabilities                                      | 12             | 494            | -             | -             |
| Loans and borrowings                                      | 6,817          | 10,675         | 1,404         | 2,132         |
| Provisions  | 47             | 43             | -             | -             |
| Income tax payable  | 852            | 947            | 30            | 30            |
| <b>Total current liabilities</b>                          | <b>27,672</b>  | <b>29,011</b>  | <b>2,527</b>  | <b>3,322</b>  |
| <b>Total equity and liabilities</b>                       | <b>181,956</b> | <b>177,442</b> | <b>33,926</b> | <b>35,261</b> |

**SUNRIGHT LIMITED****1(b)(ii) Aggregate amount of group's borrowings and debt securities**

Amount repayable in one year or less, or on demand

| As at 31/1/2021 |             | As at 31/7/2020 |             |
|-----------------|-------------|-----------------|-------------|
| Secured         | Unsecured   | Secured         | Unsecured   |
| \$2,454,000     | \$4,363,000 | \$3,648,000     | \$7,027,000 |

Amount repayable after one year

| As at 31/1/2021 |             | As at 31/7/2020 |             |
|-----------------|-------------|-----------------|-------------|
| Secured         | Unsecured   | Secured         | Unsecured   |
| \$1,509,000     | \$3,957,000 | \$221,000       | \$3,437,000 |

Details of any collaterals

Obligations under leases included in the Group's loans and borrowings, are secured on certain assets of the companies within the Group of net book value amounting to \$1,586,000 (31/7/2020: \$3,513,000).

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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.**

|   | As at<br>31/1/2021 | As at<br>31/1/2020 |
|---|--------------------|--------------------|
|   | S\$'000            | S\$'000            |
| <b>Cash flows from operating activities:</b>                                    |                    |                    |
| Profit before tax   | 3,180              | 2,248              |
| Adjustments for:  |                    |                    |
| Interest income   | (804)              | (1,197)            |
| Net gain on disposal of property, plant and equipment                           | (1,173)            | (458)              |
| Depreciation of property, plant and equipment                                   | 10,487             | 12,070             |
| Net write-down of inventories   | 88                 | 159                |
| Impairment loss on trade receivables  | 121                | -                  |
| Dividend income   | (29)               | (41)               |
| Net fair value (gain)/loss on investment securities                             | (835)              | 125                |
| Finance costs   | 215                | 613                |
| Net unrealised exchange loss/(gain)   | 67                 | (91)               |
| <b>Operating cash flows before changes in working capital</b>                   | <b>11,317</b>      | <b>13,428</b>      |
| (Increase)/decrease in inventories  | (86)               | 73                 |
| (Increase)/decrease in prepayments and receivables                              | (10,279)           | 4,777              |
| Increase in payables and contract liabilities                                   | 2,736              | 216                |
| <b>Cash flows from operations</b>   | <b>3,688</b>       | <b>18,494</b>      |
| Net income taxes paid   | (1,122)            | (73)               |
| Interest paid   | (273)              | (562)              |
| Interest received   | 961                | 1,237              |
| <b>Net cash flows from operating activities</b>                                 | <b>3,254</b>       | <b>19,096</b>      |
| <b>Cash flows from investing activities:</b>                                    |                    |                    |
| (Increase)/decrease in short-term deposits with maturity more than three months | (1,109)            | 555                |
| Dividends received from investment securities                                   | 29                 | 41                 |
| Purchases of property, plant and equipment                                      | (6,401)            | (1,942)            |
| Proceeds from disposal of property, plant and equipment                         | 1,202              | 547                |
| Purchases of investment securities  | (626)              | (1,233)            |
| Proceeds from disposal of investment securities                                 | 13                 | -                  |
| <b>Net cash flows used in investing activities</b>                              | <b>(6,892)</b>     | <b>(2,032)</b>     |
| <b>Cash flows from financing activities:</b>                                    |                    |                    |
| Proceeds from term loans  | 9,019              | 5,659              |
| Repayment of term loans   | (9,567)            | (13,201)           |
| Repayment of principle portion of lease liabilities                             | (1,367)            | (1,911)            |
| Dividends paid on ordinary shares   | (368)              | -                  |
| Dividends paid to non-controlling interests                                     | (438)              | (438)              |
| <b>Net cash flows used in financing activities</b>                              | <b>(2,721)</b>     | <b>(9,891)</b>     |
| Net (decrease)/increase in cash and cash equivalents                            | (6,359)            | 7,173              |
| Effect of exchange rate changes on cash and cash equivalents                    | 1,134              | 381                |
| Cash and cash equivalents at beginning of year                                  | 40,855             | 36,019             |
| <b>Cash and cash equivalents at end of period</b>                               | <b>35,630</b>      | <b>43,573</b>      |

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### Notes:

During the financial period ended 31 January 2021, the Group generated \$3,254,000 cash from its operating activities, and used \$6,892,000 and \$2,721,000 in its investing activities and financing activities respectively. These resulted in a net decrease of \$6,359,000 in the Group's cash and cash equivalents.

Cash and cash equivalents comprised of the following:

|  | Group     |           |
|--|-----------|-----------|
|  | S\$'000   |           |
|  | 31/1/2021 | 31/1/2020 |
| Cash at banks and on hand                                | 17,234    | 18,397    |
| Bank deposits  | 81,984    | 81,857    |
| Cash and short-term deposits                             | 99,218    | 100,254   |
| Less: Bank deposits with maturity more than three months | (63,588)  | (56,681)  |
| Cash and cash equivalents                                | 35,630    | 43,573    |

**SUNRIGHT LIMITED**

**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.**

**Statement of changes in equity for financial period ended 31 January 2021**

|   | Total equity   | Total equity attributable to owners of the Company | Share capital | Retained earnings/ (accumulated losses) | Foreign currency translation reserve | Capital reserve | Statutory reserve fund | Non-controlling interests |
|---|----------------|--|---------------|---|--------------------------------------|-----------------|------------------------|---------------------------|
|   | S\$'000        | S\$'000  | S\$'000       | S\$'000                                 | S\$'000                              | S\$'000         | S\$'000                | S\$'000                   |
| <b>The Group</b>                                      |                |  |               |   |                                      |                 |                        |                           |
| As at 1 August 2020                                   | 142,975        | 83,262   | 35,727        | 35,415                                  | 763                                  | 10,497          | 860                    | 59,713                    |
| Profit for the period                                 | 2,501          | 1,288  | -             | 1,288                                   | -                                    | -               | -                      | 1,213                     |
| Other comprehensive income for the period, net of tax | 2,525          | 1,230  | -             | -                                       | 1,230                                | -               | -                      | 1,295                     |
| Total comprehensive income for the period, net of tax | 5,026          | 2,518  | -             | 1,288                                   | 1,230                                | -               | -                      | 2,508                     |
| Dividends on ordinary shares                          | (368)          | (368)  | -             | (368)                                   | -                                    | -               | -                      | -                         |
| Dividends paid to non-controlling interests           | (438)          | -  | -             | -                                       | -                                    | -               | -                      | (438)                     |
| <b>As at 31 January 2021</b>                          | <b>147,195</b> | <b>85,412</b>                                      | <b>35,727</b> | <b>36,335</b>                           | <b>1,993</b>                         | <b>10,497</b>   | <b>860</b>             | <b>61,783</b>             |
| <b>The Company</b>                                    |                |  |               |   |                                      |                 |                        |                           |
| As at 1 August 2020                                   | 31,799         | 31,799   | 35,727        | (4,083)                                 | -                                    | 155             | -                      | -                         |
| Loss for the period                                   | (71)           | (71)   | -             | (71)                                    | -                                    | -               | -                      | -                         |
| Total comprehensive income for the period, net of tax | (71)           | (71)   | -             | (71)                                    | -                                    | -               | -                      | -                         |
| Dividends on ordinary shares                          | (368)          | (368)  | -             | (368)                                   | -                                    | -               | -                      | -                         |
| <b>As at 31 January 2021</b>                          | <b>31,360</b>  | <b>31,360</b>                                      | <b>35,727</b> | <b>(4,522)</b>                          | <b>-</b>                             | <b>155</b>      | <b>-</b>               | <b>-</b>                  |

**Statement of changes in equity for financial period ended 31 January 2020**

|   | Total equity   | Total equity attributable to owners of the Company | Share capital | Retained earnings/ (accumulated losses) | Foreign currency translation reserve | Capital reserve | Statutory reserve fund | Non-controlling interests |
|---|----------------|--|---------------|---|--------------------------------------|-----------------|------------------------|---------------------------|
|   | S\$'000        | S\$'000  | S\$'000       | S\$'000                                 | S\$'000                              | S\$'000         | S\$'000                | S\$'000                   |
| <b>The Group</b>                                      |                |  |               |   |                                      |                 |                        |                           |
| As at 1 August 2019                                   | 143,998        | 82,542   | 35,727        | 33,768                                  | 1,690                                | 10,497          | 860                    | 61,456                    |
| Profit for the period                                 | 1,244          | 222  | -             | 222                                     | -                                    | -               | -                      | 1,022                     |
| Other comprehensive income for the period, net of tax | 160            | 82   | -             | -                                       | 82                                   | -               | -                      | 78                        |
| Total comprehensive income for the period, net of tax | 1,404          | 304  | -             | 222                                     | 82                                   | -               | -                      | 1,100                     |
| Dividends paid to non-controlling interests           | (438)          | -  | -             | -                                       | -                                    | -               | -                      | (438)                     |
| <b>As at 31 January 2020</b>                          | <b>144,964</b> | <b>82,846</b>                                      | <b>35,727</b> | <b>33,990</b>                           | <b>1,772</b>                         | <b>10,497</b>   | <b>860</b>             | <b>62,118</b>             |
| <b>The Company</b>                                    |                |  |               |   |                                      |                 |                        |                           |
| As at 1 August 2019                                   | 30,530         | 30,530   | 35,727        | (5,352)                                 | -                                    | 155             | -                      | -                         |
| Profit for the period                                 | 462            | 462  | -             | 462                                     | -                                    | -               | -                      | -                         |
| Total comprehensive income for the period, net of tax | 462            | 462  | -             | 462                                     | -                                    | -               | -                      | -                         |
| <b>As at 31 January 2020</b>                          | <b>30,992</b>  | <b>30,992</b>                                      | <b>35,727</b> | <b>(4,890)</b>                          | <b>-</b>                             | <b>155</b>      | <b>-</b>               | <b>-</b>                  |

## SUNRIGHT LIMITED

**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 were no changes in share capital during the financial period.

The Company did not have any outstanding convertibles as at 31 January 2021 and 31 January 2020.

There were neither treasury shares nor share option outstanding as at 31 January 2021 and 31 January 2020.

**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**

| Company            |                    |
|--------------------|--------------------|
| As at<br>31/1/2021 | As at<br>31/7/2020 |
| 122,806,000        | 122,806,000        |

Total number of issued shares, excluding treasury shares

The Company did not have any 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 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 (This is not required for any audit issue that is a material uncertainty relating to going concern)**

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

Not applicable.

(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 had applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with those of the audited financial statements as at 31 July 2020, except that on 1 August 2020, the Group has adopted all new and revised standards which are effective for annual financial periods beginning on 1 January 2020.

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

In the current financial period, the Group had adopted all the new/revised Singapore Financial Reporting Standards (International) ("SFRS(I)") and Interpretations of SFRS(I) (INT SFRS(I)) that are effective for annual periods beginning on or after 1 January 2020. The adoption of these standards and interpretations did not have any material effect on the financial performance or position of the Group and the Company.

**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**

Basic earnings per ordinary share amounts are calculated by dividing profit net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the current financial period.

Profit attributable to owners of the Company (\$'000)

Weighted average number of ordinary shares ('000)

Earnings per ordinary share (cents)

| <b>Group</b> |           |
|--------------|-----------|
| 31/1/2021    | 31/1/2020 |
| 1,288        | 222       |
| 122,806      | 122,806   |
| 1.05         | 0.18      |

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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**

|  | Group     |           | Company   |           |
|--|-----------|-----------|-----------|-----------|
|  | 31/1/2021 | 31/7/2020 | 31/1/2021 | 31/7/2020 |
| Net asset value per ordinary share attributable to the owners of the Company (cents) | 69.6      | 67.8      | 25.5      | 25.9      |

**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 performance**

The Group's revenue decreased by \$1.7 million or 3%, from \$60.4 million in the previous corresponding period, to \$58.7 million for the current half year, as a result of lower service revenue.

Interest income was lower by \$0.4 million or 33%, following lower interest rate on placement of fixed deposits.

Other income increased by \$2.4 million, from \$0.7 million to \$3.1 million, mainly attributable to (i) fair value gain on investment securities of \$0.8 million, (ii) higher gain on disposal of property, plant and equipment ("PPE") by \$0.7 million, (iii) higher gain on disposal of spares of \$0.2 million and (iv) COVID-19 government relief grants of \$0.5 million.

Raw materials and consumables used, as well as changes in inventories of finished goods and work-in-progress, were higher by \$4.2 million or 34%, from \$12.2 million to \$16.3 million, to support higher equipment deliveries.

Employee benefits expense was lower by \$1.4 million or 6%, following lower headcount and alignment of staff costs to operational requirements.

Depreciation of PPE was lower by \$1.6 million or 13%, from \$12.1 million to \$10.5 million, as certain machinery and test equipment became fully depreciated in the last 12 months.

Finance costs reduced by \$0.4 million or 65%, following repayment of bank loans.

Other expenses decreased by \$1.3 million or 11%, mainly attributable to lower utility cost by \$0.9 million following lower service production volume, and lower travelling expense by \$0.3 million.

Consequently, the Group reported a higher profit before tax of \$3.2 million in the current financial period, from \$2.2 million in the previous corresponding period, representing an increase of \$0.9 million or 41%.

**Review of financial position**

PPE was lower by \$1.7 million or 4%, from \$47.0 million as at 31 July 2020, to \$45.3 million as at 31 January 2021. This decrease was primarily due to depreciation charge of \$10.5 million, partially offset by capital expenditure of \$8.3 million.

Investment securities increased by \$1.5 million or 47%, mainly due to additional net purchases of quoted securities of \$0.6 million and fair value gain on investment in securities of \$0.8 million.

Current trade and other receivables were higher by \$8.6 million or 57%, from \$15.1 million to \$23.7 million, due to higher sales in the current financial period as compared with the second half of previous financial year.

Cash and short-term deposits were lower by \$4.1 million or 4%, reflecting its usage for purchases in PPE.

Current trade and other payables were higher by \$3.1 million or 18%, from \$16.9 million to \$19.9 million, mainly due to (i) higher trade payables by \$1.6 million resulting from higher purchases of materials, (ii) higher payables for PPE purchases by \$0.8 million, and (iii) higher other sundry payables by \$0.8 million.

Contract liabilities were lower by \$0.5 million or 98%, due to release of sales deposits upon deliveries to customers.

Loans and borrowing were lower by \$2.1 million or 14%, from \$14.3 million to \$12.3 million, primarily due to net repayment of bank loans of \$0.5 million and repayment of lease liabilities of \$1.4 million.

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

Not applicable as no forecast or a prospect statement has been previously disclosed to shareholders.

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

The International Monetary Fund has revised upward the global economic growth for 2021, from the previous forecast of 5.2% to 5.5%. This reflects anticipated strengthening of economic activities in the second half of 2021 with successful vaccine roll-outs and additional policy support in a few large economies.

Based on the latest industry statistics report, worldwide semiconductor revenue rebounded to USD439 billion in 2020, an increase of 6.5% from 2019, and is projected to grow further by 6.8% to USD469 billion in 2021.

The Coronavirus pandemic has driven an unexpectedly strong demand for remote working and home learning products, creating a global shortage of wafer and chip supplies. Some of our customers are and may continue to be affected by the supply disruption which will in turn exert immediate and short-term pressure on what should otherwise be a gradual recovery for the Group's businesses.

## SUNRIGHT LIMITED

### 11. Dividend

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

Any dividend declared for the current financial period reported 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.

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

The directors do not recommend any interim dividend to be declared in view of the disruptions brought about by a global shortage of wafer and chip supply.

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

No IPT mandate had been obtained.

### 14. Negative confirmation pursuant to Rule 705(5) of the Listing Manual

The Board confirmed to the best of its knowledge that nothing has come to its attention which may render the unaudited interim financial results for the half-year ended 31 January 2021 to be false or misleading in any material respect.

### 15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

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

On behalf of the Board,

**Samuel Lim Syn Soo**  
Executive Chairman & CEO

**Kenneth Tan Teoh Khoon**  
Executive Director

**BY ORDER OF THE BOARD**

**Adeline Lim Kim Swan**  
Company Secretary  
Date: 12 March 2021