

**ACCRELIST LTD. (formerly known as WE Holdings Ltd.)**  
**Financial Statement Announcement for the Six Months Ended 30 September 2020**

The Board of Directors of Accrelist Ltd. wishes to announce the unaudited results of the Group and Company for the six months period ended 30 September 2020.

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

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 Shervyn Essex - Registered Professional, 6 Raffles Quay, #24-02, Singapore 048580, sponsor@rhtgoc.com.

**Part I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (Q1, Q2 & Q3, HALF-YEAR AND FULL YEAR RESULTS)**

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

	<b>Group</b>																														
	<b>For the 6 months period ended</b>																														
	<b>30-Sep-20</b> <b>S\$'000</b>	<b>30-Sep-19</b> <b>S\$'000</b>	<b>Increase /</b> <b>(Decrease)</b>																												
<b>Revenue</b>	60,742	81,553	-26%																												
Cost of sales	(54,041)	(74,468)	-27%																												
<b>Gross profit</b>	<b>6,701</b>	<b>7,085</b>	<b>-5%</b>																												
Other gain/(loss), net	629	(492)	nm																												
	7,330	6,593	11%																												
<b>Other items of expenses</b>																															
Marketing and distribution expenses	(225)	(772)	-71%																												
Administrative	(6,048)	(7,900)	-23%																												
Finance	(477)	(629)	-24%																												
Share of (loss)/profit of associated companies	(448)	104	nm																												
<b>Profit/(Loss) before tax</b>	<b>132</b>	<b>(2,604)</b>	<b>nm</b>																												
Income tax expense	(68)	(69)	-1%																												
<b>Profit/(Loss) for the period</b>	<b>64</b>	<b>(2,673)</b>	<b>nm</b>																												
<b>Other comprehensive loss :</b>																															
Exchange difference on translating foreign operations	23	1,048	-98%																												
Share of comprehensive income/(loss) of associated companies	(148)	(164)	-10%																												
<b>Total comprehensive loss for the period</b>	<b>(61)</b>	<b>(1,789)</b>	<b>-97%</b>																												
<b>Profit/(Loss) attributable to:</b>																															
Equity holders of the Company	53	(2,055)	nm																												
Non-controlling interests	11	(618)	nm																												
	<b>64</b>	<b>(2,673)</b>	<b>nm</b>																												
<b>Total comprehensive loss attributable to:</b>																															
Equity holders of the Company	(126)	(1,171)	-89%																												
Non-controlling interests	65	(618)	nm																												
	<b>(61)</b>	<b>(1,789)</b>	<b>-97%</b>																												
<b>EBITDA</b>	<b>2,566</b>	<b>619</b>	<b>315%</b>																												
	<table border="1"> <thead> <tr> <th colspan="2" style="text-align: center;">Revenue</th> <th colspan="2" style="text-align: center;">Profit/(Loss) attributable to equity holders</th> </tr> <tr> <th style="text-align: center;">30-Sep-20</th> <th style="text-align: center;">30-Sep-19</th> <th style="text-align: center;">30-Sep-20</th> <th style="text-align: center;">30-Sep-19</th> </tr> <tr> <th style="text-align: center;">S\$'000</th> <th style="text-align: center;">S\$'000</th> <th style="text-align: center;">S\$'000</th> <th style="text-align: center;">S\$'000</th> </tr> </thead> <tbody> <tr> <td style="text-align: right;">3,157</td> <td style="text-align: right;">3,460</td> <td style="text-align: right;">1,790</td> <td style="text-align: right;">688</td> </tr> <tr> <td style="text-align: right;">57,585</td> <td style="text-align: right;">78,080</td> <td style="text-align: right;">734</td> <td style="text-align: right;">(735)</td> </tr> <tr> <td style="text-align: right;">-</td> <td style="text-align: right;">13</td> <td style="text-align: right;">(2,471)</td> <td style="text-align: right;">(2,008)</td> </tr> <tr> <td style="text-align: right;"><b>60,742</b></td> <td style="text-align: right;"><b>81,553</b></td> <td style="text-align: right;"><b>53</b></td> <td style="text-align: right;"><b>(2,055)</b></td> </tr> </tbody> </table>		Revenue		Profit/(Loss) attributable to equity holders		30-Sep-20	30-Sep-19	30-Sep-20	30-Sep-19	S\$'000	S\$'000	S\$'000	S\$'000	3,157	3,460	1,790	688	57,585	78,080	734	(735)	-	13	(2,471)	(2,008)	<b>60,742</b>	<b>81,553</b>	<b>53</b>	<b>(2,055)</b>	
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<b>A.M Aesthetics</b>	3,157	3,460	1,790	688																											
<b>Electronics and Mechanical Business Unit</b>	57,585	78,080	734	(735)																											
<b>Others</b>	-	13	(2,471)	(2,008)																											
<b>Total</b>	<b>60,742</b>	<b>81,553</b>	<b>53</b>	<b>(2,055)</b>																											

nm denotes not meaningful.

**1(a)(ii) Notes to the Income Statement**

The Group's profit/(loss) before income tax is arrived at after charging/(crediting):

<b>Group</b>			
<b>For the 6 months period ended</b>			
	<b>30-Sep-20</b>	<b>30-Sep-19</b>	<b>Increase /</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>(Decrease)</b>
Amortisation of intangible assets	(939)	(951)	-1%
Sale of scrap and other materials	-	79	-100%
Depreciation of property, plant and equipment	(645)	(644)	0%
Gain on disposal of property, plant and equipment	36	8	350%
Government grants	607	10	5970%
Waiver of non-trade payables	56	-	nm
Foreign exchange loss	(383)	(759)	-50%
Employee compensation	(5,284)	(4,651)	14%
Interest income	12	3	300%
Inventories recognised as an expense in cost of sales	(49,567)	(69,625)	-29%
Miscellaneous income	310	85	265%
Directors' fee	(101)	(73)	38%
Director's remuneration	(299)	(383)	-22%
Rental income	-	23	-100%

nm denotes 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		
	30-Sep-20 S\$'000	31-Mar-20 S\$'000	Increase / (Decrease)	30-Sep-20 S\$'000	31-Mar-20 S\$'000	Increase / (Decrease)
<b>ASSETS</b>						
<b><u>Non-current assets</u></b>						
Property, plant and equipment	15,284	15,727	-3%	-	-	nm
Intangible assets	12,890	13,829	-7%	2	4	-50%
Investments in subsidiary corporations	-	-	nm	31,906	31,906	0%
Investments in associated companies	8,883	9,430	-6%	-	-	nm
Other assets	20	20	0%	20	20	0%
Trade and other receivables	142	142	0%	-	-	nm
Financial assets, at FVOCI	47	47	0%	-	-	nm
<b>Total non-current assets</b>	<b>37,266</b>	<b>39,195</b>	<b>-5%</b>	<b>31,928</b>	<b>31,930</b>	<b>0%</b>
<b><u>Current assets</u></b>						
Inventories	11,110	9,375	19%	-	-	nm
Trade and other receivables	25,316	25,555	-1%	8,644	9,169	-6%
Other assets	1,475	1,172	26%	212	212	0%
Financial assets, at FVPL	33	33	0%	-	-	nm
Financial assets, at FVOCI	482	482	0%	-	-	nm
Contract assets	342	342	0%	-	-	nm
Cash and cash equivalents	6,671	10,635	-37%	1,582	1,613	-2%
<b>Total current assets</b>	<b>45,429</b>	<b>47,594</b>	<b>-5%</b>	<b>10,438</b>	<b>10,994</b>	<b>-5%</b>
<b>Total assets</b>	<b>82,695</b>	<b>86,789</b>	<b>-5%</b>	<b>42,366</b>	<b>42,924</b>	<b>-1%</b>
<b>EQUITY AND LIABILITIES</b>						
<b><u>Equity</u></b>						
Share capital	72,491	72,491	0%	113,182	113,182	0%
Accumulated losses	(45,643)	(45,696)	0%	(77,789)	(76,613)	2%
Other reserves	1,427	1,606	-11%	-	-	nm
	28,275	28,401	0%	35,393	36,569	-3%
Non-controlling interests	13,917	13,852	0%	-	-	nm
<b>Total equity</b>	<b>42,192</b>	<b>42,253</b>	<b>0%</b>	<b>35,393</b>	<b>36,569</b>	<b>-3%</b>
<b><u>Non-current liabilities</u></b>						
Deferred tax liabilities	1,269	1,269	0%	-	-	nm
Borrowings	4,461	4,530	-2%	-	-	nm
<b>Total non-current liabilities</b>	<b>5,730</b>	<b>5,799</b>	<b>-1%</b>	<b>-</b>	<b>-</b>	<b>nm</b>
<b><u>Current liabilities</u></b>						
Borrowings	12,903	13,798	-6%	-	-	nm
Trade and other payables	19,717	19,920	-1%	6,720	4,574	47%
Contract liabilities	1,406	2,637	-47%	-	-	nm
Loan payable	253	1,781	-86%	253	1,781	-86%
Income tax payable	494	601	-18%	-	-	nm
<b>Total current liabilities</b>	<b>34,773</b>	<b>38,737</b>	<b>-10%</b>	<b>6,973</b>	<b>6,355</b>	<b>10%</b>
<b>Total liabilities</b>	<b>40,503</b>	<b>44,536</b>	<b>-9%</b>	<b>6,973</b>	<b>6,355</b>	<b>10%</b>
<b>Total equity and liabilities</b>	<b>82,695</b>	<b>86,789</b>	<b>-5%</b>	<b>42,366</b>	<b>42,924</b>	<b>-1%</b>

nm denotes not meaningful.

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

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

As at 30 September 2020		As at 31 March 2020	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
13,156	-	15,579	-

### Amount repayable after one year

As at 30 September 2020		As at 31 March 2020	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
4,461	-	4,530	-

### Details of any collateral

All borrowings are denominated in United States Dollars ( "USD" ) and Singapore Dollars ( "SGD" ) and are interest bearing. The borrowings are secured by:

- (i) Legal mortgages of leasehold industrial properties of a subsidiary corporation.
- (ii) Corporate guarantee provided by the Company.
- (iii) Group's investment in associated company.
- (iv) Certain bank deposits of the Group.
- (v) Leased motor vehicles as the legal title are retained by the respective lessors and will be transferred to the Group upon full settlement of the lease liabilities. The lease liabilities are also secured by the corporate guarantee.



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

<u>Group</u>	<u>Attributable to Equity Holders of the Group</u>				<u>Total Equity</u>
	<u>Share Capital</u>	<u>Accumulated Losses</u>	<u>Other Reserves</u>	<u>Non-Controlling Interests</u>	
HY 2021	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Beginning of financial period</b>	72,491	(45,696)	1,606	13,852	42,253
Total comprehensive loss for the financial period	-	53	(179)	65	(61)
<b>Closing balance at 30 September 2020</b>	<b>72,491</b>	<b>(45,643)</b>	<b>1,427</b>	<b>13,917</b>	<b>42,192</b>

	<u>Attributable to Equity Holders of the Group</u>				<u>Total Equity</u>
	<u>Share Capital</u>	<u>Accumulated Losses</u>	<u>Other Reserves</u>	<u>Non-Controlling Interests</u>	
HY 2020	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Beginning of financial period</b>	72,491	(33,684)	2,138	14,751	55,696
Total comprehensive loss for the financial period	-	(2,055)	884	(618)	(1,789)
<b>Closing balance at 30 September 2019</b>	<b>72,491</b>	<b>(35,739)</b>	<b>3,022</b>	<b>14,133</b>	<b>53,907</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.

Company	
No of Shares '000	Share Capital S\$'000

Issued and fully paid up shares as at 31 March 2020 and 30 Sept 2020

279,142	113,182
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The Company has no outstanding treasury shares and warrants as at 31 March 2020 and 30 September 2020.

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.

Company	
30-Sep-20	31-Mar-20

Total number of ordinary shares issued ('000)

279,142	279,142
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There were no treasury shares as at 31 March 2020 and 30 September 2020.

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

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

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

Not applicable.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Review Engagement, SSRE 2400 (Engagements to Review Financial Statements), or an equivalent standard)

Not applicable.

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:-

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

(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 current financial period compared with those for the audited financial statements as at 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**

Not applicable.

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

	For the 6 months period ended	
	30-Sep-20	30-Sep-19
Loss for the period attributable to equity holders of the company (S\$'000)	53	(2,055)
(i) EPS / (LPS) based on the weighted average number of shares (in cents)	0.02	(0.74)
(ii) EPS / (LPS) based on a fully diluted basis (in cents)	0.02	(0.74)
Weighted average number of ordinary shares applicable to EPS ('000)	279,142	279,142
Weighted average number of ordinary shares fully diluted basis ('000)	279,142	279,142

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

	Group		Company	
	30-Sep-20	31-Mar-20	30-Sep-20	31-Mar-20
Net asset value per ordinary share based on issued share capital at the end of the financial period / year (in cents)	15.11	15.14	12.68	13.10
No. of shares at the end of the financial period / year ('000)	279,142	279,142	279,142	279,142



**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

**Income Statement**

	Revenue		Profit/(Loss) attributable to equity holders			
	30-Sep-20	30-Sep-19	30-Sep-20	30-Sep-19		
	S\$'000	S\$'000	S\$'000	S\$'000		
A.M Aesthetics	3,157	3,460	-9%	1,790	688	160%
Electronics and Mechanical Business Units	57,585	78,080	-26%	734	(735)	nm
Others	-	13	-100%	(2,471)	(2,008)	23%
<b>Total</b>	<b>60,742</b>	<b>81,553</b>	<b>-26%</b>	<b>53</b>	<b>(2,055)</b>	<b>-103%</b>

**EBITDA for A.M Aesthetics is S\$1.9 million.**

**EBITDA for Electronics and Mechanical Business Unit is S\$0.8 million.**

In the six months financial period ended 30 September 2020 ("HY2021"), the Group registered a turnover of S\$60.7 million. This represents a decrease of S\$20.9 million as compared to S\$81.6 million for the comparative six months financial period ended 30 September 2019 ("HY2020").

A.M Aesthetics in HY2021 generated a revenue of S\$3.2 million with a gross profit and profit before tax of S\$2.9 million and S\$1.8 million respectively. This is due to the recognition of deferred income in 6 months, which was adopted during the last quarter for financial year 2020, as compared to HY2020 which was recognised in 12 months.

The revenue from the Mechanical Business Unit ("MBU") and Electronics Business Unit ("EBU") decreased by approximately S\$20.5 million or 26% from S\$78.1 million in HY2020 to S\$57.6 million in HY2021.

Revenue from the MBU decreased marginally by S\$0.2 million from S\$11.8 million in HY2020 to S\$11.6 million in HY2021. The extension of the movement control order to September 2020 by the Malaysian Government to further curb the spread of Covid-19 has affected the performance of MBU as some of its customers in the non-essential services sectors are forced to continue with lockdown. To mitigate the impact on revenue, MBU improved on tool trial processes to maintain revenue stream and is venturing into new technologies of rubber mold fabrications, repairs and servicing.

Revenue from the EBU remains as the major contributor despite a decrease of S\$20.3 million from S\$66.3 million in HY2020 to S\$46.0 million in HY2020. EBU was adversely affected because demand for consumer electronics and industrial equipment diminished to almost zero owing to the pandemic and the ongoing trade disputes between USA and China.

The gross profit of the MBU and EBU decreased by S\$0.4 million from S\$4.1 million in HY2020 to S\$3.7 million in HY2021. Gross profit margin increased from 5.2% for HY2020 to 6.5% for HY2021. The improvement in the gross profit margin is due to the limited supply of electronic components which has enabled the EBU to sell at better margins. Samsung and SK Hynix continues to remain as the top 2 product lines for EBU. The revenue for these 2 product lines dropped by 50.8% from S\$47.6 million in HY2020 to S\$23.4 million in HY2021 but gross profit has maintained at S\$1.0 million for both periods.

Other gains was S\$0.6 million for HY2021 as compared to a loss of S\$0.5 million in HY2020. The increase was mainly attributable to various government grants received by the Group due to Covid-19 of about S\$0.6 million and the decrease in foreign exchange losses of approximately S\$0.4 million due to revaluation on foreign currencies in EBU, predominantly the United States Dollar ("USD"), which is also the primary transactional currency for the business unit.

Operating expenses reduced from S\$10.8 million in HY2020 to S\$7.1 million in HY2021. Marketing and distribution expenses decreased by approximately S\$0.6 million or 71% from S\$0.8 million in HY2020 to S\$0.2 million in HY2021. The decline came mainly from a reduction of sales agents' commission payout, lower staff and related costs from the reduction of sales, and lower business travelling and entertainment expenses as a result of the pandemic in HY2021. Administrative expenses decreased by 23% from S\$7.9 million in HY2020 to S\$6.0 million in HY2021 and this mainly due to lower staff related costs. In view of the challenging operating environment and the impact of Covid-19 in the continuing quarters of the financial year, the Group implemented various cost containment measures to mitigate the compounding challenges. Finance expenses decreased by S\$0.1 million or 24% to S\$0.5 million in HY2021 compared to S\$0.6 million in HY2020 due to lower bank borrowings and use of the Letter of credit/Trust receipt facilities in line with the decrease in sales.

**Balance Sheet**

Non-current assets decreased by 5% from S\$39.2 million as at 31 March 2020 to S\$37.3 million as at 30 September 2020. The decline is mainly due to the decrease in intangible assets of S\$0.9 million as a result of amortisation, decrease in property, plant and equipment from depreciation of S\$0.6 million and a decrease in investments in associated companies from the share of losses from the latter during the financial period.

Current assets as at 30 September 2020 comprises of inventories, trade and other receivables, other assets, financial assets, at FVPL, financial assets, at FVOCI, contract assets and cash and cash equivalents. Total current assets amounted to S\$45.4 million as at 30 September 2020 as compared to S\$47.6 million as at 31 March 2020. The decrease of S\$2.2 million is mainly due to the decrease in cash and cash equivalents of S\$4.0 million where cash of approximately S\$2.4 million was used in the repayment of bank borrowings and there were greater purchase of inventories resulting in a greater inventory balance. This decrease in cash and cash equivalents is offset by the increase in inventories of S\$1.7 million where this is due to reporting period cut off and is transitional.

Current liabilities as at 30 September 2020 comprises of borrowings, trade and other payables, contract liabilities, loan payable and income tax payable. Total current liabilities amounted to S\$34.8 million as at 30 September 2020 as compared to S\$38.7 million as at 31 March 2020. The decline of S\$3.9 million is due to a decrease in borrowings and loan payable which is attributed to payment for the latter of S\$0.9 million and S\$1.5 million respectively. Trade and other payables had also decreased by S\$0.2 million which is aligned with the drop in cost of sales. Contract liabilities decreased by S\$1.2 million as a result of recognition of with the recognition of deferred income. Income tax payable had also decreased by S\$0.1 million due to payment of income tax.

Non-current liabilities comprises of deferred tax liabilities and borrowings. Total non-current liabilities has maintained relatively constant as at 31 March 2020 and 30 September 2020.

The Group's working capital increased from S\$8.9 million as at 31 March 2020 to S\$10.3 million as at 30 September 2020.

**Cash Flow Statement**

Net cash flow used in operating activities for HY2021 was S\$0.8 million, comprising of operating profit before working capital changes of S\$2.6 million and working capital outflow of S\$3.4 million. The working capital outflow was mainly due to the increase in inventories, decrease of trade and other payables, increase in other assets and income taxes paid of S\$1.7 million, S\$1.4 million, S\$0.3 million and S\$0.2 million respectively. This is offset by the increase in trade and other receivables of S\$0.2 million. Net cash used in investing activities for HY2021 of S\$0.2 million was mainly due to acquisition of property, plant and equipment. Cash used in financing activities was due to repayment of borrowings, repayment of loan repayable, and payment of interest of S\$1.0 million, S\$1.5 million and S\$0.5 million respectively. This is offset with the bank deposits pledged of S\$1.1 million. The Group recorded a net decrease in cash and cash equivalents of S\$2.8 million during HY2021.

**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 prospect statement or forecast has been previously disclosed to shareholders.

**10. A commentary at the date of the announcement of the 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**

With the current Covid-19 pandemic situation, the Group will work and devote its resources to seek new business opportunities and maintain vigilance in response to the volatile operating environment as it carries out its expansion strategies.

The Company currently has 5 local medical aesthetic clinics and these are situated in the heartland malls to service the customers in those areas. They are known as the Accrelist Medical Aesthetics group of companies and now branded as A.M Aesthetics. Aligned with the expansion strategy, medical aesthetic clinics have also been expanded overseas with the incorporation of 2 subsidiaries, Accrelist Medical Aesthetics (Penang) Sdn. Bhd. and Accrelist Aesthetics (KL) Sdn. Bhd., which was announced on 20 February 2019 and 8 March 2019 respectively. The Company has also set footprints in Korea by collaborating with 2 renowned doctors who own 5 clinics in Korea to assist with providing training and recommending state-of-the-art aesthetic equipment and products. This collaboration is further enhanced with the Company's subsidiary, Accrelist Medical Aesthetics (BM) Pte. Ltd., entering into a sales and purchase agreement to acquire a 49% stake in Ozhean Accrelist Aesthetics Sdn. Bhd. ("Ozhean"), which is owned by the Company's Korean counterpart and this was announced on 3 December 2019. This would enhance the Company's advancement in this field given that Korea are the leaders in the medical aesthetic business. In fact, Ozhean which started off with a clinic at Bangsar had set up another branch in Bukit Jalil. Plans are also on the way to set up more clinics in Malaysia, namely Kuala Lumpur, Johor Bahru, and Ipoh by next year.

With the increasing social acceptance in the aesthetic medical services sector, it would bring in long-term growth for the Company and this is evidenced from the financial results where from the date of completion of the acquisition till the financial year ended 31 March 2019, A.M Aesthetics had generated revenue and profit of S\$3.4 million and S\$0.8 million respectively. With the Covid-19 pandemic, there has been an global impact on businesses. In spite of the pandemic, A.M Aesthetic has managed to generate revenue and profit of S\$3.2 million and S\$1.8 million respectively in HY2021.

Besides growth on the increase in medical aesthetic clinics, the Company is expanding its business on clinical skin care products. This would be executed through its subsidiary, A Skin Products Pte. Ltd. ("A Skin"). A Skin would develop Original Design Manufacturer ("ODM") products with advisory and inputs from the Korean dermatologist. It would also carry non-ODM skin products which are renowned brands from Korea. With this, a retail shop would be set up for such and this is expected to be sold online.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

No.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

No.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

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

The Company did not declare / recommend dividends for the current financial period reported on as losses were incurred.

**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**

There was no IPT greater than S\$100,000 for HY2021. The Group does not have a general mandate from its shareholders for IPT's.

**14. Confirmation by the Board pursuant to Rule 705(5) of the Listing Manual**

The Board of Directors of the Company hereby confirm to the best of their knowledge that nothing has come to their attention which may render the financial statements for the six months ended 30 September 2020 to be false or misleading in any material aspects.

**15. Confirmation by the Board pursuant to Rule 720(1) of the Listing Manual**

On behalf of the Board of Directors of the Company, we hereby confirm that we have procured all the required undertakings to comply with the Exchange's listing rules from all the Directors and Executive Officers of the Company.

**BY ORDER OF THE BOARD**

Lee Wei Hsiung  
Company Secretary  
13 December 2020