



JUBILEE INDUSTRIES HOLDINGS LTD.
Company Registration Number: 200904797H

**Jubilee Industries Holdings Ltd.
and its Subsidiary Corporations**

(Incorporated in the Republic of Singapore)
(Registration No.: 200904797H)

**Unaudited condensed interim
Financial statements for the half year ended
30 September 2021**

The Board of Directors of Jubilee Industries Holding Ltd. wishes to announce the unaudited results of the Group and Company for the six months period ended 30 September 2021.

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Evolve Capital Advisory Private Limited (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.

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Contents	Page
Condensed interim consolidated statement of comprehensive income	3
Condensed interim statements of financial position	4
Condensed interim statements of changes in equity	5
Condensed interim consolidated statement of cashflows	6
Notes to the condensed interim financial statements	7 - 16
Other information	17 - 21



Condensed interim consolidated statement of profit or loss

		Group		
		Unaudited 6 months ended		
		30-Sep-21	30-Sep-20	Increase /
		S\$'000	S\$'000	(Decrease)
	Note			
Revenue	4.3	115,315	57,585	>100%
Cost of sales		(108,733)	(53,838)	>100%
Gross profit		6,582	3,747	75.7%
Gross profit margin		5.7%	6.5%	-0.8%
Other income				
- Interest income from bank deposit		2	12	-83.3%
- Others	5	86	528	-83.7%
Other gains/(losses), net	5			
- Gain on disposal of property, plant and equipment		12	232	-94.8%
- Currency exchange (losses)/gains - net		(302)	(118)	>100%
Expenses:				
Distribution and marketing		(212)	(115)	84.3%
Administrative		(4,791)	(3,287)	45.8%
Finance	7	(189)	(394)	-52.0%
Share of loss of associated company		-	(393)	nm
Profit before income tax		1,188	212	>100%
Income tax expense	8	(197)	(67)	>100%
Profit after income tax		991	145	>100%
Other comprehensive loss:				
Items that may be reclassified subsequently to profit or loss:				
- Currency translation differences arising from consolidation		(328)	(27)	nm
Items that will not be reclassified subsequently to profit or loss:				
- Share of comprehensive loss of associated company		-	(154)	nm
Other comprehensive loss, net of tax		(328)	(181)	81.2%
Total comprehensive income/(loss)		663	(36)	nm
Net profit/(loss) attributable to:				
Equity holders of the Company		849	205	nm
Non-controlling interests		142	(60)	nm
		991	145	nm
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company		521	24	nm
Non-controlling interests		142	(60)	nm
		663	(36)	nm
Earnings per share attributable to equity holders of the Company (cents per share):				
Basic and diluted earnings		0.32	0.08	>100%

nm: Not meaningful



Condensed interim statements of financial position

		Group		Company	
		30-Sep-21	31-Mar-21	30-Sep-21	31-Mar-21
		S\$'000	S\$'000	S\$'000	S\$'000
	Note	(unaudited)	(audited)	(unaudited)	(audited)
ASSETS					
<u>Current assets</u>					
Cash and cash equivalents	11	9,223	7,687	1,053	107
Financial assets, at fair value through profit or loss ("FVPL")	12	9,263	9,263	9,225	9,225
Trade and other receivables	14	29,406	28,411	3,677	3,176
Inventories	15	20,168	15,176	-	-
Other current assets	16	7,932	7,985	-	13
		75,992	68,522	13,955	12,521
<u>Non-current assets</u>					
Financial assets, at FVOCI	13	47	47	47	47
Investment in subsidiary corporations		-	-	39,656	39,656
Property, plant and equipment		7,051	7,059	-	-
Intangible assets	17	1,194	1,383	-	-
		8,292	8,489	39,703	39,703
Total Assets		84,284	77,011	53,658	52,224
LIABILITIES					
<u>Current liabilities</u>					
Trade and other payables	18	35,165	31,712	13,318	14,230
Current income tax liabilities		281	390	-	-
Borrowings	19	8,962	6,680	3,122	1,122
		44,408	38,782	16,440	15,352
<u>Non-current liabilities</u>					
Borrowings	19	216	2,278	-	2,000
Deferred income tax liabilities		77	76	-	-
		293	2,354	-	2,000
Total liabilities		44,701	41,136	16,440	17,352
Net Assets		39,583	35,875	37,218	34,872
EQUITY					
Capital and Reserves attributable to Equity Holders of the Company					
Share capital	20	77,474	74,429	77,474	74,429
Treasury shares		(736)	(736)	(736)	(736)
Statutory reserves		2,257	2,257	-	-
Capital reserves		(142)	(142)	(142)	(142)
Other reserves		1,006	1,334	22	22
Accumulated losses		(41,752)	(42,601)	(39,400)	(38,701)
		38,107	34,541	37,218	34,872
Non-controlling interests		1,476	1,334	-	-
Total equity		39,583	35,875	37,218	34,872
Working capital		31,584	29,740	(2,485)	(2,831)



JUBILEE INDUSTRIES HOLDINGS LTD.
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Condensed interim statements of changes in equity

<u>Group</u>	Attributable to Equity Holders of the Group						Non-controlling interests S\$'000	Total S\$'000
	Share capital S\$'000	Treasury share S\$'000	Statutory reserve S\$'000	Capital reserve S\$'000	Other reserves S\$'000	Accumulated losses S\$'000		
Balance as at 1 April 2021	74,429	(736)	2,257	(142)	1,334	(42,601)	1,334	35,875
Total comprehensive income/(loss) for the financial period	-	-	-	-	(328)	849	142	663
Issuance of ordinary shares	3,045	-	-	-	-	-	-	3,045
Balance as at 30 September 2021	<u>77,474</u>	<u>(736)</u>	<u>2,257</u>	<u>(142)</u>	<u>1,006</u>	<u>(41,752)</u>	<u>1,476</u>	<u>39,583</u>

	Attributable to Equity Holders of the Group						Non-controlling interests S\$'000	Total S\$'000
	Share capital S\$'000	Treasury share S\$'000	Statutory reserve S\$'000	Capital reserve S\$'000	Other reserves S\$'000	Accumulated losses S\$'000		
Balance as at 1 April 2020	74,429	(736)	2,257	(142)	109	(39,638)	1,291	37,570
Total comprehensive (loss)/income for the financial period	-	-	-	-	(181)	205	(60)	(36)
Balance as at 30 September 2020	<u>74,429</u>	<u>(736)</u>	<u>2,257</u>	<u>(142)</u>	<u>(72)</u>	<u>(39,433)</u>	<u>1,231</u>	<u>37,534</u>

<u>Company</u>	Share Capital S\$'000	Treasury share S\$'000	Capital reserve S\$'000	Other reserves S\$'000	Accumulated losses S\$'000	Total S\$'000
Balance as at 1 April 2021	74,429	(736)	(142)	22	(38,701)	34,872
Total comprehensive loss for the financial period	-	-	-	-	(699)	(699)
Issuance of ordinary shares	3,045	-	-	-	-	3,045
Balance as at 30 September 2021	<u>77,474</u>	<u>(736)</u>	<u>(142)</u>	<u>22</u>	<u>(39,400)</u>	<u>37,218</u>

	Share Capital S\$'000	Treasury share S\$'000	Capital reserve S\$'000	Other reserves S\$'000	Accumulated losses S\$'000	Total S\$'000
Balance as at 1 April 2020	74,429	(736)	(142)	(1,547)	(35,253)	36,751
Total comprehensive income for the financial period	-	-	-	-	13,679	13,679
Balance as at 30 September 2020	<u>74,429</u>	<u>(736)</u>	<u>(142)</u>	<u>(1,547)</u>	<u>(21,574)</u>	<u>50,430</u>



Condensed interim consolidated statement of cash flows

	Group	
	For the 6 months ended	
	30-Sep-21	30-Sep-20
	S\$'000	S\$'000
	(unaudited)	(unaudited)
Cash flows from operating activities		
Net profit	991	145
Adjustments for:		
- Income tax expense	197	67
- Amortisation, depreciation and impairment	647	619
- Gain on disposal of property, plant and equipment	(12)	(232)
- Inventories written down	392	-
- Share of profit of associated company	-	393
- Dividend income	(2)	(4)
- Interest income - bank deposits	(2)	(12)
- Interest expense	189	394
- Unrealised currency translation gains	(326)	(5)
Operating cashflow before working capital changes	2,074	1,365
Changes in working capital:		
- Trade and other receivables	(995)	(915)
- Inventories	(5,384)	(1,748)
- Other current assets	53	(648)
- Trade and other payables	3,453	(480)
Cash used in operations	(799)	(2,426)
- Income tax paid	(306)	(67)
Net cash used in operating activities	(1,105)	(2,493)
Cash flows from investing activities		
Additions to property, plant and equipment	(452)	(188)
Disposal of property, plant and equipment	12	37
Dividend received	2	4
Interest received	2	12
Net cash used in investing activities	(436)	(135)
Cash flows from financing activities		
Issuance of ordinary shares	3,045	-
Drawdown/(repayment) of bank borrowings	147	(1,239)
Repayment of lease liabilities	(72)	-
Interest paid	(191)	(394)
Withdrawal of short-term bank deposits	-	(137)
Net cash flows provided by/(used in) financing activities	2,929	(1,770)
Net increase/(decrease) in cash and cash equivalents	1,388	(4,398)
Cash and cash equivalents at beginning of financial period	5,227	6,167
Effects of currency translation on cash and cash equivalents	(2)	-
Cash and cash equivalents at end of financial period	6,613	1,769
Cash and cash equivalents comprised:		
Cash and bank balances	9,223	4,105
Less : Bank deposits pledged for banking facilities	(2,092)	(1,113)
Less : Bank overdrafts	(518)	(1,223)
Cash and cash equivalents per consolidated statement of cash flows	6,613	1,769



Notes to the condensed interim consolidated financial statements

1.0 Corporate Information

Jubilee Industries Holdings Ltd. (the "Company") is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") and incorporated and domiciled in Singapore. The address of its registered office is at 10 Ubi Crescent, Ubi Techpark Lobby E, #03-94/95/96, Singapore 408564.

These condensed interim consolidated financial statements as at and for the six months ended 30 September 2021 comprise of the Company and its subsidiary corporations (collectively, the "Group").

The principal activity of the Company is that of investment holding. The principal activities of its subsidiary corporations are as follows:

- (a) Manufacturer and dealer of precision plastic and metal moulding
- (b) Trading and distribution of electronic components
- (c) Investment holding activities

2.0 Basis of Preparation

2.1 Statement of compliance

The condensed interim financial statements for the six months ended 30 September 2021 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last audited annual financial statements for the year ended 31 March 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I), except for the adoption of new and amended standards as set out in Note 2.2.

The condensed interim financial statements are presented in Singapore Dollar (S\$), which is the Company's functional and presentation currency. All values are rounded to the nearest thousand (S\$'000) except when otherwise indicated.

The condensed interim financial statements have been prepared and assessed for its principal risks and prospects for its performance. There are no issue on this since management has verified that there are no financial, operating or other types of indicators that might cast significant doubts upon the Group's ability to meet its obligations in the foreseeable future and particularly within the 12 months from the end of the reporting period taking into consideration the available cash and cash equivalents, its net current assets position and its profitability, notwithstanding that the Group recorded net cash used in operating activities for the six months period ended 30 September 2021.

2.2 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.3 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the audited annual financial statements as at and for the year ended 31 March 2021.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3.0 Seasonal Operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.



Notes to the condensed interim consolidated financial statements (continued)

4.0 Segment Information

Management has determined the operating segments based on the reports reviewed by the Executive Committee ("Exco") that are used to make strategic decisions. The Exco is the Group's chief operating decision maker and comprises the Non-Executive Directors, the Financial Controller, and the department heads of each business within each geographical segment.

The Exco considers the business from both a geographic and business segment perspective. Geographically, management manages and monitors the business in the five primary geographic areas: United States of America, Singapore, Malaysia, People's Republic of China and Europe. All geographic locations are engaged in the provision of MBU and EBU. The Group's businesses are organised and managed into 2 business segments as below :

- Mechanical business unit (MBU) comprise of the provision of precision plastic injection moulding services ("PPIM") and Design, fabrication and sale of precision plastic injection moulds ("MDF").

- Electronics business unit (EBU) which relates to distribution of electronic components and products, services and solutions to industrial and commercial users.

4.1 Operating Segments

Group	MBU	EBU	Others	Total
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Unaudited 6 months ended 30 September 2021</u>				
Revenue – external parties	15,323	99,992	-	115,315
Gross profit	2,250	4,332	-	6,582
Other income				
- Interest	1	1		2
- Others	47	38	1	86
Other gains/(losses) - net				
- Gain on disposal of property, plant and equipment	12	-	-	12
- Currency exchange (losses)/gains - net	(345)	(56)	99	(302)
Expenses				
- Distribution and marketing	(145)	(67)	-	(212)
- Administrative	(1,257)	(2,899)	(635)	(4,791)
- Finance	(21)	(151)	(17)	(189)
Profit before income tax	542	1,198	(552)	1,188
Income tax expense	(197)	-	-	(197)
Profit after income tax	345	1,198	(552)	991
Depreciation of property, plant and equipment	423	35	-	458
Amortisation of intangible assets	-	189	-	189
Profit before income tax	542	1,198	(552)	1,188
Interest	21	151	17	189
Depreciation	423	35	-	458
Amortisation	-	189	-	189
EBITDA	986	1,573	(535)	2,024



Notes to the condensed interim consolidated financial statements (continued)

4.0 Segment Information (continued)

4.1 Operating Segments (continued)

Group	MBU	EBU	Others	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Unaudited 6 months ended 30 September 2020				
Revenue – external parties	11,534	46,051	-	57,585
Gross profit	743	3,004	-	3,747
Other income				
- Interest	1	11	-	12
- Others	183	285	60	528
Other gains/(losses) - net				
- Gain on disposal of property, plant and equipment	232	-	-	232
- Currency exchange (losses)/gains - net	(222)	(105)	209	(118)
Expenses				
- Distribution and marketing	(24)	(89)	(2)	(115)
- Administrative	(930)	(1,992)	(365)	(3,287)
- Finance	(59)	(297)	(38)	(394)
Share of loss of associated company	-	-	(393)	(393)
Profit before income tax	(76)	817	(529)	212
Income tax expense	(58)	(9)	-	(67)
Profit after income tax	(134)	808	(529)	145
Depreciation of property, plant and equipment	234	50	140	424
Amortisation of intangible assets	6	189	-	195
Profit before income tax	(76)	817	(529)	212
Interest	59	38	297	394
Depreciation	234	50	140	424
Amortisation	6	189	-	195
EBITDA	223	1,094	(92)	1,225

4.2 Segment assets

	Group	
	30-Sep-21	31-Mar-21
	S\$'000	S\$'000
	(unaudited)	(audited)
Malaysia	824	963
Singapore	1,476	1,702
Indonesia	5,977	5,807
Other countries	15	17
	8,292	8,489



Notes to the condensed interim consolidated financial statements (continued)

4.0 Segment Information (continued)

4.3 Disaggregation of Revenue

Unaudited 6 months ended 30 September 2021			
	At a point in time	Over time	Total
	S\$'000	S\$'000	S\$'000
<u>Electronic components distribution business unit ("EBU")</u>			
- People's Republic of China	71,101	-	71,101
- United States of America	903	-	903
- India	2,830	-	2,830
- Singapore	9,862	-	9,862
- Malaysia	2,247	-	2,247
- Indonesia	149	-	149
- Thailand	5,466	-	5,466
- Vietnam	5,717	-	5,717
- Other countries	1,717	-	1,717
	<u>99,992</u>	<u>-</u>	<u>99,992</u>
<u>Mechanical business unit ("MBU")</u>			
- Singapore	4,637	132	4,769
- Malaysia	3,179	210	3,389
- Indonesia	6,660	-	6,660
- Other countries	466	39	505
	<u>14,942</u>	<u>381</u>	<u>15,323</u>
	<u>114,934</u>	<u>381</u>	<u>115,315</u>
Unaudited 6 months ended 30 September 2020			
	At a point in time	Over time	Total
	S\$'000	S\$'000	S\$'000
<u>Electronic components distribution business unit ("EBU")</u>			
- People's Republic of China	25,847	-	25,847
- United States of America	183	-	183
- India	530	-	530
- Singapore	5,495	-	5,495
- Malaysia	2,816	-	2,816
- Indonesia	143	-	143
- Thailand	4,019	-	4,019
- Vietnam	6,213	-	6,213
- Other countries	805	-	805
	<u>46,051</u>	<u>-</u>	<u>46,051</u>
<u>Mechanical business unit ("MBU")</u>			
- Singapore	3,428	89	3,517
- Malaysia	2,333	48	2,381
- Indonesia	5,216	59	5,275
- Other countries	324	37	361
	<u>11,301</u>	<u>233</u>	<u>11,534</u>
	<u>57,352</u>	<u>233</u>	<u>57,585</u>



Notes to the condensed interim consolidated financial statements (continued)

5.0 Revenue

The Group derives revenue from the transfer of goods and services at a point in time and over time in the following major product lines and geographical regions. Revenue is attributed to countries by location of customers.

	Group	
	Unaudited 6 months ended	
	30-Sep-21	30-Sep-20
	S\$'000	S\$'000
Revenue	115,315	57,585
Other income		
- Interest income from bank deposits	2	12
- Others	86	528
	<u>115,403</u>	<u>58,125</u>
Other operating income		
- Bad debt recovery	-	53
- Dividend income on financial assets, at FVOCI	2	4
- Government grants received*	44	356
- Sales of scrap and other materials	10	-
- Service income	-	-
- Others	30	115
	<u>86</u>	<u>528</u>
Other gains/(losses), net		
- Currency exchange (losses)/gains - net	(302)	(118)
- Gain on disposal of property, plant and equipment	12	232
	<u>(290)</u>	<u>114</u>

* During the financial period, the Group received government grants relating to various temporary wage support schemes to assist companies retained their workers as businesses took a hit from the COVID-19 pandemic.



Notes to the condensed interim consolidated financial statements (continued)

6.0 Profit/(Loss) before income tax

Group	
Unaudited 6 months ended	
30-Sep-21	30-Sep-20
S\$'000	S\$'000

The Group's profit/loss before income tax is arrived at after charging/(crediting):

Depreciation of property, plant and equipment	458	424
Amortisation of intangible assets	189	195
Bad debts written off	8	15
Inventory write-down	392	-
Gain on disposal of property, plant and equipment	(12)	(232)
Foreign exchange loss, net	302	118
Interest income	(2)	(12)
Bad debt recovery	-	(53)
Dividends received	(2)	(4)
Government grants	(44)	(356)
Sale of scrap and other materials	(10)	-
Service income	-	-
Miscellaneous income	(30)	(115)
Interest on borrowings	189	394

nm: Not meaningful

7.0 Finance expense

Group	
Unaudited 6 months ended	
30-Sep-21	30-Sep-20
S\$'000	S\$'000

Interest expense:

- Bank borrowing	143	9
- Lease liabilities	46	7
- Loan from a non-related party	-	378
	189	394



Notes to the condensed interim consolidated financial statements (continued)

8.0 Income tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual profit. The major components of income tax expense in the condensed interim

Group	
Unaudited 6 months ended	
30-Sep-21	30-Sep-20
S\$'000	S\$'000

Tax expense attributable to the profit is made up of :

Current income tax - Singapore	-	-
Current income tax - Foreign	(197)	(67)

9.0 Earnings per share

Group	
Unaudited 6 months ended	
30-Sep-21	30-Sep-20
S\$'000	S\$'000

Net profit/(loss) attributable to equity holders of the Company	849	205
Weighted average number of ordinary shares outstanding for the basic earnings per share	269,455,406	253,437,373
Basic and diluted profit/(loss) per share (cents per share)	0.32	0.08

10.0 Net assets value

Group	
30-Sep-21	31-Mar-21
S\$'000	S\$'000
(unaudited)	(audited)

Company	
30-Sep-21	31-Mar-21
S\$'000	S\$'000
(unaudited)	(audited)

Net asset value ("NAV") per ordinary share	12.46	13.97	11.71	13.58
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NAV per ordinary share for the Group and Company as at 30 September 2021 and 31 March 2021 were calculated based on the net assets value attributable to equity holders of the Company as at the end of the respective balance sheet dates and the respective aggregate number of ordinary shares of 317,757,873 and 256,857,873 ordinary shares in issue.

11.0 Cash and cash equivalents

Group	
30-Sep-21 S\$'000 (unaudited)	31-Mar-21 S\$'000 (audited)
7,131	5,599
2,092	2,088
9,223	7,687

Company	
30-Sep-21	31-Mar-21
S\$'000	S\$'000
(unaudited)	(audited)
1,053	107
-	-
1,053	107



Notes to the condensed interim consolidated financial statements (continued)

12.0 Financial assets, at FVPL

	Group		Company	
	30-Sep-21 S\$'000 (unaudited)	31-Mar-21 S\$'000 (audited)	30-Sep-21 S\$'000 (unaudited)	31-Mar-21 S\$'000 (audited)
Beginning of financial year/period	9,263	33	9,225	-
Reclassification from investment in associated company	-	6,555	-	6,555
Fair value gain	-	2,675	-	2,670
End of financial year/period	<u>9,263</u>	<u>9,263</u>	<u>9,225</u>	<u>9,225</u>
Listed equity securities				
- Singapore	38	38	-	-
- Malaysia	9,225	9,225	9,225	9,225
	<u>9,263</u>	<u>9,263</u>	<u>9,225</u>	<u>9,225</u>

13.0 Financial assets, at FVOCI

	Group and Company	
	30-Sep-21 S\$'000 (unaudited)	31-Mar-21 S\$'000 (audited)
Beginning of financial year/period	47	529
Fair value gains/(losses) recognised in other comprehensive income	-	507
Reclassified to investment in associated company	-	(989)
End of financial year/period	<u>47</u>	<u>47</u>
Financial assets, at FVOCI are analysed as follows:		
Listed securities - Malaysia		
Non-current		
- Quoted equity securities	<u>47</u>	<u>47</u>

14.0 Trade and other receivables

	Group		Company	
	30-Sep-21 S\$'000 (unaudited)	31-Mar-21 S\$'000 (audited)	30-Sep-21 S\$'000 (unaudited)	31-Mar-21 S\$'000 (audited)
Trade receivables				
- Non-related parties	24,062	22,596	-	-
Contract assets	28	28	-	-
	<u>24,090</u>	<u>22,624</u>	<u>-</u>	<u>-</u>
Less: Loss allowance				
- Non-related parties	(1,008)	(1,007)	-	-
Trade receivables - net	<u>23,082</u>	<u>21,617</u>	<u>-</u>	<u>-</u>
Non-trade receivables				
- Non-related parties	743	1,036	-	-
- Subsidiary corporations	-	-	3,684	3,183
- Immediate and ultimate holding corporation	4,875	5,160	-	-
- Related parties	62	61	-	-
	<u>5,680</u>	<u>6,257</u>	<u>3,684</u>	<u>3,183</u>
Less: Loss allowance				
- Subsidiary corporations	-	-	(7)	(7)
Non-trade receivables - net	<u>5,680</u>	<u>6,257</u>	<u>3,677</u>	<u>3,176</u>
Advance to suppliers	644	537	-	-
	<u>29,406</u>	<u>28,411</u>	<u>3,677</u>	<u>3,176</u>



Notes to the condensed interim consolidated financial statements (continued)

15.0 Inventories

	Group	
	30-Sep-21 S\$'000 (unaudited)	31-Mar-21 S\$'000 (audited)
Raw materials	2,489	2,126
Work-in-progress	13	198
Finished goods	3,119	1,292
Trading goods	14,547	11,560
	<u>20,168</u>	<u>15,176</u>

16.0 Other current assets

	Group		Company	
	30-Sep-21 S\$'000 (unaudited)	31-Mar-21 S\$'000 (audited)	30-Sep-21 S\$'000 (unaudited)	31-Mar-21 S\$'000 (audited)
Deposits	472	641	-	12
Prepayments	160	44	-	1
Properties held-in-trust	7,300	7,300	-	-
	<u>7,932</u>	<u>7,985</u>	<u>-</u>	<u>13</u>

17.0 Intangible assets

	Group		Company	
	30-Sep-21 S\$'000 (unaudited)	31-Mar-21 S\$'000 (audited)	30-Sep-21 S\$'000 (unaudited)	31-Mar-21 S\$'000 (audited)
Distribution rights	1,194	1,383	-	-
	<u>1,194</u>	<u>1,383</u>	<u>-</u>	<u>-</u>

18.0 Trade and other payables

	Group		Company	
	30-Sep-21 S\$'000 (unaudited)	31-Mar-21 S\$'000 (audited)	30-Sep-21 S\$'000 (unaudited)	31-Mar-21 S\$'000 (audited)
Trade payables				
- Non-related parties	27,625	23,752	-	-
Non-trade payables				
- Non-related parties	1,740	1,670	418	488
- Immediate and ultimate holding corporation	1,969	2,202	7,558	7,791
- Subsidiary corporations	-	-	5,251	5,815
	<u>3,709</u>	<u>3,872</u>	<u>13,227</u>	<u>14,094</u>
Accrued operating expenses	1,655	1,332	91	136
Defined benefits obligation	1,624	1,624	-	-
Advances received from customers	552	1,132	-	-
	<u>35,165</u>	<u>31,712</u>	<u>13,318</u>	<u>14,230</u>



Notes to the condensed interim consolidated financial statements (continued)

19.0 Borrowings

	Group		Company	
	30-Sep-21 S\$'000 (unaudited)	31-Mar-21 S\$'000 (audited)	30-Sep-21 S\$'000 (unaudited)	31-Mar-21 S\$'000 (audited)
Current				
Secured	6,962	12,833	1,122	1,446
Unsecured	2,000	222	2,000	-
	8,962	13,055	3,122	1,446
Non-current				
Secured	216	239	-	-
Unsecured	-	2,000	-	2,000
	216	2,239	-	2,000
Total borrowings	9,178	15,294	3,122	3,446

A loan from non-related party is unsecured, bears interest of 2% per annum and shall be repaid 3 years after the advance date, which falls on 23 August 2022.

(a) Details of collateral

Bank overdrafts of the Group are secured by the immediate and ultimate holding corporation's bank deposits, certain bank deposits of the Group, personal guarantee by the directors of the subsidiary corporations, debenture of the subsidiary corporations and certain leasehold properties of the Group.

Bank borrowings of the Group and of the Company are secured by the investment in EG, certain bank deposits of the Group, and corporate guarantee of the immediate and ultimate holding corporation.

Finance lease liabilities of the Group are effectively secured over the leased motor vehicles as the legal title are retained by the respective lessors and will be transferred to the Group upon full settlement of the finance lease liabilities. The financial lease liabilities are also secured by the corporate guarantee of the Company.

20.0 Share capital

	Number of ordinary shares '000	Share Capital S\$'000
Group and the Company		
30-Sep-21		
Beginning of financial period	256,858	74,429
Shares issued pursuant to placement	60,900	3,045
End of financial period	317,758	77,474
31-Mar-21		
Beginning and end of financial period	256,858	74,429

There were 3,045,000 ordinary shares issued since the end of the financial period ended 31 March 2021

There were no outstanding share option as at 30 September 2021

There were no purchase, sale, transfer, disposal, cancellation and use of treasury shares and subsidiary holdings during the six months ended 30 September 2021.



Notes to the condensed interim consolidated financial statements (continued)

21.0 Update on use of proceeds from share placement

On 04 August 2021, the Company issued 30,000,000 of new ordinary shares which entitles one share to one warrant share in the capital of the Company by way of new placement at a placement price of S\$0.05 cents per ordinary share and an exercise price of S\$0.05 cents per warrant share, raising a net proceed of approximately S\$3.0 million.

As at the date of this announcement, the net proceeds of S\$3.0 million from the issuance of 30,000,000 new ordinary shares at S\$0.05 per share and a conversion of 30,000,000 warrants to new shares of the Company at the issue price S\$0.05 per warrant share have been utilised as follows:

	Amount allocated S\$'000	Amount utilised S\$'000	Balance S\$'000
General working capital	2,700	1,790	910
Repayment of loan to ultimate holding company	300	300	-
			-
Total	3,000	2,090	910

22.0 Review

The condensed interim statements of financial position of Jubilee Industries Holding Ltd. and its subsidiary corporations as at 30 September 2021 and the condensed interim consolidated statement of profit or loss, condensed interim consolidated state of comprehensive income, condensed interim statement of changes in equity and condensed interim consolidated statement of cashflows for the six-month period ended 30 September 2021 and certain explanatory notes have not been audited or reviewed.



Other information

23.0 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.**

Consolidated Statement of Profit or Loss

The Group recorded turnover of S\$115.3 million for the six months ended 30 September 2021 ("1HY2022"), an increase of S\$57.7 million or 100.3% compared to S\$57.6 million for the same period last year ("1HY2021"). The strong first half-year revenue was attributed by the Group's on-going efforts to realign its resources to expand its supplier base and grow its product portfolio. Revenue from China picked up for the Electronics business unit ("EBU"), largely driven by a recovery of manufacturing activity in China following business and economic disruptions in HY2021 due to the COVID-19 pandemic.

Turnover for the Mechanical business unit ("MBU") held steady with an increase of 32.9% from S\$11.5 million in 1HY2021 to S\$15.3 million in 1HY2022 attributed mainly to higher sales from both the Group's manufacturing operations in Malaysia and Indonesia arising, from higher sales of consumer and construction products, as well as tool fabrication, which helped to leverage the impact of subdued sales for automotive products which was affected by a slowdown in the automotive industry. The increase in revenue was also partly due to customers who are changing their source of purchase to the ASEAN region arising from the trade tensions between USA and China and initiatives taken by the unit to improve tool processes and advancing into new technologies of rubber mold fabrications.

Turnover for the EBU increased by 117.1% from S\$46.1 million in 1HY2021 to S\$100.0 million in 1HY2022 fuelled by increased global demand for semiconductors, particularly in China. The improved business environment and global chip shortage due to limited factory capacity and longer lead times continue to play out to the Group's advantage in view of its extensive product portfolio and strong presence in Asia, especially China. The Group's efforts to expand its base of suppliers and customers in the electronic components segment and working closely with suppliers and customers to create value to them continue to reap positive results.

Notwithstanding an increase in gross profit of S\$2.9 million or 75.7% from S\$3.7 million in 1HY2021 to S\$6.6 million in 1HY2022, the overall gross profit margin ("GPM") of the Group declined marginally by 0.8% from 6.5% in 1HY2021 to 5.7% in 1HY2022 owing to higher costs for raw materials, transportation and logistics. The MBU's gross profit margin improvement from 6.4% in 1HY2021 to 14.7% in 1HY2022 was mainly attributed to a change in revenue mix and the ongoing initiatives to improve cost management, as well as seeking qualification for alternative sources of raw materials and raising operational efficiencies, despite higher raw material cost. For EBU, the gross profit margin decreased from 6.5% in 1HY2021 to 4.3% in 1HY2022 primarily due to rising logistics and transportation costs and the inability to capitalise margin on chip shortages as official distributors. Cost and resale prices to customers are closely monitored by suppliers as most customers have contract pricing arrangements.

Other income decreased by S\$0.4 million from \$0.5 million in 1HY2021 to S\$0.1 million in 1HY2022. The decrease was due mainly to a reduction in the amount of grants received under government schemes to support businesses amid the COVID-19 pandemic ("government grants"). The government grants received in 1HY2022 amounted to S\$0.1 million compared to S\$0.4 million in 1HY2021. Miscellaneous income decreased from S\$0.2 million in 1HY2021 to S\$0.1 million in 1HY2022. The decrease was due mainly to lower interest and dividend. There had been no write backs on provision for payables in 1HY2022.

Other gains(losses) decreased by S\$0.4 million from a gain of S\$0.1 million in 1HY2021 to loss of S\$0.3million for 1HY2022. The decrease was largely due to foreign exchange losses of S\$0.2 million. The Group and its subsidiary corporations transact in various foreign currencies and recognises foreign exchange gains or losses as a result of transactions denominated in foreign currencies and translate receivables, cash and payables denominated in foreign currencies to the functional currencies of the respective companies in the Group as at the reporting date. As the Group reports in Singapore Dollar, a movement in exchange rate for the foreign currencies against Singapore Dollar contributes to a foreign exchange gain/(loss) exposure. There was also a reduction in gain from disposal of property, plant and equipment of S\$0.2 million in 1HY2022.

In line with the increase in sales, distribution and marketing expenses increased by S\$0.1 million or 84.3% from S\$0.1 million in 1HY2021 to S\$0.2 million in 1HY2022. This was mainly due to higher staff commissions paid, as well as related costs for the two business units.

Administrative expenses for the Group increased by S\$1.5 million from S\$3.3 million for 1HY2021 to S\$4.8 million for 1HY2022. The increase was mainly due to higher staff-related costs, professional fees and overseas taxes associated with the EBU.

Finance expenses decreased by S\$0.2 million or 52.0% to S\$0.2 million in 1HY2022 from S\$0.4 million in 1HY2021. The decrease was mainly due to lower interest rates across all trade facilities in 1HY2022 compared with 1HY2021 and a decrease in the usage of letter of credit/trust receipts financing and factoring.



Other Information (continued)

Statements of Financial Position

The Group's current assets increased by approximately S\$7.5 million or 10.9% from S\$68.5 million in FY2021 to S\$76.0 million in 1HY2022. Cash and cash equivalents increased by S\$1.5 million from S\$7.7 million in FY2021 to S\$9.2 million in 1HY2022 contributed by proceeds from the recent new placement shares and conversion of warrants exercises. Trade and other receivables increased by S\$1.0 million in 1HY2021 mainly attributed to the higher sales achieved by the Group for 1HY2021. Inventories increased by S\$5.0 million due to more inventories held by both MBU and EBU. For EBU, the increase in inventories of \$3.0 million are pegged to customers orders and forecasts and will be sold in 2HY2022, whereas for MBU, the increase of S\$2.0 million inventory are buffer stocks to support its current customers. Other current assets, which comprises of deposits, prepayments and properties held-in-trust remained at S\$7.9 for both 1HY2022 and FY2021.

Non-current assets decreased slightly by S\$0.2 million or 2.3% from S\$8.5 million in FY2021 to S\$8.3 million in 1HY2022. This is primarily due to a decrease in intangible assets of S\$0.2 million from S\$1.4 million in FY2021 to S\$1.2 million in 1HY2022 as a result of amortisation costs of S\$0.2 million. Depreciation for plant, property and equipment was S\$0.4 million for 1HY2022 and this was offset by an investment in plant, property & equipment of S\$0.4 million resulting to the carrying value for plant, property and equipment to remain unchanged at S\$7.0 for 1HY2022 and FY2021.

Current liabilities increased by S\$5.6 million or 14.5% to S\$44.4 million in 1HY2022 from S\$38.8 million in FY2021. Trade and other payables has increased by S\$3.5 million or 10.9% from S\$31.7 million in FY2021 to S\$35.2 million in 1HY2022. This was mainly due to the increased trade payables owing to non related parties related to inventory purchases which also resulted in the higher inventory held in 1HY2022. Borrowings increased by S\$2.2 million to S\$8.9 million in 1HY2022 from S\$6.7 million in FY2021. The increase was largely due to a reclassification of a borrowing from non-current to current of S\$2.0 million as the borrowing will fall due within a year.

Non-current liabilities decreased by S\$2.1 million from S\$2.3 million in FY2021 to S\$0.2 million in 1HY2022. The decrease was largely due to a reclassification of borrowing from non-current to current of S\$2.0 million as the borrowing will fall due within a year.

As at 30 September 2021, the Group reported a positive working capital. Working capital increased by S\$1.9 million from S\$29.7 million in FY2021 to S\$31.6 million in 1HY2021. The increase was contributed by an increase in cash and cash equivalents of S\$1.5 million, trade and other receivables of S\$1.0 million, inventories of S\$5.0 million and reduction in tax liabilities of S\$0.1 million, offset by an increase in liabilities, namely, trade and other payables of S\$3.5 million and borrowings of S\$2.2 million.

Other reserves decreased by S\$0.3 million from S\$1.3 million in FY2021 to S\$1.0 million in 1HY2022. Other reserves comprises of currency translation reserve and fair value reserve. Currency translation reserve decreased by S\$0.3 million mainly due to a decrease in the value of the Group's investments in its subsidiary corporations, arising from the strengthening of the Singapore Dollar against certain subsidiary corporations' functional currencies.

Statement of Cash Flows

Net cash flow used in operating activities for 1HY2022 was S\$1.1 million, comprising operating gain before working capital changes of S\$2.1 million offset by working capital outflow of S\$2.9 million and taxes paid amounting to S\$0.3 million. The working capital outflow was mainly due to an increase in trade and other receivables of S\$1.0 million, inventories of S\$5.4 million and a decrease in trade and other payables of S\$3.5 million.

Net cash used in investing activities was S\$0.4 million, mainly due to acquisition of additional property, plant and equipment of S\$0.5 million offset by disposal of property, plant and equipment, dividend and interest received amounting to S\$0.1 million.

Net cash generated from financing activities of S\$2.9 million mainly due to issuance of ordinary shares of S\$3.1 million, drawdown of short term bank borrowings of S\$0.1 million, offset with repayment of lease liabilities and interest paid amounting to S\$0.3 million.



Other Information (continued)

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

Not applicable. No prospect statement or forecast has been previously disclosed to shareholders.

25.0 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 event that may affect the group in the next reporting period and the next 12 months.

The Group sees a business recovery from the initial impact of the COVID-19 pandemic, a major factor contributing to the reversal from losses in FY2021. Despite reporting a strong first half year, the global business landscape remains challenging shrouded by the persistent social and economic uncertainties associated with the COVID-19 pandemic. Although the rate of vaccinations has been steadily increasing since the start of 2021, the emergence of new and highly transmittable COVID-19 variants, coupled with renewed lockdown measures or government restrictions in various countries will continue to dampen and hamper business activities from recovery to pre-pandemic levels. The volatility of foreign exchange against US Dollar and rising crude oil prices has affected resin prices (our principal raw material for MBU). With higher logistics costs as well as continuous pricing pressures from customers, the Group foresees business headwinds to continue to the end of the financial year. The Group's strategy is to maintain a diversified customer mix and product portfolio to ensure business resilience and stability for both its business segments. It will continue to work on initiatives to better manage cost and operational efficiency with a focus on products with longer life cycles and higher growth potential.

The recurring waves of COVID-19 infections and the extended movement control order (MCO) issued on 17 May 2021 continues to present challenges to MBU, as well as increasing pricing pressures from customers, a slowdown prospective in customer demands, raw material short supply resulting in higher prices and volatility in foreign exchange. The extension of MCO by the Malaysian Government which allowed 60% operational headcount at any one time posed further challenges to MBU insofar to operational output and efficiency. MBU continued its focus on its strategy of diversifying its customer base and expand product offering with higher margins such as the development of sub module assemblies for automobiles to increase revenue amidst the general automotive industry slowdown. MBU also received softening delivery instructions from customers in the Consumer/IT segment and this was leverage by the unit's venture into construction products. Mold fabrications remain robust with new orders received from various business segments. This reflects positive market sentiments and we will continue to explore this business with investment for new tool fabrications. The forward visibility for MBU remains challenging and yet optimistic. MBU will continue its efforts to explore product mixes and business opportunities from both new and existing customers, tighten costs and improve overall operational efficiency.

For HY2022, EBU out-performed the initial revenue and gross profit projections despite the global economy remains punctured as new COVID-19 variants continue to emerge. Logistic and transportation costs continue to escalate due to higher oil prices and limited human resources. As reported in FY2021, manufacturing started to exhibit supply constraints as semiconductor raw materials and wafer fabrication manufacturing capacity faced limited capacity and manpower which caused many suppliers to initiate longer support lead time and price hike for semiconductor components. This phenomenon was conspicuous in the channel distribution business as they were able to capitalise margin on shortages but not with official distributors like EBU as customers, costs and resale prices are closely monitored by suppliers. Despite a strong first half year performance, EBU remains cautious for the momentum to persist into the second half of the financial year. China, our biggest business region has exhibited weakened demand for electronics components. Nonetheless, EBU attempts with utmost efforts to generate new opportunities from emerging regions like Vietnam and India, which contributed close to 20.1% of the Group's total revenue for the previous financial year to compensate for the weakening demands from China and to achieve and surpass its annual operating plan.



Other Information (continued)

26.0 Dividends

(a) Any dividend declared for the current financial period reported on?

No dividend has been declared or recommended for the financial period ended 30 September 2021 as the Company deems it necessary to preserve cash for this 1HY2022.

(b) Corresponding Period of the Immediately Preceding Financial Period

Not applicable.

(c) Date payable

Not applicable.

(d) Book closure date

Not applicable.

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

There was no IPT greater than S\$100,000 for 1HY2022. The Group does not have a general mandate from its shareholders for IPT's.

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

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

29.0 Confirmation by the Board pursuant to Rule 705(5) of the listing manual

The Board of Directors of the Company hereby confirms to the best of our knowledge that nothing has come to our attention which may render the unaudited financial statements for the six months ended 30 September 2021 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Dato' Terence Tea Yeok Kian
Executive Chairman and CEO
11 November 2021