

PAVILLON HOLDINGS LTD

Full-Year Results Financial Statement And Dividend Announcement

PART I - INFORMATION REQUIRED FOR HALF-YEAR AND FULL YEAR RESULTS ANNOUNCEMENTS

1(a) 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.

Financial statements for the 12 months ended 31 Dec 2020

	Group		
	Jan 2020 - Dec 2020	Jan 2019 - Dec 2019	Increase/ (Decrease)
	S\$'000	S\$'000	%
Revenue (Note 1)	8,486	12,988	-34.7%
Other items of income			
Interest income	62	284	-78.0%
Other income	1,728	10,373	-83.3%
Items of expenses			
Raw materials and changes in inventories	(3,002)	(4,675)	-35.8%
Employee compensation	(5,697)	(6,672)	-14.6%
Depreciation expense	(361)	(632)	-42.9%
Finance expenses	(135)	(70)	92.8%
Currency exchange loss	100	(62)	-260.9%
Amortisation of right-of-use assets	(1,452)	(1,370)	6.0%
Other operating expenses	(4,263)	(8,817)	-51.7%
Total expenses	(14,810)	(22,298)	-33.6%
Share of loss of associated companies	(551)	(264)	108.5%
Profit/(Loss) before income tax (Note 2)	(5,085)	1,084	-569.1%
Income tax expense (Note 3)	59	181	-67.6%
Net Profit/(Loss) (Note 4)	(5,026)	1,265	-497.3%
Other comprehensive gain/(loss)			
Foreign currency translation gain/(loss)	310	(614)	-150.5%
Fair Value gain on investment	358	-	NM
Total comprehensive income/(loss) for the year	(4,358)	650	-770.5%
Net Profit/(Loss) attributable to:			
Equity holders of the Company	(4,115)	336	-1323.3%
Non-controlling interests	(911)	928	-198.1%
	(5,026)	1,265	-497.4%
Total comprehensive income for the year			
Attributable to :			
Equity holders of the Company	(3,575)	62	-5866.9%
Non-controlling interests	(782)	588	-232.9%
	(4,358)	650	-770.5%
Earnings per share attributable to owners of the	Cts	Cts	
Basic	(1.06)	0.09	
Diluted	(1.06)	0.09	

Note 1: Revenue and Profit/(Loss) Before Taxation

	Restaurant	Corporate and franchising	Leasing	Properties	Total
2020 Jan to Dec	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	8,069	132	-	285	8,486
Profit/(Loss) before taxation	144	(1,323)	(3,801)	(105)	(5,085)
2019 Jan to Dec					
Revenue	12,446	177	98	267	12,988
Profit/(Loss) before taxation	(450)	(1,311)	3,868	(1,024)	1,084

Note 2: Profit/(Loss) before taxation is stated after charging/(crediting) the following:-

Gain on deemed disposal of subsidiary companies	
Depreciation of property, plant and equipment	
Interest income	
Bad debts	
Impairment loss on receivables	
Reversal of Impairment loss on receivables	

Group		
Jan 2020 - Dec 2020	Jan 2019 - Dec 2019	Increase/ (Decrease)
S\$'000	S\$'000	%
-	(6,261)	(1)
361	632	(0)
(62)	(284)	(1)
-	9	NM
2,372	5,250	NM
-	(3,862)	NM

Note 3: Taxation

Current year	
Over provision in prior years	
Total	

Group		
Jan 2020 - Dec 2020	Jan 2019 - Dec 2019	Increase/ (Decrease)
S\$'000	S\$'000	%
(47)	(113)	(1)
106	294	(1)
59	181	(1)

Note 4: Profit/(Loss) After Taxation

	Restaurant	Corporate and franchising	Leasing	Properties	Total
2020 Jan to Dec					
Profit/(Loss) after taxation	203	(1,323)	(3,801)	(105)	(5,025)
2019 Jan to Dec					
Profit/(Loss) after taxation	(251)	(1,311)	3,848	(1,024)	1,265

NM: Not meaningful

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

	Group	
	31-12-20	31-12-19
	S\$'000	S\$'000
ASSETS		
Current assets		
Cash and cash equivalents	8,372	8,300
Trade and other receivables	1,937	5,076
Inventories	450	1,000
	<u>10,759</u>	<u>14,376</u>
Non-current assets		
Trade and other receivables	422	346
Investments in associated companies	21,117	21,667
Property, plant and equipment	1,656	1,027
Right-of-use assets	2,354	2,005
Unquoted investment	4,220	3,863
	<u>29,769</u>	<u>28,908</u>
TOTAL ASSETS	<u><u>40,528</u></u>	<u><u>43,284</u></u>
LIABILITIES		
Current liabilities		
Trade and other payables	4,012	4,128
Current income tax liabilities	31	-
Borrowings	300	-
Lease liabilities	1,150	1,076
Provisions	-	126
	<u>5,493</u>	<u>5,330</u>
Non-current liabilities		
Deferred tax liabilities	84	67
Trade and other payables	299	227
Borrowings	1,062	-
Lease liabilities	1,243	953
Provisions	198	198
	<u>2,886</u>	<u>1,445</u>
Total liabilities	<u>8,378</u>	<u>6,775</u>
NET ASSETS	<u><u>32,150</u></u>	<u><u>36,508</u></u>
EQUITY		
Capital and reserves attributable to equity holders of the Company		
Share capital	39,433	39,433
Other reserves	2,470	1,922
Accumulated losses	(15,084)	(10,961)
	<u>26,819</u>	<u>30,394</u>
Non-controlling interests	<u>5,331</u>	<u>6,113</u>
TOTAL EQUITY	<u><u>32,150</u></u>	<u><u>36,508</u></u>

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.

	Company	
	31-12-20 S\$'000	31-12-19 S\$'000
ASSETS		
Current assets		
Cash and cash equivalents	17	317
Trade and other receivables	487	1,987
	504	2,304
Non-current assets		
Trade and other receivables	-	3
Investments in subsidiary corporations	27,558	27,558
Property, plant and equipment	2	-
	27,560	27,561
TOTAL ASSETS	28,064	29,865
LIABILITIES		
Current liabilities		
Trade and other payables	2,029	2,067
Borrowings	300	-
	2,328	2,067
Non-current liabilities		
Borrowings	1,062	-
Trade and other payables	-	100
Provisions	-	-
	1,062	100
Total liabilities	3,390	2,167
NET ASSETS	24,674	27,698
EQUITY		
Capital and reserves attributable to equity holders of the Company		
Share capital	39,433	39,433
Accumulated losses	(14,759)	(11,735)
TOTAL EQUITY	24,674	27,698

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

As at 31/12/2020, the group has bank overdraft of S\$420K and bridging loan of S\$1.36 m. In 2019 there was no bank overdraft and loan.

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	
	Jan 2020 - Dec 2020 S\$'000	Jan 2019 - Dec 2019 S\$'000
Cash flows from operating activities :		
Profit/(loss)	(5,026)	1,265
Adjustments for :	-	-
Depreciation of property, plant and equipment	361	632
Income tax expense	(59)	(181)
Gain on disposal of property, plant and equipment	(241)	-
Rental Rebate	(646)	-
Reversa of provision of reinstalment	(20)	-
Amortisation of right-of use assets	1,391	1,370
Fair value gain on remeasurement of interest held in former subsidiary	-	(6,261)
Interest income	(62)	(284)
Impairment loss on property, plant and equipment		220
Share of loss on associated company	551	264
PPE written off	8	-
Interest expense	135	70
Unrealised currency translation difference	107	(300)
Operating profit/loss before working capital changes	(3,501)	(3,205)
Cash flows from operating activities		
Inventories	550	(8)
Trade and other receivables	3,081	2,216
Other creditors and accruals	(709)	17,547
Provisions	-	119
Cash flows from operations	(579)	16,669
Income taxes paid	-	(170)
Net cash flows provided/(used) by operating activities	(579)	16,499
Cash flows from investing activities		
Additions of property, plant and equipment	(1,011)	(3,562)
Net cash outflows from deemed disposal of subsidiary		(23,993)
Proceeds from disposal of PPE	241	-
Interest received	62	284
Net cash provided/(used) by investing activities	(708)	(27,272)
Cash flows from financing activities		
Bridging loan	1,362	-
Interest Paid	(60)	(70)
Repayment of finance lease obligation	(578)	(1,366)
Net cash provided/(used) used in financing activities	724	(1,435)
Net (decrease)/increase in cash and cash equivalents	(563)	(12,207)
Beginning of the financial year	8,300	20,980
Effect of currency translation on cash and cash equivalents	215	(473)
Cash and cash equivalents at end of the financial year	7,952	8,300
Reconciliation of Cash and cash equivalents		
Cash and cash equivalents at end of the financial year	8,372	8,300
Less Bank overdraft	(420)	-
Cash and cash equivalents per consolidated statement of cashflow	7,952	8,300

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 2020	Attributable to owners of the Company				(Accumulated losses)/Retained profits S\$'000	Total S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
	Share capital S\$'000	Foreign currency translation reserve S\$'000	Capital reserve S\$'000	Revaluation Reserve S\$'000				
Balance as at 1 January 2020	39,433	(1,556)	3,478	-	(10,961)	30,395	6,113	36,508
Profit for the year				-	(4,115)	(4,115)	(911)	(5,026)
Other comprehensive loss								
Foreign currency translation		276			(10)	266	44	310
Fair value gain on investment				272	-	272	86	358
Total other comprehensive income for the period, net of tax	-	276	-	272	(4,125)	(3,576)	(782)	(4,358)
Total comprehensive income for the year	-	276	-	272	(4,125)	(3,576)	(782)	(4,358)
Effect of changes in shareholdings in a subsidiary corporation with change of control			-			-		-
Total contributions by and distributions to owners	-	-	-	-	-	-	-	-
Balance as at 31 December 2020	39,433	(1,280)	3,478	272	(15,084)	26,819	5,331	32,150
2019	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
Balance as at 1 January 2019	39,433	(1,897)	6,083	-	(11,297)	32,322	10,233	42,555
Profit for the year	-	-	-		336	336	928	1,265
Other comprehensive loss								
Foreign currency translation	-	(274)	-	-	-	(274)	(341)	(614)
Total other comprehensive income for the period, net of tax	-	(274)	-	-	-	(274)	(341)	(614)
Total comprehensive income for the year		(274)			336	62	588	650
Effect of changes in shareholdings in a subsidiary corporation with change of control	-	615	(2,605)	-	-	(1,990)	(4,708)	(6,699)
Total contributions by and distributions to owners	-	615	(2,605)	-	-	(1,990)	(4,708)	(6,699)
Balance as at 31 December 2019	39,433	(1,556)	3,478		(10,961)	30,395	6,113	36,508

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.

COMPANY 2020	Share capital S\$'000	(Accumulated losses) S\$'000	Total equity S\$'000
Balance as at 1 January 2020	39,433	(11,734)	27,699
Loss for the year, representing total comprehensive income for the year	-	(3,025)	(3,025)
Balance as at 31 Dec 2020	39,433	(14,759)	24,674
2019	S\$'000	S\$'000	S\$'000
Balance as at 1 January 2019	39,433	(8,629)	30,804
Loss for the year, representing total comprehensive income for the year	-	(3,105)	(3,105)
Balance as at 31 Dec 2019	39,433	(11,734)	27,699

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.

Issued Share Capital	31-12-20		31-12-19	
	No. of shares	Capital S\$	No. of shares	Capital S\$
Balance as at beginning of the period	387,748,700	39,433,461	387,748,700	39,433,461
Balance as at end of the period	387,748,700	39,433,461	387,748,700	39,433,461

There is no outstanding convertible treasury shares and subsidiary holdings 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.

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.

	31-12-20	31-12-19
Balance as at beginning of the period	387,748,700	387,748,700
Balance as at end of the period	387,748,700	387,748,700

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.

	31-12-20	31-12-19
Balance as at beginning and end of the period	-	-

1(d)(v) A statement showing all sales, transfers, cancellations 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.

The figures have neither been audited nor reviewed by our auditors.

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

Not applicable.

3A. Where the latest financial statements are subject to an adverse opinion. Qualified opinion or disclaimer of opinion:-

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

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

This is not require for any audit issue that is a material uncertainly relating to going concern.

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 the Company have applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial reporting period as compared to the audited financial statements 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.

Please refer to item 4 above.

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:-

	Group	
	Jan 2020 - Dec 2020	Jan 2019 - Dec 2019
Profit per ordinary share for the period after deducting any provision for preference dividends:-		
(i) Based on the weighted average number of ordinary shares on issue	(1.06)	0.09
(ii) On a fully diluted basis (detailing any adjustments made to the earnings)	(1.06)	0.09

(To disclose the basis used in arriving at the weighted average number of shares for the purposes of (6)(i) above and to provide details of any adjustments made for the purpose of (6)(ii) above)

Note to 6(i) and 6 (ii)

Basic and fully diluted earnings per share is calculated by dividing the Group's net profit attributable to equity holders of the Company amounting to net loss S\$4.1 m (2019: net gain S\$0.34 m) by the weighted average number of ordinary shares in issue as at 31 December 2020 of 387,748,700 (2019: 387,748,700) shares.

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	
	As at 31/12/2020	As at 31/12/2019	As at 31/12/2020	As at 31/12/2019
	Cts	Cts	Cts	Cts
Net asset value per ordinary share based on existing issued share capital as at the end of the financial year reported on.	6.92	7.84	6.36	7.14

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 (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.

Revenue

Total revenue of the Group decreases by approximately S\$4.5 million as compared to the period ended 31/12/2019 mainly due to the following reasons :

- i) Revenue from Singapore restaurant operations decreased by approximately S\$4.38m as compared to FY2019. This was mainly due to the COVID-19 outbreak and the various safe distancing measurements introduced by the Singapore government. Furthermore, the Circuit Breaker which kicked in from early April 2020 further prohibited dining-in, which further reduced the company revenue.
- ii) Revenue from China operations decreased by approximately S\$98k mainly due to stoppage of financial leasing business in 2020.

Interest income

Compare to 2019, the group has lesser money placed in fixed deposit.

Other income

Other income was reduced by 83% as compared to 2019. In 2019 China had a S\$10m other income which included the reversal of the impairment loss S\$3.9 m and gain on dilution of equity interest from subsidiary corporations to associated companies, amounting to S\$6.3 m.

Other income is mainly from Singapore, including S\$1.7m of support grants given by the Singapore government to assist local companies affected by covid-19. These rebates include rental of S\$490K, foreign worker levy of S\$54K, property tax grant of \$4.7K, job support scheme of S\$1m, special employee credit and wage credit Scheme of S\$61K

Raw materials and changes in inventories

Raw materials consumption reduced due to the reduction of the Food and Beverages business in 2020.

Employee compensation

Employee compensation cost decreased by S\$0.97m mainly due to decreasing staff overheads in China, cost saving measures taken by management to reduce Singapore manpower.

Depreciation expenses

Depreciation decreased by S\$270k as compared to year 2019 mainly due to most of the fixed assets in China was fully depreciated.

Finance expenses

Finance expenses have increased by S\$65K as compared to year 2019. It comprises of Bank overdraft expenses of S\$41k and HP interest expenses for new motor vehicles.

Other operating expenses

Other operating expenses decreased by S\$4.5 million as compared to 2019 mainly due to decrease in impairment loss of receivables of \$3m, decrease in legal expenses of S\$0.3m, decrease in rental expenses of S\$0.5m, decrease in cleaning expenses of S\$0.14m and decrease in utility expenses of S\$0.13m.

Share of loss of associated companies

There is a share of loss from associated company at S\$551K for year 2020.

Review of Financial Position as at 31 Dec 2020

Property, plant and equipment

Increase of fixed assets by net book value of S\$629K mainly due to purchase of new motor vehicles

Lease management

Increase in Right of use of S\$350K mainly due to the re-contract of leasing for the restaurant at Goodwood Park Singapore .

Trade and other receivable - Current

Trade and other receivables decreased by S\$3.1 m mainly due to impairment of S\$2.3m receivables and reduction of S\$0.5 m of VAT receivable in 2020.

Unquoted investment

unquoted Investment has increased by \$358k due to fair value gain.

Liabilities

Trade and other payables - Current

The Trade & other payables have decreased by S\$100K mainly due to a reduction of S\$800K of VAT payable and offset by a bank overdraft of S\$420K, and increased of S\$188K accrued expenses.

Finance lease liabilities - Current/non-current

Increase in Right of use of due to re-contract leasing for restaurant at Goodwood Park Singapore.

Borrowings

The group has obtained a bridging loan in 2020.

Review of Consolidated Cash Flows

Net cash outflow of S\$579K from operating activities mainly due to poor business environment caused by Covid 19 pandemic.

Net cash flow of S\$708K used in investing activities mainly due to net cash outflows arising from the purchase of motor vehicles & re-contract of leasing.

Cash and cash equivalent as at 31 Dec 2020 was S\$8.4m, which consists of Fixed deposit of S\$1m and Cash & bank Balance of S\$7.4 m. Compare to \$8.3 m from Cash and Bank Balance as at 31 Dec 2019.

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

Consistent with previous statements.

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

The group F & B business continues to remain challenging due to Covid 19 pandemic and also the absence of tourists.

The group has completed the building of the Logistic Hub in Tianjin. Going forward, the group will work with the business partner to develop the logistic business in China.

11. If a decision regarding dividend has been made:-

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

No dividends declared during the year.

(b) (i) Amount per share: Not applicable

(ii) Previous corresponding period: None

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

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which the Registrable Transfers received by the company (up to 5:00pm) will be registered before entitlements to the dividend are determined.

Not applicable.

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

Capital is required for operation needs and development of new business. Therefore the company will not be declaring any dividend.

13. If the Group has obtained a general mandate from shareholders for Interested Person Transaction ("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 and the Group do not have any general mandate from shareholders pursuant to Rule 920.

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 issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

Part II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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.

	Restaurant operations	Corporate and franchising services	Leasing operations	Properties	Notes	Group
	S\$'000	S\$'000	S\$'000	S\$'000		S\$'000
2020						
Turnover						
-external sales	8,069	132	-	285		8,486
	8,069	132	-	285	-	8,486
Interest income			62			62
Depreciation of property, plant and equipment	(351)	(3)	(3)	(4)		(361)
Impairment loss on investment in subsidiaries					A	
Segment (loss)/profit	203	(1,323)	(3,800)	(105)	B	(5,025)
Investment in associated companies			21,117			21,117
Additions to non-current assets	1,011				C	1,011
Segment assets	7,903	134	31,974	517	D	40,528
Segment liabilities	3,720	2,320	2,045	293	E	8,378
	operations	franchising services	Leasing operations	Properties	Notes	Group
2019						
Turnover	S\$'000	S\$'000	S\$'000	S\$'000		S\$'000
-external sales	12,446	177	123	241		12,988
	12,446	177	123	241		12,988
Interest income		32	40	213		284
Property, plant and equipment written off	-	-	-	-		-
Depreciation of property, plant and equipment	373	-	5	254		632
Share of results of joint ventures	-	-	-	-		-
Impairment loss on investment in subsidiaries	-	-	-	9	A	9
Segment (loss)/profit	(251)	(3,130)	3,850	795	B	1,265
Investment in associated companies			21,998			21,998
Additions to non-current assets	88				C	88
Segment assets	5,900	367	35,783	1,232	D	43,283
Segment liabilities	998	427	2,775	2,575	E	6,775
Geographical information	<u>Revenue</u>		<u>Non-current assets</u>			
	2020	2019	2020	2019		
	S\$'000	S\$'000	S\$'000	S\$'000		
Singapore	8,201	12,622	4,186	2,600		
People's Republic of China	285	365	21,363	26,680		
Others		-				
	8,486	12,988	25,549	29,280		

Non-current assets information presented above consists of property, plant and equipment as presented in the consolidated balance sheet.

b
 Note A
 Impairment loss on investment in subsidiaries are eliminated on consolidation.

Note B

The following items are deducted from segment profit to arrive at profit before tax presented in the consolidated income statement:

	2020	2019
	S\$'000	S\$'000
Gain on deemed disposal of subsidiaries	-	6,261
Impairment loss on receivable	2,372	5,479
Share of losses from associate	551	264
	<u>2,923</u>	<u>12,004</u>

Note C

Additions to non-current assets consists of additions to property, plant and equipment.

Note D

The following items are added to / (deducted from) segment assets to arrive at total assets reported in the consolidated balance sheet:

	2020	2019
	S\$'000	S\$'000
Inter-segment assets	<u>40,528</u>	<u>43,283</u>
	<u>40,528</u>	<u>43,283</u>

Note E

The following items are added to / (deducted from) segment liabilities to arrive at total liabilities reported in the consolidated balance sheet:

	2020	2019
	S\$'000	S\$'000
Income tax payables	31	106
Deferred tax liabilities	84	67
Inter-segment liabilities	-	-
	<u>115</u>	<u>173</u>

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 note 8 for commentary.

17. A breakdown of sales as follows:-

	Group		
	2020	2019	Changes
	S\$'000	S\$'000	%
a) Sales reported for first half-year	3,730	6,820	(45)
b) Operating profit/(loss) after tax before deducting minority interests reported for first half-year	(1,394)	(1,731)	NM
c) Sales reported for second half-year	4,756	6,168	(23)
d) Operating profit/(loss) after tax before deducting minority interests reported for second half-year	(2,721)	2,067	>100

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

	2020	2019
	S\$	S\$
Ordinary	-	-
Preference	-	-
Total:	-	-

Note 1 : No dividends declared during the year.
 Please refer to para 11 on dividends.

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(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

There is no relative of a director or chief executive officer or substantial shareholder of the Company or the Group who is occupying a managerial position in the Company or any of its principal subsidiaries.

BY ORDER OF THE BOARD
 Lee Tong Soon
 Managing Director
 24-Feb-2021