

**JADASON ENTERPRISES LTD (REG. NO. 199003898K)**

**Financial Statement And Dividend Announcement for the Year Ended 31 December 2020**

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

**1(a) 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.**

Unaudited Income Statement of the Group for the year ended 31 December 2020 ("FY2020"):

	S\$'000		%
	FY2020	FY2019	Increase/ (Decrease)
Revenue (Note 1)	41,086	44,252	(7)
Cost of sales (Note 1)	<u>(35,668)</u>	<u>(42,044)</u>	(15)
Gross profit	5,418	2,208	145
Other operating income (Note 2)	2,057	360	471
Selling and distribution expenses (Note 3)	(1,324)	(1,740)	(24)
Administrative expenses (Note 3)	(8,002)	(9,314)	(14)
Impairment loss on property, plant and equipment (Note 4)	<u>(1,144)</u>	<u>(5,382)</u>	(79)
Loss from operations	(2,995)	(13,868)	(78)
Finance cost (Note 5)	<u>(908)</u>	<u>(1,063)</u>	(15)
Loss before income tax	(3,903)	(14,931)	(74)
Income tax (Note 6)	<u>(173)</u>	<u>(73)</u>	137
Loss after income tax	<u>(4,076)</u>	<u>(15,004)</u>	(73)
Attributable to: Equity holders of the Company	<u>(4,076)</u>	<u>(15,004)</u>	(73)

Loss for the year is arrived at after crediting/(charging) the following:

	S\$'000		%
	FY2020	FY2019	Increase/ (Decrease)
Allowance for inventories (Note 1)	(97)	(1,570)	(94)
Amortisation of land use rights	(17)	(17)	-
Bad debts written off	(26)	-	NM
Foreign exchange gain/(loss) (Note 2)	527	(75)	NM
Depreciation of property, plant and equipment	(1,027)	(1,791)	(43)
Depreciation of right-of-use assets	(2,739)	(2,998)	(9)
Impairment loss on financial assets	-	(105)	(100)
Profit/(loss) on disposal of property, plant and equipment	68	(4)	NM
Write-back of allowance for inventories	10	169	(94)
Write-off of inventories	-	(14)	(100)
Write-off of plant and equipment	(11)	(9)	22

Notes to Income Statement:

Note 1

Please refer to Section 8 of this report for further discussions on the performance of the Group's operating segments.

The allowance for inventory of S\$1.6 million included in the cost of sales for the previous year was recognised by the Group in the light of low demand experienced in its Manufacturing and Support Services business segment.

Note 2

Included in the Group's 'other operating income' for the year under review was a foreign exchange gain of S\$527,000 (FY2019: foreign exchange loss of S\$75,000). The foreign exchange gain/(loss) for the years under review was due mainly to the strengthening/(weakening) of the Singapore dollar and Chinese Renminbi against the Hong Kong dollar, as the Group have certain payables denominated in the latter currency.

Excluding the foreign exchange gain or loss, other operating income increased during the year under review due mainly to scrap sales of S\$624,000 (FY2019: S\$295,000) and grants and credits of S\$562,000 (FY2019: S\$61,000) received from government measures to support businesses during the Covid-19 pandemic.

Note 3

The decreases in expenses were due mainly to cost containment measures implemented by the Group in the light of reduced business activities caused by the US-China trade war and the Covid-19 outbreak.

#### Note 4

The impairment loss on property, plant and equipment of S\$1.1 million was recognised in the year under review due mainly to sluggish business conditions experienced by certain entities within the Group amidst the Covid-19 pandemic and US-China trade war. The recoverable amounts of the assets have been determined based on their value-in-use derived from management's cashflow projections.

In the previous year, the impairment loss on plant and equipment arose from the Group's 'Manufacturing and Support Services' business, as weak demand persisted for printed circuit board ("PCB") drilling and PCB mass lamination services in China. There was also a lack of visibility in business prospects in the near term then, as the production activities of many factories in China had been negatively impacted by measures put in place to contain the spread of the Covid-19 virus. Please refer to the FY2019 annual report for further details.

#### Note 5

The decrease in finance cost was related to the lower lease liabilities, as explained in Note 10 of Section 1(b)(i) of this report.

#### Note 6

An income tax charge arose in spite of the loss before income tax as certain subsidiaries within the group were profitable, and that losses incurred by certain entities could not be offset against the profits of other subsidiaries for income tax purposes.

NM – Percentage changes are not meaningful.

Unaudited statement of comprehensive income of the Group for the year ended 31 December 2020:

	FY2020	FY2019	Increase / (Decrease)
	S\$'000	S\$'000	%
Loss after income tax for the year	(4,076)	(15,004)	(73)
Other comprehensive income:			
<u>Items that may be reclassified subsequently to profit or loss</u>			
Exchange differences on translating foreign operations #	1,076	(926)	NM
	1,076	(926)	
Total comprehensive income for the year	(3,000)	(15,930)	(81)
Total comprehensive income attributable to:			
Equity holders of the Company	(3,000)	(15,930)	(81)

# The gain on translation of foreign operations during the year under review was due mainly to the strengthening of the Chinese Renminbi against the Singapore dollar. In contrast, the Chinese Renminbi weakened against the Singapore dollar last year, resulting in a loss on translation of foreign operations.

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

Financial positions as at 31 December 2020 and 31 December 2019:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
	S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash and bank balances (Note 1)	15,353	10,425	2,384	810
Bank deposits (Note 1)	-	808	-	-
Inventories (Note 2)	3,398	3,919	248	345
Trade receivables (Note 3)	13,812	16,411	1,645	1,579
Bill receivables (Note 4)	6,706	4,722	-	-
Other receivables and prepayments	700	1,001	82	89
Amounts due from subsidiaries	-	-	21	206
<b>Total</b>	<b>39,969</b>	<b>37,286</b>	<b>4,380</b>	<b>3,029</b>
<b>Non-current assets:</b>				
Property, plant and equipment (Note 5)	9,385	10,771	-	31
Right-of-use assets (Note 6)	11,026	12,972	523	93
Subsidiaries	-	-	17,748	33,666
<b>Total</b>	<b>20,411</b>	<b>23,743</b>	<b>18,271</b>	<b>33,790</b>
<b>TOTAL ASSETS</b>	<b>60,380</b>	<b>61,029</b>	<b>22,651</b>	<b>36,819</b>

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
	S\$'000	S\$'000	S\$'000	S\$'000
<b>LIABILITIES &amp; EQUITY</b>				
<b>Current liabilities:</b>				
Bank borrowings (Note 7)	83	1,000	83	1,000
Trust receipts	1,746	2,114	1,746	1,480
Trade payables (Note 8)	10,914	7,702	1,595	1,791
Other payables (Note 9)	2,726	2,917	466	514
Income tax payable	428	269	-	-
Lease liabilities (Note 10)	2,463	2,318	147	77
Amounts due to subsidiaries	-	-	7,240	5,634
<b>Total</b>	<b>18,360</b>	<b>16,320</b>	<b>11,277</b>	<b>10,496</b>
<b>Non-current liabilities:</b>				
Bank Borrowings (Note 7)	1,917	-	1,917	-
Lease liabilities (Note 10)	10,006	11,610	387	7
Provision for long service payment	159	161	-	-
<b>Total</b>	<b>12,082</b>	<b>11,771</b>	<b>2,304</b>	<b>7</b>
<b>Capital &amp; reserves:</b>				
Share capital	50,197	50,197	50,197	50,197
Treasury shares	(307)	(307)	(307)	(307)
Translation reserve	(3,773)	(4,849)	(87)	(81)
Reserve and Enterprise Expansion Funds (Note 11)	5,711	5,711	-	-
Accumulated losses	(21,890)	(17,814)	(40,733)	(23,493)
<b>Total</b>	<b>29,938</b>	<b>32,938</b>	<b>9,070</b>	<b>26,316</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>60,380</b>	<b>61,029</b>	<b>22,651</b>	<b>36,819</b>

Notes:

Note 1

Please refer to the statement of cash flows of the Group, found in Section 1(c) of this report.

Note 2

The decrease in inventories of the Group was related to the lower level of business activities during the year under review.

Note 3

The decrease in trade receivables of the Group was due mainly to payments received and the lower business activities during the year under review.

#### Note 4

The increase in bill receivables was due mainly to lesser need for discounting of bills to obtain funds for operations, as the Group's liquidity position is healthy. The Group also saves on interest cost by discounting lesser bills.

#### Note 5

The decrease in property, plant and equipment was due mainly to depreciation and impairment (see Note 4 of Section 1(a)) charges, offset partially by additions of equipment and the effect of translating the financial statements of foreign subsidiaries into Singapore dollar during the year under review.

#### Note 6

Right-of-use ("ROU") assets relate mainly to leases of factories and offices occupied by various entities within the Group, and are recognised following the adoption of Singapore Financial Reporting Standards (International) ("SFRS(I)") 16 Leases in FY2019 (see also Note 10). The decrease in ROU assets was due mainly to depreciation charge, offset partially by new leases and the effect of translating the financial statements of foreign subsidiaries into Singapore dollar.

#### Note 7

The short-term loan of S\$1 million as at 31 December 2019 was repaid in June 2020. In October 2020, the Group and Company made a loan drawdown on the S\$2 million 5-year temporary bridging loan facility, a government assisted loan programme as announced in the Supplementary Budget 2020.

#### Note 8

The increase in trade payables of the Group was due mainly to the timing of payments to certain suppliers and deposits received from customers for orders of printed circuit board machines which are scheduled to be delivered in FY2021.

#### Note 9

The decrease in other payables was due mainly to payments made and the lower business activities during the year under review.

#### Note 10

Lease liabilities relate mainly to leases of factories and offices occupied by various entities within the Group, and are recognised following the adoption of SFRS(I) 16 Leases in FY2019 (see Note 6). The decrease in total lease liabilities of the Group was due mainly to lease payments made, offset partially by new leases and the effect of translating the financial statements of foreign subsidiaries into Singapore dollar.

#### Note 11

Reserve and Enterprise Expansion Funds pertain to subsidiaries in China, and are appropriations of profits made in accordance with applicable laws and regulations.

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

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

As at 31 Dec 2020		As at 31 Dec 2019	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
1	4,291	1	5,431

**Amount repayable after one year**

As at 31 Dec 2020		As at 31 Dec 2019	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
1	11,922	2	11,608

**Details of any collateral**

Plant and equipment of the Group with net book value of S\$3,000 (FY2019:S\$4,000) are acquired under hire-purchase agreement.

**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.**

	FY2020	FY2019
	S\$'000	S\$'000
<b>Cash flows from operating activities:</b>		
Loss before income tax	(3,903)	(14,931)
Adjustments for:		
Amortisation of land use rights	17	17
Allowance for inventories	97	1,570
Bad debts written off	26	-
Impairment loss on financial assets	-	105
Impairment loss on property, plant and equipment	1,144	5,382
Depreciation of property, plant and equipment	1,027	1,791
Depreciation of right-of-use assets	2,739	2,998
Interest expense	908	1,063
Interest income	(52)	(73)
(Profit)/loss on disposal of property, plant and equipment	(68)	4
Unrealised foreign exchange (gain)/loss	(592)	16
Write-back of inventories	(10)	(169)
Write-off of inventories	-	14
Write-off of plant and equipment	11	9
Operating cash flows before changes in working capital	1,344	(2,204)
Trade receivables	3,503	4,211
Bill receivables	(1,771)	3,383
Other receivables	301	(464)
Inventories	434	1,331
Trade payables	2,983	(2,024)
Trust receipts	(368)	551
Other payables	(191)	(83)
Cash flows generated from operations	6,235	4,701
Interest paid	(57)	(79)
Interest received	52	73
Income tax paid	(30)	(160)
Net cash flows generated from operating activities	6,200	4,535
<b>Cash flows from investing activities:</b>		
Proceeds from disposal of plant and equipment	68	23
Purchase of plant and equipment	(265)	(574)
Net cash flows used in investing activities	(197)	(551)
<b>Cash flows from financing activities:</b>		
Proceeds from loans and borrowings	2,000	527
Repayment of loans and borrowings	(1,000)	(527)
Repayment of lease liabilities	(2,297)	(2,271)
Interest paid on loans and borrowings	(36)	(46)
Interest paid on leasing arrangements	(815)	(938)
Net cash flows used in financing activities	(2,148)	(3,255)
<b>Net increase in cash and cash equivalents</b>	3,855	729
Cash and cash equivalents at beginning of year	11,233	10,706
Effects of exchange rate changes	265	(202)
<b>Cash and cash equivalents at end of year</b>	15,353	11,233



**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.**

	Share Capital	Treasury Shares	Share Option Reserve	Translation Reserve	Surplus Reserve #	Accumulated Losses	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>GROUP</b>							
<b>2020</b>							
Balance at 1 January 2020	50,197	(307)	-	(4,849)	5,711	(17,814)	32,938
Loss for the year	-	-	-	-	-	(4,076)	(4,076)
Currency translation gain	-	-	-	1,076	-	-	1,076
Balance at 31 December 2020	50,197	(307)	-	(3,773)	5,711	(21,890)	29,938
<b>2019</b>							
Balance at 1 January 2019	50,197	(307)	1,280	(3,923)	5,711	(4,090)	48,868
Loss for the year	-	-	-	-	-	(15,004)	(15,004)
Currency translation loss	-	-	-	(926)	-	-	(926)
Expiry of share options	-	-	(1,280)	-	-	1,280	-
Balance at 31 December 2019	50,197	(307)	-	(4,849)	5,711	(17,814)	32,938
<b>COMPANY</b>							
<b>2020</b>							
Balance at 1 January 2020	50,197	(307)	-	(81)	-	(23,493)	26,316
Loss for the year	-	-	-	-	-	(17,240)	(17,240)
Currency translation loss	-	-	-	(6)	-	-	(6)
Balance at 31 December 2020	50,197	(307)	-	(87)	-	(40,733)	9,070
<b>2019</b>							
Balance at 1 January 2019	50,197	(307)	1,280	(81)	-	(1,369)	49,720
Loss for the year	-	-	-	-	-	(23,404)	(23,404)
Expiry of share options	-	-	(1,280)	-	-	1,280	-
Balance at 31 December 2019	50,197	(307)	-	(81)	-	(23,493)	26,316

# Surplus Reserve refers to Reserve Fund and Enterprise Expansion Fund (Note 11 of Section 1(b)(i)).

**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 also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.**

There was no change in the share capital of the Company during the year ended 31 December 2020.

As at 31 December 2020, there were nil (31 December 2019: nil) outstanding convertibles.

As at 31 December 2020, there were 3,670,000 (31 December 2019: 3,670,000) shares held in treasury. (See also Section 1(d)(iv) below.)

**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.**

The total number of issued shares (excluding treasury shares) as at 31 December 2020 was 722,395,000 (31 December 2019: 722,395,000).

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

At 1 January 2020 and 31 December 2020	(3,670,000)
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**2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited nor reviewed by the auditors.

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

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 year compared with those of the audited financial statements for the year ended 31 December 2019 except as described in Section 5 of this report.

**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 the new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)") accounting standards that are effective for financial years beginning on or after 1 January 2020, where applicable.

The adoption of the new standards has no material impact on the financial statements of the Group.

**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 Figures

FY2020      FY2019

Loss per ordinary share (basic and diluted) for the year after deducting any provision for preference dividends      (0.56 cents)      (2.08 cents)

The calculation of loss per share (basic and diluted) for the year ended 31 December 2020 is based on:

- (1) Group's loss after taxation attributable to equity holders of \$4,076,000 (FY2019: \$15,004,000); and
- (2) Weighted average number of ordinary shares of 722,395,000 (2019: 722,395,000).

There was no difference between the basic and diluted loss per share as the Company has no dilutive instruments 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 period reported on; and (b) immediately preceding financial year.**

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Net asset value per ordinary share	4.14 cents	4.56 cents	1.26 cents	3.64 cents

**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; 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		Profit/(loss) from Operations	
	FY2020	FY2019	FY2020	FY2019
Business Segments:	S\$'000	S\$'000	S\$'000	S\$'000
Equipment and Supplies	23,949	20,191	26	(1,628)
Manufacturing and Support Services	17,137	24,061	(3,021)	(12,240)
<b>Total</b>	<b>41,086</b>	<b>44,252</b>	<b>(2,995)</b>	<b>(13,868)</b>

Revenue for FY2020 was S\$41.1 million, 7% lower than FY2019 revenue of S\$44.3 million as weak demand persisted to hamper the performance of the Group's Manufacturing and Support Services business segment. The Group posted a loss from operations of S\$3.0 million during the year under review, compared with S\$13.9 million for FY2019. As noted in

Section 1(a) of this report, the operating results for the years under review included non-cash charges such as impairment loss on property, plant and equipment of S\$1.1 million (FY2019: S\$5.4 million) and allowance for inventories of S\$97,000 (FY2019: S\$1.6 million).

Revenue for the Equipment and Supplies business for FY2020 increased by S\$3.8 million, or 19%, compared with FY2019 due mainly to higher sales of equipment and supplies to printed circuit board ("PCB") manufacturers. The business segment posted an operating profit of S\$26,000 for the year under review, compared with an operating loss of S\$1.6 million for FY2019.

Revenue of the Manufacturing and Support Services business for FY2020 decreased by S\$6.9 million, or 29%, to S\$17.1 million compared with FY2019 due to weaker demand from customers for PCB drilling and PCB mass lamination services in China amidst the Covid-19 pandemic and the US-China trade war. As a result of the under utilisation of capacity, absorption of overhead costs was impacted and this business segment reported a loss from operations of S\$3.0 million for FY2020 (FY2019: S\$12.2 million). The operating results included an impairment loss on property, plant and equipment of S\$1.1 million (FY2019: S\$5.4 million) and an allowance for inventories of S\$90,000 (FY2019: S\$1.6 million).

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

The results are generally in accordance with our announcement dated 14 August 2020.

**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.**

Covid-19 has caused significant disruptions to economic activities during 2020, with most economies tumbling into recession. As we entered 2021, many major economies are seeing a resurgence in coronavirus infections. There are significant uncertainties in the global economy, with countries struggling to contain new infections, and these have negative implications for the demand of goods and services.

2020 also witnessed the escalating tensions between US and China over trade and national security issues, which has clouded the growth outlook for manufacturing activities. It is unclear how the new administration in US will recast this relationship and handle the tariffs which have hurt businesses.

The Group is also watching the development of manufacturing companies establishing footprints in other countries amid brewing tensions between US and China, as well as the long-drawn-out pandemic that had earlier disrupted the supply chains. Increasingly, firms are looking to ensure that suppliers are closer to their home countries or consumer markets.

Faced with these uncertainties, the outlook for 2021 remains very challenging. The Group will continue to maintain sufficient liquidity, rationalise its core businesses and improve productivity.

**11. Dividend**

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

Any dividend declared for the current financial period reported on? None.

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

Any dividend declared for the corresponding period of the immediately preceding financial year? None.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

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

No dividend has been declared/recommendeded for the year ended 31 December 2020 as the Group wishes to conserve financial resources in the face of economic uncertainty.

**13. If the Group has obtained a general mandate from shareholders for interested person transactions (“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.**

The Group has not obtained a general mandate from shareholders for IPTs.

**14. Confirmation pursuant to Rule 720(1)**

The Company confirms that it has procured the undertakings from all its directors and executive officers in the format set out in Appendix 7.7 pursuant to Rule 720(1) of the Singapore Exchange Listing Manual.

**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.**

	Equipment and supplies	Manufacturing and support services	Total
	S\$'000	S\$'000	S\$'000
<u>2020</u>			
Revenue:			
- External sales	<u>23,949</u>	<u>17,137</u>	<u>41,086</u>
Total	<u>23,949</u>	<u>17,137</u>	<u>41,086</u>
Results:			
Adjusted EBITDA*	279	1,601	1,880
Interest income	15	37	52
Depreciation of property, plant and equipment	(36)	(991)	(1,027)
Depreciation of right-of-use assets	(186)	(2,553)	(2,739)
Amortisation of land-use-rights	-	(17)	(17)
Impairment loss on property, plant and equipment	<u>(46)</u>	<u>(1,098)</u>	<u>(1,144)</u>
Operating profit/(loss)	26	(3,021)	(2,995)
Interest expense	<u>(100)</u>	<u>(808)</u>	<u>(908)</u>
Loss before income tax	(74)	(3,829)	(3,903)
Income tax expense	<u>(1)</u>	<u>(172)</u>	<u>(173)</u>
Loss for the year	<u>(75)</u>	<u>(4,001)</u>	<u>(4,076)</u>
<u>2019</u>			
Revenue:			
- External sales	<u>20,191</u>	<u>24,061</u>	<u>44,252</u>
Total	<u>20,191</u>	<u>24,061</u>	<u>44,252</u>
Results:			
Adjusted EBITDA*	(1,394)	(2,359)	(3,753)
Interest income	23	50	73
Depreciation of property, plant and equipment	(51)	(1,740)	(1,791)
Depreciation of right-of-use assets	(206)	(2,792)	(2,998)
Amortisation of land-use-rights	-	(17)	(17)
Impairment loss on property, plant and equipment	<u>-</u>	<u>(5,382)</u>	<u>(5,382)</u>
Operating loss	(1,628)	(12,240)	(13,868)
Interest expense	<u>(134)</u>	<u>(929)</u>	<u>(1,063)</u>
Loss before income tax	(1,762)	(13,169)	(14,931)
Income tax expense	<u>(1)</u>	<u>(72)</u>	<u>(73)</u>
Loss for the year	<u>(1,763)</u>	<u>(13,241)</u>	<u>(15,004)</u>

\* Adjusted EBITDA – Earnings before interest, taxation, depreciation, amortisation and impairment loss on property, plant and equipment.

**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 Section 8 of this announcement.

**17. A breakdown of sales.**

	FY2020	FY2019	+ / (-)
Group	S\$'000	S\$'000	%
Sales reported for first half-year	16,666	22,047	(24)
Loss after income tax for first half-year	(3,638)	(3,293)	10
Sales reported for second half-year	24,420	22,205	10
Loss after income tax for second half-year	(438)	(11,711)	(96)

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

	FY2020	FY2019
	S\$'000	S\$'000
Ordinary dividend	-	-
Special dividend (Preference dividend)	-	-
Total	-	-

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

There is no person occupying a managerial position in the Group who is related to a director or chief executive officer or substantial shareholder of the Company.

**BY ORDER OF THE BOARD**

**Fung Chi Wai**  
**Chief Executive Officer**  
**26 February 2021**