

CPH LTD.**Unaudited Full Year Financial Statement and Dividend Announcement for the Financial Year
Ended 31 March 2020****PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS**

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

	Group		
	S\$'000		%
	Year ended 31/03/2020 (Unaudited)	Year ended 31/03/2019 (Audited)	Increase/ (Decrease)
Interest Income	4	24	(83.3)
Other income	421	389	8.2
Administrative and other operating expenses	(1,163)	(1,279)	(9.1)
Finance costs	(103)	(31)	NM
Share of results of associate, net of tax	(234)	(72)	NM
Loss before income tax from continuing operations	(1,075)	(969)	10.9
Income tax expense	-	-	-
Loss from continuing operations, net of tax	(1,075)	(969)	10.9
Loss from discontinued operations, net of tax	(1,651)	(1,281)	28.9
Loss for the financial year	(2,726)	(2,250)	21.2
Other comprehensive income: <i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations, representing other comprehensive income from discontinued operations for the financial year, net of tax	37	88	(58.0)
Total comprehensive income for the financial year	(2,689)	(2,162)	24.4

1(a) (i) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year. – For discontinued operations

The results of the discontinued operations (PCB Segment) of CPH Group are as follows:

	PCB Segment		
	S\$'000		%
	Year ended 31/03/2020 (Unaudited)	Year ended 31/03/2019 (Audited)	Increase/ (Decrease)
Revenue	2,596	4,546	(42.9)
Cost of sales	(3,634)	(5,150)	(29.4)
Gross loss	(1,038)	(604)	71.9
Other income	97	31	NM
Selling and distribution expenses	(11)	(49)	(77.6)
Administrative and other operating expenses	(679)	(632)	7.4
Finance costs	(20)	(27)	(25.9)
Loss before income tax from discontinued operations	(1,651)	(1,281)	28.9
Income tax expense	-	-	-
Loss from discontinued operations, net of tax	(1,651)	(1,281)	28.9

1 (a)(ii) Notes to consolidated statement of comprehensive income

	Group		
	S\$'000		%
	Year ended 31/03/2020 (Unaudited)	Year ended 31/03/2019 (Audited)	Increase/ (Decrease)
Loss after income tax is arrived at:			
<u>Continuing Operations</u>			
After charging:			
Depreciation of property, plant and equipment	31	38	(18.4)
Interest expense	103	31	NM
Change in fair value of investment property	357	180	98.3
and crediting:			
Interest income	4	24	(83.3)
Rental Income	407	380	7.1
<u>Discontinued Operations</u>			
After charging:			
Bad debts written off	6	-	NM
Depreciation of property, plant and equipment	297	42	NM
Foreign exchange loss, net	60	130	(53.8)
Impairment loss on plant and equipment	146	-	NM
Interest expense	20	27	(25.9)
Inventories write-down	212	291	(27.1)
and crediting:			
Gain on disposal of property, plant & equipment	15	2	NM

NM – Not meaningful

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

	Group	Group	Company	Company
	As at 31/03/2020 (Unaudited)	As at 31/3/2019 (Audited)	As at 31/03/2020 (Unaudited)	As at 31/3/2019 (Audited)
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Subsidiaries	-	-	5,533	8,429
Associate	166	400	-	-
Property, plant and equipment	81	110	-	-
Investment property	9,380	8,000	-	-
	<u>9,627</u>	<u>8,510</u>	<u>5,533</u>	<u>8,429</u>
Current assets				
Inventories	28	-	-	-
Trade and other receivables	239	224	2,237	2,895
Prepayments	21	19	9	9
Fixed deposits with banks	-	905	-	-
Cash and bank balances	295	74	17	22
Assets of disposal group classified as held for sale	-	2,659	-	-
Non-current assets held for sale	301	-	-	-
	<u>884</u>	<u>3,881</u>	<u>2,263</u>	<u>2,926</u>
Less:				
Current liabilities				
Trade and other payables	472	508	119	377
Lease liabilities/Finance lease payables	67	6	-	-
Bank borrowings	800	344	-	-
Deferred grant income	85	-	-	-
Liabilities of disposal group classified as held for sale	-	1,370	-	-
	<u>1,424</u>	<u>2,228</u>	<u>119</u>	<u>377</u>
Net current assets/(liabilities)	<u>(540)</u>	<u>1,653</u>	<u>2,144</u>	<u>2,549</u>
Non-current liabilities				
Lease liabilities/Finance lease payables	(1,621)	(8)	-	-
	<u>(1,621)</u>	<u>(8)</u>	<u>-</u>	<u>-</u>
	<u>7,466</u>	<u>10,155</u>	<u>7,677</u>	<u>10,978</u>
Capital and reserves				
Share capital	24,764	24,764	24,764	24,764
Foreign currency translation account	(241)	(278)	-	-
Share-based payment reserve	10	10	10	10
Accumulated losses	(17,067)	(14,341)	(17,097)	(13,796)
Total equity	<u>7,466</u>	<u>10,155</u>	<u>7,677</u>	<u>10,978</u>

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

Amount repayable in one year or less, or on demand

As at 31/03/2020		As at 31/03/2019	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
806	-	6	344

Amount repayable after one year

As at 31/03/2020		As at 31/3/2019	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
2	-	8	-

Details of any collateral

At the reporting date, the short-term money market loan is secured against the Group's investment property (excluding right-of-use asset). In addition, lease liabilities of approximately S\$8,000 is secured by a copier.

Bank borrowings

As at 31 March 2020, a subsidiary had outstanding money market loan of S\$800,000 owing to a bank. However the subsidiary had not met the financial covenant to maintain a tangible net worth of at least S\$10 million as at 31 March 2020. The Group is in discussion with its banker to remedy this non-compliance to the financial covenant.

As announced by the Company in its unaudited FY2019 financial results announcement dated 30 May 2019, the said subsidiary had similarly breached the above-mentioned financial covenant as at 31 March 2019. The bank had subsequently notified the company that it had granted a waiver for the breach of the financial covenant.

1(b)(iii) Details of disposal group

	As at 31/03/2019
	\$'000
Property, plant and equipment	757
Inventories	894
Trade and other receivables	975
Prepayments	24
Cash and cash equivalents	9
Assets of disposal group classified as held for sale	<u>2,659</u>
Trade and other payables	694
Bank borrowings	<u>676</u>
Liabilities of disposal group classified as held for sale	<u>1,370</u>

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.

	Group	
	31/03/2020 (Unaudited) S\$'000	31/03/2019 (Audited) S\$'000
Operating activities		
Loss before income tax from continuing operations	(1,075)	(969)
Loss before income tax from discontinued operations	(1,651)	(1,281)
Total loss before tax	(2,726)	(2,250)
Adjustments for:		
Property, plant and equipment written-off	-	41
Impairment loss on plant and equipment	146	-
Depreciation of property, plant and equipment	328	80
Gain on disposal of property, plant and equipment	(15)	-
Change in fair value of investment property	357	180
Inventories write down	212	291
Bad trade receivables written off	6	-
Interest expense	123	58
Interest income	(4)	(24)
Share of results of associate, net of tax	234	72
Unrealised foreign exchange loss	51	4
Operating cash flows before working capital changes	(1,288)	(1,548)
Working capital changes:		
Inventories	646	92
Trade and other receivables	1,040	(462)
Prepayment	22	2
Trade and other payables	(731)	255
Net cash used in operating activities	(311)	(1,661)
Investing activities		
Purchase of plant and equipment	(3)	(16)
Proceeds from disposal of plant and equipment	23	-
Interest received	4	26
Net cash from investing activities	24	10
Financing activities		
Proceeds from trust receipts	1,646	3,288
Repayment of trust receipts	(2,318)	(3,348)
Proceeds from bank borrowings	800	-
Repayment of lease liabilities	(63)	(23)
Interest paid	(123)	(58)
Net cash used in financing activities	(58)	(141)
Net change in cash and cash equivalents	(345)	(1,792)
Cash and cash equivalents at beginning of financial year	640	2,432
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at end of financial year (See Note A)	295	640

Note A

Cash and cash equivalents comprised:

	31/03/2020	31/03/2019
	S\$'000	S\$'000
Fixed deposits with banks	-	905
Cash and bank balances	295	74
	<u>295</u>	<u>979</u>
Less: Bank overdraft	-	(344)
	<u>295</u>	<u>635</u>
Cash and cash equivalents held in disposal group	-	9
Bank overdraft held in disposal group	-	(4)
	<u>295</u>	<u>640</u>

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

The Group	Share capital	Foreign currency translation account	Share-based payment reserve	Accumulated losses	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 April 2018	24,764	(366)	10	(12,091)	12,317
Loss for the financial year	-	-	-	(2,250)	(2,250)
Other comprehensive income:					
Exchange differences on translating foreign operation	-	88	-	-	88
Total comprehensive income for the financial year	-	88	-	(2,250)	(2,162)
Balance as at 31 March 2019	<u>24,764</u>	<u>(278)</u>	<u>10</u>	<u>(14,341)</u>	<u>10,155</u>
Balance as at 1 April 2019	24,764	(278)	10	(14,341)	10,155
Loss for the financial year	-	-	-	(2,726)	(2,726)
Other comprehensive income:					
Exchange differences on translating foreign operation	-	37	-	-	37
Total comprehensive income for the financial year	-	37	-	(2,726)	(2,689)
Balance as at 31 March 2020	<u>24,764</u>	<u>(241)</u>	<u>10</u>	<u>(17,067)</u>	<u>7,466</u>

The Company	Share capital	Share-based payment reserve	Accumulated losses	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 April 2018	24,764	10	(10,527)	14,247
Loss for the financial year, representing total comprehensive income for the financial year	-	-	(3,269)	(3,269)
Balance as at 31 March 2019	24,764	10	(13,796)	10,978
Balance as at 1 April 2019	24,764	10	(13,796)	10,978
Loss for the financial year, representing total comprehensive income for the financial year	-	-	(3,301)	(3,301)
Balance as at 31 March 2020	24,764	10	(17,097)	7,677

11 (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.

The share capital of the Company was S\$24,764,175 divided into 1,229,226,124 ordinary shares as at 30 September 2019 and 31 March 2020. There was no change in the Company's share capital from 30 September 2019 up to 31 March 2020.

The Company did not have any outstanding convertible securities or treasury shares as at 31 March 2020 and 31 March 2019. There were also no subsidiary holdings as at 31 March 2020 and 31 March 2019.

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 of the Company as at 31 March 2020 and 31 March 2019 was 1,229,226,124 ordinary shares.

The Company did not have treasury shares as at 31 March 2020 and 31 March 2019.

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

Not applicable, as the Company did not have treasury shares during and as at the end of the current financial year reported on.

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, as there were no subsidiary holdings during and as at the end of the current financial year reported on.

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.

Not applicable. The Group's latest financial statements are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable. The Group's latest financial statements are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

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

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year reported on as compared with those in the Company's audited financial statements for the financial year ended 31 March 2019 ("FY2019").

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.

The Group has adopted SFRS(I) 16 *Leases* with effect from this current financial year beginning 1 April 2019 ("FY2020") using the modified retrospective method, and has capitalized the land leases payable to JTC for its investment property on the statement of financial position by

recognizing a right-of-use asset and the corresponding lease liabilities. Please refer to Section 8 for further details.

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

Continuing operations	Group	
	31/03/2020	31/03/2019
Loss per ordinary share of the Group based on loss attributable to owners of the Company		
Loss from continuing operations attributable to owners of the parent (SGD' 000)	(1,075)	(969)
(a) Based on the number of ordinary shares in issue (SGD cents)	(0.09)	(0.08)
(b) On a fully diluted basis (SGD cents)	(0.09)	(0.08)

Discontinued operations	Group	
	31/03/2020	31/03/2019
Loss per ordinary share of the Group based on loss attributable to owners of the Company		
Loss from discontinued operations attributable to owners of the parent (SGD' 000)	(1,651)	(1,281)
(a) Based on the number of ordinary shares in issue (SGD cents)	(0.13)	(0.10)
(b) On a fully diluted basis (SGD cents)	(0.13)	(0.10)

Loss per ordinary share for FY2020 and FY2019 in Item 6(a) was computed based on the loss attributable to the equity holders of the Company divided by the weighted average number of ordinary shares in issue of 1,229,226,124 ordinary shares for FY2020 and FY2019.

Loss per ordinary share on a fully diluted basis for FY2020 and FY2019 in Item 6(b) is the same as the basic loss per ordinary share because the Company did not have any potentially dilutive ordinary shares during and as at the end of the respective financial years.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year.

	Group		Company	
	31/03/2020	31/03/2019	31/03/2020	31/03/2019
Net asset value per ordinary share based on issued share capital	0.61 cents	0.83 cents	0.62 cents	0.89 cents

Net asset value per share of the Group and Company were computed based on the net assets of the Group and the Company respectively, divided by the issued ordinary share capital of 1,229,226,124 shares as at 31 March 2020 and 31 March 2019.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
- (a) Any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - (b) Any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of the Financial Performance of the Group (FY2020 vs. FY2019)

Discontinued Operations (Printed Circuit Boards Business Segment ("PCB Segment"))

Revenue

The PCB Segment recorded revenue of S\$2.60 million in FY2020 as compared to S\$4.55 million in FY2019. The decrease in revenue in FY2020 was attributable to the PCB segment operating for only eight months as it had ceased operations as at the end of November 2019. The PCB Segment had also started to wind down its operations since June 2019 for its planned cessation of operations in November 2019.

Gross Loss

The gross loss increased from S\$0.60 million in FY2019 to a gross loss of S\$1.04 million in FY2020. These gross losses were attributable to higher cost of imported material and lower operating efficiency as the production capacity was not fully utilized in both FY2020 and FY2019.

Other Income

In FY2020, other income of S\$0.09 million comprised the proceeds from the sales of scrap materials amounting to S\$0.07 million and gains from the disposal of property, plant and equipment amounting to S\$0.02 million. In FY2019, other income of S\$0.03 million were mainly the proceeds from the sales of scrap materials.

Expenses

Selling and distribution expenses decreased by S\$0.04 million to S\$0.01 million as compared to S\$0.05 million recorded in FY2019 in line with lower sales in FY2020.

During the second half of FY2019, the PCB Segment was classified as discontinued operations and its assets were classified as held for sale and valued at fair value in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*. Accordingly, no further provisions for depreciation charges were required to be made. There was also an adjustment made for a reclassification made in prior years which reduced the depreciation expense further in FY2019. However, due to changes in circumstances where the Management has decided to disaggregate the assets of the discontinued operations for sale in FY2020, depreciation expense was recorded, which resulted in depreciation expenses to be higher as compared with FY2019.

The PCB Segment's administrative and other operating expenses increased to S\$0.68 million in FY2020 from S\$0.63 million in FY2019 and included the following provisions:

- i) provision for impairment of property, plant and equipment of S\$0.15 million; and
- ii) additional provision of retrenchment benefits for employees of S\$0.11 million.

The increases from these additional provisions were offset by lower exchange loss of S\$0.06 million as compared to S\$0.13 million in FY2019.

The finance cost reduced from S\$0.03 million in FY2019 to S\$0.02 million in FY2020 due to lower usage of bank facilities during FY2020 in line with the reduction in business activities of the Group.

Loss before Income Tax

As a result of the above, the loss before income tax from discontinued operations amounted to S\$1.65 million as compared to a loss before income tax of S\$1.28 million in FY2019.

Continuing Operations

Other Income

The rental income increased from S\$0.38 million in FY2019 to S\$0.41 million in FY2020 as vacant spaces not leased during FY2019 were leased during FY2020.

Interest Income

Interest income reduced in FY2020 as fixed deposits with banks had been utilized during FY2020.

Expenses

The Group's administrative and other expenses for FY2020 was S\$1.16 million as compared to S\$1.28 million in FY2019. An impairment of S\$0.30 million was recorded in FY2020 upon revaluation of the investment property, whereas in FY2019, the impairment recorded on the same property was S\$0.18 million. This increase in impairment expense was offset by lower staff cost of S\$0.42 million in FY2020 as compared to S\$0.51 million in FY2019 and a reduction of S\$0.05 million in land lease expenses as a result of the adoption of SFRS(I) 16 *Leases*.

The Group's depreciation expenses decreased from S\$0.04 million in FY2019 to S\$0.03 million in FY2020 as some assets were fully depreciated in FY2020.

The Group's finance cost increased from S\$0.03 million in FY2019 to S\$0.10 million due to recognition of S\$0.09 million interest expense as a result of the adoption of SFRS(I) 16 *Leases* as applied to the land lease rentals on the Group's factory premise in Singapore.

Share of result of associate, net of tax

The Group recorded an increase in its proportionate share of losses from associate of approximately S\$0.23 million in FY2020 compared to S\$0.07 million in FY2019 as the food and beverage industry that the Group invested in continued to face strong competition and was further adversely impacted by the COVID-19 pandemic in the later months of FY2020.

Loss before income tax

As a result of the above, the Group recorded a loss before income tax from continuing operations of S\$1.08 million in FY2020 as compared to a loss before income tax of S\$0.97 million in FY2019.

Statement of Financial Position

Investment in associate decreased due to increased losses made by the associate in FY2020.

Property, plant and equipment decreased due to the depreciation charges of S\$0.03 million recorded.

Upon adoption of SFRS(I)16 *Leases*, the Group recognized a right-of-use asset and the corresponding lease liabilities (current and non-current) in the statement of financial position, in relation to the JTC land lease.

The value of the Group's investment property was written down upon revaluation to S\$7.70 million; however, the right-of-use asset of S\$1.68 million capitalised upon adoption of SFRS(I) 16 *Leases* was included under investment property.

As at 31 March 2019, total trade and other receivables was S\$1.21 million of which an amount of S\$0.98 million pertaining to the PCB Segment was classified under the assets of disposal group held for sale. As at 31 March 2020, all the assets and liabilities of the PCB Segment which had ceased operations by then were reclassified out of the disposal group. However, most of the trade receivables were collected upon cessation of the PCB Segment leaving just S\$0.05 million as at 31 March 2020.

As explained in the foregoing paragraph, the property, plant and equipment of the PCB Segment recorded at S\$0.76 million under the assets of disposal group as at 31 March 2019 was likewise reclassified to "Current assets held for sale". The value was decreased as at 31 March 2020 to S\$0.30 million through a depreciation charge of S\$0.30 million and an impairment loss of S\$0.15 million.

Fixed deposit with a bank was transferred to current account with banks for working capital use during FY2020.

Trade and other payables as at 31 March 2019 was S\$1.20 million of which S\$0.69 million was classified under liabilities of disposal group. Similar to the treatment for receivables, trade and other payables was also reclassified out of the disposal group as at 31 March 2020, and the balance recorded was S\$0.47 million. The decrease was mainly because most trade suppliers were paid upon the cessation of the PCB Segment, while other payables decreased in line with decreased administrative expenses and interest expense.

Bank borrowing increased as the Group utilised its loan facilities for working capital purposes.

The Group had a negative working capital of S\$0.54 million as at the end of FY2020. This was due to the cessation of the PCB Segment business in November 2019, as well as the subsequent write-down in value and allowances made for impairment of the assets of the PCB Segment.

The Board confirms that the Group is able to meet its short-term debt obligations as and when they fall due. The Group has secured a working capital loan of S\$1.00 million, and a short-term loan facility of S\$1.00 million against the mortgage of the investment property in Singapore. The Group is in the process of disposing of its PCB Segment assets which is expected to be completed in the near term. The Group will also dispose the Singapore investment property once a suitable buyer is found.

Deferred grant income comprised the amounts receivable from the Singapore Government under the Jobs Support Scheme and the property tax rebate receivable from the Inland Revenue Authority of Singapore (IRAS).

Cash Flow and Working Capital

The Group has an operating cash outflow of S\$1.29 million before working capital changes for FY2020. During FY2020, working capital cash inflows were generated from decreases in trade and other receivables and inventories of S\$1.04 million and S\$0.65 million respectively, and these were offset by cash outflow from the decrease in trade and other payables of S\$0.73 million. As a result, an amount of S\$0.31 million was used for operating activities.

For the financing activities, a net amount of S\$1.65 million was generated from the banking facilities to purchase raw materials and S\$2.50 million was utilized to settle trust receipts, finance lease instalments and interests. The Group also drew down S\$0.80 million of banking facilities to finance its operations. Net cash used for financing activities amounted to S\$0.06 million in FY2020.

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

Not applicable as no prospect statement was previously disclosed to shareholders.

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

The Group had ceased operations of its PCB Segment business as at the end of November 2019. The Group will continue its efforts to dispose of its remaining PCB Segment assets. The Group also has the intention of disposing the Singapore investment property.

The Group had on 2 April 2020 announced that the Singapore Exchange Securities Trading Limited (“SGX-ST”) has advised that the Company is deemed as a Cash Company with effect from 2 April 2020. Accordingly, the Group has been in the process of searching for a viable business that meets the SGX-ST’s requirements for a new listing (“Viable Business”) to be acquired within 12 months from 2 April 2020 (being the date the Company was deemed a Cash Company).

Further details on the status of the aforementioned disposal of assets and acquisition of a Viable Business are provided in the Company’s monthly update announcements on monthly valuation of assets, utilisation of cash and disposal of assets and quarterly update announcements on the Company’s milestones in obtaining a new business, as required under the Catalist Rules. Please refer to the announcement dated 17 July 2020 for the latest updates on the aforementioned. The Company will also update shareholders via immediate announcements on SGXNET as and when there are material developments to the aforementioned.

11. Dividend

If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended)

No

**(b) (i) Amount per share cents
(ii) Previous corresponding period cents**

Not Applicable

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not Applicable

(d) The date the dividend is payable.

Not Applicable

- (e) *The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.*

Not Applicable

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

No dividend has been declared or recommended for FY2020 as the Company is in a loss-making position.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

13. **Segmented revenue and results for operating 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.**

Geographical Information

Continuing Operations

Rental income is derived from external parties in Singapore.

FY2020	Singapore	Malaysia	Total
	S\$'000	S\$'000	S\$'000
Non-current assets	9,627	-	9,627

FY2019	Singapore	Malaysia	Total
	S\$'000	S\$'000	S\$'000
Non-current assets	8,510	-	8,510

Discontinued Operations

FY2020	Germany	Switzerland	Malaysia	Japan	Singapore	Others	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Total revenue from external customers (discontinued operations)	1,242	419	656	83	73	123	2,596

FY2019	Germany	Switzerland	Malaysia	Japan	Singapore	Others	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Total revenue from external customers (discontinued operations)	1,955	956	1,001	318	115	201	4,546

Business Segments

FY2020	Rental	Food and beverage	Printed circuit boards (Discontinued operations)	Unallocated	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue					
External revenue	-	-	2,596	-	2,596
Results					
Segment results	(72)	-	(1,631)	(720)	(2,423)
Change in fair value of investment property	(357)	-	-	-	(357)
Rental income	407	-	-	-	407
Interest income	-	-	-	4	4
Finance costs	-	-	(20)	(103)	(123)
Share of results of associate, net of tax	-	(234)	-	-	(234)
Loss before income tax	(22)	(234)	(1,651)	(819)	(2,726)
Income tax credit	-	-	-	-	-
Loss after income tax	(22)	(234)	(1,651)	(819)	(2,726)
Non-cash items					
Depreciation of property, plant and equipment	-	-	297	33	330
Assets and Liabilities					
Segment assets	9,380	166	629	336	10,511
Segment liabilities	-	-	207	2,838	3,045

FY2019	Rental	Food and beverage	Printed circuit boards (Discontinued operation)	Unallocated	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue					
External revenue	-	-	4,546	-	4,546
Results					
Segment results	(280)	-	(1,254)	(810)	(2,344)
Change in fair value of investment property	(180)	-	-	-	(180)
Rental income	380	-	-	-	380
Interest income	-	-	-	24	24
Finance costs	-	-	(27)	(31)	(58)
Share of results of associate, net of tax	-	(72)	-	-	(72)
Loss before income tax	(80)	(72)	(1,281)	(817)	(2,250)
Income tax credit	-	-	-	-	-
Loss after income tax	(80)	(72)	(1,281)	(817)	(2,250)
Non-cash items					
Depreciation of property, plant and equipment	-	-	42	38	80
Capital expenditure					
Property, plant and equipment	-	-	16	-	16
Assets and Liabilities					
Segment assets	8,000	400	2,659	1,332	12,391
Segment liabilities	-	-	1,370	866	2,236

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

The Group's main reportable business segment in FY2019 and FY2020 is the printed circuit boards business, and the material changes in contributions to turnover and earnings have been explained in Paragraph 8 above.

Revenue of the Group's printed circuit boards ("PCB") segment across Asia, Germany and Switzerland decreased in FY2020 as compared to FY2019 as the Group commenced the winding down of its PCB Segment operations from June 2019 and ceased operations completely in November 2019.

During FY2020, the Group's European customers contributed approximately 48% of the Group's revenue while the balance 52% was contributed through Asia.

15. A breakdown of sales as follows:-

	Group		
	S\$'000 Latest Financial Year	S\$'000 Previous Financial Year	% Increase/ (decrease)
(a) Sales reported for first half year (Discontinued operations)	2,306	2,328	(0.9)
(b) Operating loss after income tax reported for first half year	(825)	(1,299)	(36.5)
(c) Sales reported for second half year (Discontinued operations)	290	2,218	(86.9)
(d) Operating loss after income tax reported for second half year	(1,901)	(951)	99.9

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

(a) Ordinary

Not applicable. No dividend has been declared or recommended for FY2020 and FY2019.

(b) Preference

Not applicable. No dividend has been declared or recommended for FY2020 and FY2019.

(c) Total

Not applicable. No dividend has been declared or recommended for FY2020 and FY2019.

17. 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.

The Group does not have a general mandate for interested person transactions. There were no interested person transactions with value of more than S\$100,000 during FY2020.

18. 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 below. 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 first held	Details of changes in duties and position held, if any, during the year
Tan Yeat Chia (“Mr Tan”)	35	Son of Mdm Choo Tung Kheng, the Managing Director and substantial shareholder of the Company	Mr Tan, Corporate Service Manager, is assisting the Executive Director on the business development and responsible for business support services of the Group. Mr Tan was appointed on 18 January 2012.	Nil

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

The Company confirms that it has procured undertakings from all its directors and executive officers (in the form set out in Appendix 7H) under Rule 720(1).

20. Disclosures on Acquisition and Realisation of Shares pursuant to Catalist Rule 706A

There were no acquisitions or realization of shares by the Company or any of the Group entities during FY2020. The Company and the Group entities did not incorporate any new subsidiary or associated company during FY2020.

BY ORDER OF THE BOARD

Choo Tung Kheng
Managing Director
27 July 2020

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"), in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST. 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 Ms. Jennifer Tan, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).