

**Unaudited Full Year Financial Statements And Dividend Announcement For The Financial Year Ended 31 December 2020**
**PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF-YEAR AND FULL-YEAR RESULTS**
**1(a) A Statement of Comprehensive Income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.**
**The Group**

	Twelve Months Ended		
	31-Dec-20 (Unaudited) S\$'000	31-Dec-19 (Audited) S\$'000	Increase/ (Decrease) %
Revenue	16,861	19,903	(15.3)
Cost of sales	(12,057)	(14,675)	(17.8)
<b>Gross profit</b>	<b>4,804</b>	<b>5,228</b>	<b>(8.1)</b>
Other income	2,173	371	485.7
Selling and distribution expenses	(71)	(81)	(12.3)
Administrative expenses	(6,314)	(4,992)	26.5
Other operating expenses	(117)	(60)	95.0
Finance expenses	(17)	(7)	142.9
<b>Profit before income tax</b>	<b>458</b>	<b>459</b>	<b>(0.2)</b>
Income tax expense	(37)	(69)	(46.4)
<b>Net profit for the year</b>	<b>421</b>	<b>390</b>	<b>7.9</b>
<b>Other comprehensive loss</b>			
Items that will not be reclassified to profit or loss:			
Net fair value losses on equity instruments at fair value through other comprehensive income	(4)	(4)	0.0
<b>Other comprehensive loss, net of tax</b>	<b>(4)</b>	<b>(4)</b>	<b>0.0</b>
<b>Total comprehensive income for the year</b>	<b>417</b>	<b>386</b>	<b>8.0</b>
<b>Profit attributable to :</b>			
Equity holders of the Company	421	390	7.9
<b>Total comprehensive income attributable to:</b>			
Equity holders of the Company	417	386	8.0
<b>Earnings per share (cents)</b>			
Basic	0.22	0.21	
Diluted	0.22	0.21	

Net profit for the year is arrived at after charging / (crediting) the following items:

<b>The Group</b>	Twelve Months Ended		
	31-Dec-20 (Unaudited) S\$'000	31-Dec-19 (Audited) S\$'000	Increase/ (Decrease) %
Interest income	(186)	(318)	(41.5)
Depreciation of property, plant and equipment ("PPE")	630	370	70.3
Gain on disposal of PPE	(41)	(1)	4000.0
Allowance for impairment of trade receivables	6	-	n.m.
Income tax expense	37*	69	(46.4)

\* : The amount is after the deduction of \$30,000 for over-provision in prior financial year.

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	
	31-Dec-20 (Unaudited) S\$'000	31-Dec-19 (Audited) S\$'000	31-Dec-20 (Unaudited) S\$'000	31-Dec-19 (Audited) S\$'000
<b>ASSETS</b>				
<b>Non-current Assets</b>				
Property, plant and equipment	3,940	881	162	244
Investments in subsidiaries	-	-	28,450	28,450
Investment securities	18	22	-	-
	<u>3,958</u>	<u>903</u>	<u>28,612</u>	<u>28,694</u>
<b>Current Assets</b>				
Inventories	-	13	-	-
Trade and other receivables	4,805	1,874	72	26
Contract assets	1,911	1,365	-	-
Cash and bank balances	17,763	23,505	1,486	1,531
	<u>24,479</u>	<u>26,757</u>	<u>1,558</u>	<u>1,557</u>
<b>Total Assets</b>	<b>28,437</b>	<b>27,660</b>	<b>30,170</b>	<b>30,251</b>
<b>LIABILITIES</b>				
<b>Non-Current Liabilities</b>				
Lease liabilities	535	39	-	22
<b>Current Liabilities</b>				
Trade and other payables	5,858	5,022*	1,102	1,084
Contract liabilities	1,702	2,577*	-	-
Lease liabilities	277	170	22	51
Current income tax liabilities	70	84	-	-
	<u>7,907</u>	<u>7,853</u>	<u>1,124</u>	<u>1,135</u>
<b>Total Liabilities</b>	<b>8,442</b>	<b>7,892</b>	<b>1,124</b>	<b>1,157</b>
<b>Net Assets</b>	<b>19,995</b>	<b>19,768</b>	<b>29,046</b>	<b>29,094</b>
<b>EQUITY</b>				
<b>Capital and Reserves Attributable to Equity Holders of the Company</b>				
Share capital	4,477	4,477	40,072	40,072
Treasury shares	(630)	(630)	(630)	(630)
Other reserves	(265)	(261)	-	-
Retained profits / (accumulated losses)	16,413	16,182	(10,396)	(10,348)
<b>Total Equity</b>	<b>19,995</b>	<b>19,768</b>	<b>29,046</b>	<b>29,094</b>

\* Contract liabilities relating to advance mobilisation payment received from customers of S\$1,108,000 as at 31 December 2019 had been reclassified from trade and other payables.

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

	<b>31-Dec-20 (Unaudited)</b>		<b>31-Dec-19 (Audited)</b>	
	<b>Secured S\$'000</b>	<b>Unsecured S\$'000</b>	<b>Secured S\$'000</b>	<b>Unsecured S\$'000</b>
Lease liabilities repayable in one year or less, or on demand	22	255	68	102
Lease liabilities repayable after one year	-	535	22	17
	<u>22</u>	<u>790</u>	<u>90</u>	<u>119</u>

**Details of collateral:**

1. The Group's secured borrowings relates to lease secured against the respective motor vehicles with carrying amount of approximately S\$162,000 (31 Dec 2019: S\$392,000).

**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.**

<u>Group</u>	Twelve Months Ended	
	31-Dec-20 (Unaudited) S\$'000	31-Dec-19 (Audited) S\$'000
<b>Cash flows from operating activities</b>		
Net profit	421	390
Adjustments for:		
Income tax expense	37	69
Depreciation of property, plant and equipment	630	370
Allowance for impairment of trade receivables	6	-
Interest expenses	17	7
Interest income	(186)	(318)
Gain on disposal of PPE	(41)	(1)
<b>Operating profit before working capital changes</b>	884	517
<b>Changes in working capital:</b>		
Inventories	13	(9)
Trade and other receivables, contract assets	(3,553)	1,633
Trade and other payables, contract liabilities	(39)	1,017
<b>Cash (used in) / generated from operations</b>	(2,695)	3,158
Income tax paid	(51)	(161)
<b>Net cash (used in) / generated from operating activities</b>	(2,746)	2,997
<b>Cash flows from investing activities</b>		
Additions to PPE	(2,902)	(291)
Proceed on disposal of PPE	46	1
Interest received	256	344
<b>Net cash (used in) / generated from investing activities</b>	(2,600)	54
<b>Cash flows from financing activities</b>		
Secured bank deposits pledged to banks	(5)	(5)
Interest paid	(17)	(7)
Repayment of lease liabilities	(189)	(187)
Dividends paid to equity holders of the company	(190)	(190)
<b>Net cash used in financing activities</b>	(401)	(389)
<b>Net (decrease) / increase in cash and cash equivalents</b>	(5,747)	2,662
Cash and cash equivalents as at:		
Beginning of financial year	22,390	19,728
<b>End of financial year</b>	<b>16,643</b>	<b>22,390</b>



**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.**

Non-cash transaction:

During the financial year ended 31 December 2020, the Group acquired property, plant and equipment with an aggregate cost of S\$3,695,000 (31 December 2019: S\$542,000), of which S\$792,000 (31 December 2019: S\$251,000) was acquired under leases and the remaining of S\$2,903,000 (31 December 2019: S\$291,000) via cash payment.

Reconciliation of liabilities arising from financing activities

	<b>1-Jan-20</b>	<b>Principal &amp; Interest</b>	<b>Acquisition</b>	<b>Interest Expense</b>	<b>31-Dec-20</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>2020</b>					
Lease liabilities	209	(206)	792	17	812
	<b>1-Jan-19</b>	<b>Principal &amp; Interest</b>	<b>Acquisition</b>	<b>Interest Expense</b>	<b>31-Dec-19</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>2019</b>					
Lease liabilities	145	(194)	251	7	209

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	<b>Twelve Months Ended</b>	
<b>The Group</b>	<b>31-Dec-20 (Unaudited) S\$'000</b>	<b>31-Dec-19 (Audited) S\$'000</b>
Short-term bank deposits	7,261	16,435
Cash and bank balances	10,502	7,070
	17,763	23,505
Less: bank deposits pledged	(1,120)	(1,115)
Cash and cash equivalents per consolidated statement of cash flows	<b>16,643</b>	<b>22,390</b>

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 equity holders of the Company				
	Share Capital S\$'000	Treasury Shares S\$'000	Other Reserves S\$'000	Retained Profits S\$'000	Total Equity S\$'000
<b>The Group</b>					
<b>Balance as at 1 January 2020</b>	4,477	(630)	(261)	16,182	19,768
Profit for the year	-	-	-	421	421
<u>Other comprehensive income</u>					
Net fair value losses on equity instruments	-	-	(4)	-	(4)
<b>Total comprehensive income for the year</b>	-	-	(4)	421	417
<u>Contribution by and distributions to owners</u>					
Dividend relating to 2019 paid	-	-	-	(190)	(190)
<b>Total contributions by and distributions to owners</b>	-	-	-	(190)	(190)
<b>As at 31 December 2020</b>	<b>4,477</b>	<b>(630)</b>	<b>(265)</b>	<b>16,413</b>	<b>19,995</b>
<b>Balance as at 1 January 2019</b>	4,477	(630)	(257)	15,982	19,572
Profit for the year	-	-	-	390	390
<u>Other comprehensive income</u>					
Net fair value losses on equity instruments	-	-	(4)	-	(4)
<b>Total comprehensive income for the year</b>	-	-	(4)	390	386
<u>Contribution by and distributions to owners</u>					
Dividend relating to 2018 paid	-	-	-	(190)	(190)
<b>Total contributions by and distributions to owners</b>	-	-	-	(190)	(190)
<b>As at 31 December 2019</b>	<b>4,477</b>	<b>(630)</b>	<b>(261)</b>	<b>16,182</b>	<b>19,768</b>

**Attributable to equity holders of the Company**

	<b>Share Capital</b>	<b>Treasury Shares</b>	<b>Retained Profit / (Accumulated Losses)</b>	<b>Total Equity</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b><u>The Company</u></b>				
<b>Balance as at 1 January 2020</b>	40,072	(630)	(10,348)	29,094
Total comprehensive income for the year	-	-	142	142
Dividend relating to 2019 paid	-	-	(190)	(190)
<b>Balance as at 31 December 2020</b>	<b>40,072</b>	<b>(630)</b>	<b>(10,396)</b>	<b>29,046</b>
<b>Balance as at 1 January 2019</b>	40,072	(630)	(10,612)	28,830
Total comprehensive income for the year	-	-	454	454
Dividend relating to 2018 paid	-	-	(190)	(190)
<b>Balance as at 31 December 2019</b>	<b>40,072</b>	<b>(630)</b>	<b>(10,348)</b>	<b>29,094</b>

1(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.

Ordinary Shares

	<u>Number of shares</u>	<u>Share capital</u>
Ordinary shares (excluding treasury shares) as at 31 December 2020 and 30 June 2020	189,823,497	S\$ 39,442,252

There was no change in the Company's share capital from 30 June 2020 to 31 December 2020.

Outstanding Convertibles

There were no other outstanding convertibles as at 31 December 2020 and at 31 December 2019.

Treasury Shares

The Company has 6,300,000 treasury shares as at 31 December 2020 and 31 December 2019, which represented 3.32% of the Company's ordinary shares (excluding treasury shares) of 189,823,497 as at 31 December 2020 and 31 December 2019.

Subsidiary Holdings

There were no subsidiary holdings 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 immediately preceding year.**

	<u>Company</u>	
	31-Dec-20	31-Dec-19
Total number of issued shares (excluding treasury shares)	189,823,497	189,823,497

The Company holds 6,300,000 treasury shares as at 31 December 2020 and 31 December 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. There were no sales, transfers, cancellations and/or use of treasury shares during and as at the end of the financial year reported on.

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

Not applicable. There were no subsidiary holdings during and as at the end of the 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 (This is not required for any audit issue that is a material uncertainty relating to going concern):**

**(a) Updates on the efforts taken to resolve each outstanding audit issue.**

Not Applicable.

**(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 has applied the same accounting policies and methods of computation in the financial statements for the financial year ended 31 December 2020 as those used in the most recently audited financial statements for the financial year ended 31 December 2019.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has adopted all the applicable new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)") and Interpretations of Financial Reporting Standards ("SFRS(I) INT") that are mandatory for the accounting periods beginning on or after 1 January 2020. The adoption of these new and revised SFRS(I) and SFRS(I) INT did not result in any substantial change to the Group's and the Company's accounting policies and has no significant impact on the financial statements for the current financial reporting period.

**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.**

	Twelve Months Ended	
	31-Dec-20 (Unaudited)	31-Dec-19 (Audited)
Earnings per ordinary share of the Group based on weighted average number of ordinary shares in issue:		
(a) Basic (Singapore cents)	0.22	0.21
(b) Fully diluted (Singapore cents)	0.22	0.21
Earnings per share was calculated based on weighted average number of ordinary shares in issue: ('000)		
(a) Basic	189,823	189,823
(b) Fully diluted	189,823	189,823

Basic and diluted earnings per share of the Group were the same for the financial years ended 31 December 2020 and 31 December 2019 as there were no potentially dilutive securities in issue as at 31 December 2020 and 31 December 2019.

**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 reported on; and (b) immediately preceding financial year.**

	The Group		The Company	
	31-Dec-20 (Unaudited)	31-Dec-19 (Audited)	31-Dec-20 (Unaudited)	31-Dec-19 (Audited)
Net asset value (S\$'000)	19,995	19,768	29,046	29,094
Net asset value per ordinary share (Singapore cents/ordinary share)	10.53	10.41	15.30	15.33

The calculation of net asset value per ordinary share is based on 189,823,497 issued ordinary shares (excluding treasury shares) as at 31 December 2020 and 31 December 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

Twelve months ended 31 December 2020 ("FY2020") vs Twelve months ended 31 December 2019 ("FY2019")

#### REVIEW OF RESULTS OF OPERATIONS

##### i) Revenue

	GROUP					
	Twelve Months Ended 31 Dec					
	2020		2019		Increase/(decrease)	
	S\$'000	%	S\$'000	%	S\$'000	%
Mechanical Engineering	6,334	37.6	8,632	43.4	(2,298)	(26.6)
Electrical Engineering	2,026	12.0	1,120	5.6	906	80.9
Facilities Management	8,501	50.4	10,151	51.0	(1,650)	(16.3)
<b>Total</b>	<b>16,861</b>	<b>100.0</b>	<b>19,903</b>	<b>100.0</b>	<b>(3,042)</b>	<b>(15.3)</b>

##### ii) Gross Profit

	GROUP					
	Twelve Months Ended 31 Dec					
	2020		2019		Increase/ (decrease)	
	S\$'000	%	S\$'000	%	S\$'000	%
Mechanical Engineering	1,876	39.0	2,118	40.5	(242)	(11.4)
Electrical Engineering	257	5.4	227	4.3	30	13.2
Facilities Management	2,671	55.6	2,883	55.2	(212)	(7.3)
<b>Total</b>	<b>4,804</b>	<b>100.0</b>	<b>5,228</b>	<b>100.0</b>	<b>(424)</b>	<b>(8.1)</b>

##### iii) Gross Profit Margin

	2020	2019	Increase/ (decrease)
	%	%	%
Mechanical Engineering	29.6	24.5	5.1
Electrical Engineering	12.7	20.3	(7.6)
Facilities Management	31.4	28.4	3.0
<b>Total</b>	<b>28.5</b>	<b>26.3</b>	<b>2.2</b>

Total revenue for FY2020 decreased mainly due to the circuit breaker measures imposed by Singapore Government to curb the spread of the Covid-19 pandemic and the subsequently slow resumption of construction activities with the implementation of safe management measures on sites. The slow resumption of construction sites resulted in lower revenue arising from the mechanical engineering and facilities management segments and lower than anticipated revenue for the electrical engineering segment. Revenue from the mechanical engineering segment decreased as project work commenced only in late 2020 and an existing project being at the design and planning phase. Revenue contribution from facilities management segment decreased as less variation works been carried as a result of Covid-19 pandemic. Revenue contribution from the electrical engineering segment increased due to project work carried out during the year.

The decrease in cost of sales was in line with the decrease in revenue. Gross Profit decreased by \$0.4 million, resulting from a decrease in gross profit from mechanical engineering and facilities management segments. However, there was an increase in overall gross profit margin from 26.3% in FY2019 to 28.5% in FY2020. The increase in overall gross profit margin was mainly due to higher gross profit margin from the mechanical engineering and facilities management segments.

Gross profit margins were higher in FY2020 for mechanical engineering and facilities management segments, mainly due to the recognition of variation works that contributed better gross profit margin. The electrical engineering segment has lower gross profit margin as new projects were secured at competitive prices.

#### **Other Income**

Other income increased mainly due to the receipt of government grants in supporting businesses during COVID-19 pandemic, namely the JSS (Job Support Scheme) of S\$0.8 million, rebate on foreign work levy of S\$0.4 million, waiver on foreign work levy of S\$0.5 million and BCA (Building and Construction Authority) COVID-Safe firm support to provide for personal protective equipment for workers of S\$42,000 and an increase in gain on disposal of vehicle of S\$39,000 offset by a decrease in interest income of S\$132,000 due to a decline in the bank deposit rates.

#### **Administrative Expenses**

Administrative expenses increased mainly due to an increase in staff cost for the new projects which commenced in 2020. The staff cost increased by S\$0.8 million as a result of an increase in hiring. In addition, there was an increase in rental of worker quarters of \$205,000 of which S\$110,000 rental had resulted from the safe management requirement during the Covid-19 pandemic. The depreciation expense increased by S\$260,000 as a result of the purchase of the leasehold property, recognition of right-of-use-of-asset and purchase of motor vehicles.

#### **Other Operating Expenses**

Other operating expenses increased mainly due to an increase in repair and maintenance expenses, computer related expenses and general expenses.

#### **Income Tax Expense**

Income tax expense decreased mainly due to over-provision of prior year income tax expenses of \$30,000.

#### **8 (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 STATEMENT OF FINANCIAL POSITION**

**Total assets as at 31 December 2020 have increased as compared to 31 December 2019, and are mainly attributable to the following :-**

- (i) **Property, plant and equipment** increased by 347.2%, mainly due to the completion of the purchase of the factory at 4 Kwong Min Road during the year, purchase of motor vehicles for new projects and the recognition of right-of-use asset.
- (ii) **Trade and other receivables** increased by 156.4% due to an increase in trade receivables turnover days from 21 days to 65 days as at 31 December 2020 and an increase of S\$0.8 million in advanced payment for subcontractors/suppliers.
- (iii) **Contract assets** increased by 40.0% due to work completed for 31 December 2020 but certified/ invoiced in January 2021.
- (iv) **Cash and bank balances** decreased by 24.4% mainly due to completion of the acquisition of the property at 4 Kwong Min Road and an increase in demand for prompt payments to suppliers during the Covid-19 pandemic.

**Total liabilities as at 31 December 2020 have increased as compared to 31 December 2019, and are mainly attributable to the following :-**

- (i) **Trade and other payables** increased by 16.6% due to an increase in trade payables of S\$0.5 million and a deferred revenue on JSS of S\$0.3 million.
- (ii) **Contract liabilities** decreased by 34.0% due to the contract liabilities having been reclassified to revenue at the point at which said contract liabilities were certified for value of work done.



- (iii) **Lease liabilities (for current and non-current)** increased due to recognition of right-of-use assets and was offset by the repayment of lease for purchase of vehicle.
- (iv) **Current income tax liabilities** decreased due to over-provision in prior year income tax expenses.

As at 31 December 2020, the Group had positive working capital of S\$16.6 million compared to S\$18.9 million as at 31 December 2019.

## REVIEW OF STATEMENT OF CASH FLOWS

The Group generated positive operating cash flow before changes in working capital of S\$0.9 million. The increase in trade and other receivables and contract assets of S\$3.6 million and a decrease in trade and other payables and contract liabilities of S\$39,000, offset by S\$51,000 of income tax paid has resulted in net cash used in operating activities of S\$2.7 million.

The net cash used in investing activities amounting to S\$2.6 million, was mainly due to additions of PPE, offset by interest received from banks and proceeds on disposal of PPE.

The net cash used in financing activities amounting to S\$0.4 million was mainly due to the payment of S\$0.2 million for dividend declared in respect of FY2019 and repayment of lease liabilities of S\$0.2 million.

As at 31 December 2020, the Group has cash and cash equivalents of S\$16.6 million. This excludes fixed deposits of S\$1.1 million pledged to banks as securities for the banking facilities of the Group.

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

Not applicable. No forecast or prospect statement had been previously disclosed to shareholders for the current reporting period.

### 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.

At the date of this announcement, the Group has approximately S\$127 million worth of contracts on hand, with completion dates ranging from financial years 2021 to 2026. The Group expects the financial year ending 31 December 2021 to remain challenging. As such, the Group may continue to explore for revenue/profit accretive acquisitions as part of its growth strategies.

The Covid-19 global pandemic resulted in restrictions measures across the world. The Group has experienced a shortage of manpower supply in the construction sector due to travel restrictions imposed on workers returning to Singapore. The Group anticipates this shortage to impact its current operations and will keep an active look out for alternative sources of manpower. The Group temporarily engaged supply labour to provide additional manpower.

### 11. Dividend

- (a) **Any dividend declared for the current financial year reported on?**  
Yes.

The Directors are pleased to recommend a tax exempt one-tier final dividend of S\$0.0005 per ordinary share in respect of FY2020 for approval by shareholders at the next annual general meeting ("AGM") to be convened.

Name of dividend	First & Final
Dividend type	Cash
Dividend amount per share	S\$0.0005 per ordinary share
Tax rate	Tax-exempt (1-tier)

- (b) **Any dividend declared for the corresponding period of the immediately preceding financial year?**  
Yes.

Name of dividend	First & Final
Dividend type	Cash
Dividend amount per share	S\$0.001 per ordinary share
Tax rate	Tax-exempt (1-tier)

- (c) **Date payable**  
To be announced at a later date, subject to shareholders' approval being obtained at the forthcoming AGM.
- (d) **Books closure date**  
To be announced at a later date.

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

Not Applicable.

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

There were no interested party transactions ("IPTs") that were S\$100,000 and above during FY2020 and the Company does not have a general mandate from shareholders for IPTs.

**14. Confirmation pursuant to Rule 720(1) of the SGX Catalist Rules**

Pursuant to Rule 720(1) of the SGX Catalist Rules, the Company has procured undertakings from all its directors and executive officers in the required format.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT  
(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 annual financial statements, with comparative information for the immediately preceding year.**

<b>Business Segments (31 Dec 2020)</b>	<b>Mechanical Engineering S\$'000</b>	<b>Electrical Engineering S\$'000</b>	<b>Facilities Management S\$'000</b>	<b>Total S\$'000</b>
<b>Revenue</b>				
Revenue from external parties	6,334	2,026	8,501	16,861
Gross Profit	1,876	257	2,671	4,804
Other Income				2,173
Unallocated expenses				(6,519)
Profit before income tax				458
Income tax expense				(37)
Net Profit for the year				421



**(31 Dec 2019)****Revenue**

Revenue from external parties	8,632	1,120	10,151	19,903
Gross Profit	2,118	227	2,883	5,228
Other Income				371
Unallocated expenses				(5,140)
Profit before income tax				459
Income tax expense				(69)
Net Profit for the year				390

Geographically, all the Group's operations are located in Singapore.

**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.**

Please refer to paragraph 8 above.

**17. A breakdown of sales:**

**The Group**

	Twelve Months Ended		
	31-Dec-20	31-Dec-19	%
	S\$'000	S\$'000	Increase/ (Decrease)
Sales reported for first half year	5,205	11,844	(56.1)
Operating (loss)/profit after income tax before deducting non-controlling interests reported for first half year	(91)	327	(127.8)
Sales reported for second half year	11,656	8,059	44.6
Operating profit after income tax before deducting non-controlling interests reported for second half year	512	63	712.7

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

Total annual dividend proposed	FY2020 ** (S\$'000)	FY2019 * (S\$'000)
Ordinary shares	95	190
Preference shares	-	-
<b>Total</b>	<b>95</b>	<b>190</b>

\* Please refer to Paragraph 11.

# Subject to the approval of shareholders of the Company at the forthcoming annual general meeting to be convened.

**19. 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
Dalat Kositanon	69	<p>(1) Spouse of Foo Chek Heng, Managing Director and substantial shareholder of Koyo International.</p> <p>(2) Daughter-in-law of Heng Jee Moi who owns 100% of Salix Capital Pte Ltd, a substantial shareholder of Koyo International.</p> <p>(3) Mother of Foo Suay Wei and Foo Suay Lun, Executive Directors of Koyo International.</p> <p>Note: Dalat Kositanon is also a shareholder of Koyo International Limited, holding 400,000 shares (representing 0.21% of the Company's 189,823,497 shares (excluding treasury shares))</p>	<p>Group's Corporate Services Director.</p> <p>Oversees the administrative and human resource functions of the Group.</p> <p>Manager/Administration &amp; Human Resources since 1994 for Koyo Engineering S.E. Asia Pte Ltd and since 21 January 2009 for Koyo International Limited.</p>	None

**20. Disclosure on Incorporation, Acquisition and Realisation of Shares pursuant to Rule 706A of the Catalyst Rules**

During FY2020, the Company did not incorporate or acquire any shares resulting in any company becoming a subsidiary or associated company or increasing its shareholding percentage in any subsidiary. Additionally, the Company did not dispose any shares resulting in a company ceasing to be a subsidiary or associated company or decreasing its shareholding percentage in any subsidiary.

On behalf of the board of directors



**Foo Suay Wei**  
Executive Director



**Wong Loke Tan**  
Chairman

**BY ORDER OF THE BOARD**

**Mr. Foo Suay Wei**

Executive Director

26 FEB 2021

This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. ("Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited ("Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

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