

SITRA HOLDINGS (INTERNATIONAL) LIMITED
(Co. Regn. No: 197901237E)

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

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF 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.

UNAUDITED FULL YEAR CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER	Item No.	The Group		
		2020 S\$'000	2019 S\$'000	Increase/ (Decrease) %
Revenue	8.1	17,268	16,435	5.1
Cost of sales	8.2	(15,868)	(15,505)	2.3
Gross profit		1,400	930	50.4
Other income	8.3	350	24	1366.9
Selling and distribution expenses	8.4	(417)	(390)	7.0
Administrative expenses	8.5	(1,950)	(2,378)	(18.0)
Other gains / (losses) – net	8.6	(4,513)	944	N.M.
Finance expenses	8.7	(64)	(88)	(28.0)
Loss before income tax		(5,195)	(958)	442.1
Income tax credit		(23)	0	N.M.
Loss for the financial year	8.8	(5,218)	(958)	444.7
Other comprehensive income/(loss), net of tax				
Items that may be reclassified subsequently to profit or loss				
Currency translation differences arising from consolidation		410	(402)	N.M.
Gain on revaluation of property, plant & equipment		0	824	N.M.
Total comprehensive loss for the financial year		(4,808)	(536)	797.1
Loss attributable to				
Equity holders of the Company		(5,215)	(967)	439.1
Non-controlling interests		(3)	9	N.M.
		(5,218)	(958)	429.0
Total Comprehensive income/(loss) attributable to:				
Equity holders of the Company		(5,380)	(532)	910.3
Non-controlling interests		572	(3)	N.M.
		(4,808)	(535)	797.1

N.M - Not meaningful

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

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year (Cont'd)

Loss before taxation is arrived at after charging / (crediting) the following:

NOTES TO THE UNAUDITED FULLL YEAR CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER	The Group		
	2020 S\$'000	2019 S\$'000	Increase/ (Decrease) %
Allowance for impairment – trade receivables	-	21	(100.0)
Advance to suppliers written off	-	-	N.M.
Amortisation of right-of-use assets	69	69	0.0.
Bad debts written-off – non-trade receivable from related party	-	39	N.M.
Commission income	(1)	(4)	(75.0)
Commission expenses	53	75	(29.3)
Defined contribution included in staff costs	85	76	11.8
Depreciation of property, plant and equipment	91	289	(68.5)
Directors' fees	93	109	(14.7)
Director' remuneration	294	449	(34.5)
Foreign exchange (gains) / losses	476	(442)	N.M.
Fair value loss on financial assets, at fair value through profit or loss	4,036	-	N.M.
(Reversal)/ Loss on impairment of property, plant and equipment	-	(350)	N.M.
Employee's Salaries	1,007	955	5.4
Gain on bargain purchase on acquisition of subsidiary corporations	-	(219)	N.M.
Loss on investment in a subsidiary company strike-off	-	7	N.M.

N.M - Not meaningful

**FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED
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1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year (Cont'd)

We have included Adjusted EBITDA in this results announcement because it can provide a useful measure for period-to-period comparisons of our core business.

ADJUSTED EBITDA	The Group	
	2020 S\$'000	2019 S\$'000
Loss after income tax	(5,218)	(958)
<u>Add/(Less)</u>		
Allowance for impairment - trade receivables	-	21
Advance to suppliers written off	-	-
Bad debt written off – non-trade receivable from related party	-	38
Loss on investment in subsidiary company strike-off	-	7
Impairment loss on Financial Assets at FVTPL	4,036	-
(Reversal)/ Loss on impairment of property, plant and equipment	-	(350)
(Reversal) of over provision for staff statutory contribution	(192)	-
Gain on bargain purchase on acquisition of subsidiary corporations	-	(219)
Foreign exchange (gains) / losses, net	476	(442)
Government grants	(156)	(10)
Finance costs	34	88
Depreciation	91	289
Income tax	23	-
Adjusted EBITDA	(906)	(1,536)

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

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

UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER	Item No.	The Group		The Company	
		2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000
Current assets					
Cash and cash equivalents		239	212	129	4
Financial assets, at fair value through profit or loss	8.9	5,000	9,000	-	-
Trade and other receivables	8.10	1,732	1,173	3,267	3,433
Inventories	8.11	2,024	2,030	-	-
Other current assets		191	206	54	54
		9,186	12,621	3,451	3,491
Non-current assets					
Investments in subsidiary corporations		-	-	3,560	3,560
Property, plant and equipment	8.12	10,730	10,870	40	60
Right-of-use assets		86	155	-	-
Deferred income tax assets		88	59	-	-
		10,904	11,084	3,600	3,620
Total assets		20,090	23,705	7,050	7,111
Current liabilities					
Trade and other payables	8.13	4,377	3,213	2,252	3,559
Lease liabilities	8.14	90	68	-	5
Borrowings	8.15	285	1,428	1,904	0
		4,752	4,709	4,156	3,564
Non-current liabilities					
Borrowings	8.15	1,250	-	-	-
Lease liabilities	8.14	2	91	2	2
Deferred income tax liabilities		195	239	-	-
		1,447	330	2	2
Total liabilities		6,199	5,039	4,158	3,566
Net assets		13,891	18,666	2,892	3,545
Capital and reserves					
Share capital	8.16	22,992	22,992	22,992	22,992
Other reserves	8.17	175	305	14	(22)
Accumulated losses		(13,182)	(7,964)	(20,114)	(19,425)
Equity attributable to equity holders of the Company		9,986	15,333	2,892	3,545
Non-controlling interests		3,905	3,333	-	-
Total equity		13,891	18,666	2,892	3,545

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

GROUP BORROWINGS AND DEBTS SECURITIES	The Group	
	2020 S\$'000	2019 S\$'000
<u>Amount repayable in one year or less, or on demand</u>		
<u>Secured</u>		
Bank overdrafts	34	15
Trust receipts	-	1,406
Finance lease liabilities	2	2
Bank Borrowing due within one year	250	-
<u>Unsecured</u>		
Lease liabilities	90	68
	376	1,491
<u>Amount repayable after one year, or on demand</u>		
<u>Secured</u>		
Bank Borrowing - due within two to five years	1,250	-
<u>Unsecured</u>		
Lease liabilities - due within two to five years	-	5
	-	91
	1,250	96
	1,626	1,587

Details of any collateral

The bank overdrafts and bank borrowings are secured on:

- (i) Corporate guarantee issued by Sitra Holdings (International) Limited to Sitra Agencies Pte Ltd for the banking facilities granted from the bank.

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

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.

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER	Item No.	The Group	
		2020 S\$'000	2019 S\$'000
Cash flow from operating activities			
Loss after income tax		(5,218)	(958)
Adjustments for:			
- Amortisation of right-of-use assets		69	69
- Depreciation of property, plant and equipment		91	289
- Interest expense		63	88
- Interest income		(0)	(2)
- Allowance for impairment - trade receivables		-	21
- Bad debt written off – non-trade		-	39
- Allowance for impairment - available for sale assets		4,000	-
- Fair value loss of impairment of fair value through profit or loss		36	-
- (Reversal) / Loss on impairment of property, plant and equipment		-	(350)
- Changes in Deferred tax assets		(74)	-
- Loss on investment in subsidiary company strike off		-	7
- Gain on bargain purchase on acquisition of subsidiary corporations		-	(219)
- Currency translation (gains) / losses on consolidation		469	(485)
Cash flow from operating activities before working capital changes		(564)	(1,501)
Changes in working capital			
- Inventories		5	1,187
- Trade and other receivables		(559)	(905)
- Other current assets		15	(42)
- Trade and other payables		(733)	(428)
- Lease liabilities		(68)	-
Cash (used in) / provided by operations		(1,904)	(1,689)
Interest received		0	2
Interest paid		(63)	(75)
Net cash (used in) / provided by operating activities	8.18	(1,967)	(1,762)
Cash flow from investing activity			
Lease payments		-	(12)
Additions of property, plant and equipment		(9)	(12)
Net cash used in investing activity		(9)	(12)

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UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER	Item No.	The Group	
		2020 S\$'000	2019 S\$'000
Cash flow from financing activities			
Proceed from issuance of new shares		-	1,738
Shares issue expenses		-	(73)
Repayment of finance lease liabilities		(5)	(22)
Repayment of lease liabilities		-	(78)
Repayment of Bank Borrowing		(1,387)	-
Proceeds from Shareholder Loan		1,899	
Proceeds from Bank Term Loan		1,500	(78)
Net cash provided by / (used in) financing activities	8.19	2,006	1,565
Net (decrease) / increase in cash and cash equivalents		29	(209)
Cash and cash equivalents at beginning of financial year		212	410
Effects of currency translation on cash and cash equivalents		(3)	(4)
Cash and cash equivalents at end of financial year		239	197

Note

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

		The Group	
		2020 S\$'000	2019 S\$'000
Cash and cash equivalents		239	212
Less: Bank overdrafts		(35)	(15)
Cash and cash equivalents, as per statement of cash flows		204	197

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

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.

The Group	Share capital	Other reserves	Retained profits / (Accumulated losses)	Total Attributable to Equity Holders of the Company	Non-controlling interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2020	22,992	305	(7,964)	15,333	3,333	18,666
Total comprehensive income / (loss) for the year	-	(129)	(5,218)	(5,347)	572	(4,775)
Balance at 31 December 2020	22,992	176	(13,182)	9,985	3,905	13,891
Balance at 1 January 2019	17,817	(130)	(6,997)	10,690	159	10,849
Issuance of new shares	5,248	-	-	5,248		5,248
Share issue expense	(73)	-	-	(73)		(73)
Acquisition of non-controlling interest	-	-	-	-	3,176	3,176
Total comprehensive income / (loss) for the year	-	435	(967)	(532)	(2)	(534)
Balance at 31 December 2019	22,992	305	(7,964)	15,333	3,333	18,666

The Company	Share capital	Other reserves	Retained profits / (Accumulated losses)	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2020	22,992	(22)	(19,425)	3,545
Total comprehensive loss for the year	-	36	(774)	(738)
Balance at 31 December 2020	22,992	14	(20,199)	2,807
Balance at 1 January 2019	17,817	(22)	(17,623)	172
Issuance of new shares	5,248	-	-	5,248
Share issue expense	(73)	-	-	(73)
Total comprehensive loss for the year	-	-	(1,802)	(1,802)
Balance at 31 December 2019	22,992	(22)	(19,425)	3,545

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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.

SHARE CAPITAL

The total number of issued shares were 1,228,300,000 as at 31 December 2019 and remains the same as at 31 December 2020.

The Company had, on 27 February 2019 entered into a share sale cum subscription and option agreement (the "**Agreement**") with (1) Madam Doris Chung Gim Lian and Mr Chew Han Wei (collectively, the "**Vendors**" and individually, a "**Vendor**") and Mr Chew Hua Seng (the "**Subscriber**"). Under the Agreement, (a) the Vendors have collectively agreed to sell to the Company, and the Company agreed to purchase an aggregate of 54 ordinary shares in the capital of the Mapur Rocky Resort Limited from the Vendors (the "**Proposed Acquisition**") and the consideration of S\$3,510,100, is to be satisfied by the allotment and issue of an aggregate 319,100,000 new ordinary shares in the capital of the Company to the Vendors or their nominee; (b) the Subscriber has agreed to subscribe for, and the Company has agreed to allot and issue 158,000,000 new ordinary shares in the capital of the Company to the Subscriber (the "**Proposed Subscription**"); and (c) the Company has agreed to grant to the Subscriber an option (the "**Call Option**") to require the Company to allot and issue to the Subscriber up to 255,000,000 new ordinary shares in the capital of the Company (the "**Option Shares**"), and the Subscriber has agreed to grant to the Company an option (the "**Put Option**") to require the Subscriber to subscribe for up to the number of Option Shares (collectively, the "**Proposed Options**"). The exercise of the option can be anytime within 2 years from the date of completion of the Acquisition.

Please refer to the Company's announcements made on 27 February 2019, 13 May 2019, 26 June 2019, 10 July 2019, 26 July 2019 and 4 October 2019 in relation to the Acquisition which was completed on 4 October 2019.

No conversion of the Call Option or the Put Option has taken place since the date of grant.

SHARE OPTIONS

As at 31 December 2020, the company has an unexercised Call Option to allot and issue 255 million Option Shares at S\$0.011 per share. The Option Shares shall be exercisable within a period of 24 months from the acquisition completion date of 4 October 2019. The Options Shares may be exercised at any time and from time to time in respect of any or all of the Option Shares, but each exercise shall be in respect of not less than 50 million Option Shares.

TREASURY SHARES

The Company did not have any outstanding treasury shares as at 31 December 2019 and 31 December 2020.

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SUBSIDIARY HOLDINGS

There are no subsidiary holdings of the Company shares as at 31 December 2019 and 31 December 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.

The total number of issued shares excluding treasury shares was 1,228,300,000 as at 31 December 2019 and remains the same as at 31 December 2020.

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

Not applicable. The Company does not have any treasury shares.

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

Not applicable. The Company does not have any subsidiary holdings of the Company shares.

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

These figures have not been audited or reviewed by the auditor.

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

Not applicable. These figures have not been audited or reviewed by the auditor.

3 (A) If the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion, to include:

(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. The auditor did not express a modified opinion on the Group's latest audited financial statements for the financial year ended 31 December 2019.

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 and the Company have applied the same accounting policies and methods of computation in the financial statements for the current reporting year which are consistent with those described in the audited financial statements for the financial year ended 31 December 2019.

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

There has been no change in the accounting policies and methods of computation, since the last financial report.

- 6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

Earnings Per Share (EPS) based on net profit attributable to shareholders of the Group	The Group		
	2020	2019	Change +/- %
Loss per ordinary share of the group, after deducting any provision for preference dividends (cents):			
(a) Based on weighted average number of ordinary shares on issue	(0.42)	(0.11)	280.8
- Weighted average number of shares	1,228,300,000	867,533,973	
(b) On a fully diluted basis*	(0.42)	(0.11)	280.8
- Weighted average number of shares	1,228,300,000	867,533,973	

Note: Earnings Per Share is calculated based on loss of \$5.064 million (FY19: Loss S\$0.967million) divided by the weighted average number of shares in issue.

* At balance sheet date, the 255,000,000 outstanding options were excluded from the calculation of diluted earnings per share because they are anti-dilutive for the financial year ended 2019 and 2020

- 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.

NET ASSET VALUE (NAV)	The Group			The Company		
	2020	2019	Change +/- %	2020	2019	Change +/- %
Net asset value per ordinary share based on issued share capital at the end of (cents):	0.81	1.25	(34.9)	0.23	0.29	(20.8)

Note: Net Asset Value per share is calculated based on NAV of S\$10.136 million (FY19: S\$15.333 million) divided by 1,228,300,000, being the number of shares in issue of as at 31 December 2020 and 2019.

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- 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.**

COMMENTARY ON THE GROUP STATEMENT OF COMPREHENSIVE INCOME

- (1) Revenue increased by S\$0.832 million from S\$16.4 million to S\$17.3 in FY20, due to the increase in revenue from the wood-based products.

In terms of business by geographical regions, the revenue of Australia/New Zealand market increased by S\$0.7 million to S\$5.0 million in FY20 and the key Europe market increased by S\$0.3 million to S\$12.0 million in FY20. Revenue of Asia/others decreased slightly from S\$0.4 million to S\$0.2 million in FY20.

- (2) The cost of sales increased by S\$0.36 million to S\$15.87million in FY20, in tandem with the increase in revenue. The gross profit margin increased from 5.7% in FY19 to 8.1% in FY20. Despite a business slowdown in the first half of the year, the trend of work from home and stay at home measures led to an increase in demand for our products.
- (3) Other income increased by S\$0.33 million to S\$0.36 million in FY20, due mainly to a one-off reversal of provision for staff income tax provision in the Indonesian subsidiary, and also an increase in Government Grants in FY20.
- (4) Selling and distribution expenses remained similar to FY19 at approximately S\$0.4 million in FY20.
- (5) Administrative expenses decreased by S\$0.58 million from S\$2.4 million in FY19 to S\$1.95 million in FY20, due mainly to reduced salaries by management and also lower professional fees following the completion of the acquisition of the Mapur Rocky Resort Limited in 2019.
- (6) Other gains and losses changed from a gain in FY19 of S\$0.9million to a loss of S\$4.5million in FY20 due mainly to recognition of impairment on the value of the Group's 10% shares in World Furnishing Hub Pte Ltd ("WFH"). The group had engaged an independent valuation by Colliers International Limited for the financial year ended 31 December 2020. The asset was valued at S\$50 million as at 31 December 2020 as compared to the recorded valuation of \$90 million as at 31 December 2019, resulting in an impairment of S\$4m in connection with the Group's 10% shares in WFH.
- (7) Finance cost decreased by S\$0.02 million to S\$0.063 million in FY20, due to refinancing of the Group's trade finance facilities with bank loans resulting in lower interest costs.
- (8) The Company recorded an increased loss of S\$5.218 million for FY20 as compared to a loss of S\$0.9 million in FY19 due mainly to the loss on impairment of S\$4 million in relation to WFH as discussed in paragraph 6 above.

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COMMENTARY ON THE GROUP STATEMENT OF FINANCIAL POSITION (AS AT 31 DECEMBER 2020 AND 31 DECEMBER 2019)

(9) As a result of the impairment loss of \$4 million, Financial Assets at fair value through profit or loss were written down from S\$9 million as at 31 December 2019 to \$5 million as at 31 December 2020.

(10) Breakdown of current trade and other receivables as follows:

	31/12/2020 S\$'000	31/12/2019 S\$'000
Current trade receivables:		
Trade receivables, net	1,453	1,101
Current other receivables:		
Advances to Supplier / Third Party	69	57
GST Receivables	209	15
	279	72
Total current trade and other receivables	1,732	1,173

Trade and other receivables increased by S\$0.55 million to S\$1.7 million in FY20 due mainly to the increase in trade receivables, arising from higher trade activities in the month of December 2020 as compared to December 2019. GST Receivables relate to input tax recoverable in Indonesia, arising from local purchases, and available for offset against future GST payable or sales.

(11) Breakdown of inventories as follows:

	31/12/2020 S\$'000	31/12/2019 S\$'000
Raw materials – logs	-	23
Work-in-progress	206	318
Finished goods	1,818	1,689
Total inventories	2,024	2,030

Inventories remained almost similar at S\$2.024 million in FY20. The increase in Finished goods inventory was mainly due to our French subsidiary which supplies to end consumers as well as retailers, and hence requires a higher level of inventories on hand.

(12) Property, plant and equipment remained largely similar at S\$10.73 million in FY20 as compared to S\$10.87 million in FY19, as the group did not make any significant acquisition or disposal during the year. The difference was due to depreciation charge of S\$0.09 million incurred for the year and approximately S\$0.06 million due to currency exchange differences. Management is of the view that there is no material change in value of

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property, plant and equipment as there were no transactions in the market to indicate otherwise. However, this may be changed pending a professional valuation to be conducted on the properties.

(13) Breakdown of current trade and other payables as follows:

	31/12/2020 S\$'000	31/12/2019 S\$'000
Current trade payables:		
Trade payables	1,317	1,205
Current other payables:		
Amount owing to Directors	355	1,288
Third parties	145	283
GST Payables	160	-
Accruals for operating expenses	429	428
Advances received from customers	63	-
Deposit received	9	9
Shareholder loan	1,898	-
	3,060	2,008
Total trade and other payables	4,377	3,213

Trade and other payables increased by S\$1.2 million to S\$4.4 million in FY20 due mainly to the provision of loans by a shareholder. This shareholder loan was used to settle payables owed to third parties and payment of operating expenses accrued in FY19 as well as settlement of unpaid salaries and fees due to directors.

- (14) Lease liabilities reduced by S\$0.068 million due to the settlement of office lease as a result of the adoption of SFRS(I) 16 Leases on 1 January 2019 and the non-current portion of lease becoming current and due in FY2021
- (15) Borrowing increased slightly from S\$1.4 million in FY19 to \$1.5 million in FY20 due mainly to refinancing with a term loan offset by paying down of bank trust receipts.
- (16) Share capital remained unchanged in FY20 compared to FY19.
- (17) Other reserves decreased by S\$0.12 million from S\$0.3 million in FY19 to S\$0.18 million in FY20.

The decrease was mainly due to:

- (a) Elimination of intercompany amounts owing due to closure of Suncoast Sitra, resulting in a S\$0.48 million increase in general reserves.
- (b) This was offset by some reclassification of reserve arising from the currency translation of the net asset value of the foreign subsidiaries.

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(18) Net cash used in operating activities before working capital changes was S\$0.6 million. Net cash used due to changes in working capital was S\$1.3 million, mainly arising from

- (a) a decrease in trade payables of S\$0.1 million
- (b) an increase in other payables of S\$0.8million
- (c) an increase in trade and other receivables of S\$0.6 million;

(19) Net cash provided by finance activities was S\$2.0 million mainly due to:

- (a) Shareholder Loan proceeds of S\$1.9 million
- (b) Increase in Bank borrowings of S\$1.5 million
- (c) Settlement of trade facilities of \$1.4million and
- (d) Payment of lease liabilities.

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 uneven recovery in the global economy amidst the pandemic has led to a shortage of containers and vessel space which have resulted in increasingly higher shipping costs and shipment delays across the industry. We continue to evaluate the situation as this may impact the timber business in the next 12 months.

The Company is still at planning stage and has not commenced the construction of the Bintan development as at 31 December 2020, due to the Covid-19 situation which continues to affect the hospitality business. The Company does not envisage a significant acceleration of the development project to commence in the next 6 months or until the Covid-19 travel restrictions are lifted.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No dividend has been declared or recommended for FY2020 as the Company incurred a net loss for the full financial year ended 31 December 2020.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None.

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(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommendeded, 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 has not obtained a general mandate for the IPTs from the shareholders.

14. Utilisation of proceeds from the issue of new ordinary shares.

The Company has not issued any new shares in the current year.

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

The Company confirms that it has already procured undertakings from all its Directors and executive officers in the format set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

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

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

- 16. 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.**

BREAKDOWN OF GROUP REVENUE BY PRODUCT SEGMENTS

	FY2020		FY2019	
	S\$'000	%	S\$'000	%
Wood-based products	17,169	99.4	16,277	99.0
Lifestyle outdoor furniture	99	0.6	158	1.0
Total	17,268	100.0	16,435	100.0

The Group has not identified result before tax by product segment as the bulk of the business is focused on wood trading only. Furniture and other revenue is insignificant as a proportion of the group business hence the allocation of costs cannot be done in a meaningful manner. The selling and distribution expenses, administrative expenses and other operating expenses incurred for our wood-based products and outdoor lifestyle furniture segments such as marketing expenses, management and administrative expenses and office-related expenses are general costs which are accounted for on a group-wide basis. It is not meaningful to track our selling and distribution expenses, administrative expenses and other operating expenses by product segment. We therefore do not show our profit before tax on a segmental basis.

No revenue was generated from the Group's property business segment as the Group has not commenced the construction of the Bintan development project.

BREAKDOWN OF GROUP REVENUE BY GEOGRAPHICAL REGIONS

	FY2020		FY2019	
	S\$'000	%	S\$'000	%
Australia/New Zealand	5,045	29.2	4,321	26.3
Europe	12,008	69.5	11,743	71.4
Asia/Others ⁽¹⁾	215	1.2	371	2.3
Total	17,268	100.0	16,435	100.0

Notes:-

- (1) Others include Middle East, Korea, Africa and North America.

While it is possible to segment our revenue by geographical regions, the allocation of costs cannot be done in a similar manner with reasonable accuracy. We do not track the allocation of our cost of sales by geographical region and any attempt to match these expenses to the revenue derived from the various geographical regions is not meaningful. As a result, we are not able to present result after tax by product or geographical regions.

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

Please refer to the section on "Review of results of Operations" paragraph 8 of this announcement for details.

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

18. A breakdown of sales.

	FY2020	FY2019	Change
	S\$'000	S\$'000	%
(a) Sales reported for first half year	7,155	9,425	(24.1)
(b) Loss after tax for first half year	(658)	(267)	146.4
(c) Sales reported for second half year	10,113	7,010	44.3
(b) Loss after tax for second half year	(4,260)	(691)	516.5

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

Not applicable.

20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (10) in the format as shown, if there is no such person, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(10) of the Listing Manual, Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, the details of persons occupying managerial positions in the Company or any of its principal subsidiaries who are related to a director or chief executive officer or substantial shareholder of the Company or any of its principal subsidiaries are as follows:

Name	Age	Family Relationship with any Director and/or Chief Executive Officer and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Chew Ah Ba George	72	Father of Chew Chiew Siang, Steven, Deputy CEO and Executive Director. Spouse of Tan Teresa, substantial shareholder of the Company. Sibling of Chew Hua Seng, Non-Executive Director and Non-Executive Chairman.	Director of Timber business, responsible for the overall management of the Company's timber business.	Effective 21 October 2019.

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Lim Sook Hwa Jacinta	50	Spouse of Chew Chiew Siang, Steven, Deputy CEO and Executive Director. Daughter-in-law of Chew Ah Ba, George, Director of Timber Business and Tan Teresa, substantial shareholder of the Company.	Vice-President (Group Operations) since September 2006, responsible for the sales, marketing, logistics shipping and warehousing functions of lifestyle outdoor furniture and wood-based business units.	No change.
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Chew Ah Ba, George and Tan Teresa are substantial shareholders of the Company. Chew Ah Ba, George (Director of Timber Business) and Tan Teresa are husband and wife. Chew Ah Ba, George is the father of Chew Chiew Siang, Steven (Deputy CEO and Executive Director). Tan Teresa is the mother of Chew Chiew Siang, Steven.

Save as disclosed above, there are no other persons holding managerial position in the Group who are related to the Directors, Chief Executive Officer or substantial shareholders of the Company or of any of its principal subsidiaries.

BY ORDER OF THE BOARD

Steven Chew
Executive Director
1 March 2021

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Leong Weng Tuck - Registered Professional, 6 Raffles Quay, #24-02, Singapore 048580, sponsor@rhtgoc.com