USP Group Limited

(Incorporated in Singapore)
(Co. Reg. No: 200409104W)

UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT FOR THE FULL YEAR RESULTS ENDED 31 MARCH 2020

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF 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		
	12 months ended		
	31 March 2020	31 March 2019	Change
	S$'000	S$'000	%
Revenue	36,952	40,985	(9.8%)
Cost of Sales	(25,078)	(27,415)	(8.5%)
Gross Profit	**11,874**	**13,570**	**(12.5%)**
Interest income (Note 1)	95	88	8.0%
Other income (Note 2)	938	190	NM
Selling and distribution expenses	(859)	(1,470)	(41.6%)
General and administrative expenses	(15,444)	(32,433)	(53.9%)
Net impairment losses on financial assets	(34)	(473)	NM
Finance costs	(2,267)	(1,908)	18.8%
Loss before income tax from continuing operations	**(5,697)**	**(22,436)**	**(76.8%)**
Income tax	319	(72)	NM
Net loss after income tax from continuing operations	**(5,378)**	**(22,508)**	(78.3%)
Discontinued operation			
Loss from discontinued operations, net of tax	(473)	(462)	2.4%
Loss for the year	**(5,851)**	**(22,970)**	**(76.70%)**
Loss attributable to:			
Owners of the Company	(5,774)	(22,844)	(76.9%)
Non-controlling interests	(77)	(126)	(38.9%)
Loss attributable to owners of the Company	**(5,851)**	**(22,970)**	**(76.70%)**

1(a)(ii) Notes to Group Consolidated Statement of Comprehensive Income

Loss from ordinary activities is stated after charging/(crediting):

	12 months ended	12 months ended
	31 March 2020	31 March 2020
	S$'000	S$'000
Depreciation	1,096	1,487
Amortization of intangible	170	67
Directors remuneration	141	446
Employee benefits expenses	5,425	6,070
Property tax	265	299
Professional fees	806	359
Rental expenses	132	350

1(a)(ii) Notes to Group Consolidated Statement of Comprehensive Income (contd)

Breakdown of other income and expenses:

	12 months ended 31 March 2020	12 months ended 31 March 2019
	S$'000	S$'000
Note 1: Interest income		
Interest income	95	88
	95	**88**
Note 2: Other income		
Foreign exchange gain, net	877	61
Gain on disposal of property, plant and equipment	-	72
Others	61	57
	938	**190**

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	
	S$'000		S$'000	
	Unaudited	Audited	Unaudited	Audited
	31 March 2020	31 March 2019 (restated)	31 March 2020	31 March 2019 (restated)
Non-current assets				
Property, plant and equipment	18,050	17,599	67	162
Investment properties	28,000	31,603	-	-
Investment in subsidiaries	-	-	1,097	1,097
Intangible assets	1	1,144	-	-
Deferred tax assets	300	23	-	-
Total non-current assets	**46,351**	**50,369**	**1,164**	**1,259**
Current assets				
Development property	-	3,400	-	-
Inventories	11,519	14,992	-	-
Trade and other receivables	6,332	8,890	19,627	18,145
Investment securities	907	-	907	-
Cash and cash equivalent	3,847	3,258	87	359
	22,605	**30,540**	**20,621**	**18,504**
Assets of disposal group classified as held for sale	11,208	9,036	-	-
Total current assets	**33,813**	**39,576**	**20,621**	**18,504**
Total assets	**80,164**	**89,945**	**21,785**	**19,763**
Current liabilities				
Trade payables and other payables	4,328	7,329	2,167	2,332
Contract liabilities	156	183	-	-
Other financial liabilities	39,962	43,733	1,500	-
Income tax payable	99	534	-	-
	44,545	**51,779**	**3,667**	**2,332**
Liabilities directly associated with disposal group classified as held for sale	5,764	3,253	-	-
Total current liabilities	**50,309**	**55,032**	**3,667**	**2,332**
Non-current liabilities				
Other payables and accruals	172	256	-	-
Other financial liabilities	3,418	2,868	**-**	**-**
Deferred tax liabilities	1,292	1,192	**-**	**-**
Total non-current liabilities	**4,882**	**4,316**	**-**	**-**
Total liabilities	**55,191**	**59,348**	**3,667**	**2,332**
Equities				
Share capital	51,172	50,913	51,172	50,913
Treasury shares	(99)	(99)	(99)	(99)
Other reserves	4,684	4,716	(355)	(355)
Accumulated losses	(30,791)	(25,017)	(32,600)	(33,028)
Total equity attributable to owners of the parent	**24,966**	**30,513**	**18,118**	**17,431**
Non-controlling interests	7	84	-	-
Total equity	**24,973**	**30,597**	**18,118**	**17,431**
Total equity and liabilities	**80,164**	**89,945**	**21,785**	**19,763**

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 March 2020		As at 31 March 2019	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
39,962	-	43,733	-

Amount repayable after one year

As at 31 March 2020		As at 31 March 2019	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
3,418	-	2,868	-

Details of any collateral

Borrowings are secured by fixed charges on properties, shares in the subsidiaries, corporate guarantees of the Company, personal guarantees given by a former director of the Group, fixed deposits pledged to the banks and in respect of certain subsidiaries, the borrowings are also secured by a debenture with floating charge over their assets, past, present and future.

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	
	S$'000	
	Unaudited	Audited
	31 March 2020	31 March 2019
Operating activities:	**S$'000**	**S$'000**
Loss before tax from continuing operations	(5,697)	(22,436)
Loss before tax from discontinued operations	(227)	(462)
Loss before income tax, total	**(5,924)**	**(22,898)**
Adjustments for:		
Interest income	(95)	(88)
Interest expense	2,641	2,063
Amortisation of intangible assets	170	67
Allowance for impairment of trade receivables	740	9
Allowance for impairment of other receivables	34	464
Allowance for impairment of intangible assets	–	164
Bad debt written off	159	30
Depreciation of property, plant and equipment	2,349	2,585
Deferred rental	–	121
Deposits written off	–	4,462
Impairment loss of property, plant and equipment	54	934
Issuance of performance share plan	259	–
Fair value loss on investment properties	2,000	3,500
Fair value (gain)/loss on investment securities	(907)	1,178
Loss/(Gain) on disposal of property, plant and equipment	64	(72)
Loss on disposal of investment properties	149	–
Loss on dissolution of a subsidiary	–	10
Gain/(Loss) on derivative financial instruments	1	15
Property, plant and equipment written off	39	9,657
Write down of development properties	–	972
Inventory written off	100	–
Impairment of customer relationship	973	–
Goodwill written off	459	–
Foreign currency translation	(11)	(94)
Operating cash flows before working capital changes	**3,754**	**3,079**
(Increase)/decrease in trade and other receivables	708	(1,678)
Increase in inventories	3,392	(1,211)
(Decrease)/increase in trade and other payables and contract liabilities	(3,658)	1,654
Increase in development property	3,400	(29)
Cash flows generated from operations	**7,596**	**1,815**
Income tax (paid)/refund	(292)	122
Net cash flows generated from operating activities	**7,304**	**1,937**
Investing activities:		
Purchase of property, plant and equipment	(5,235)	(894)
Proceeds on disposal of property, plant and equipment	1,454	611
Proceeds from disposal of investment properties	13	-
Interest received	95	88
Net cash flows used in investing activities	**(3,673)**	**(195)**

	Group	
	S$'000	
	Unaudited	Audited
	31 March 2020	31 March 2019
	S$'000	S$'000
Financing activities:		
Net proceeds from loans and borrowings	(4,566)	191
Increase in fixed deposits pledged	(215)	(330)
Repayment of obligations under finance leases	5,049	(153)
Decrease in other payables, non-current	(84)	(127)
Interest paid	(2,641)	(2,063)
Net cash flows generated from/(used in) financing activities	**(2,457)**	**(2,482)**
Net increase/(decrease) in cash and cash equivalents	1,173	(740)
Cash and cash equivalents at beginning of the year	(1,008)	(268)
Cash and cash equivalents at end of the year	**166**	**(1,008)**

Cash and cash equivalents comprise:

	Group	
	S$'000	
	Unaudited	Audited
	31 March 2020	31 March 2019
Cash on hand and at bank	1,183	671
Fixed deposits	2,717	2,651
Cash and cash equivalents as per statement of financial position	**3,900**	**3,322**
Less: Fixed deposits pledged	(2,717)	(2,502)
Less: Bank overdraft	(1,017)	(1,822)
Cash and cash equivalents as per consolidated statement of cash flows	**166**	**(1,008)**

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.

Group	Share capital	Treasury Shares	Other reserves	Accumulated losses	Equity attributable to owners of the Company	Non-controlling interests	Total Equity
	S$'000		S$'000	S$'000	S$'000	S$'000	S$'000
Current year:							
Opening Balance at 1 April 2019	50,913	(99)	4,716	(25,017)	30,513	84	30,597
Loss for the year	-	-	-	(5,774)	(5,774)	(77)	(5,851)
Other comprehensive loss							
Currency translation differences arising from consolidation	-	-	(32)	-	(32)	-	(32)
Total comprehensive loss for the financial year	-	-	(32)	(5,774)	(5,806)	(77)	(5,883)
Issuance of shares pursuant to PSP	259	-	-	-	259	-	259
Closing balance at 31 March 2020	51,172	(99)	4,684	(30,791)	24,966	7	24,973
Previous year:							
Opening Balance at 1 April 2018	50,913	(99)	1,985	(2,173)	50,626	3,094	53.720
Loss for the year	-	-	-	(22,844)	(22,844)	(126)	(22,970)
Other comprehensive loss							
Currency translation differences arising from consolidation	-	-	(153)	-	(153)	-	(153)
Total comprehensive loss for the year	-	-	(153)	(22,844)	(22,997)	(126)	(23,123)
Acquisition of parts of non-controlling interest in subsidiaries	-	-	2,884	-	2,884	(2,884)	-
Closing balance at 31 March 2019	50,913	(99)	4,716	(25,017)	30,513	84	30,597

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. (contd)

Company	Share capital	Treasury shares	Other reserves	Accumulated losses	Total Equity
	S$'000	S$'000	S$'000	S$'000	S$'000
Current year:					
Opening balance at 1 April 2019	50,913	(99)	(355)	(33,028)	17,431
Issuance of shares pursuant to PSP	259	-	-	-	259
Total comprehensive loss for the year	-	-	-	428	428
Closing balance as at 31 March 2020	51,172	(99)	(355)	(32,600)	18,118
Previous year:					
Opening balance at 1 April 2018	50,913	(99)	(355)	(11,275)	39,184
Total comprehensive loss for the year	-	-	-	(21,753)	(21,753)
Closing balance as at 31 March 2019	50,913	(99)	(355)	(33,028)	17,431

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 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.

Ordinary Shares

7.4 million of performance shares were purportedly issued to a former CEO during the quarter ended 30 September 2019. The Company takes the view that the shares were improperly issued and/or subjected to be forfeited upon the former CEO's resignation. A substantial shareholder had obtained an injunction against the former CEO from exercising his rights to these shares. The Company had also commenced legal proceedings to forfeit the shares. Both the legal actions by the substantial shareholder and the Company had been ordered by the High Court to be combined into a single action by way of a single writ for further disposition. The Company will make the necessary announcements and updates in due course. The Company was informed by a law firm that it had, pursuant to certain court proceedings commenced by another substantial shareholder that it had obtained an undertaking from the former CEO's counsel that the said former CEO's will not exercise his rights over the shares and will not dispose of the shares.

Performance Shares

Except for the 7.4 million shares referred to above, there were no performance shares granted as at 31 March 2020 (31 March 2019: Nil).

Treasury Shares

As of 31 March 2020, the Company has 634,600 treasury shares (31 March 2019: 636,400) as of the end of the reported period.

Except for 4,252,920 shares registered in a third party's name where the ultimate beneficial interest in the shares belongs to the Company, none of the Company's subsidiaries hold any shares in the Company at the end of the period under review. At that material time, the Company had commenced legal action to recover the shares from the third party. Both the Company and the third party had resolved the matter amicably. The shares are in the process of being returned to the Company via their respective lawyers. The Company will make the necessary announcements and updates in due course.

The sum total of 634,600 plus 4,252,920 amounting to 4,887,520 shares represent 5.4% of the total number of shareholdings.

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.

	31 March 2020	31 March 2019
Total number of issued ordinary shares excluding treasury shares*	90,287,403	90,287,403

* This exclude the 7.4m number of shares issued to Dr Lim Boh Soon. See note 1(d)(ii) above.

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.

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

Not applicable.

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

These figures have neither been audited nor reviewed by the Company's auditor.

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

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.

Other than the adoption of Singapore Financial Reporting Standards (International) ("SFRS(I)") as mentioned in paragraph 5 below, there were no changes in the accounting policies and methods of computation adopted in the financial statements of the Group for the current reporting period as compared to the most recently audited financial statements for the reporting year ended 31 March 2020.

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 adoption of the new Singapore Financial Reporting Standards (International) (SFRS(I)) 16 would impact the Group's financial statements but only to the extent of the amount reflected in Property, Plant and Equipment and long term liabilities but have no material impact on the net profit after tax and net assets.

6. (Losses)/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.

	Group	
	31 March 2020	**31 March 2019**
Earnings per ordinary share from continuing operations of the group, after deducting any provision for preference dividends (in SGD cents):		
(a) Based on weighted average number of ordinary shares on issue; and	(6.48)	(24.65)
Weighted average number of ordinary shares for basic earnings/(losses) per share computation	90,287,403	90,287,403
(b) Based on a fully diluted basis	(6.48)	(24.65)
Weighted average number of ordinary shares adjusted for the effect for dilution	90,287,403	90,287,403

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 March 2020	**31 March 2019**	**31 March 2020**	**31 March 2019**
Net asset value per ordinary share based on issued share capital at the end of the respective periods (in SGD cents):	27.65	33.89	20.07	19.31
No. of ordinary shares used in computing net asset value	90,287,403	90,287,403	90,287,403	90,287,403

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 PERFORMANCE

Revenue

Group Revenue of $36.9 million was about 10% lower compared to $41.0 million of the previous financial year. This decrease in revenue was mainly attributed to the closure of one of the branches in the Marine segment. At the same time, revenue from the property segment increased by $3.3 million due to the sale of the sole development unit at 71 Blandford Drive in 3Q2020 to a third party.

Selling and distribution expenses

Selling and distribution expenses decreased by $0.6 million to $0.9 million in current FYE2020 compared to the last FYE2019, was in line with the lower revenue in the Marine segment.

General and administrative expenses

In light of the current pandemic situation resulting in a global economic meltdown, Management has assessed the value of assets and intangibles as of 31 March 2020 and made several impairments totaling $4.2 million during the reported year. They are:

1. Impairment to the Woodlands property - $2.0 million
2. Impairment to goodwill - $0.5 million
3. Impairment to customer relationship - $0.9 million

4. Impairment to trade receivables from the marine segment - $0.7 million
5. Impairment to Yamaha inventories - $0.1 million

The above charged to the income statement was compensated by an approximately $1 million reduction in staff cost arising from staff who left during the year.

Finance costs

Overall finance costs increased by $0.4 million due to the trust receipts used to procure Mercury inventories.

Loss for the year

The Group recorded a loss after tax of $5.9 million which mainly arose from the impairment losses undertaken by the Group as of 31 March 2020.

REVIEW OF FINANCIAL POSITION

Non-current assets

The decrease in non-current assets was mainly due to the disposal of two units of the Group's investment properties in London and Philippines to a third party; and the impairment loss incurred on its investment property in Woodlands which was last valued by an independent valuer in June 2020.

Current assets

Current assets decreased by $5.8 million as at 31 March 2020 from $39.6 million as at 31 March 2019 largely due to the disposal of the Group's sole development unit at 71 Blandford Drive to a third party. In addition, trade receivables suffered an impairment loss of $0.7 million as of 31 March 2020 and inventories reduced from $15 million to $11.5 million as a result of Marine sales. Management has reviewed third party trade receivables that were overdue for expected credited loss as of 31 March 2020 and this resulted in an impairment of $0.7 million.

Investment securities increased to S$0.9 million due to the announcement by Huan Hsin of its cash exit offer as recently announced via SGXNet on 29 April 2020.

Assets of disposal group classified as held for sale increased from $9 million in 2019 to $11.2 million in 2020 due to the effect of adoption SFRS(I) 16 which resulted in an approximately net $3 million in right to use asset.

Current liabilities

Current liabilities decreased by $4.7 million compared to prior year was mainly due to the repayment of bank borrowings during the year.

Non-current liabilities

Non-current liabilities increased to $4.9 million due to the adoption of the accounting standard on leases which requires the Company to recognize its leases on the balance sheet which will reflect their right to use of the asset and its associated liability.

REVIEW OF CASH FLOW

The Group operational cashflow recorded a net inflow of $2 million in FYE2020 as a result of the changes in working capital in inventories and development property.

The Group investing cashflow recorded a net outflow of $3.6 million as a result of the adjustment for the right of use asset under the SFRS(I) 16 in the non-current assets.

The Group financing cashflow recorded a net outflow of $2.5 million in FYE 2020. This was mainly due to the repayment of borrowings and financing costs incurred during the year.

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

Not applicable.

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

Distributorship

Notwithstanding the current challenges amid the COVID outbreak, the Group will proactively roll out various cost cutting measures as well as rationalization of its Marine branch outlets in Malaysia and Indonesia as one of the avenues to contain its operating costs.

Recycling of waste oil

The Group has entered into a Sale and Purchase Agreement with AJ Jetting to dispose its entire stake in Biofuel Research. Subject to the successful disposal of Biofuel Research, the Group will not have any further contribution from this segment. The cash proceeds from the sale will be used to repay its borrowings.

Property

The Group is currently in the process of returning 16 Joo Koon Circle to JTC no later than 30 September 2020. The excess of the proceeds will also be used to repay the Group's borrowings after redeeming the corresponding commercial property loan.

Hand sanitizer

Since its successful trial production in April this year, the Group as part of its first corporate social responsibility initiative, donated its first batch of hand sanitizer to an established Nursing Home in Singapore. The sales team led by the CEO is currently exploring the different distribution channel available in the nearby region to market our "Impact" brand of hand sanitizer.

Breach of loan covenants

The Company is in breach of certain bank covenants for failing to maintain Group tangible net worth at SGD30m at all times. The Company is currently in process of negotiating with its principal banker to accommodate the breach on a one-off basis for the FYE 2020. With the current injunction applied by a controlling shareholder on the Company's last Extraordinary General Meeting held on 13 July 2020, the Company currently has no mandate to raise fund through equity financing to strengthen its balance sheet.

Current litigations

Listed below is the current list of litigations that the Company is currently having.

<u>Wherein the Company is a Plaintiff.</u>

1.	HC/OS317/2020	Setting aside of the Statutory Demand
2.	HC/S116/2020	Return of 7.4 million shares by Dr Lim
3.	HC/S328/2020	Claim in relation to Koon Cheng Development
4.	DC1363/2020	Claim for breach of fiduciary duties and unlawful assistance
5.	HC/OS 826/2020	Contempt of court

<u>Wherein the Company is a Defendant.</u>

1.	HC/OS1192	With respect to 2019 AGM
2.	HC/OS144/2020	Breach of the rules of the Performance Share Plan for the 7.4 million shares awarded to Dr Lim
3.	HC/S115/2020	In relation to 2019 AGM
4.	HC/CWU108/2020	Winding up proceedings
5.	HC/S612/2020	Claim by Ricky for conspiracy to injure

In event of an unsuccessful outcome being ruled against the Group arising from the above legal suits, there will be financial impact on the Group. As the legal suits are still ongoing, quantification of the financial impact is not available at this point in time.

Despite the challenges faced by the Group in the current uncertain market conditions, the Group continues to focus on cost controlling, cash conservation and to ensure sustainability of its operating businesses. At the same time, the Group continues to review and actively explore new opportunities for growth in the current economic market attributable by the COVID pandemic.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No dividend has been declared.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None.

(c) Date payable

Not applicable.

(d) Record date

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 the financial year ended 31 March 2020 as the Group has accumulated losses as of 31 March 2020.

13. 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 Company does not have any IPT mandate.

14. Confirmation that the Issuer has procured undertakings from all its Directors and Executive Officers (In the format set out in Appendix 7.7) under Rule 720(1).

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

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

15. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited financial statements, with comparative information for the preceding year.

(a) Analysis by business segments

2020	Property	Marine trading	Calibration of Environmental Equipment	Others	Sub Total	(Discontinued operation) Recycling of waste oil	Total
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Revenue							
-Sales to external customers	6,920	27,097	2,935	-	36,952	2,408	39,360
Interest income	3	89	-	3	95	3	98
Depreciation of property, plant and equipment	(30)	(1,155)	(214)	(9)	(1,408)	(1,170)	(2,578)
Impairment of investment properties	(2,000)	-	-	-	(2,000)	-	(2,000)
Segment profit/(loss)	(770)	(3,089)	(318)	(1,012)	(5,189)	(585)	(5,774)
Total assets	28,159	36,596	2,958	1,243	68,956	11,208	80,164
Total liabilities	19,988	21,031	1,920	6,488	49,427	5,764	55,191
Capital expenditure on property, plant and equipment	19	128	185	-	332	39	371

2019							
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Revenue							
-Sales to external customers	3,634	35,025	2,326	-	40,985	2,129	43,114
Interest income	-	84	-	4	88	-	88
Depreciation of property, plant and equipment	(488)	(1,268)	(172)	(36)	(1,964)	(621)	(2,585)
Fair value loss on quoted securities	(3,500)	-	-	-	(3,500)	-	(3,500)
Gain on disposal of investment securities	-	-	-	(1,178)	(1,178)	-	(1,178)
Write off of deposits	-	-	-	(4,462)	(4,462)	-	(4,462)
Write off of property, plant and equipment	-	-	-	(9,657)	(9,657)	-	(9,657)
Write down of development property	(972)	-	-	-	(972)	-	(972)
Impairment loss on construction work in progress	-	(934)	-	-	(934)	-	(934)
Impairment loss on intangibles	-	-	(164)	-	(164)	-	(164)
Impairment loss of other receivables	(464)	-	-	-	(464)	-	(464)
Segment loss	(4,216)	(1,680)	(193)	(16,347)	(22,436)	(462)	(22,898)
Total assets	26,257	50,423	2,254	1,975	80,909	9,036	89,945
Total liabilities	24,470	23,741	1,626	6,258	56,095	3,253	59,348
Capital expenditure on property, plant and equipment	85	485	253	-	823	100	923

(b) Analysis by geographical segments

	China/Hong Kong/ Indonesia/ India	Malaysia	Singapore	Sub Total	Discontinued operations	Total
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
2020						
Segment revenue						
-external	4,317	19,799	12,836	36,952	2,408	39,360
Segment non-current assets	1,022	5,204	44,079	50,305	11,048	61,353
Capital expenditure on property, plant and equipment and development property	43	1	270	314	39	353
2019						
Segment revenue						
-external	5,260	21,315	14,410	40,985	2,129	43,114
Segment non-current assets	1,068	5,353	43,925	50,346	8,798	59,144
Capital expenditure on property, plant and equipment and development property	-	22	801	823	100	923

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

Refer to paragraph 8 above.

17. A breakdown of sales.

	12 months ended 31 March 2020 S$'000	12 months ended 31 March 2019 S$'000	% Increase/ (Decrease)
	Group	Group	Group
From continuing operations:			
(a) Sales reported for first half year	17,911	22,169	(19.2%)
(b) Operating profit/(loss) after tax before deducting minority interests reported for first half year	(414)	(698)	(40.7%)
(c) Sales reported for second half year	19,041	18,816	(1.2%)
(d) Operating profit after tax before deducting minority interests reported for second half year	(2,616)	(21,810)	(80.7%)

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

No dividends were declared or paid in the latest full year and the previous full year.

19. 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 the financial year ended 31 March 2020 as the Group had incurred a loss.

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

We confirm that there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Tanoto Sau Ian
Executive Director
7 September 2020