

Listed companies must provide the information required by Appendix 7.2 of the Listing Manual. Adequate disclosure should be given to explain any material extraordinary item either as a footnote of the material extraordinary item or in the "Review of the performance of the group".



SPINDEX INDUSTRIES LIMITED

Full Year Financial Statement And Dividend Announcement for the Period Ended 30/6/2020

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

1(a) An income statement for the Group together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		
	S\$'000		%
	12 - month 30/06/20	12 - month 30/06/19	Change
Turnover	149,626	155,812	-4.0%
Cost of sales	(117,750)	(121,386)	-3.0%
Gross profit	31,876	34,426	-7.4%
Other operating income	2,395	1,681	42.5%
Impairment loss on trade receivables	(266)	(4)	6,550%
Distribution and selling expenses	(2,973)	(3,165)	-6.1%
Administrative expenses	(16,068)	(14,948)	7.5%
Profit from operations	14,964	17,990	-16.8%
Finance costs	(133)	(2)	6,550%
Share of loss in joint venture	-*	-	NM
Profit before tax	14,831	17,988	-17.6%
Income tax expense	(2,640)	(2,658)	-0.68%
Net profit attributable to equity holders of the Company	12,191	15,330	-20.5%
Other comprehensive income:			
Foreign currency translation	402	(3,519)	NM
Total comprehensive income attributable to equity holders of the Company	12,593	11,811	6.6%

Note : * figure less than \$1,000

	Group		
	S\$'000		%
	12 - month	12 - month	
	30/06/20	30/06 /19	Change
Government grant income	447	10	4,370%
Interest income	332	127	161.4%
Interest expense	(7)	(2)	250.0%
Interest expense - lease assets	(126)	-	100.0%
Depreciation of property, plant and equipment	(9,067)	(8,753)	3.6%
Depreciation of right-of-use assets	(895)	-	100.0%
Amortisation of land use right	-	(15)	-100.0%
(Write down)/write-back of inventories,net	(889)	84	NM
Foreign exchange gain, net	793	288	175.3%
Gain on disposal of property, plant and equipment	18	52	-65.4%

Notes :

1. NM = Not Meaningful
2. Other operating income increased by 43% mainly due to government support grants received and interest income.
3. Impairment loss on trade receivables increased due to the reassessment of forward-looking information used in the calculation of expected credit losses.
4. Administrative expenses increased by 7% mainly due to higher staff costs and IT consultancy fees.
5. Net foreign exchange gain was mainly due to the appreciation of US dollar against the various Asian currencies.

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	GROUP		COMPANY	
	30/06/20 S\$'000	30/06/19 S\$'000	30/06/20 S\$'000	30/06/19 S\$'000
Share capital	13,145	13,145	13,145	13,145
Reserves	114,646	105,860	18,552	18,095
Total equity	127,791	119,005	31,697	31,240
Non-current assets				
Property, plant and equipment	56,524	56,603	416	562
Right-of-use assets	8,587	-	172	-
Land use rights	-	1,861	-	-
Deferred tax assets	288	232	-	-
Investment in subsidiaries	-	-	17,195	16,483
Investment in joint venture	_*	-	_*	-
	65,399	58,696	17,783	17,045
Current assets				
Inventories	24,286	24,894	1,199	166
Trade receivables	21,119	28,278	3,573	5,470
Contract assets	517	-	517	-
Other receivables and deposits	1,190	3,613	139	18
Prepayments	2,583	3,387	15	17
Due from subsidiaries (trade)	-	-	-	951
Due from subsidiaries (non-trade)	-	-	5,895	2,594
Cash and cash equivalents	51,188	42,277	8,100	10,550
	100,883	102,449	19,438	19,766
Current liabilities				
Trade payables	14,426	21,225	163	103
Other payables and accruals	14,744	15,057	2,618	2,908
Refund liabilities	1,377	1,799	1,018	946
Provision for defects	922	779	-	2
Due to subsidiaries (trade)	-	-	1,207	1,348
Loans and borrowings (current)	54	54	54	54
Lease liabilities (current)	838	-	99	-
Deferred government grant	133	-	133	-
Provision for tax	162	306	-	-
	32,656	39,220	5,292	5,361
Net current assets	68,227	63,229	14,146	14,405
Non-current liabilities				
Loans and borrowings (non-current)	149	203	149	203
Lease liabilities (non-current)	1,992	-	76	-
Deferred tax liabilities	3,508	2,546	7	7
Provision for restoration costs	186	171	-	-
	5,835	2,920	232	210
Net assets	127,791	119,005	31,697	31,240

Note : * figure less than \$1,000

Notes:

1. Trade receivables decreased by 25% mainly due to lower sales in the current quarter as compared with last quarter of FY2019 coupled with increase in allowance for expected credit losses.
2. Other receivables and deposits decreased by 67% mainly due to receipt of tax recoverable and custom security deposits.
3. Prepayments decreased by 24% mainly due to due to the transfer to property, plant and equipment in relation to the Hanoi factory under construction as well as the transfer to right-of-use assets for the Nantong plant.
4. Fixed deposits and cash and cash balances increased by 21% mainly due to improved collections and tax recoverable received .
5. Right-of-use assets and lease liabilities increased due to recognition of leases on balance sheets upon adoption of SFRS(I) 16. Land use rights amounting to \$1.86 million has also been reclassified to right-of-use assets as at 1 July 2019
6. The decrease in trade payables by 32% was mainly due to overall lower purchase in last quarter.

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

Loans and borrowings

Amount repayable in one year or less, or on demand

As at 30/6/2020		As at 30/6/2019	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
54	-	54	-

Amount repayable after one year

As at 30/06/2020		As at 30/6/2019	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
149	-	203	-

Details of any collateral

This is secured by the motor vehicle under hire purchase arrangement.

Lease liabilities arising from right-of-use assets

Amount repayable in one year or less, or on demand

As at 30/06/2020		As at 30/6/2019	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
838	-	-	-

Amount repayable after one year

As at 30/06/2020		As at 30/6/2019	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
1,992	-	-	-

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

	12 - month	12 - month
	30/06/20	30/06/19
	S\$'000	S\$'000
Operating activities		
Profit before tax	14,831	17,988
Adjustments for:		
Depreciation of property, plant and equipment	9,067	8,753
Depreciation of right-of-use assets	895	-
Amortisation of land use right	-	15
Gain on disposal of property, plant and equipment	(18)	(52)
Interest expense	7	2
Interest expense- lease assets	126	-
Interest income	(332)	(127)
Write down/(write back) of inventories	889	(84)
Impairment loss on trade receivables	266	4
Provision for defects	307	491
Reversal of provision for defects	(167)	(238)
Unrealised exchange loss/(gain)	183	(1,033)
Operating cash flow before working capital changes	26,054	25,719
(Increase) / decrease in:		
Inventories	(274)	(900)
Trade receivables	6,375	4,855
Other receivables and deposits	414	89
Prepayments	804	(1,313)
(Decrease) / increase in:		
Trade payables	(6,799)	(498)
Other payables and accruals	(735)	(519)
Deferred government grant	133	-
Cash flow from operations	25,972	27,433
Income taxes paid	(1,580)	(2,706)
Tax refund	1,675	-
Interest paid	(7)	(2)
Interest received	332	127
Net cash flows from operating activities	26,392	24,852
Investing activities		
Investment in joint venture	-*	-
Proceeds from sale of fixed assets	20	737
Purchase of property, plant and equipment	(8,877)	(6,856)
Purchase of land use rights	(3,368)	(1,640)
Net cash flows used in investing activities	(12,225)	(7,759)
Financing activities		
Dividends paid on ordinary shares	(3,807)	(3,461)
Repayments of obligations under lease liabilities	(1,550)	-
Proceeds from bank loan	-	270
Repayment of loans and borrowings	(54)	(14)
Net cash flows used in financing activities	(5,411)	(3,205)
Net increase in cash and cash equivalents	8,756	13,888
Cash and cash equivalents at beginning of financial period/year	42,277	29,191
Currency alignment on opening cash balances	155	(802)
Cash and cash equivalents at end of financial period/year	51,188	42,277

Note : * figure less than \$1,000

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

	Share Capital S\$'000	Foreign Currency Translation Reserve S\$'000	Reserve Fund S\$'000	Accumulated Profit S\$'000	Total Reserves S\$'000	Total Equity S\$'000
GROUP						
At 30 June 2019	13,145	(10,490)	5,556	110,794	105,860	119,005
Total comprehensive income for the financial year	-	402	-	12,191	12,593	12,593
Appropriation to/(from) reserve fund/ accumulated profit	-	-	617	(617)	-	-
Dividends on ordinary shares	-	-	-	(3,807)	(3,807)	(3,807)
At 30 June 2020	13,145	(10,088)	6,173	118,561	114,646	127,791

	Share Capital S\$'000	Foreign Currency Translation Reserve S\$'000	Reserve Fund S\$'000	Accumulated Profit S\$'000	Total Reserves S\$'000	Total Equity S\$'000
GROUP						
At 30 June 2018	13,145	(6,971)	4,968	99,513	97,510	110,655
Total comprehensive income for the financial year	-	(3,519)	-	15,330	11,811	11,811
Appropriation to/(from) reserve fund/ accumulated profit	-	-	588	(588)	-	-
Dividends on ordinary shares	-	-	-	(3,461)	(3,461)	(3,461)
At 30 June 2019	13,145	(10,490)	5,556	110,794	105,860	119,005

	Share Capital S\$'000	Accumulated Profit S\$'000	Total Reserve S\$'000	Total Equity S\$'000
<u>COMPANY</u>				
At 30 June 2019	13,145	18,095	18,095	31,240
Total comprehensive income for the financial year	-	4,264	4,264	4,264
Dividends on ordinary shares	-	(3,807)	(3,807)	(3,807)
At 30 June 2020	13,145	18,552	18,552	31,697

	Share Capital S\$'000	Accumulated Profit S\$'000	Total Reserve S\$'000	Total Equity S\$'000
<u>COMPANY</u>				
At 30 June 2018	13,145	15,371	15,371	28,516
Total comprehensive income for the financial year	-	6,185	6,185	6,185
Dividends on ordinary shares	-	(3,461)	(3,461)	(3,461)
At 30 June 2019	13,145	18,095	18,095	31,240

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

The Company did not issue any shares during the financial year ended 30 June 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.**

	<u>30/06/20</u>	<u>30/06/19</u>
The total number of issued shares (excluding treasury shares)	115,365,000	115,365,000

There were no treasury shares as at 30 June 2020 and 30 June 2019.

- 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, disposal, cancellation and/or use of treasury shares for the financial year ended 30 June 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.**

The Company has no subsidiary holdings as at 30 June 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 auditors.

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

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 paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the current financial year as with those in the most recently audited financial statements as at 30 June 2019.

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 current financial period, the Group and Company adopted the new SFRS(I)s, amendments and interpretations of SFRS(I)s which took effect from financial year beginning 1 January 2019.

The following SFRS(I)s, amendments and interpretations of SFRS(I)s are relevant to the Group:

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
<i>SFRS(I) 16 Leases</i>	<i>1 January 2019</i>
<i>SFRS(I) INT 23 Uncertainty over Income Tax Treatments</i>	<i>1 January 2019</i>
<i>Amendments to SFRS(I) 9 Prepayment Features with Negative Compensation</i>	<i>1 January 2019</i>
<i>Annual Improvements to SFRS(I)s 2015-2017 Cycle</i>	<i>1 January 2019</i>

Adoption of SFRS(I) 16

SFRS(I) 16 is effective for annual periods beginning on or after 1 January 2019. The Group has applied the modified retrospective approach and does not restate comparative amounts for year prior to first adoption.

Under the new standard, an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset) and a liability to make lease payments (i.e. the lease liability) are recognised. Interest expense on the lease liability and the depreciation expense on the right-of-use asset are recognised separately in the income statement.

Right-of-use assets are measured using the cost model and are carried at cost less accumulated depreciation and accumulated impairment loss, if any, subsequent to initial recognition. The carrying amount for lease liabilities subsequent to initial recognition would take into account interest on the lease liabilities, lease payments made and any reassessment or lease modifications.

On the adoption of SFRS(I) 16, the Group has recognised an equal amount of right-of-use assets and lease liabilities of S\$2,836,000 for its leases previously classified as operating leases (excluding short-term leases and leases for which underlying assets are of low value) as at 1 July 2019. In addition, the Group presented land use rights of \$1,861,000 as right-of-use assets as at 1 July 2019.

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.**

	Latest period	Previous corresponding period
	12-month	12-month
	30/06/20	30/06/19
Earnings per ordinary share for the period after deducting any provision for preference dividends:-	(cents)	(cents)
(i) Based on weighted average number of ordinary shares in issue	10.57	13.29
(ii) On a fully diluted basis	10.57	13.29

Basis earnings per share is computed based on the weighted average number of ordinary shares in issue of 115,365,000 (30 June 2019 : 115,365,000).

7. **Net asset 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	
	Latest period	Immediately preceding period	Latest period	Immediately preceding period
	30/06/20	30/06/19	30/06/20	30/06/19
Net tangible asset backing per ordinary share based on existing issued share capital as at the end of the year reported on	(cents)	(cents)	(cents)	(cents)
	110.77	103.16	27.48	27.08

Net asset value per ordinary share is computed on 115,365,000 ordinary shares in issue as at 30 June 2020 (30 June 2019 : 115,365,000).

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.**

The Spindex Group is an integrated solution provider of precision-machined components and assemblies for use in machinery & automotive systems, imaging & printing equipment, consumer-lifestyle and healthcare products.

Turnover

For the 12 months ended 30 June 2020, the Group's turnover fell 4.0% to \$149.6 million. Despite challenging market conditions and business uncertainties due to the trade disputes between China and the United States, group turnover rose 2.9% in H1 FY2020 but the onset of the Covid-19 pandemic from February 2020 led to a 10.9% decline in turnover in H2 FY2020.

The lockdowns resulting from the Covid-19 pandemic disrupted the supply chain and production at the Group's factories in China, Malaysia and Vietnam. The ensuing economic uncertainty reduced the demand for products in all our business sectors in H2 FY2020.

Turnover by Business Sector	FY2020 S\$m	FY2019 S\$m	Change (%)
Machinery and Automotive Systems (MA)	68.7	70.8	(3.0%)
Imaging & Printing (IP)	32.4	36.8	(12.0%)
Others	48.5	48.2	0.6%
Total	149.6	155.8	(4.0%)

The slower economic growth in China has continued to dampen demand for machine tools and automotive systems in H2 FY2020. For FY2020, turnover for the MA business sector declined 3.0% to \$68.7 million.

The market for imaging and printing components weakened further in H2 FY2020 and resulted in the turnover for the IP business sector falling 12.0% to \$32.4 million in FY2020. The rest of the Group's business, categorised under "Others", recorded a respectable turnover growth of 13.5% in H1 FY2020 but turnover fell 11.0% in H2 FY2020 due to lower consumer demand in the United States. As a result, this business sector posted a modest growth of 0.6% in turnover for FY2020.

Profitability

For FY2020, the 4% decline in group turnover led to gross profit dropping 7.4% to \$31.9 million. Supply chain disruptions contributed to higher operating costs and resulted in the gross profit margin easing to 21.3% from 22.1% in the previous corresponding period. Other operating income, higher by 42.5% benefited from government support grants and higher interest income.

Distribution and selling expenses declined in line with the lower turnover but administrative expenses rose 7.5% to \$16.1 million largely due to higher staff costs and IT consultancy fees. Interest expense of \$133,000 was incurred for hire purchase and leased assets under SFRS(I) 16.

Due to the lower turnover and higher administrative expenses, profit before tax declined 17.6% to \$14.8 million. Higher chargeable income raised the Group's effective tax rate to 18%. The Group achieved a net profit attributable to shareholders of \$12.2 million in FY2020, 20.5% lower than FY2019.

Cash Flow & Balance Sheet

For the twelve months ended 30 June 2020, the Group generated a net cash inflow of \$26.4 million from its operations of which \$17.6 million was used in investing and financing activities. The three main cash outflow under investing and financing activities were payments made for land use rights, purchase of property, plant and equipment and payment of dividends. At year end, the Group's cash and cash equivalents increased to \$51.2 million as a result of the strong net cash inflow from operations.

Following the adoption of SFRS (I) 16, the right-of-use assets and a corresponding lease liabilities were reflected on the balance sheet as at 30 June 2020. Compared to 30 June 2019, inventories and trade receivables were lower as at 30 June 2020 due to the lower turnover coupled with the allowance made for expected credit losses on trade receivables. With continual prudence in cash management, cash and cash equivalents increased to \$51.2 million. Total loans and borrowings declined to \$0.2 million due to hire purchase repayments. The Group continued to maintain a strong balance sheet with a comfortable net cash position of \$51.0 million as of 30 June 2020.

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

The result is in line with the sentiments expressed in the prospect statement disclosed in the previous results announcement.

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.

With the exception of sporadic localised lockdowns to manage the spread of Covid-19, countries around the world have re-opened their economies. Although all our manufacturing plants in China, Vietnam and Malaysia have resumed operations from end April, the business environment remains uncertain and overall demand for our components in the coming months is difficult to predict. The Group will continue to monitor market developments closely and manage the business prudently.

Investments in new plants in China and Vietnam will improve the Group's long term competitiveness and operational flexibility in servicing its customers. The recent joint venture with Acuger Precision Corporation to manufacture plastic moulds, plastic products and related assemblies in Vietnam will enable the Group to broaden its capabilities to better serve its customers and improve its allocation of resources.

11. Dividend

(a) Current Financial Period Reported On

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

Name of dividend	Interim	Final
Dividend type	-	Cash
Dividend rate per ordinary share	-	2.80 cents
Tax rate	-	Tax exempt (one-tier)

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of dividend	Interim	Final
Dividend type	-	Cash
Dividend rate per ordinary share	-	3.30 cents
Tax rate	-	Tax exempt (one-tier)

(c) Date payable

The proposed dividends, if approved at the 33rd Annual General Meeting to be held on 23 October 2020, will be paid on 18 November 2020.

(d) Books closure date

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of Spindex Industries Limited (the "Company") will be closed on 5 November 2020 for the purpose of determining members' entitlements to the proposed final dividends of 2.80 cents per ordinary share for the financial year ended 30 June 2020 (the "**Proposed Final Dividends**").

Duly completed registrable transfers in respect of shares in the Company received up to the close of business at 5.00 p.m. on 3 November 2020 by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, will be registered to determine members' entitlements to the Proposed Final Dividends. Members whose securities accounts with The Central Depository (Pte) Limited are credited with shares in the Company as at 5.00 p.m. on 3 November 2020, will be entitled to the Proposed Final Dividends.

The Proposed Final Dividends, if approved at the forthcoming Annual General Meeting to be held on 23 October 2020, will be paid on 18 November 2020.

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

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

The Group does not have an interested person transaction mandate.

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

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

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.

	Imaging & Printing S\$'000	Machinery & Automotive System S\$'000	Others (see note below) S\$'000	Group S\$'000
2020				
Turnover	32,423	68,729	48,474	149,626
Segment Results	6,764	14,339	10,773	31,876
Distribution and selling expenses	(644)	(1,366)	(963)	(2,973)
Impairment loss on trade receivables	(74)	(92)	(100)	(266)
Unallocated other income				2,395
Unallocated expenses				(16,068)
Operating profit				14,964
Financial expenses				(133)
Income tax expense				(2,640)
Net Profit attributable to equity - holders of the Company				12,191
Assets				
Trade receivables	4,715	11,626	4,778	21,119
Unallocated assets				145,163
Total assets				166,282
2019				
Turnover	36,790	70,865	48,157	155,812
Segment Results	8,129	15,657	10,640	34,426
Distribution and selling expenses	(747)	(1,439)	(979)	(3,165)
Impairment loss on trade receivables	-	-	(4)	(4)
Unallocated other income				1,681
Unallocated expenses				(14,948)
Operating profit				17,990
Financial expenses				(2)
Income tax expense				(2,658)
Net Profit attributable to equity - holders of the Company				15,330
Assets				
Trade receivables	6,621	16,767	4,890	28,278
Unallocated assets				132,867
Total assets				161,145

Others –include domestic appliances, consumer electronics, data storage, telecommunications and others.

	Turnover		Non-current assets		Capital Expenditure	
	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000
People's Republic of China	53,425	54,186	20,445	15,741	820	2,942
Singapore	3,916	3,255	588	562	11	452
Asean (excluding Singapore)	32,259	34,415	44,366	42,393	8,046	3,462
USA, Europe and others	60,026	63,956	-	-	-	-
	149,626	155,812	65,399	58,696	8,877	6,856

Turnover is based on the location of the customers regardless of where the goods are produced. Assets and additions to property, plant and equipment are based on the location of those assets.

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Overall, group turnover declined in FY2020 as a result of decrease in demand from customers in the Printing & Imaging and Machinery & Automotive System. Please refer to paragraph 8 above for further details.

17. A breakdown of sales.

	Group		
	S\$'000		%
	30/06/20	30/06/19	Change
Sales reported for first half year	80,717	78,480	2.9%
Operating profit after tax reported for first half year	6,266	7,223	-13.2%
Sales reported for second half year	68,909	77,332	-10.9%
Operating profit after tax reported for second half year	5,925	8,107	-26.9%

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

	Latest Full Year	Previous Full Year
	S\$'000	S\$'000
Interim Dividend per share (tax exempt – one tier)	Nil	Nil
Final Dividend per share (tax exempt – one tier)	3,807	3,461
Special Dividend per share (tax exempt – one tier)	Nil	Nil

19. Disclosure of person occupying a managerial positions in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there were no such persons, the issuer must make an appropriate negative statement.

Disclosure of person occupying a managerial positions in Spindex Industries Limited (the 'Company') or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company pursuant to Rule 704(13) are as follows: -

Name	Age	Family relationship with any director and/or Substantial Shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Tan Choo Pie @ Tan Chang Chai	74	Father of Nicholas Tan Heok Ting and Granduncle of Foo Fang Haur	Executive Chairman of Spindex Industries Limited Since 1989	No Change
Foo Fang Haur	45	Grandnephew of Tan Choo Pie @ Tan Chang Chai and Nephew of Nicholas Tan Heok Ting	Business Development Manager of Spindex Industries (Hanoi) Co., Ltd. Since June 2005	No Change
Nicholas Tan Heok Ting	40	Son of Tan Choo Pie @ Tan Chang Chai and Uncle of Foo Fang Haur	Executive Director of Spindex Industries Limited since 1 May 2010. Managing Director with effect from 1 July 2013.	No Change

BY ORDER OF THE BOARD

Tan Choo Pie @ Tan Chang Chai
Chairman
26 August 2020