



Trek 2000 International Ltd
(Registration Number 199905744N)
30 Loyang Way, #07-13/14/15
Loyang Industrial Estate
Singapore 508769

FOR IMMEDIATE RELEASE

Trek posts 350.0% surge in net profit to US\$0.2 million for 2Q2021

- Revenue records 658.6% increase to US\$12.6 million led by core Interactive Consumer Solution (ICS) segment
- Gross profit soars 4,835.3% to US\$0.8 million while gross profit margin expands 5.7 percentage points to 6.7% driven by the robust growth in demand for the Group's solutions
- Capitalising on the global trend of sustainability, the Group continues to intensify its investments and focus on renewable energy solutions; establishes new renewable energy business unit with effect from 1 July 2021

Singapore, 16 August 2021 – TREK 2000 INTERNATIONAL LTD. ("Trek 2000", "Trek", together with its subsidiaries, "the Group") has announced its financial results for the second quarter ("2Q2021") and half year ("1H2021") ended 30 June 2021.

Financial Highlights (US\$ millions)	2Q2021	2Q2020	Change (%)	1H2021	1H2020	Change (%)
Revenue	12.6	1.7	658.6	20.7	10.2	102.5
Gross Profit	0.8	0.02	4,835.3	1.6	1.0	59.8
Gross Profit Margin (%)	6.7	1.0	5.7 ppt	7.5	9.5	(2.0) ppt
Net Profit/(loss) Attributable to Owners of the Company	0.2	0.03	350.0	0.5	(1.1)	N.M.
Net Profit/(loss) Margin (%)	1.2	2.3	(1.1) ppt	2.5	(10.3)	N.M.
Earnings Per Share (US cents)	0.05	0.01	400.0	0.16	(0.34)	N.M.

Notwithstanding the volatile macroeconomic and business outlook due to the proliferation of new strains of the COVID-19 virus globally, the Group managed to record a 658.6% quarter-on-quarter ("qoq") increase in revenue to US\$12.6 million for 2Q2021. This was largely attributable to the robust performance of the core Interactive Consumer Solution ("ICS") division which continues to be a key revenue generator for the Group, accounting for 56.7% of total revenue for 2Q2021.

Correspondingly, marketing and distribution expenses rose 95.1% qoq to US\$0.6 million for 2Q2021, in line with the marked increase in sales turnover as the Group ramped up its advertising and marketing activities. Similarly, research and development expenses reported a 125.1% qoq increase to US\$0.4 million for 2Q2021 as the Group continues to invest in R&D to drive growth momentum especially in the renewable energy space.

Led by lower staff costs and professional fees incurred, general administrative expenses contracted 33.2% qoq to US\$0.3 million for 2Q2021.

Overall, the Group posted an increase in net profit attributable to shareholders to US\$0.2 million for 2Q2021 (2Q2020: US\$0.03 million) and US\$0.5 million for 1H2021 (1H2020: net loss of US\$1.1 million).



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The Group continues to maintain a resilient balance sheet with cash and cash equivalents, coupled with investments in quoted and unquoted financial assets, amounting to US\$37.1 million as at 30 June 2021 (31 December 2020: US\$38.7 million)

“While we remain vigilant amidst the evolving COVID-19 situation, we are pleased to note that our core Interactive Consumer Solution segment continues to achieve strong sales growth as demand for our solutions remains robust. Apart from the ICS segment, our strategic investments to solidify our market position in the 5G, artificial intelligence and sustainable energy space continues to garner momentum. Specifically, we have intensified our investments and focus on renewable energy solutions and are already seeing the fruits of our labour as the contribution from this segment is growing strongly. With effect from 1 July 2021, we have officially carved out renewable energy as a new distinct business unit and are cautiously optimistic that this segment will be a key growth driver for the Group moving forward. We are excited for what is in store and we look forward to sharing more developments on this front in time to come.”

- *Mr Wayne Tan, Deputy Chairman, Executive Director and Group President of Trek 2000 International Ltd.*

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About Trek 2000 International Ltd

Trek 2000 International Ltd. (“Trek”), an industry leader, innovator, original inventor and patent owner of the ThumbDrive® offers state-of-the-art design solutions ranging from Interactive Consumer Solutions, Wireless, Antipiracy, Compression and Encryption to sophisticated Enterprise Solutions all catering to the fast-changing digital industry. Trek with its library of granted patents is represented all over the world and has offices in the U.S., Malaysia, Thailand, India, Hong Kong, Singapore, the Netherlands, China, the Philippines, Vietnam, Indonesia and Japan to serve the rapidly expanding markets across all regions.

Trek sets itself apart as the key differentiator in the digital industry through its creativity, innovativeness and ingenuity. Trek has always been at the forefront of the digital industry, and it is reflected in the solutions it offers consumers. Trek has moved from its original ‘plug and play’ technology to its new wireless ‘insert and play’ capabilities, once again staying ahead of the market.

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Issued for and on behalf of Trek 2000 International Ltd.

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