

Unaudited Full Year Financial Statement And Dividend Announcement for the Year Ended 31/12/2020
PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

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

	Group		Increase / (Decrease) %
	2020 S\$'000	2019 S\$'000	
Revenue	24,629	38,303	(35.70)
Cost of sales	(21,204)	(34,711)	(38.91)
Gross Profit	<u>3,425</u>	<u>3,592</u>	(4.65)
Other operating income	678	519	30.64
Selling and distribution expenses	(2,298)	(2,612)	(12.02)
General and administrative expenses	(7,993)	(10,129)	(21.09)
Other operating expenses	(3,309)	(1,354)	144.39
Write back of impairment losses on financial assets	67	784	(91.45)
Finance income	39	62	(37.10)
Finance expenses	(547)	(573)	(4.54)
Finance expenses, net	<u>(508)</u>	<u>(511)</u>	(0.59)
Loss before income tax	(9,938)	(9,711)	2.34
Income tax	(51)	(105)	(51.43)
Loss after tax for the period	<u>(9,989)</u>	<u>(9,816)</u>	1.76
Other comprehensive income / (loss) :			
Currency translation difference	1,090	(694)	N.M.
Other comprehensive income / (loss), net of tax	<u>1,090</u>	<u>(694)</u>	N.M.
Total comprehensive loss	<u>(8,899)</u>	<u>(10,510)</u>	(15.33)
Loss for the period attributable to			
Owners of the Company	(6,375)	(6,247)	2.05
Non-controlling interests	<u>(3,614)</u>	<u>(3,569)</u>	1.26
	<u>(9,989)</u>	<u>(9,816)</u>	1.76
Total comprehensive loss attributable to:			
Owners of the Company	(5,546)	(6,729)	(17.58)
Non-controlling interests	<u>(3,353)</u>	<u>(3,781)</u>	(11.32)
	<u>(8,899)</u>	<u>(10,510)</u>	(15.33)

N.M. - Not meaningful

Other notes :

Profit before income tax is arrived at after charging / (crediting) the following :

	Group		Increase / (Decrease)
	2020 S\$'000	2019 S\$'000	%
Depreciation of property, plant and equipment	1,525	1,909	(20.12)
Depreciation of right-of-use assets	182	188	(3.19)
Amortisation of intangible assets	161	162	(0.62)
Cost of Sales	20,867	35,183	(40.69)
Write back of impairment losses on financial assets	(152)	(817)	(81.44)
Impairment losses on financial assets - trade receivables	85	33	156.57
Impairment loss of non-financial assets	3,253	1,272	155.74
Research and development	41	57	(28.07)
Allowance of inventory obsolescence	59	472	(87.50)
Write back of provision for inventory	(397)	-	N.M.
Foreign exchange loss	248	41	504.69
(Gain) / Loss from disposal of property, plant and equipment	(50)	1	N.M.
Property, plant and equipment written off	14	-	N.M.
Interest expense on borrowings and lease liabilities	547	573	(4.54)
Interest income	(39)	(62)	(37.10)

N.M. - 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		Company	
	Dec-2020 S\$'000	Dec-2019 S\$'000	Dec-2020 S\$'000	Dec-2019 S\$'000
Non-Current Assets				
Property, plant and equipment	9,077	12,788	11	66
Right-of-use assets	1,056	735	13	17
Intangible assets	320	653	322	645
Investment in subsidiaries	-	-	5,119	5,559
Long term prepaid and deferred expenses	-	129	-	25
Trade and notes receivables	-	226	-	1,087
	10,453	14,531	5,465	7,399
Current Assets				
Inventories	10,411	12,222	-	-
Trade and notes receivables	4,796	8,527	1,009	541
Other receivables	1,317	1,501	1,910	940
Prepayment	572	403	58	39
Fixed deposits	1,500	1,771	-	-
Cash and bank balances	4,469	3,218	135	117
	23,065	27,642	3,112	1,637
Total Assets	33,518	42,173	8,577	9,036
Current Liabilities				
Trade payables	2,462	6,337	-	-
Bills payable to banks	152	535	-	-
Other payables and accruals	5,108	5,832	312	316
Contract liabilities	124	368	-	-
Lease liabilities	527	417	7	7
Term loans	8,534	6,176	-	-
	16,907	19,665	319	323
Net Current Assets	6,158	7,977	2,793	1,314
Non-Current Liabilities				
Lease liabilities	667	624	2	9
Term loan	1,949	-	-	-
Other long term liabilities	13	178	-	-
Deferred tax liabilities	51	45	-	-
	2,680	847	2	9
Net Assets	13,931	21,661	8,256	8,704
Equity				
Share capital	24,603	23,406	24,603	23,406
Capital reserve	294	294	-	-
General reserve	4,417	4,417	-	-
Enterprise expansion fund	4,417	4,417	-	-
Translation reserve	40	(789)	-	-
Retained losses	(21,243)	(14,840)	(16,347)	(14,702)
	12,528	16,905	8,256	8,704
Non-controlling interests	1,403	4,756	-	-
Total Equity	13,931	21,661	8,256	8,704

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

Amount repayable in one year or less, or on demand*

As at 31/12/2020		As at 31/12/2019	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
8,699	514	6,734	394

Amount repayable after one year*

As at 31/12/2020		As at 31/12/2019	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
1,973	643	45	579

Details of any collateral

Secured borrowings

As at 31 December 2020, our Group's borrowings are secured by the following:

- i) Term loan and bills payable to banks of approximately S\$10,635k (31 December 2019: S\$6,711k) were granted to the subsidiaries of the company and were used mainly as working capital and for financing of purchases made in the ordinary course of business. The financing are secured by fixed deposit of S\$1.5m (31 December 2019: S\$1.8m) and properties, owned by our Singapore and PRC subsidiaries; and
- ii) The lease liabilities under the hire purchase is approximately S\$37k (31 December 2019: S\$68k) secured by the underlying assets acquired with total net book values of approximately S\$35k as of 31 December 2020 (31 December 2019: S\$49k).

Unsecured borrowings

- i) The Unsecured debts securities include the office rental which arises from the adoption of SFRS(I) 16 Leases.

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.

	2020	2019
Note	S\$'000	S\$'000
Cash flow from operating activities		
Loss before income tax	(9,938)	(9,711)
Adjustments for:		
Depreciation of property, plant and equipment	1,525	1,909
Depreciation of right-of-use assets	182	188
Amortisation of intangible assets	161	162
Write-back of trade receivables	(152)	(817)
Impairment losses on financial assets - trade receivables	85	33
(Gain) / loss from disposal of property, plant and equipment	(50)	1
Property, plant and equipment written off	14	-
Impairment loss of non-financial assets	3,253	1,272
Allowance for inventory obsolescence	59	472
Write back of provision for inventory	(397)	-
Interest expense on borrowings and lease liabilities	547	573
Interest income	(39)	(62)
Translation adjustments	103	257
Operating loss before working capital changes	(4,647)	(5,723)
Decrease / (increase) in inventories	1,687	(217)
Decrease in trade and note receivables	3,681	4,383
Decrease / (increase) in other receivables and prepayments	245	(115)
(Decrease) / increase in trade and other payables	(4,256)	2,736
(Decrease) / increase in contract liabilities	(221)	157
Decrease in other long term liabilities	(164)	(23)
Decrease in Deferred Tax Liabilities	7	-
Cash used in operations	(3,668)	1,198
Interest received	39	62
Interest paid	(547)	(573)
Income tax paid	(153)	(239)
Net cash used in operating activities	(4,329)	448
Cash flow from investing activities		
Purchase of property, plant and equipment	(344)	(1,407)
Proceeds from disposal of property, plant and equipment	112	9
Net cash used in investing activities	(232)	(1,398)

	12 Mths Ended	12 Mths Ended
	Dec 2020	Dec 2019
	S\$'000	S\$'000
Cash flow from financing activities		
Decrease in restricted cash	267	(267)
Proceeds from loans and borrowings	6,125	-
Repayment of loans and borrowings	(1,552)	(1,777)
Proceeds from issuance of ordinary shares from Rights Issue	1,196	-
Payment of principal portion of lease liabilities	(386)	(439)
Net cash generated from financing activities	<u>5,650</u>	<u>(2,483)</u>
Net increase / (decrease) in cash & cash equivalents	1,089	(3,433)
Effect of exchange rate changes on cash and cash equivalents	158	(224)
Cash and cash equivalents at beginning of financial period	<u>3,222</u>	<u>6,879</u>
Cash and cash equivalents at end of financial period	A <u>4,469</u>	<u>3,222</u>

Note A: Cash and cash equivalents

Cash and cash equivalents consists of bank balances and fixed deposits.

Cash and cash equivalents included in consolidated statement of cash flows comprise the following balance sheet amounts:

	Dec 2020	Dec 2019
	S\$'000	S\$'000
Cash and bank balances	4,469	3,218
Fixed deposits	<u>1,500</u>	<u>1,771</u>
	<u>5,969</u>	<u>4,989</u>
Less : Restricted cash*	<u>(1,500)</u>	<u>(1,767)</u>
Cash and cash equivalents	<u>4,469</u>	<u>3,222</u>

*As at 31 December 2020, there was S\$1.5m cash at bank held by the Group (31 December 2019: S\$1.8m) placed with the banks of subsidiary companies, which was used to pledge as collateral for the short term loan and issuance of commercial bills.

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

	Attributable to owners of the Company						Sub-total	Non-controlling interests	Total
	Share capital	Capital reserve	General reserve	Enterprise expansion fund	Translation reserve	Retained losses			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
Group									
As at 01-January-2019	23,406	294	4,417	4,417	(307)	(8,593)	23,634	8,537	32,171
Loss for the year	-	-	-	-	-	(6,247)	(6,247)	(3,569)	(9,816)
Other comprehensive loss for the year	-	-	-	-	(482)	-	(482)	(212)	(694)
Total comprehensive loss for the year	-	-	-	-	(482)	(6,247)	(6,729)	(3,781)	(10,510)
As at 31-December-2019	23,406	294	4,417	4,417	(789)	(14,840)	16,905	4,756	21,661
As at 01-January-2020	23,406	294	4,417	4,417	(789)	(14,840)	16,905	4,756	21,661
Loss for the year	-	-	-	-	-	(6,375)	(6,375)	(3,614)	(9,989)
Other comprehensive income for the year	-	-	-	-	829	-	829	261	1,090
Total comprehensive loss for the year	-	-	-	-	829	(6,375)	(5,546)	(3,353)	(8,899)
Transfer of reserve	-	-	-	-	-	-	-	-	-
Strike Off of Dedot Pte. Ltd.	-	-	-	-	-	(28)	(28)	-	(28)
Issued of new ordinary shares	1,197	-	-	-	-	-	1,197	-	1,197
As at 31-December-2020	24,603	294	4,417	4,417	40	(21,243)	12,528	1,403	13,931
Company									
As at 01-January-2019	23,406	-	-	-	-	(5,503)	17,903	-	17,903
Loss for the year	-	-	-	-	-	(9,199)	(9,199)	-	(9,199)
Issued of new ordinary shares	-	-	-	-	-	-	-	-	-
As at 31-December-2019	23,406	-	-	-	-	(14,702)	8,704	-	8,704
As at 01-January-2020	23,406	-	-	-	-	(14,702)	8,704	-	8,704
Loss for the year	-	-	-	-	-	(1,645)	(1,645)	-	(1,645)
Prior year adjustment	-	-	-	-	-	-	-	-	-
Issued of new ordinary shares	1,197	-	-	-	-	-	1,197	-	1,197
As at 31-December-2020	24,603	-	-	-	-	(16,347)	8,256	-	8,256

1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and 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 subsidiary holdings held against the total percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

The Company had on 1 December 2020 lodged an Offer Information Statement with the Singapore Exchange Securities Trading Limited (the "SGX-ST"), acting as agent on behalf of the Monetary Authority of Singapore, for the renounceable non-underwritten rights issue of up to 106,956,928 new ordinary shares in the issued share capital of the Company, at an issue price of S\$0.027 for each rights share, on the basis of two rights shares for every five existing ordinary shares in the issued and paid up share capital of the Company held by entitled shareholders (the "Rights Issue"). Following the completion of the Rights Issue on 24 December 2020, a total of 44,305,833 shares were issued and the total number of issued shares has increased from 267,392,320 shares to 311,698,153 shares. Furthermore, the share capital of the Company has increased from S\$23.4m to S\$24.6m.

There were no outstanding convertibles, treasury shares or subsidiary holdings held by the Company as at 31 December 2020 and 31 December 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.

There were no treasury shares as at 31 December 2019 and 31 December 2020. The share capital of the Company comprises 311,698,153 ordinary shares as at 31 December 2020 (31 December 2019 : 267,392,320 ordinary shares).

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

Not applicable. The Company does not have any treasury shares as at 31 December 2019 and 31 December 2020

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

Not applicable as the Company did not hold any subsidiary holdings as at 31 December 2019 and 31 December 2020

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

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

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications 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 audited financial statement for the financial year ended 31 December 2019 were 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.

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

The Group and Company have applied the same accounting policies and methods of computation for the current reporting period compared with audited financial statement as at 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 the effect of, the change.

Not applicable

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.

Loss per share based on loss for the year attributable to owners of the Company	Year-ended 31 December	Year-ended 31 December
	2020	2019
	Cents	Cents
(a) Based on weighted average number of ordinary shares	(2.38)	(2.34)
(b) Based on a fully diluted basis	(2.38)	(2.34)
Weighted average number of ordinary shares in issue	267,756,478	267,392,320

Loss per share was calculated based on 267,756,478 ordinary shares in issue for year ended 31 December 2020 and 267,392,320 ordinary shares in issue for year ended 31 December 2019.

7 **Net asset value (for the issuer and group) per ordinary share based on the total number of 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	
	Cents		Cents	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Net asset value per ordinary share based on total number of issued shares excluding treasury shares at the end of the respective period	4.02	6.32	2.65	3.26

Net asset value per share as of 31 December 2020 was computed based on 311,698,153 ordinary shares (31 December 2019 : 267,392,320 ordinary shares).

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 financial performance

Revenue

The Group recorded a total revenue of S\$24.6m for the full year ended 31 December 2020 ("FY2020"), a drop of S\$13.7m or 35.7% in the Group's revenue as compared to the corresponding period ended 31 December 2019 ("FY2019") of S\$38.3m. The decrease in the revenue for FY2020 was mainly due to the impact of COVID-19 pandemic that has disrupted the Group's business and operations since early 2020.

Gross Profit

Despite lower revenue in FY2020, gross profit margin has increased from 9.4% in FY2019 to 13.9% in FY2020 mainly due to reclassification of S\$2.5m idling production cost from cost of sales to general and administrative ("G&A") expenses. The idling production cost was the result of the temporary closure of our factories in the China subsidiaries during the pandemic period. Gross profit for the period reduced by S\$0.16m from S\$3.59m in FY2019 to S\$3.43m in FY2020.

Net Operating Expenses

Due to the lower revenue in FY2020, the Group recorded a decrease of S\$0.3m in selling and distribution expenses and a decrease of S\$2.1m in G&A expenses as compared to FY2019. The decline in G&A expenses was mainly due to write back of provision for inventory of S\$0.4m, lower allowance for inventory obsolescence of S\$0.4m, lower salaries and wages of S\$1.0m, lower office expenses of S\$0.3m and lower transportation cost of S\$0.3m.

Furthermore, the Group recorded an increase of S\$2.0m in other operating expenses which was mainly due to the impairment of PPE and right-of-use assets of S\$3.1m and impairment of intangible assets of S\$0.2m arising from the lower recoverable amount than carrying value on the non-current assets of its subsidiaries in China as a result of the lower revenue and longer economic recovery following the COVID-19 pandemic. The increase in other operating expenses was partially offset by the lower impairment of right-of-use assets of S\$1.3m.

Overall, the net operating expenses remained relatively unchanged in FY2020 of S\$12.9m as compared to S\$12.8m in FY2019.

Other operating income included government financial grants (Jobs Support Scheme) of S\$220k in FY2020.

Net Financial Expense

The Group recorded a net finance expenses of S\$508k in FY2020, as compared to an amount of S\$511k in FY2019.

Tax

Taxation is in line with profits made by profitable subsidiaries in China and Malaysia.

Net Results

As a result of the above, the Group registered a loss before tax of S\$9.9m for FY2020 as compared to loss before tax of S\$9.7m for FY2019. The loss for the period attributable to owners of the Group is approximately S\$6.4m in FY2020, as compared to S\$6.2m in FY2019.

Review of financial position

The Group's property, plant and equipment ("PPE") including the land use rights and right-of-use assets were at S\$10.1m and S\$13.5m as at 31 December 2020 and 31 December 2019 respectively. The reduction in PPE was mainly attributable to the depreciation and amortisation charges of S\$1.7m, impairment of non-financial assets of S\$3.1m due to lower recoverable amount than carrying value on the non-current assets of the subsidiaries in China and this was partially offset by a capital expenditures of S\$344k, which was used to upgrade old machines and automate part of the production facilities, recognition of right-of-use assets for office rental as per SFRS 116 of S\$0.6m, and S\$0.5m of forex translation on PPE.

Intangible assets was reduced by S\$0.3m mainly due to impairment of S\$0.2m due to lower recoverable amount than carrying value.

Long term prepaid and deferred expenses has decreased by S\$129k as at 31 December 2020, which was mainly due to the expensing off accessories for laboratory use.

Inventories were at S\$10.4m as at 31 December 2020 and S\$12.2m as at 31 December 2019. The decline in inventories was in line with the decrease in revenue recorded for the year.

Current and non-current trade and notes receivables has decreased from S\$8.8m as at 31 December 2019 to S\$4.8m as at 31 December 2020, mainly due to the reduction in sales.

Other receivables has reduced by S\$0.2m to S\$1.3m as at 31 December 2020, in line with the reduction in sales.

Prepayment has increased by S\$0.2m to S\$0.6m as at 31 December 2020 from S\$0.4m as at 31 December 2019, mainly due to advance payment to suppliers.

Cash and cash equivalents for the period increased from S\$3.2m as at 31 December 2019 to S\$4.5m as at 31 December 2020. The increase in cash was mainly due to the S\$6.1m loans and borrowings obtained by our subsidiaries, and funds raised from Rights Issue of S\$1.2m which was partially offset by cash used in operations and repayment of loans and borrowings.

Trade payables has reduced from S\$6.3m as at 31 December 2019 to S\$2.5m as at 31 December 2020. The decrease in trade payables was in line with the reduction in sales.

Other payables and accruals has decreased from S\$5.8m as at 31 December 2019 to S\$5.1m as at 31 December 2020, mainly due to lower accrual of salary and bonus, and audit fee.

Term loan has increased from S\$6.2m as at 31 December 2019 to S\$10.5m as at 31 December 2020. This was mainly due to the increase in loans and borrowings of S\$6.1m which was used mainly as working capital and for financing of purchases made in the ordinary course of business, and partially offset by repayment in loans and borrowings.

Overall, Group's equity as at 31 December 2020 was at S\$13.9m, a reduction of approximately of S\$7.7m or 35.6% compared to S\$21.7m as at 31 December 2019. This was mainly resulted from the loss incurred during FY2020.

Review of cash flow

Net cash generated from operating activities

In FY2020, approximately S\$4.3m of net cash was used to fund the operating activities, which was a result of operating loss before changes in working capital of S\$4.6m, net working capital inflows of approximately S\$1.0m and net interest and tax expense of S\$0.7m.

Net cash used in investing activities

In FY2020, the Group's net cash outflow from investing activities amounted to approximately S\$232k, which was mainly due the purchase of property, plant and equipment of S\$344k and partially offset by the proceeds from the disposal of property, plant and equipment of S\$112k.

Net cash from financing activities

In FY2020, the Group's net cash inflow from financing activities amounted to approximately S\$5.7m. This was mainly due to the increase in loans and borrowings of S\$6.1m, funds raised through Rights Issue of S\$1.2m, reduction in restricted cash of S\$0.3m, and partially offset by loan repayments of S\$1.6m and lease liabilities repayment of S\$0.4m.

Use of Proceeds from the non-underwritten renounceable Right Issues

	<u>S\$'000</u>
Gross Proceeds of the Rights Issue	1,196
Use of proceeds during the financial year	
(a) Repayment of Director's loan	(800)
(b) Transaction costs related to Rights Issue	(120)
(c) General corporate and working capital purposes	(276)
<u>Balance of proceeds as of 31st December 2020</u>	<u>-</u>

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

There has not been any forecast or prospect statement in relation to the Group's results 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 prolonged Covid-19 pandemic and slow recovery of the economy continues to have a significant impact on the demand for products within the textile industry.

Globally, government financial assistance and vaccinations programmes are expected to continue to roll out quickly to restore confidence in the markets and help keep companies afloat. The pandemic has deeply changed our lifestyles and how we perceive hygiene and protection. With the world's population growing acutely aware of potential viral transmissions, antiviral textiles and surfaces have become very important. It has thus allowed new reusable healthcare and medical articles like Personal Protection Equipment PPE and Athleisure sectors to grow very quickly with these new demands.

In this context, the Group aims to continue to improve its bottom line by selling higher yielding margin products and service solutions in the above growing sectors to increase its overall profit margins. At the same time, wherever possible we will continue to look into appropriate cost control measures and to buy our raw materials at better prices.

With the above measurements and greater efforts for improvements, barring any unforeseen circumstances, the Group cautiously expects the following: (i) incrementally improving the Group's business value growth for 2021 with better profit margins, (ii) meeting its obligations to banks and creditors, and (iii) sufficient cash flows to meet its operations needs.

11 **Dividend**

(a) Current Financial Period Reported On

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

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared/(recommended) for the corresponding period of the immediately preceding financial year?

None.

(c) Whether the dividend is before tax, net of tax or tax exempt

Not applicable.

(d) Date payable

Not applicable.

(e) Books closure date

Not applicable.

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

No dividend has been declared/(recommended) as the Group is not profitable.

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

The Group has not obtained a general mandate from shareholders for interested person transactions.

During the financial year, there were interested person transactions based on the terms agreed between the parties as follows:

Group	
2020	11/7/1904
S\$'000	S\$'000
6	6

Fees incurred or paid to a law firm which a director, Mr Wang Dao Fu is a partner

14 **Disclosures on Acquisition and Realisation of Shares pursuant to Catalyst Rule 706A**

There were no acquisitions or realisation of shares in any of the Group's subsidiary or associated company nor incorporation of any new subsidiary or associated company by the Company or any of the Group's entities during FY2020.

15 **Negative confirmation pursuant to the Rule 705(5).**

Not applicable for full year results announcement.

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

The Company has procured undertakings from all its directors and executive officers in the format as set out in Appendix 7H of the Catalyst Rules, in accordance with Rule 720(1) of Catalyst Rules.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half-Year Results)

17 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

	PRC		Other Asia Pacific		Eliminations		Group	
	FY2020 S\$'000	FY2019 S\$'000	FY2020 S\$'000	FY2019 S\$'000	FY2020 S\$'000	FY2019 S\$'000	FY2020 S\$'000	FY2019 S\$'000
Segment revenue								
Sales to external customers	18,326	31,026	6,303	7,277	-	-	24,629	38,303
Inter-segment sales	12,360	22,257	1,457	1,971	(13,818)	(24,228)	-	-
Total revenue	30,686	53,283	7,760	9,248			24,629	38,303
Segment results	(8,352)	(7,860)	(1,561)	(9,671)	484	8,332	(9,430)	(9,200)
Financial expense, net							(508)	(511)
Loss before tax							(9,938)	(9,711)
Income tax							(51)	(105)
Loss after tax							(9,989)	(9,816)
Non-controlling interest							3,614	3,569
Loss attributable to owners of the parent							(6,375)	(6,247)

The revenue of the Group is primarily derived from the manufacturing and sales of dye stuffs and auxiliary chemicals. As such, no operating segment revenue and results have been prepared. Not applicable.

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

Please refer to paragraph 8 of this announcement for a review of the performance of the Group.

19 A breakdown of sales.

	Group		Increase / (Decrease) %
	FY2020 S\$'000	FY2019 S\$'000	
Sales reported for first half year	12,998	19,671	(33.92)
Operating loss after tax before deducting non-controlling interests reported for first half year	(2,617)	(4,068)	(35.67)
Sales reported for second half year	11,631	18,632	(37.58)
Operating loss after tax before deducting non-controlling interests reported for second half year	(7,372)	(5,748)	28.25
Not applicable.			

20 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

No dividends were declared for FY2019 and FY2020.

(b) Preference

Not applicable.

(c) Total

Not applicable.

21 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

Pursuant to Rule 704(10) of the Catalist Rules, we set out below the persons holding managerial positions in the Group who are related to the Directors, Chief Executive Officer or substantial shareholders

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 Pang Sim	71	Brother of Dr Tan Pang Kee, MD & CEO	Appointed as a Director of Unimatex Sdn Bhd, a subsidiary in Malaysia since 2004; responsible for its management and development of corporate policies and procedures.	NA
Tan Pang Jang	51	Brother of Dr Tan Pang Kee, MD & CEO	Appointed as Senior Sales & Marketing Manager of Unimatex Sdn Bhd, a subsidiary in Malaysia since 2013; responsible for looking into the sales & marketing.	NA

Tan Guan Liang	39	Son of Dr Tan Pang Kee, MD & CEO	Appointed as Executive Director in 2010; responsible for managing operational readiness and effectiveness, promoting Matex's image and brand locally and abroad, all business projects work, developing cost-effective plans and project schedule.	NA
Lim Kooi Yee	35	Daughter-in-law of Dr Tan Pang Kee, MD & CEO; and wife of Mr Tan Guan Liang, ED	Appointed as Head of Technical; responsible for technical services, product resource and development for Singapore entities of the Group.	NA

BY ORDER OF THE BOARD

Dr Tan Pang Kee
Chief Executive Officer / Managing Director

26 February 2021

This announcement has been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch (the "Sponsor") in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst (the "Catalist Rules").

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

The contact person for the Sponsor is Mr Jason Chian, Head, Corporate Finance, CIMB Bank Berhad, Singapore Branch, at 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, Telephone: +65 6337 5115.