

AZTECH GLOBAL LTD.

(Incorporated in Singapore)

(Co. Reg. No. 200909384G)

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

Aztech Global Ltd. (the “**Company**”) was listed on the Mainboard of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 12 March 2021. The Board of Directors of the Company are pleased to make the following announcement of the unaudited results for the full financial year ended 31 December 2020.

All currencies are in Singapore dollars unless otherwise specified. Any discrepancies in the tables included herein between the listed amounts and the totals thereof are due to rounding.

Capitalised terms used herein, unless otherwise defined, have the meanings as defined in the prospectus of the Company dated 4 March 2021 and registered by the Monetary Authority of Singapore on 4 March 2021 (the “**Prospectus**”).

United Overseas Bank Limited and Maybank Kim Eng Securities Pte. Ltd. are the Joint Issue Managers for the Invitation. United Overseas Bank Limited, Maybank Kim Eng Securities Pte. Ltd and DBS Bank Ltd. are the Joint Global Coordinators, Bookrunners and Underwriters for the Invitation.

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

1(a) (i) **A statement of comprehensive income (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Consolidated Statement of Comprehensive Income for the financial year ended 31 December 2020

	Group		
	12 months ended 31.12.2020	12 months ended 31.12.2019	increase/ (decrease)
	\$'000	\$'000	%
Revenue (Note1)	484,273	428,825	12.9
Other income (Note 2)	1,031	759	35.8
Changes in finished goods, work in progress and raw materials used	(346,079)	(306,957)	12.7
Employee benefits expense	(43,987)	(42,739)	2.9
Depreciation and amortisation expense(Note 3)	(8,636)	(8,602)	0.4
Other operating expense	(14,909)	(15,565)	(4.2)
Loss allowance of trade receivables (Note 4)	(630)	(500)	26.0
Investment revenue (Note 5)	667	43	1,451.2
Other gains and losses (Note 6)	(4,053)	436	(1,029.6)
Finance costs (interest expenses on bank loans and lease liabilities) (Note 7)	(1,160)	(914)	26.9
Profit before income tax	66,517	54,786	21.4
Income tax expense (Note 8)	(10,790)	(7,614)	41.7
Profit for the finance year	55,727	47,172	18.1
Other comprehensive income:			
- items that may be reclassified subsequently into profit or loss			
Exchange differences on translation of foreign operations	4,187	(1,285)	n.m.
Other comprehensive income for the financial year, net of tax	4,187	(1,285)	n.m.
Total comprehensive income for the financial year	59,914	45,887	30.6
Profit attribute to owners of the parent	55,727	47,172	18.1
Total comprehensive income attributable to owners of the parent	59,914	45,887	30.6

Note 1

Revenue growth of 12.9% in FY2020 with exceptionally strong growth in Q4 that was driven by higher production volume and higher shipment of IoT and Data-communication products to customers.

Note 2

The group received additional grant of \$331,000 in FY2020, largely for the research & development of new products, factory automation equipment for improvement of productivity and job training subsidies in China which was partially offset by the decrease in income from the scrap value of \$57,000.

Note 3

There was additional \$11.2 million in fixed assets purchased during FY2020; majority of which were factory equipment to increase production capacity, leading to higher depreciation. Meanwhile, the Group ceased the capitalisation of R&D expenses from April 2020 that resulted in lower amortisation of intangible assets. Please refer to the consolidated cash flow statement for details.

Note 4

The increase in loss allowances of trade receivables is in line with the increase in trade receivables balances as at end of the financial year.

Note 5

Increase in interest income as the group placed a larger amount of cash in fixed deposits during FY2020 compared to FY2019.

Note 6

Unrealised foreign exchange losses as a result of the appreciation of RMB against SGD and USD primarily in Q4 FY2020.

Note 7

Increase in finance cost was the result of higher utilisation of trade financing facilities during FY2020 to fund purchases of raw materials and components.

Note 8

Increase in taxation due to increase in net profit before taxation and absence of group tax relief which was fully utilised by the group in FY2019. Effective income tax rate increased to 16.2% from 13.9% in FY2019. Of the 2.3% increase, approximately 1.5% was attributed to the lack of group tax relief.

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.

Consolidated Statement of Financial Position as at 31 December 2020	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
	\$'000	\$'000	\$'000	\$'000
ASSETS				
Current assets				
Cash and cash equivalents	11,462	14,281	5,142	6,482
Trade receivables (Note 9)	196,962	96,728	-	-
Other receivables (Note 10)	6,829	5,429	431	3
Derivative financial instruments	96	-	58	-
Prepayments	1,225	442	526	-
Inventories (Note 11)	53,704	19,053	-	-
Total current assets	270,278	135,933	6,157	6,485
Non-current assets				
Other receivables	-	-	939	-
Investment in subsidiaries	-	-	76,551	76,551
Property, plant and equipment	28,905	22,161	-	-
Intangible assets	1,065	2,617	-	-
Total non-current assets	29,970	24,778	77,490	76,551
Total assets	300,248	160,711	83,647	83,036
LIABILITIES AND EQUITY				
Current liabilities				
Borrowings	29,216	10,401	-	-
Lease liabilities	2,430	2,963	398	-
Trade payables	141,052	87,199	-	-
Other payables (Note 12)	62,859	25,739	42,752	37,326
Provision for retirement benefit	612	594	612	594
Current income tax payable	16,147	8,374	-	-
Total current liabilities	252,316	135,270	43,762	37,920
Non-current liabilities				
Borrowings	3,818	-	-	-
Lease liabilities	1,907	2,220	939	-
Provision for retirement benefit	277	254	277	254
Deferred tax liabilities	307	268	-	-
Total non-current liabilities	6,309	2,742	1,216	254
Capital and reserves				
Share capital	15,468	15,468	15,468	15,468
Capital reserve	(4,670)	(4,670)	11,651	11,651
Foreign currency translation reserve	(2,776)	(6,963)	-	-
Statutory reserve	1,254	1,254	-	-
Retained profits	32,347	17,610	11,550	17,743
Total equity	41,623	22,699	38,669	44,862
Total liabilities and equity	300,248	160,711	83,647	83,036

Note 9

The group's trade receivables as at the end of the respective financial years comprised the following:

	FY2020	FY2019
	\$'000	\$'000
Third parties	198,602	97,749
Less: Loss allowance	(1,640)	(1,021)
	196,962	96,728

Movements in the loss allowance for trade receivables:

	FY2020	FY2019
	\$'000	\$'000
Balance as at 1 January	1,021	731
Allowance during the financial year	630	500
Written off during the financial year	-	(202)
Exchange difference	(11)	(8)
Balance as at 31 December	1,640	1,021

Trade receivables were at \$196.9 million as at 31 December 2020, an increase of \$100.2 million (103.6%) from \$96.7 million as at 31 December 2019 primarily due to the high revenue of \$222.0 million recognised in Q4 2020.

Note 10

The group's other receivables as at the end of the respective financial years comprised the following:

	FY2020	FY2019
	\$'000	\$'000
Other receivables		
-Non-related parties	121	186
-Related corporations*	500	-
Value added tax receivable	5,200	4,275
Deposits	292	287
Deposits for land use right	716	681
Total	6,829	5,429

*The amount owing from related corporation was fully settled in February 2021.

Note 11

The group's inventories as at the end of the respective financial years comprised the following:

	FY2020	FY2019
	\$'000	\$'000
Finished goods	9,254	3,270
Work-in-progress ("WIP")	11,594	3,328
Raw materials	32,856	12,455
Total	53,704	19,053

The group had purchased raw materials and components in advance in view of overall tight supply globally and to meet the production requirements in January and February 2021.

Higher finished goods and WIP were to meet delivery and production requirements in January in view of the long shut down of the factory operations during the Chinese New Year holiday in February 2021.

Note 12

The group's other payables as at the end of the respective financial years comprised the following:

	FY2020	FY2019
	\$'000	\$'000
Other payables		
-Non-related parties	1,267	886
-Related corporation	-	2,051
Accrued expenses ¹	53,724	17,838
Profit sharing ²	2,933	-
Customer deposit	4,935	4,964
Total	62,859	25,739

¹ The group's accrued expenses increased as some of the inventories received from suppliers had not been invoiced as at 31 December 2020. Please refer to note 10 for total inventories value.

² In prior years, the profit sharing provision was recorded at the Company's parent company level.

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

(a) Amount repayable in one year or less, or on demand

	Group		Company	
	As at 31.12.2020	As at 31.12.2019	As at 31.12.2020	As at 31.12.2019
	Secured	Secured	Secured	Secured
	\$'000	\$'000	\$'000	\$'000
Bank loans	29,216	10,401	-	-
Lease liabilities	2,430	2,963	398	-
Total	31,646	13,364	398	-

(b) Amount repayable after one year

	Group		Company	
	As at 31.12.2020	As at 31.12.2019	As at 31.12.2020	As at 31.12.2019
	Secured	Secured	Secured	Secured
	\$'000	\$'000	\$'000	\$'000
Bank loans	3,818	-	-	-
Lease liabilities	1,907	2,220	939	-
Total	5,725	2,220	939	-

In September 2020, the Group (via one of its subsidiaries) obtained a bridging loan of \$5 million under the Enterprise Financing Scheme. The loan is repayable over 5 years and is secured by a corporate guarantee executed by the Company.

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

Consolidated Statement of Cash Flows for the financial year ended 31 December 2020

	Group	
	12 months ended	12 months ended
	31.12.2020	31.12.2019
	\$'000	\$'000
Operating activities		
Profit before income tax	66,517	54,786
Adjustments for:		
Amortisation of intangible assets	1,810	2,930
Depreciation of property, plant and equipment	6,826	5,672
Gain on disposal of plant and equipment	6	(78)
Interest expense	1,160	914
Interest income	(599)	(43)
Loss allowance for trade receivables	630	500
Changes in fair value of derivative financial instruments	(96)	-
Net unrealised foreign exchange loss	2,146	2,567
Plant and equipment written off	238	255
Provision for retirement benefit*	41	848
Write-down for inventories obsolescence**	141	2,130
Operating cash flows before movements in working capital	78,820	70,481
Trade receivables	(100,273)	(26,264)
Other receivables	(1,400)	(11,491)
Prepayments	(783)	402
Inventories	(34,792)	23,701
Trade payables	53,938	(11,205)
Other payables	37,201	(1,718)
Cash from operations	32,711	43,906
Income tax paid	(2,976)	(1,333)
Interest paid	(1,160)	(914)
Net cash from operating activities	28,575	41,659
Investing activities		
Proceeds on disposal of plant and equipment	142	168
Purchase of plant and equipment	(11,190)	(6,532)
Addition of intangible assets	(248)	(1,435)
Interest received	599	43
Net cash used in investing activities	(10,697)	(7,756)
Financing activities		
Repayment of obligations under lease liabilities	(2,751)	(3,133)
Proceeds from bank borrowings	121,903	69,835
Repayment of bank borrowings	(98,824)	(71,527)
Dividends	(40,990)	(26,296)
Net cash used in financing activities	(20,662)	(31,121)

Net change in cash and cash equivalents		
Effects of exchange rate changes on the balance of cash held in foreign currencies	(2,784)	2,782
Cash and cash equivalents at beginning of the financial year	(35)	243
Cash and cash equivalents at end of the financial year	14,281	11,256
	11,462	14,281

Cash and Cash equivalents comprise:

Cash	6,468	7,540
Fixed deposits	4,994	6,741
Cash and cash equivalents at end of financial year	11,462	14,281

* The retirement incentive plan was implemented in 2019, and the total of \$848,000 was provided as at 31 December 2019, based on the aggregate number of years of service of key management staff. Moving forward, the Group will make provision on an annual basis. Details of the plan can be found in page 217 of the Prospectus.

**The write-down of inventories to net realisable value for FY2019 was due to inventory obsolescence as a result of outdated raw materials and finished goods relating to lighting products and home appliances.

1 (d) (i) **Statement of changes in equity for the period ended 31 December 2019**

	Share capital	Capital reserve	Foreign currency translation reserve	Statutory reserve	(Accumulated losses)/ Retained profits	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group						
Balance as at 1 January 2019	68,468	(4,670)	(5,678)	1,254	(3,266)	56,108
Total comprehensive income for the financial year						
Profit for the financial year	-	-	-	-	47,172	47,172
Other comprehensive income for the financial year	-	-	(1,285)	-	-	(1,285)
Total	-	-	(1,285)	-	47,172	45,887
Transactions with owners, recognised directly in equity						
Reduction of share capital	(53,000)	-	-	-	-	(53,000)
Dividend	-	-	-	-	(26,296)	(26,296)
Total	(53,000)	-	-	-	(26,296)	(79,296)
Balance as at 31 December 2019	15,468	(4,670)	(6,963)	1,254	17,610	22,699

1 (d) (i) **Statement of changes in equity for the period ended 31 December 2020**

	Share capital	Capital reserve	Foreign currency translation reserve	Statutory reserve	Retained profits	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group						
Balance as at 1 January 2020	15,468	(4,670)	(6,963)	1,254	17,610	22,699
Total comprehensive income for the financial year						
Profit for the financial year	-	-	-	-	55,727	55,727
Other comprehensive income for the financial year	-	-	4,187	-	-	4,187
Total	-	-	4,187	-	55,727	59,914
Transactions with owners, recognised directly in equity						
Dividend	-	-	-	-	(40,990)	(40,990)
Balance as at 31 December 2020	15,468	(4,670)	(2,776)	1,254	32,347	41,623

1 (d) (i) **Statement of changes in equity for the period ended 31 December 2019**

<u>Company</u>	Share capital \$'000	Capital reserve \$'000	Retained profits \$'000	Total equity \$'000
Balance as at 1 January 2019	68,468	11,651	13,987	94,106
Total comprehensive income for the financial year				
Profit for the financial year, representing total comprehensive income for the financial year	-	-	30,052	30,052
Transactions with owners, recognised directly in equity				
Reduction of share capital	(53,000)	-	-	(53,000)
Dividend	-	-	(26,296)	(26,296)
	(53,000)		(26,296)	(79,296)
Balance as at 31 December 2019	15,468	11,651	17,743	44,862

1 (d) (i) **Statement of changes in equity for the period ended 31 December 2020**

<u>Company</u>	Share capital \$'000	Capital reserve \$'000	Retained profits \$'000	Total equity \$'000
Balance as at 1 January 2020	15,468	11,651	17,743	44,862
Total comprehensive income for the financial year				
Profit for the financial year, representing total comprehensive income for the financial year	-	-	34,797	34,797
Transactions with owners, recognised directly in equity				
Dividend	-	-	(40,990)	(40,990)
Balance as at 31 December 2020	15,468	11,651	11,550	38,669

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

The figures have not been audited or reviewed by the Company's auditors.

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

Not applicable.

- 3A. **Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion: - (a) Updates on the efforts taken to resolve each outstanding audit issue. (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed. This is not required for any audit issue that is a material uncertainty relating to going concern.**

Not applicable.

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

The Group's financial statements for the current reporting period have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("**SFRS(I)**") including related Interpretations of SFRS(I). Other than the adoption of new SFRS(I) as mentioned in Note 5 below, there was no change in accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the financial year ended 31 December 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 effect of the, the changes**

In the financial period under review, the Group and the Company adopted the new SFRS(I) and Amendments to SFRS(I) that are effective for annual period beginning on or after 1 January 2020.

During FY2020, the Group has adopted the following amendments to SFRS(I)s which took effect from financial year beginning 1 January 2020:-

- Amendments to References to Conceptual Framework in SFRS(I) Standards
- Amendments to SFRS(I) 1-1 SFRS(I) 1-8 Definition of Material
- Amendments to SFRS(I) 3 Definition of a Business
- Amendments to SFRS(I) 9, SFRS(I) 1-39 and SFRS(I) 7 Interest Rate Benchmark Reform.

The adoption of the above amendments to SFRS(I)s is assessed to have no significant impact on the financial statements of the Group.

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

Earnings per Ordinary Share of the Group ("EPS")	12 months ended 31.12.2020	12 months ended 31.12.2019	12 months ended 31.12.2019
(a) Based on the weighted average number of ordinary shares on issue (cents)	9.0	7.6	2.3
(b) On a fully diluted basis	9.0	7.6	2.3
Weighted average number of ordinary shares on issue	618,720,000*	618,720,000*	2,012,692,603**

**EPS for FY2020 has been computed based on the profit attributable to equity holders of the Company for FY2020 and the pre-Invitation share capital of 618,720,000 Shares. The fully diluted EPS is the same as the EPS based on the weighted average number of ordinary shares on issue as there were no options granted or outstanding during the financial year. EPS for FY2019 using the pre-Invitation share capital of 618,720,000 has been presented as an illustration for comparative purposes.*

***EPS for FY2019 computed after taking into account the Capital Reduction Exercise in 2019 that was undertaken by the Company in preparation for the Listing. The fully diluted EPS is the same as the EPS based on the weighted average number of ordinary shares on issue as there were no options granted or outstanding during the financial year.*

Based on the number of share before the capital reduction in FY2019,

Adjusted Earnings per Ordinary Share of the Group ("Adjusted EPS")	12 months ended 31.12.2020
(a) Based on the weighted average number of ordinary shares on issue (cents)	7.2
(b) On a fully diluted basis	7.2
Weighted average number of ordinary shares in issue	773,720,000

Adjusted EPS for FY2020 have been computed based on the profit attributable to equity holders of the Company for FY2020 and the post-Invitation share capital of 773,720,000 Shares.

7. **Net asset value (for the issuer and the 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	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Net asset value per ordinary share based on the total number of issued shares excluding treasury shares at the end of the financial period reported on (cents)	6.7	3.7	6.2	7.3

NAV per Share is computed based on the equity attributable to our Company's equity holders and the pre-Invitation issued share capital of 618,720,000 Shares.

	Group	Company
	31.12.2020	31.12.2020
Adjusted Net asset value per ordinary share based on the total number of issued shares excluding treasury shares at the end of the financial period reported on (cents)	29.8	29.4

Adjusted NAV per Share is computed based on the equity attributable to our Company's equity holders and the post-Invitation issued share capital of 773,720,000 Shares, after adjusting for net proceeds of S\$188.6 million raised from the sale of the New Cornerstone Shares.

8. **A review of the performance of the group, to the extent necessary for the 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.**

PERFORMANCE REVIEW

For the financial year ended 2020, the Group reported revenue of \$484.3 million which is an increase of 12.9% compared with the financial year ended 2019. This was despite the COVID-19 pandemic affecting the Group's operations in People's Republic of China and Malaysia, when the governments instituted lockdowns and movement control orders respectively.

The Group recorded an increase of 21.4% in profit before tax ("**PBT**") of \$ 66.5 million for the twelve months ended 31 December 2020 compared to the previous financial year. With the higher PBT, income tax expense increased by 41.7% to \$10.8 million for the full year 2020. The Group's net profit margin was recorded at 11.5% (FY 2019: 11.0%).

FINANCIAL POSITION AND CASHFLOW

For the financial year ended 31 December 2020, the Group generated operating cash flow of \$78.8 million before working capital changes (FY2019: \$70.5 million). As the market continued to face a tight material supply, the Group strategised to secure and hold more components and raw materials

in line with the increase in order book and this resulted in the Group generating a lower cash from operations of \$28.6 million compared to FY2019 of \$41.7 million.

Prior to the listing of the Company on SGX and before the year end, the Group had paid interim tax-exempt dividend amounting to \$41.0 million for FY2020. (FY2019: \$26.3 million)

As at 31 December 2020, the Group's financial position remained healthy with \$11.5 million of cash and bank balances (FY2019: \$14.3 million).

As at 31 December 2020, equity attributable to owners of the Group grew 83.4% from \$22.7 million as at 31 December 2019 to \$41.6 million and Net Asset Value per share grew by 83.4% to \$0.07 (31 December 2019: \$0.04), computed based on the pre-Invitation share capital of 618,720,000 Shares.

9. Where a forecast, or a prospect statement, has been previously discussed 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 know factors or events that may affect the group in the next reporting period and the next 12 months.

The Group continues to take all precautionary measures in the on-going COVID-19 pandemic to minimize any disruption in its operations.

The Group remains focused on expanding its robust product portfolio catering to the growing IoT, Data-communication and LED lighting industries. Building an ecosystem of inter-connected smart devices for home and office applications to capture market share and capitalise on opportunities in the growing IoT market for both its ODM and JDM segments is a key strategy.

In addition, the Group's R&D division is working on health-tech related products to cater for the healthcare market that is increasingly embracing the use of IoT and data-communication devices.

The Group will also work closely with its suppliers and other stakeholders to manage the challenging material supply shortages that the industry is facing to ensure smooth production and timely delivery of its customers' orders.

The Group's order book as at 2 January 2021 was \$270.7 million and since then and till 21 March 2021, it has received additional orders of \$228.3 million. With the steps put in place to manage the impact of the pandemic coupled with the Group's strong order book¹, barring unforeseen circumstances, the Group is cautiously optimistic of its prospects in 2021.

¹ The Group's order book in respect as at any particular date is subject to changes in its customers' transactions and may not be indicative of its revenue for any succeeding periods.

11. **Dividend**

(a) Current Financial Period Reported on

Name of Dividend	Interim (Paid)	Interim (Paid)	Final (Proposed)
Dividend Type	Cash	Cash	Cash
Dividend Amount per Share (in \$)	2.00 per ordinary share	0.65 per ordinary share	0.02 per ordinary share*
Paid / payable based on total number of ordinary shares	15,468,000	15,468,000	773,720,000
Tax Rate	Exempt	Exempt	Exempt

*subject to shareholders' approval at the forthcoming AGM

During the financial year, the Company declared two interim one-tier tax-exempt dividend of \$2.00 and \$0.65 per ordinary share respectively with totaling \$40,990,200 in respect of the financial year ended 31 December 2020.

In addition, the directors of the Company propose that a final one-tier tax-exempt dividend of \$0.02 per ordinary share be paid to all shareholders in the respect of the financial year ended 31 December 2020. Subject to the approval by the shareholders at the forthcoming Annual General Meeting., this proposed dividend has not been included as a liability in these financial statements. The total estimated dividend to be paid is \$15,474,400.

The directors of the Company have also approved the adoption of the Aztech Scrip Dividend Scheme ("Scheme") and the application of the Scheme to this proposed dividend. Announcement of the details of the Scheme and the application of the Scheme will be made on or about 31 March 2021.

(b) Corresponding Period of the Immediately Preceding Financial Year

Name of Dividend	Interim (Paid)
Dividend Type	Cash
Dividend Amount per Share (in \$)	1.70 per ordinary share
Paid based on total number of ordinary shares	15,468,000
Tax Rate	Exempt

(c) Date payable

Announcement on the date payable will be made on or about 31 March 2021.

(d) Books closure date

Announcement on the books closure date will be made on or about 31 March 2021.

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 has not sought a general mandate from shareholders for Interest Person Transactions.

14. **Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results)**

Not applicable.

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).**

Pursuant to Listing Rule 720(1), the Company has procured undertakings from all its directors and executive officers in the format as set out in Appendix 7.7 of the SGX-ST Listing Manual.

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

16. **Segmental 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.**

Segmental results

(a) By Primary geographical markets

	Group	
	2020	2019
	\$'000	\$'000
North America	308,258	255,601
China	9,864	15,251
Europe	151,715	125,348
Singapore	4,281	5,924
Others	10,155	26,701
	484,273	428,825

(b) By Product Types

	Group	
	2020	2019
	\$'000	\$'000
IoT devices and Datacom products	428,074	292,526
LED products	55,369	135,979
Others*	830	320
	484,273	428,825

*Others refer to other electrical products.

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

Please refer to paragraph 8 above.

18. A breakdown of sales as follows:-

	Latest Financial Year	Previous Financial Year	% increase/ (decrease)
	\$'000	\$'000	
	Group	Group	Group
(a) Sales reported for first half year	Not applicable	Not applicable	Not applicable
(b) Operating profit/loss after tax before deducting non-controlling interests reported for first half year	Not applicable	Not applicable	Not applicable
(c) Sales reported for second half year	Not applicable	Not applicable	Not applicable
(d) Operating profit/loss after tax before deducting non-controlling interests reported for second half year	Not applicable	Not applicable	Not applicable

The Company was listed on 12 March 2021 and financial statements for the first half of FY2020 were not disclosed in the Prospectus.

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

	FY2020 \$'000	FY2019 \$'000
Ordinary dividend for 2019 (Paid)	-	26,296
Interim ordinary dividend (Paid)	40,990	-
Proposed final ordinary dividend for 2020*	15,474	-
	56,464	26,296

*Based on 773,720,000 issued shares as at 12 March 2021

During the financial year, the Company declared and paid interim one-tier tax-exempt dividend of \$2.00 and \$0.65 per ordinary share totaling \$40,990,200 in respect of the financial year ended 31 December 2020.

In addition, the Directors of the Company propose that a final one-tier tax-exempt dividend of \$0.02 per ordinary share be paid to all shareholder based on 773,720,000 issue shares as at 12 March 2021. Subject to the approval by the shareholders at the forthcoming Annual General Meeting, this proposed dividend has not been included as a liability in these financial statements. The total estimated dividend to be paid is \$15,474,400.

In respect of the financial year ended 31 December 2019, the Company declared and paid interim one-tier tax-exempt dividend of \$1.70 per ordinary share totaling \$26,295,600.

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

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
Mr. Ivan Mun	39	Mr. Ivan Mun is the son of Mr. Michael Mun, the Executive Chairman and CEO of the Company, and the sibling of Mr. Jeremy Mun, the Executive Director and COO of the Company.	<u>Position</u> Vice President of Sales and Marketing (since March 2017) <u>Duties</u> Oversees the business development activities of the Group's IoT Devices and LED lighting products divisions for the Singapore market, and also responsible for the marketing activities of the Group.	Not applicable
Ms. Huang Xiaolin	39	Ms. Huang Xiaolin is the spouse of Mr. Ivan Mun. Mr. Ivan Mun is the Company's Vice President of Sales and Marketing and the son of Mr. Michael Mun, the Executive Chairman and CEO of the Company.	<u>Position</u> Manager, Procurement and Logistics at Aztech Technologies Pte. Ltd (since October 2020). <u>Duties</u> Responsible for managing the procurement and logistical activities.	Not applicable

21. **Use of IPO Proceeds**

Pursuant to the Listing of the Company, the Company received gross proceeds of S\$198.4 million from the issuance of the New Cornerstone Shares. As at the date of this announcement, the gross proceeds from the issuance of the New Cornerstone Shares have been utilized as follows:

	Amount allocated (as disclosed in the Prospectus) (\$'000)	Amount utilized as at the date of this announcement (\$'000)	Balance as at the date of this announcement (\$'000)
Expansion and enhancement of the Group's manufacturing facilities	50,000	-	50,000
Expansion of the Group's business through, <i>inter alia</i> , investments, mergers and acquisitions, joint ventures and/or strategic collaboration	50,000	-	50,000
Enhancement of the Group's R&D capabilities	15,000	-	15,000
Increase sales and marketing channels for overseas markets expansion	10,000	-	10,000
Expansion of the Group's ODM/JDM business to capitalise on opportunities in the growing IoT market	5,000	-	5,000
Working capital	58,600	-	58,600
Listing expenses	9,800	8,766	1,034
	198,400	8,766	189,634

BY ORDER OF THE BOARD

Pavani Nagarajah
Company Secretary
22 March 2021