



# Annual General Meeting FY2020

29th October 2020

## Background

### Regional Stainless Steel Distributor

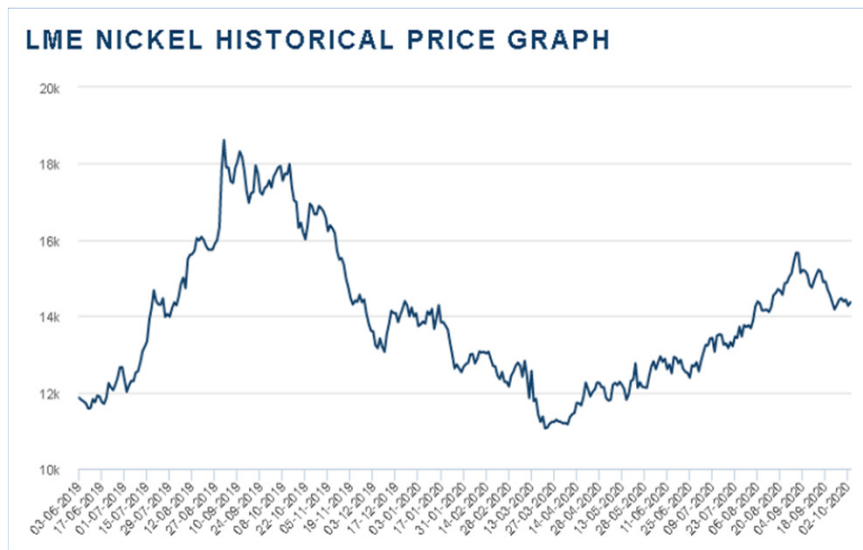
- Established in 1977
- Serving customers in Asia Pacific region
- 2 warehouses in Singapore with total land space of 160,000 sq ft.
- More than 3,000 items of stainless steel
- Listed on SGX Mainboard since 2007



## Market Overview

Market downturn due to multiple factors

- Hit by 3 factors of trade war, oil price crash and COVID virus
- Price of nickel and stainless steel remains in a range but drop in demand
- Oil price has dropped due to drop in demand



Source: [www.lme.co.uk](http://www.lme.co.uk)

WTI Crude Oil Price (USD) - 3 Year Chart

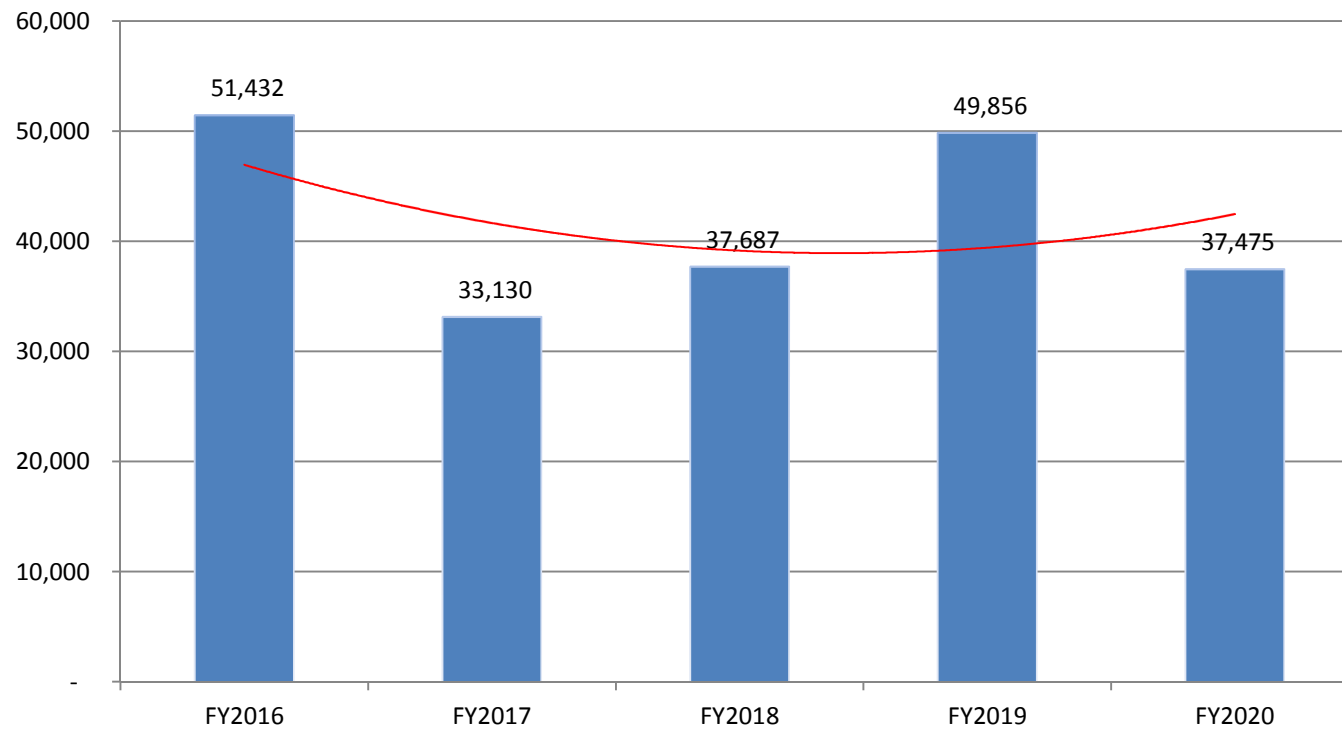


Source: [www.macrotrends.net](http://www.macrotrends.net)

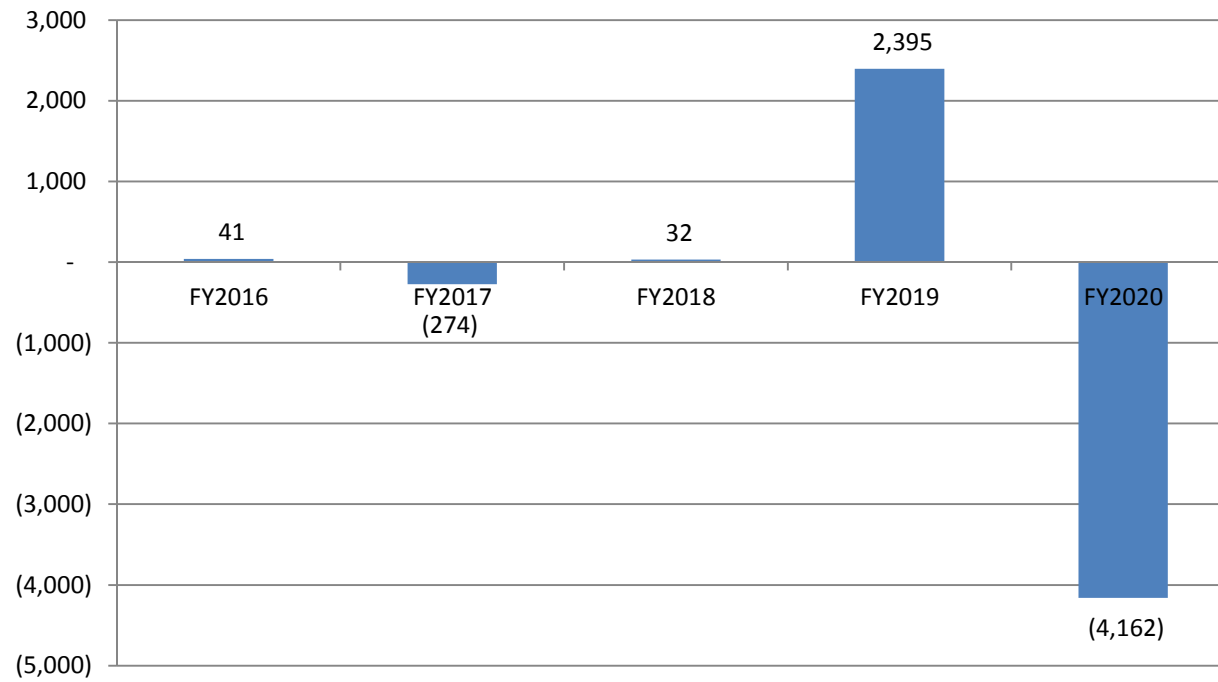
## Decreased Revenue and Loss for FY2020

S\$'000	FY2020	FY2019	% change
Group Revenue	37,475	49,856	(25%)
Gross profit	4,654	12,063	(61%)
GP margin	12%	24%	(12%)
Distribution & admin expenses	(8,687)	(9,277)	(6%)
Other operating income, net	754	144	424%
Impairment loss on receivables	(904)	(237)	281%
Finance (cost) / income, net	(73)	208	NM
(Loss) / profit before tax	(4,256)	2,901	NM
Net (loss) / profit	(4,162)	2,395	NM

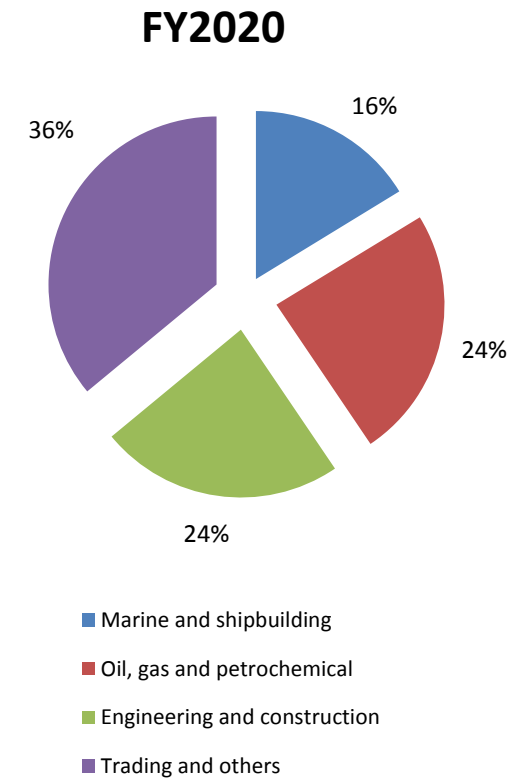
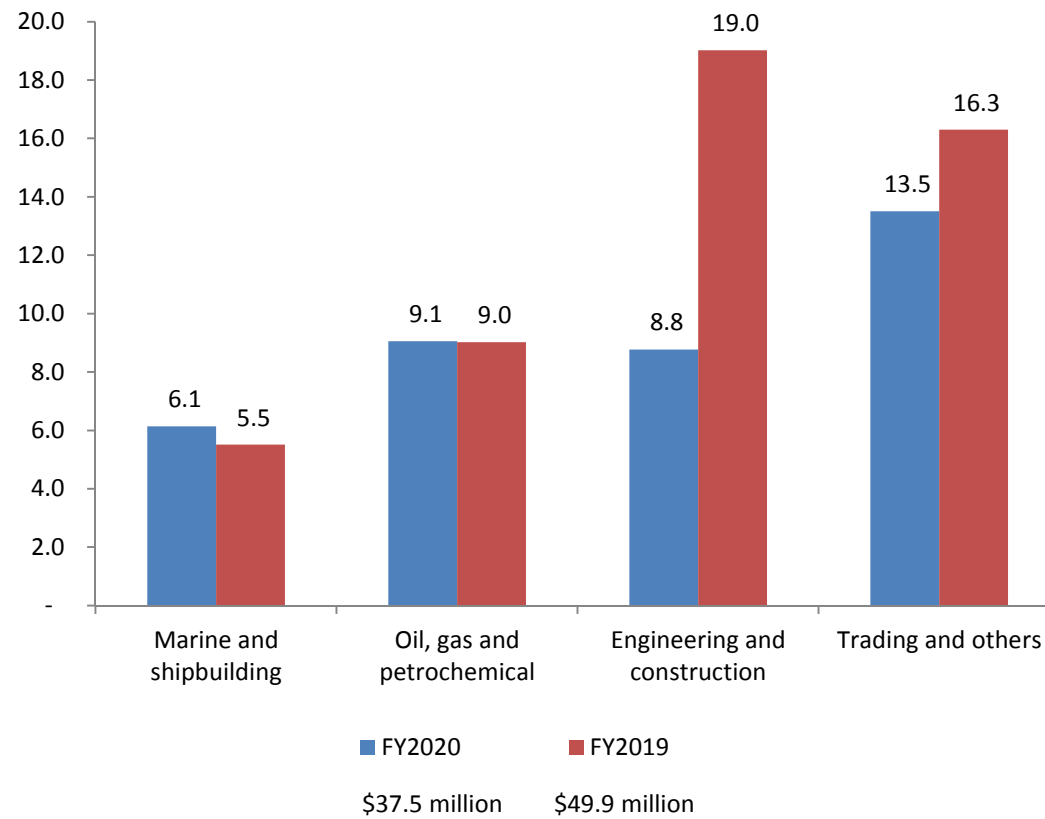
## Group revenue (S\$'000)



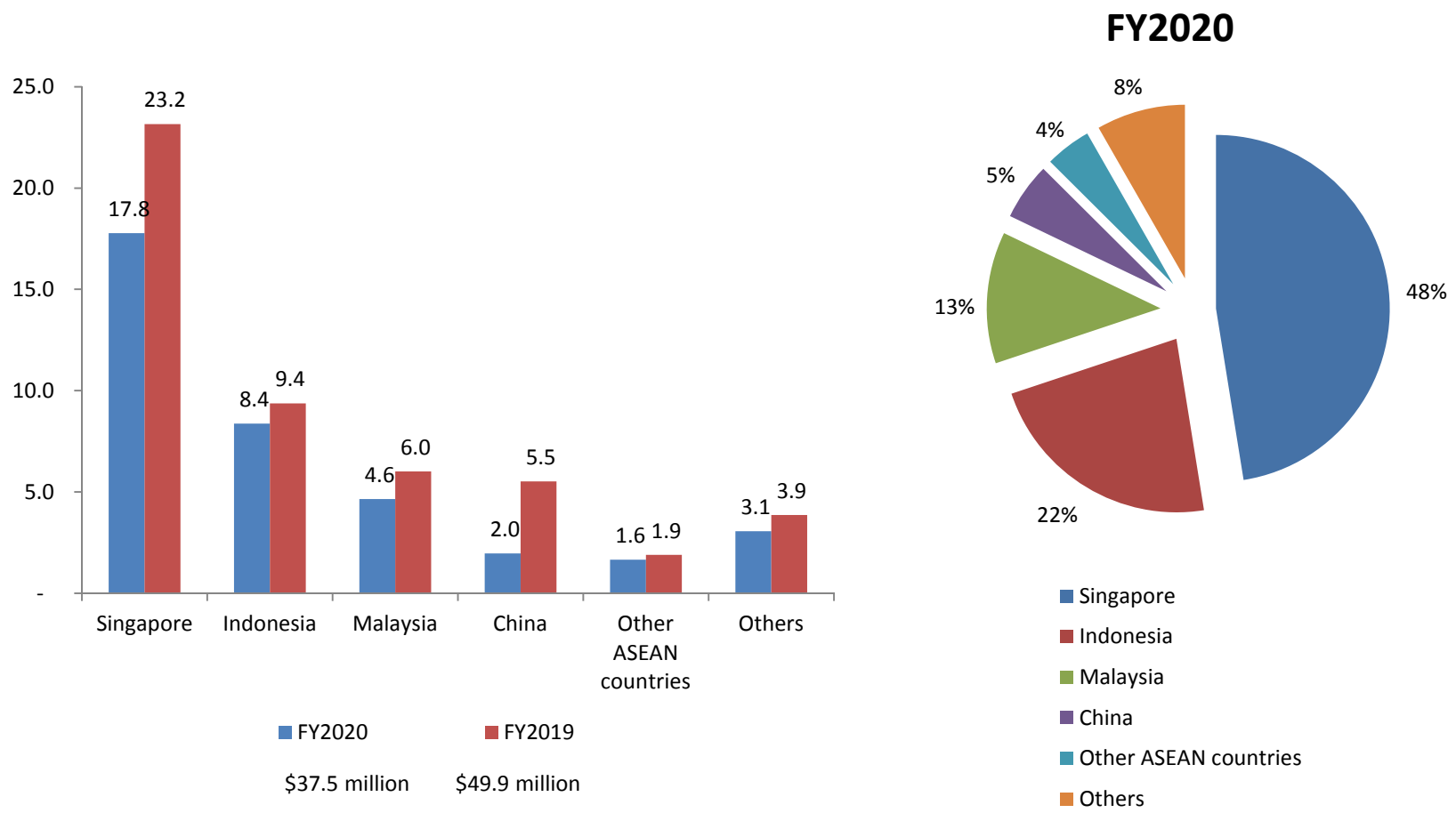
## Profit / (loss) after tax (S\$'000)



## Revenue by industry (\$ million) - FY2020

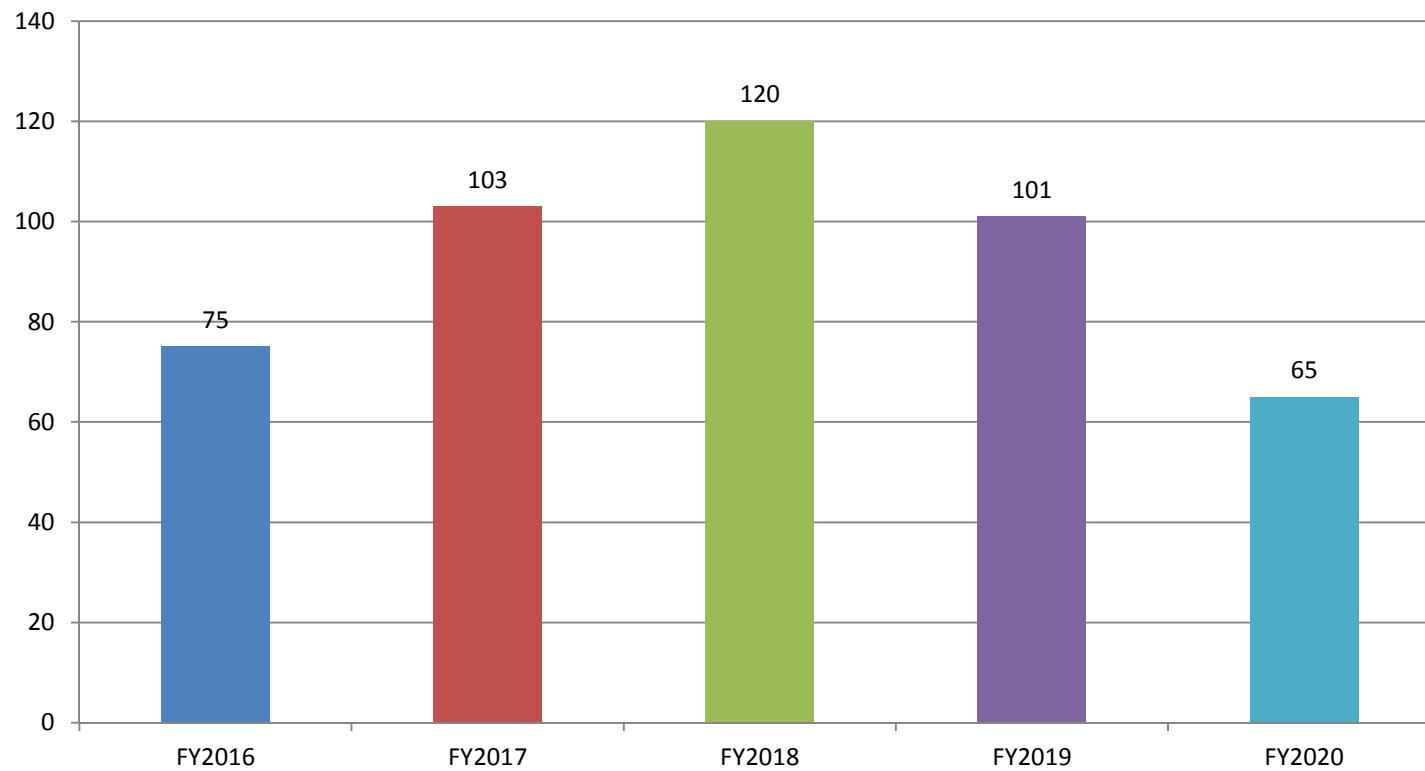


## Revenue by geographical market (S\$ million) - FY2020

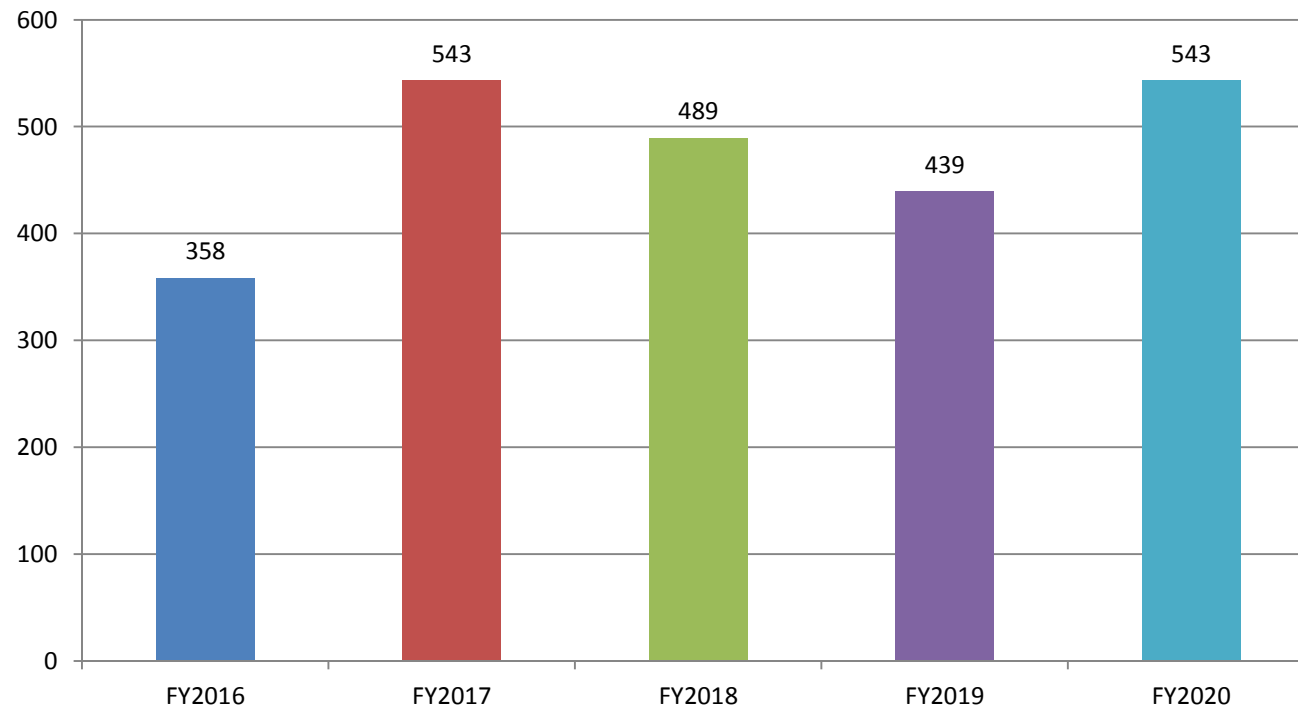




## Receivables turnover improved (days)



## Inventory turnover worsened (days)

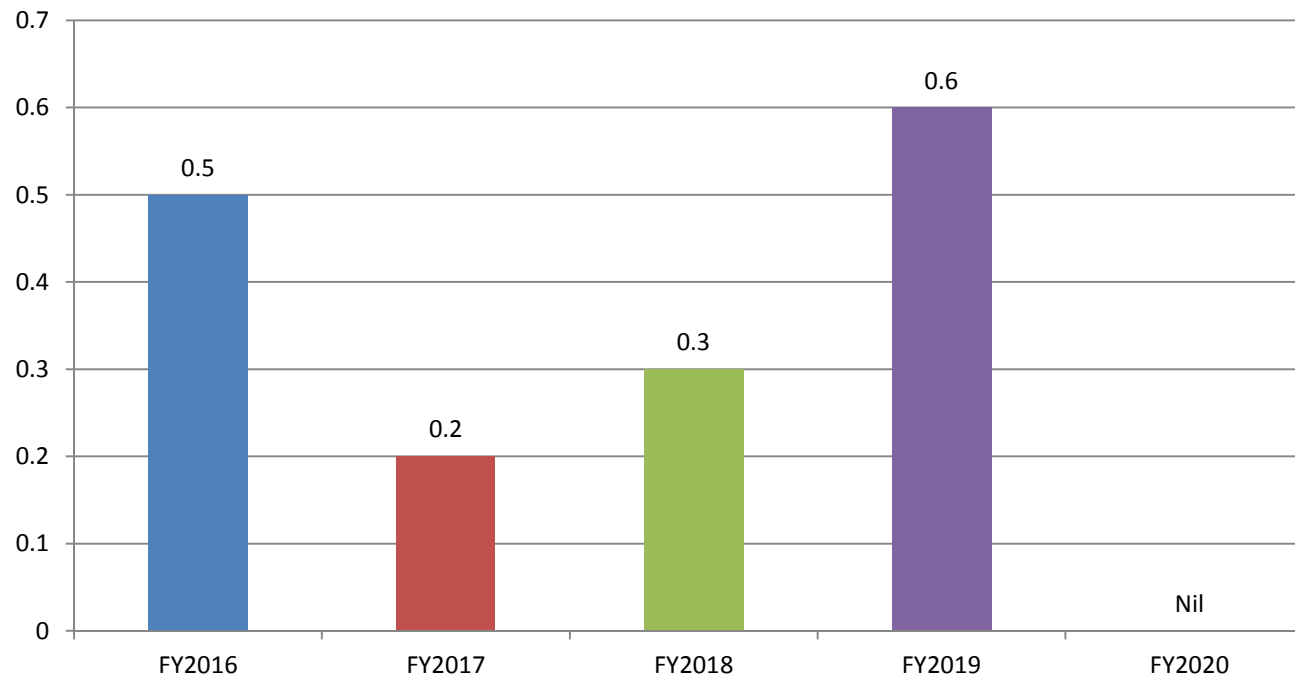


## Financial position

S\$'000	FY2020	FY2019
Non-current assets	20,577	10,326
Current assets	68,120	80,393
Non-current liabilities	4,810	Nil
Current liabilities	3,680	5,015
Total Equity	80,207	85,704

## No dividends proposed for FY2020

(in Singapore cents per share)



A World Stronger logo featuring the text "A World Stronger" in a serif font, with a small square icon containing a stylized '1' to the right of the word "Stronger".

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## Outlook

- Lower revenue and loss due to depressed market conditions and product demand
- Oil and Gas sector crash dented business sentiments especially in our domestic market
- Global Economic outlook is poor as well
- Conditions to be challenging but we will continue to monitor and act accordingly



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## Focus

- Our secondary facility is up and running with an automatic storage system
- Main facility has been upgraded
- Underperforming subsidiaries have been closed
- Still financially resilient
- Well positioned to take advantage once business conditions improve

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**Thank you**