

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
PART 1 – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR 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.

	Note	Group		Change %
		Year Ended		
		31 Dec 20 S\$'000	31 Dec 19 S\$'000	
Revenue		286,958	365,922	-21.6%
Cost of sales		(220,987)	(288,666)	-23.4%
Gross profit		65,971	77,256	-14.6%
Other items of income				
Interest income		398	570	-30.2%
Other income	(a)	12,433	2,889	330.4%
Other items of expense				
Depreciation of property, plant and equipment		(3,306)	(3,216)	2.8%
Employee benefits expense		(52,263)	(58,555)	-10.7%
Other expenses		(29,147)	(15,562)	87.3%
Interest expense		(1,172)	(1,506)	-22.2%
Share of result of joint venture		(403)	150	n/m
Share of results of associates		(1,705)	148	n/m
(Loss)/profit before tax	(b)	(9,194)	2,174	n/m
Income tax expense	(c)	(719)	(1,695)	-57.6%
(Loss)/profit net of tax		(9,913)	479	n/m
Other comprehensive income/(loss):				
Item that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations, net of tax		1,549	(763)	n/m
		1,549	(763)	n/m
Items that will not be reclassified to profit or loss:				
Change in fair value of equity instrument at fair value through other comprehensive income		(435)	(1,233)	-64.7%
Defined benefit plan actuarial (loss)/gain, net of tax		(54)	2	n/m
		(489)	(1,231)	-60.3%
Other comprehensive income/(loss) for the year, net of tax		1,060	(1,994)	n/m
Total comprehensive loss		(8,853)	(1,515)	484.4%
Profit/(loss) net of tax attributable to:				
Equity holders of the Company		(11,117)	518	n/m
Non-controlling interests		1,204	(39)	n/m
(Loss)/profit net of tax		(9,913)	479	n/m
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company		(10,072)	(1,590)	533.5%
Non-controlling interests		1,219	75	1525.3%
Total comprehensive loss		(8,853)	(1,515)	484.4%

Note :

n/m = not meaningful

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. (Cont'd)**

Explanatory notes to consolidated income statement

(a) Other income comprises :-

	Group	
	Year Ended	
	31 Dec 20	31 Dec 19
	S\$'000	S\$'000
Bad trade debts recovered	-	56
Corporate fee income	468	506
Dividend income from equity instrument at fair value through other comprehensive income	-	105
Grants, subsidies and rebates	8,679	-
Net gain on disposal of property, plant and equipment	-	19
Rental income	1,257	1,602
Write-back of impairment loss on doubtful trade receivables	10	202
Write-off of trade and other payables	1,604	-
Miscellaneous income	415	399
	12,433	2,889

(b) The following items have been included in arriving at (loss)/profit before tax :-

	Group	
	Year Ended	
	31 Dec 20	31 Dec 19
	S\$'000	S\$'000
Amortisation of intangible assets	212	268
Amortisation of land use rights	269	247
Bad trade debts written off	488	99
Depreciation of property, plant and equipment	4,874	3,988
Depreciation of right-of-use assets	3,498	3,891
Goodwill written off on acquisition of interest in an associate	-	55
Impairment loss on contract assets	1,190	-
Impairment loss on doubtful trade receivables	6,041	743
Impairment loss on intangible assets	3,563	-
Impairment loss on property, plant and equipment	2,531	-
Impairment loss on right-of-use asset	3,254	-
Net foreign exchange loss	812	412
Net loss on disposal of property, plant and equipment	8	-
Property, plant and equipment written off	380	135

(c) Included in income tax expense for the current financial year ended 31 December 2020 is an under-provision of income tax of S\$181,000 (2019: S\$8,000) relating to prior year.

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.

	Note	Group		Company	
		As at 31 Dec 20 S\$'000	As at 31 Dec 19 S\$'000	As at 31 Dec 20 S\$'000	As at 31 Dec 19 S\$'000
ASSETS					
Non-current assets					
Land use rights		7,326	7,534	6,009	6,252
Property, plant and equipment		46,189	53,357	23,569	24,696
Intangible assets		5,425	9,015	-	-
Investments in subsidiaries		-	-	28,649	31,736
Investment in joint venture		-	381	-	-
Investments in associates		4,550	6,127	3,430	3,430
Other investments		861	1,296	861	1,296
Right-of-use assets		4,626	9,187	- *	5
Deferred tax assets		3,646	2,268	-	-
		<u>72,623</u>	<u>89,165</u>	<u>62,518</u>	<u>67,415</u>
Current assets					
Inventories		1,898	2,482	-	-
Contract assets		23,872	20,035	-	-
Trade and other receivables	(d)	80,993	105,986	1,929	7,812
Other assets		2,511	3,687	23	42
Cash and cash equivalents	(e)	80,273	65,003	7,797	6,928
		<u>189,547</u>	<u>197,193</u>	<u>9,749</u>	<u>14,782</u>
Asset classified as held for sale		1,605	-	-	-
		<u>191,152</u>	<u>197,193</u>	<u>9,749</u>	<u>14,782</u>
Total assets		<u>263,775</u>	<u>286,358</u>	<u>72,267</u>	<u>82,197</u>
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital		29,191	29,191	29,191	29,191
Retained earnings		82,260	93,713	25,427	34,409
Other reserves		(6,434)	(7,815)	(1,931)	(1,496)
		<u>105,017</u>	<u>115,089</u>	<u>52,687</u>	<u>62,104</u>
Non-controlling interests		772	(312)	-	-
Total equity		<u>105,789</u>	<u>114,777</u>	<u>52,687</u>	<u>62,104</u>
Non-current liabilities					
Trade and other payables		1,046	1,171	-	-
Other financial liabilities		27,612	27,382	16,009	17,375
Deferred tax liabilities		527	520	89	41
		<u>29,185</u>	<u>29,073</u>	<u>16,098</u>	<u>17,416</u>
Current liabilities					
Contract liabilities		4,853	9,393	-	-
Trade and other payables	(f)	102,629	110,702	2,104	1,380
Other financial liabilities		15,771	15,876	1,302	1,179
Other liabilities		2,833	3,057	45	37
Income tax payable		2,715	3,480	31	81
		<u>128,801</u>	<u>142,508</u>	<u>3,482</u>	<u>2,677</u>
Total liabilities		<u>157,986</u>	<u>171,581</u>	<u>19,580</u>	<u>20,093</u>
Total equity and liabilities		<u>263,775</u>	<u>286,358</u>	<u>72,267</u>	<u>82,197</u>

* Amount less than S\$1,000

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. (Cont'd)**

Explanatory notes to statements of financial position

(d) **Trade and other receivables**

	<u>Group</u>		<u>Company</u>	
	<u>As at 31 Dec 20</u> S\$'000	<u>As at 31 Dec 19</u> S\$'000	<u>As at 31 Dec 20</u> S\$'000	<u>As at 31 Dec 19</u> S\$'000
Trade receivables	69,228	90,318	889	1,231
Other receivables	11,765	15,668	1,040	6,581
Total	80,993	105,986	1,929	7,812

(e) **Cash and cash equivalents**

	<u>Group</u>		<u>Company</u>	
	<u>As at 31 Dec 20</u> S\$'000	<u>As at 31 Dec 19</u> S\$'000	<u>As at 31 Dec 20</u> S\$'000	<u>As at 31 Dec 19</u> S\$'000
Cash at banks and in hand	56,711	50,416	2,300	2,155
Short-term deposits	23,562	14,587	5,497	4,773
Total	80,273	65,003	7,797	6,928

(f) **Trade and other payables**

	<u>Group</u>		<u>Company</u>	
	<u>As at 31 Dec 20</u> S\$'000	<u>As at 31 Dec 19</u> S\$'000	<u>As at 31 Dec 20</u> S\$'000	<u>As at 31 Dec 19</u> S\$'000
Trade payables	82,638	90,634	-	-
Other payables	19,991	20,068	2,104	1,380
Total	102,629	110,702	2,104	1,380

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year.

	Group	
	As at 31 Dec 20	As at 31 Dec 19
	S\$'000	S\$'000
<u>Secured</u>		
- repayable within one year or on demand	12,974	13,297
- repayable after one year	21,847	20,077
	34,821	33,374
<u>Unsecured</u>		
- repayable within one year or on demand	-	-
- repayable after one year	-	-
	-	-

Details of any collaterals

Bank loans, trust receipts and bank overdrafts are secured by way of legal charges on the Group's three properties in Singapore and Malaysia, corporate guarantees of the Company and a subsidiary in Malaysia, personal guarantees given by certain directors of the subsidiaries in Malaysia and short-term deposits pledged to the banks.

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	
	Year Ended	
Note	31 Dec 20	31 Dec 19
	S\$'000	S\$'000
Cash flows from operating activities		
(Loss)/profit before tax	(9,194)	2,174
Adjustments for:		
Amortisation of intangible assets	212	268
Amortisation of land use rights	269	247
Bad trade debts written off	488	99
Depreciation of property, plant and equipment	4,874	3,988
Depreciation of right-of-use assets	3,498	3,891
Dividend income from equity instrument at fair value through other comprehensive income	-	(105)
Goodwill written off on acquisition of interest in an associate	-	55
Impairment loss on contract assets	1,190	-
Impairment loss on intangible assets	3,563	-
Impairment loss on property, plant and equipment	2,531	-
Impairment loss on right-of-use asset	3,254	-
Net impairment loss on doubtful trade receivables	6,031	541
Net loss/(gain) on disposal of property, plant and equipment	8	(19)
Performance share scheme expense	(185)	279
Property, plant and equipment written off	380	135
Write-off of trade and other payables	(1,604)	-
Interest income	(398)	(570)
Interest expense	1,172	1,506
Share of result of joint venture	403	(150)
Share of results of associates	1,705	(148)
Currency realignment	935	214
Operating cash flows before changes in working capital	19,132	12,405
(Increase)/decrease in:		
Inventories	584	1,687
Contract assets	(5,027)	5,889
Trade and other receivables	18,474	2,256
Other assets	1,130	(1,718)
Increase/(decrease) in:		
Contract liabilities	(4,540)	(912)
Trade and other payables	(6,638)	(8,541)
Other liabilities	(39)	1,398
Net cash flows from operations	23,076	12,464
Interest received	398	570
Interest paid	(842)	(1,212)
Income tax paid	(2,898)	(3,480)
Net cash flows from operating activities	19,734	8,342
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,615)	(9,706)
Proceeds from disposal of property, plant and equipment	160	304
Acquisition of intangible assets	(206)	(804)
Acquisition of land use right	-	(1,287)
Acquisition of non-controlling interest of a subsidiary	-	(49)
Dividend income from equity instrument at fair value through other comprehensive income	-	105
Net cash flows used in investing activities	(2,661)	(11,437)
Cash flows from financing activities		
Dividends paid on ordinary shares	-	(5,049)
Dividends paid to non-controlling interests of subsidiaries	(135)	(120)
Proceeds from draw down of loans and borrowings	14,305	13,060
Repayment of loans and borrowings	(13,121)	(15,379)
Repayment of lease liabilities	(3,599)	(3,633)
Decrease in deposits pledged for bank facilities	114	1,042
Net cash flows used in financing activities	(2,436)	(10,079)
Net increase/(decrease) in cash and cash equivalents	14,637	(13,174)
Effect of exchange rate changes on cash and cash equivalents	448	(747)
Cash and cash equivalents at beginning of year	63,587	77,508
Cash and cash equivalents at end of year	78,672	63,587

(g)

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. (Cont'd)**

Explanatory note to consolidated statement of cash flow

(g) Cash and cash equivalents included in the consolidated statement of cash flow comprise the following:-

	Group	
	As at 31 Dec 20	As at 31 Dec 19
	S\$'000	S\$'000
Cash at banks and in hand	56,711	50,416
Short-term deposits	23,562	14,587
Cash and cash equivalents in statement of financial position	<u>80,273</u>	<u>65,003</u>
Bank overdrafts	(508)	(209)
Deposits pledged for bank facilities	<u>(1,093)</u>	<u>(1,207)</u>
Cash and cash equivalents for statement of cash flows	<u>78,672</u>	<u>63,587</u>

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	Attributable to equity holders of the Company					
	Share capital S\$'000	Retained earnings S\$'000	Other reserves S\$'000	Equity attributable to equity holders of the Company, total S\$'000	Non-controlling interests S\$'000	Equity, total S\$'000
Opening balance at 1 January 2020	29,191	93,713	(7,815)	115,089	(312)	114,777
(Loss)/profit for the year	-	(11,117)	-	(11,117)	1,204	(9,913)
<u>Other comprehensive income/(loss)</u>						
Change in fair value of equity instrument at fair value through other comprehensive income	-	-	(435)	(435)	-	(435)
Foreign currency translation	-	-	1,531	1,531	18	1,549
Defined benefit plan actuarial loss	-	(51)	-	(51)	(3)	(54)
Other comprehensive (loss)/income for the year, net of tax	-	(51)	1,096	1,045	15	1,060
Total comprehensive (loss)/income for the year	-	(11,168)	1,096	(10,072)	1,219	(8,853)
<u>Changes in ownership interests in subsidiaries</u>						
Dividends paid to non-controlling interests of subsidiaries	-	-	-	-	(135)	(135)
Total changes in ownership interests in subsidiaries	-	-	-	-	(135)	(135)
Total transactions with equity holders in their capacity as equity holders	-	-	-	-	(135)	(135)
<u>Other</u>						
Appropriation to statutory reserve fund	-	(285)	285	-	-	-
Total other	-	(285)	285	-	-	-
Closing balance at 31 December 2020	29,191	82,260	(6,434)	105,017	772	105,789

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. (Cont'd)**

Group	Attributable to equity holders of the Company					
	Share capital S\$'000	Retained earnings S\$'000	Other reserves S\$'000	Equity attributable to equity holders of the Company, total S\$'000	Non-controlling interests S\$'000	Equity, total S\$'000
Opening balance at 1 January 2019, as previously reported	27,984	98,631	(5,393)	121,222	177	121,399
Effect of adopting SFRS(I) 16	-	(176)	-	(176)	(3)	(179)
Opening balance at 1 January 2019, as restated	27,984	98,455	(5,393)	121,046	174	121,220
Profit/(loss) for the year	-	518	-	518	(39)	479
<u>Other comprehensive income/(loss)</u>						
Change in fair value of equity instrument at fair value through other comprehensive income	-	-	(1,233)	(1,233)	-	(1,233)
Foreign currency translation	-	-	(877)	(877)	114	(763)
Defined benefit plan actuarial gain	-	2	-	2	- *	2
Other comprehensive income/(loss) for the year, net of tax	-	2	(2,110)	(2,108)	114	(1,994)
Total comprehensive income/(loss) for the year	-	520	(2,110)	(1,590)	75	(1,515)
<u>Contributions by and distributions to equity holders</u>						
Ordinary shares issued pursuant to acquisition of non-controlling interest in a subsidiary	917	-	-	917	-	917
Ordinary shares issued pursuant to performance share scheme	290	-	-	290	-	290
Dividends paid on ordinary shares	-	(5,049)	-	(5,049)	-	(5,049)
Total contributions by and distributions to equity holders	1,207	(5,049)	-	(3,842)	-	(3,842)
<u>Changes in ownership interests in subsidiaries</u>						
Acquisition of non-controlling interest of subsidiaries without a change in control	-	-	(525)	(525)	(441)	(966)
Dividends paid to non-controlling interests of subsidiaries	-	-	-	-	(120)	(120)
Total changes in ownership interests in subsidiaries	-	-	(525)	(525)	(561)	(1,086)
Total transactions with equity holders in their capacity as equity holders	1,207	(5,049)	(525)	(4,367)	(561)	(4,928)
<u>Other</u>						
Appropriation to statutory reserve fund	-	(213)	213	-	-	-
Total other	-	(213)	213	-	-	-
Closing balance at 31 December 2019	29,191	93,713	(7,815)	115,089	(312)	114,777

* Amount less than S\$1,000

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. (Cont'd)

Company	Attributable to equity holders of the Company			
	Share capital S\$'000	Retained earnings S\$'000	Other reserves S\$'000	Equity, total S\$'000
Opening balance at 1 January 2020	29,191	34,409	(1,496)	62,104
Loss for the year	-	(8,982)	-	(8,982)
<u>Other comprehensive loss</u>				
Change in fair value of equity instrument at fair value through other comprehensive income	-	-	(435)	(435)
Other comprehensive loss for the year, net of tax	-	-	(435)	(435)
Total comprehensive loss for the year	-	(8,982)	(435)	(9,417)
Total transactions with equity holders in their capacity as equity holders	-	-	-	-
Closing balance at 31 December 2020	<u>29,191</u>	<u>25,427</u>	<u>(1,931)</u>	<u>52,687</u>
Opening balance at 1 January 2019, as previously reported	27,984	34,892	(263)	62,613
Effect of adopting SFRS(I) 16	-	(6)	-	(6)
Opening balance at 1 January 2019, as restated	<u>27,984</u>	<u>34,886</u>	<u>(263)</u>	<u>62,607</u>
Profit for the year	-	4,572	-	4,572
<u>Other comprehensive loss</u>				
Change in fair value of equity instrument at fair value through other comprehensive income	-	-	(1,233)	(1,233)
Other comprehensive loss for the year, net of tax	-	-	(1,233)	(1,233)
Total comprehensive income/(loss) for the year	-	4,572	(1,233)	3,339
<u>Contributions by and distributions to equity holders</u>				
Ordinary shares issued pursuant to acquisition of non-controlling interest in a subsidiary	917	-	-	917
Ordinary shares issued pursuant to performance share scheme	290	-	-	290
Dividends paid on ordinary shares	-	(5,049)	-	(5,049)
Total contributions by and distributions to equity holders	<u>1,207</u>	<u>(5,049)</u>	<u>-</u>	<u>(3,842)</u>
Total transactions with equity holders in their capacity as equity holders	1,207	(5,049)	-	(3,842)
Closing balance at 31 December 2019	<u>29,191</u>	<u>34,409</u>	<u>(1,496)</u>	<u>62,104</u>

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.

There were no changes in the Company's share capital for the current financial year ended 31 December 2020.

There were no outstanding convertibles issued by the Company as at 31 December 2020 and 31 December 2019.

There were no treasury shares held by the Company as at 31 December 2020 and 31 December 2019. There were no subsidiary holdings as at 31 December 2020 and 31 December 2019. The percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of issued shares excluding treasury shares and subsidiary holdings of 201,948,299 and 201,948,299 as at 31 December 2020 and 31 December 2019 were Nil% and Nil% respectively.

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.

	<u>Company</u>	
	<u>As at 31 Dec 20</u>	<u>As at 31 Dec 19</u>
Total number of issued shares excluding treasury shares	201,948,299	201,948,299

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.

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial year ended 31 December 2020.

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. There were no subsidiary holdings during and as at the end of the current financial year ended 31 December 2020.

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 Company's auditors.

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

Not applicable.

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

This is not required for any audit issue that is a material uncertainty relating to going concern.

(a) updates on the efforts taken to resolve each outstanding audit issue; and

Not applicable. The latest audited financial statements for the financial year ended 31 December 2019 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

(b) confirmation from the board of directors that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable. The latest audited financial statements for the financial year ended 31 December 2019 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as disclosed in paragraph 5 below, the accounting policies and methods of computation adopted in the financial statements for the current reporting year are consistent with those disclosed in the audited financial statements for the financial year ended 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.

The Group and the Company have adopted all the applicable new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)") and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for the accounting periods beginning on or after 1 January 2020. The adoption of these new and revised SFRS(I) and INT SFRS(I) did not result in any substantial change to the Group's and the Company's accounting policies and has no significant impact on the financial statements for the current reporting year.

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	
	Year Ended	
	31 Dec 20	31 Dec 19
Net (loss)/profit attributable to shareholders (S\$'000)	(11,117)	518
Weighted average number of ordinary shares in issue	201,948,299	201,527,600
Basic and diluted (losses)/earnings per share (S\$ cents)	(5.50)	0.26

The basic and diluted (losses)/earnings per share are the same as there were no potentially dilutive ordinary shares in issue 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	
	As at 31 Dec 20	As at 31 Dec 19	As at 31 Dec 20	As at 31 Dec 19
Net asset value, net of non-controlling interests (S\$'000)	105,017	115,089	52,687	62,104
Number of ordinary shares in issue, excluding treasury shares	201,948,299	201,948,299	201,948,299	201,948,299
Net asset value per ordinary share (S\$ cents)	52.00	56.99	26.09	30.75

- 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

Revenue

	Group			
	Year Ended			
	31 Dec 20	31 Dec 19	+/-	%
	S\$'000	S\$'000	S\$'000	%
Exhibitions, Thematic & Attractions	148,556	171,736	(23,180)	-13.5%
Retail & Corporate Interiors	119,897	169,774	(49,877)	-29.4%
Research & Design	15,032	17,370	(2,338)	-13.5%
Alternative Marketing	3,473	7,042	(3,569)	-50.7%
	286,958	365,922	(78,964)	-21.6%

For the financial year ended 31 December 2020 ("FY2020"), the Group recorded a revenue of S\$286.9 million, a decrease of S\$79.0 million or 21.6% compared to S\$365.9 million for the previous corresponding financial year ended 31 December 2019 ("FY2019"). The decrease in revenue was mainly due to the prolonged COVID-19 pandemic which adversely impacted the Group's operations.

The **Exhibitions, Thematic & Attractions division** registered a revenue of S\$148.5 million in FY2020, a decrease of S\$23.2 million or 13.5% from S\$171.7 million in FY2019. The decrease in revenue was mainly due to the cancellation and postponement of trade shows, conferences and events by clients and the temporary closure and restrictions of operations of the experiential attractions. Amid the pandemic, the Group's diversified capabilities have enabled it to secure government related COVID-19 projects which contributed to the division's revenue.

The **Retail & Corporate Interiors division** recorded a revenue of S\$119.9 million in FY2020, a decrease of S\$49.9 million or 29.4% compared to S\$169.8 million in FY2019. The division was impacted by significant disruption in its supply chain, including production activities from temporary closure of its own factories, and delays, disruptions and restrictions in the execution of projects due to the new health and safety precaution measures put in place.

The **Research & Design division** achieved a revenue of S\$15.0 million in FY2020, a decrease of S\$2.3 million or 13.5% from S\$17.3 million in FY2019. Although some projects were put on hold, the division continued to see numerous projects proceeding or completed as planned.

The **Alternative Marketing division** registered a revenue of S\$3.5 million in FY2020, a decrease of S\$3.6 million or 50.7% compared to S\$7.1 million in FY2019. The division was impacted by the decline in demand for brand activation events and projects following cancellations and postponement by clients.

- (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 (Cont'd)

Gross Profit

	Group		
	Year Ended		
	31 Dec 20 S\$'000	31 Dec 19 S\$'000	+/- %
Revenue	286,958	365,922	-21.6%
Gross profit	65,971	77,256	-14.6%
Gross profit margin	23.0%	21.1%	

Gross profit in FY2020 decreased by S\$11.3 million or 14.6% to S\$66.0 million compared to S\$77.3 million in FY2019. The decrease was mainly a result of the lower revenue registered. Gross profit margin was higher at 23.0% in FY2020 compared to 21.1% in FY2019 mainly due to higher margin achieved for certain events and projects.

Other Items of Income

Interest income relates mainly to interest income earned from short-term deposits and bank balances placed with banks.

Other income comprises items as set out in Note 1(a)(a). Other income increased by S\$9.5 million or 330.4% from S\$2.9 million in FY2019 to S\$12.4 million in FY2020. The increase was mainly due to the recognition of grants, subsidies and rebates of S\$8.7 million (arising mainly from the Jobs Support Scheme) and write-off of long outstanding trade and other payables of S\$1.6 million, and partially offset by lower rental income and write-back of impairment loss on doubtful trade receivables of S\$0.3 million and S\$0.2 million respectively.

Other Items of Expense

	Group		
	Year Ended		
	31 Dec 20 S\$'000	31 Dec 19 S\$'000	+/- %
Depreciation of property, plant and equipment	3,306	3,216	2.8%
Employee benefits expense	52,263	58,555	-10.7%
Other expenses	29,147	15,562	87.3%
Interest expense	1,172	1,506	-22.2%
	85,888	78,839	8.9%

Depreciation charge on property, plant and equipment was relatively unchanged at S\$3.3 million in FY2020 compared to S\$3.2 million in FY2019.

Employee benefits expense was lower mainly due to salary reduction effected, lower performance linked incentives recorded and a reduction in headcount as the Group continues to right-size its workforce.

The increase in other expenses was mainly due to impairment losses recognised on property, plant and equipment (experiential and themed attraction), intangible assets (goodwill and licences), right-of-use asset, trade receivables and contract assets of S\$16.6 million in FY2020 compared to S\$0.7 million in FY2019. The impairment losses on property, plant and equipment, intangible assets and right-of-use asset were recognised after a review of the assets and the assumptions used in the assessment of their carrying values, including the impact and implications of the COVID-19 pandemic. The impairment losses on trade receivables and contract assets mainly pertains to final account claims and retention sums and were made in consideration of the difficulty encountered in the recovery of the balances after taking into account factors such as outcome of negotiations with clients, insolvency or significant financial difficulties of clients and potential default or significant delay in payments by clients. Excluding the impairment losses of S\$16.6 million (2019: S\$0.7 million), other expenses would have been S\$12.6 million in FY2020, a decrease of S\$2.3 million or 15.2% from S\$14.9 million in FY2019 mainly due to cost containment and saving measures implemented.

The fall in interest expense was mainly due to lower interest rates charged on the loans and borrowings outstanding in FY2020 compared to FY2019.

- (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 (Cont'd)

Share of Result of Joint Venture

Share of result of joint venture changed by S\$0.6 million from a profit of S\$0.2 million in FY2019 to a loss of S\$0.4 million in FY2020. The loss was mainly due to costs incurred arising from delays and disruptions in the supply chain and the execution of projects.

Share of Results of Associates

Share of results of associates changed by S\$1.9 million from a profit of S\$0.2 million in FY2019 to a loss of S\$1.7 million in FY2020. The loss was mainly due to cancellation and postponement of projects and events by clients and costs incurred arising from delays and disruptions in the supply chain and the execution of projects.

Income Tax Expense

Income tax expense decreased by S\$1.0 million or 57.6% from S\$1.7 million in FY2019 to S\$0.7 million in FY2020. The decrease was mainly due to the lower profitability of entities within the Group in FY2020 compared to FY2019.

Profit/(Loss) Net of Tax Attributable to Equity Holders of the Company

Based on the above, the Group recorded a loss net of tax attributable to equity holders of the Company of S\$11.1 million in FY2020 compared to a profit net of tax attributable to equity holders of the Company of S\$0.5 million in FY2019.

- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Non-current Assets

Non-current assets amounted to S\$72.6 million as at 31 December 2020, representing a decrease of S\$16.5 million from S\$89.1 million as at 31 December 2019. The decrease was mainly due to lower property, plant and equipment, intangible assets, investment in joint venture, investments in associates, other investments and right-of-use assets of S\$7.2 million, S\$3.6 million, S\$0.4 million, S\$1.6 million, S\$0.4 million and S\$4.5 million respectively, and partially offset by higher deferred tax assets of S\$1.4 million.

The decrease in property, plant and equipment was mainly due to the depreciation charge for the year, the impairment loss on experiential and themed attraction asset and the reclassification of freehold land and building to asset classified as held for sale (pursuant to the sale and purchase agreement entered into for the sale which was not completed as at year end), and partially offset by addition of assets for the year. The impairment loss was recognised after a review of the asset and the assumptions used in the assessment of its carrying value, including the impact and implications of the COVID-19 pandemic.

The decrease in intangible assets was mainly due to the amortisation charge for the year and the impairment losses on goodwill and licences, and partially offset by the addition of a licence for the year. The impairment losses were recognised after a review of the assets and the assumptions used in the assessment of their carrying values, including the impact and implications of the COVID-19 pandemic.

The decrease in investment in joint venture was mainly due to the equity accounting of the share of loss for the year.

The decrease in investments in associates was mainly due to the equity accounting of the share of losses for the year.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on. (Cont'd)

The decrease in other investments was due to the recognition of a decline in the fair value of the Group's investment in quoted equity shares based on quoted market price as at year end.

The decrease in right-of-use assets was mainly due to the depreciation charge and impairment loss for the year, and partially offset by addition of assets for the year.

The increase in deferred tax assets was mainly due to the recognition arising out of tax losses for the year.

Current Assets

Current assets amounted to S\$191.2 million as at 31 December 2020, representing a decrease of S\$6.0 million from S\$197.2 million as at 31 December 2019. The decrease was mainly due to lower trade and other receivables and other assets of \$25.0 million and S\$1.2 million respectively, and partially offset by higher contract assets, cash and cash equivalents and asset classified as held for sale of S\$3.8 million, S\$15.3 million and S\$1.6 million respectively.

The decrease in trade and other receivables was mainly due to the collections made, the impairment loss recognised and a lower level of business activities during the year due to the COVID-19 pandemic.

The decrease in other assets was mainly due to fewer prepayments made resulting from a lower level of business activities due to the COVID-19 pandemic.

The increase in contract assets was mainly due to the longer time period taken to approve the work performed and the subsequent invoicing to clients due to the COVID-19 pandemic.

The increase in cash and cash equivalents was mainly attributable to the cash inflows from operating activities, and partially offset by the cash outflows from investing and financing activities.

The asset classified as held for sale comprises of the freehold land and building reclassified from property, plant and equipment pursuant to the sale and purchase agreement entered into for the sale which was not completed as at year end.

Current Liabilities

Current liabilities amounted to S\$128.8 million as at 31 December 2020, representing a decrease of S\$13.7 million from S\$142.5 million as at 31 December 2019. The decrease was mainly due to lower contract liabilities and trade and other payables of S\$4.5 million and S\$8.1 million respectively.

The decrease in contract liabilities was mainly due to fewer advances received from clients for new projects resulting from a lower level of business activities due to the COVID-19 pandemic.

The decrease in trade and other payables was mainly due to the payments made, the write-off recognised and a lower level of business activities during the year due to the COVID-19 pandemic.

Non-current Liabilities

Non-current liabilities amounted to S\$29.2 million as at 31 December 2020, representing an increase of S\$0.1 million from S\$29.1 million as at 31 December 2019. The increase was mainly due to higher other financial liabilities of S\$0.2 million.

The increase in other financial liabilities was mainly due to new loans and borrowings and lease liabilities taken out which were partially offset by amounts reclassified from non-current to current as they become due and repayable within the next 12 months from 31 December 2020.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on. (Cont'd)

Cash Flow

Net cash from operating activities of S\$19.7 million in FY2020 arose mainly from loss before tax of S\$9.2 million and adjusted for a net increase in non-cash flow items of S\$28.3 million (largely from depreciation of property, plant and equipment, depreciation of right-of-use assets, impairment losses on contract assets, intangible assets, property, plant and equipment, right-of-use asset and trade receivables) and cash inflow from a net decrease in working capital requirements of S\$3.9 million (largely from movements in contract assets, trade and other receivables, contract liabilities and trade and other payables), and partially offset by income tax paid of S\$2.9 million.

Net cash used in investing activities of S\$2.7 million in FY2020 comprised mainly of purchase of property, plant and equipment of S\$2.6 million.

Net cash used in financing activities of S\$2.4 million in FY2020 arose mainly from repayment of lease liabilities of S\$3.6 million, and partially offset by net addition of loans and borrowings of S\$1.2 million.

Based on the above, the Group had a net increase in cash and cash equivalents of S\$14.6 million in FY2020 and the cash and cash equivalents stood at S\$78.7 million as at 31 December 2020.

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

The FY2020 results are in line with the announcement on profit guidance for FY2020 released on 30 January 2021 where the Group stated that it is expected to report a net loss for FY2020.

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.

Business activities have gradually resumed and the rollout of vaccines offers hope for a progressive recovery. However, uncertainty remains and the Group expects the year to continue to be challenging.

For the exhibition and events business, clients continue to be cautious in committing projects given the on-going restrictions for international travel and limited foreign participants. There is however growing demand for digital/virtual exhibitions and events. The Group is already offering these digital solutions and will continue to develop and offer new hybrid solutions to meet the demand for unique experiences. The thematic attractions market continues to present many opportunities and the Group is busy pitching and managing multiple on-going projects.

Competition for retail fit-outs remains tight, while the Group is seeing more projects and enquiries in sectors such as F&B and corporate offices, as well as branded pop-up/experiential installations.

The Group's Research & Design team continues to be busy, pitching for and fulfilling design works especially in themed attractions and new experiential and engagement concepts for clients.

With the pandemic having a devastating impact on the global attractions industry, there is pent up demand for activity and engagement platforms, and the Group expects the industry to rebound once the pandemic is under control. With travel restrictions still in place, domestic demand for the Group's branded experiential attraction, Nerf Action Xperience in Singapore, which is operating at reduced capacity as part of safe distancing measures, has been heartening. The Group will continue its expansion plans towards the overseas markets, introducing and developing new unique experiences that meet the changing demands of consumers and lifestyles.

This pandemic has revealed new needs and opportunities for the future of the Group. The Group will shape Kingsmen for the future by reinvesting resources to strengthen its supply chain, build a robust ecosystem of partnerships and upskill its people to meet demands for new unique experiences and hybrid solutions.

As at 31 January 2021, the Group has secured contracts of S\$107 million, of which S\$90 million is expected to be recognised in FY2021.

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

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

(c) Date payable

Not applicable.

(d) Record date

Not applicable.

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

No dividend has been declared or recommended for the current financial year ended 31 December 2020 as the Group wishes to retain cash for its business operations.

13 If the group has obtained a general mandate from shareholders for interested person transactions, the aggregate value of such transactions as required under Rule 920(1)(a)(ii) of the Listing Manual of the Singapore Exchange Securities Trading Limited. If no interested person transactions mandate has been obtained, a statement to that effect.

No interested person transaction mandate has been obtained from the shareholders of the Company.

14 Confirmation that the issuer has procured undertakings from its directors and executive officers under Rule 720(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

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

PART 2 – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

15 Segmented revenue and results for business or geographical segments (of the group) with comparative information for the immediately preceding year.

2020	Exhibitions, Thematic and Attractions	Retail and Corporate Interiors	Research and Design	Alternative Marketing	Corporate and Others	Eliminations	Per Consolidated Financial Statements
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue							
External customers	148,556	119,897	15,032	3,473	-	-	286,958
Inter-segment (Note A)	4,070	7,165	-	2,113	-	(13,348)	-
Total revenue	152,626	127,062	15,032	5,586	-	(13,348)	286,958
Results							
Interest income	120	205	24	13	36	-	398
Interest expense	(356)	(470)	(29)	(8)	(309)	-	(1,172)
Amortisation of intangible assets	(212)	-	-	-	-	-	(212)
Amortisation of land use rights	-	(26)	-	-	(243)	-	(269)
Bad trade debts written off	(167)	(307)	(4)	(10)	-	-	(488)
Depreciation of property, plant and equipment	(2,435)	(1,572)	(313)	(95)	(459)	-	(4,874)
Depreciation of right-of-use assets	(1,786)	(1,267)	(402)	(16)	(27)	-	(3,498)
Impairment loss on contract assets	-	(1,190)	-	-	-	-	(1,190)
Impairment loss on intangible assets	(2,593)	(970)	-	-	-	-	(3,563)
Impairment loss on property, plant and equipment	(2,531)	-	-	-	-	-	(2,531)
Impairment loss on right-of-use asset	(3,254)	-	-	-	-	-	(3,254)
Net gain/(loss) on disposal of property, plant and equipment	1	(13)	-	-	4	-	(8)
Net impairment loss on doubtful trade receivables	(3,191)	(2,798)	(40)	(2)	-	-	(6,031)
Performance share scheme expense	13	11	33	128	-	-	185
Property, plant and equipment written off	(380)	-	-	-	-	-	(380)
Write-off of trade and other payables	739	842	8	15	-	-	1,604
Share of result of joint venture	(403)	-	-	-	-	-	(403)
Share of results of associates	(963)	(728)	(14)	-	-	-	(1,705)
Segment (loss)/profit	(2,903)	(4,868)	954	(907)	(1,470)	-	(9,194)

Segmented revenue and results for business or geographical segments (of the group) with comparative information for the immediately preceding year. (Cont'd)

2019	Exhibitions, Thematic and Attractions	Retail and Corporate Interiors	Research and Design	Alternative Marketing	Corporate and Others	Eliminations	Per Consolidated Financial Statements
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue							
External customers	171,736	169,774	17,370	7,042	-	-	365,922
Inter-segment (Note A)	11,083	12,442	300	8,932	-	(32,757)	-
Total revenue	182,819	182,216	17,670	15,974	-	(32,757)	365,922
Results							
Interest income	133	308	31	8	90	-	570
Interest expense	(269)	(633)	(9)	(4)	(591)	-	(1,506)
Amortisation of intangible assets	(222)	(46)	-	-	-	-	(268)
Amortisation of land use rights	-	(4)	-	-	(243)	-	(247)
Bad trade debts recovered	50	6	-	-	-	-	56
Bad trade debts written off	(28)	(51)	(20)	-	-	-	(99)
Depreciation of property, plant and equipment	(1,692)	(1,478)	(282)	(69)	(467)	-	(3,988)
Depreciation of right-of-use assets	(1,557)	(1,223)	(439)	(16)	(656)	-	(3,891)
Dividend income from equity instrument at fair value through other comprehensive income	-	-	-	-	105	-	105
Goodwill written off on acquisition of interest in an associate	-	-	-	-	(55)	-	(55)
Net gain/(loss) on disposal of property, plant and equipment	2	18	-	(1)	-	-	19
Net (impairment loss)/write-back of impairment loss on doubtful trade receivables	(513)	187	(18)	(197)	-	-	(541)
Performance share scheme expense	(181)	(59)	(29)	(10)	-	-	(279)
Property, plant and equipment written off	(95)	(2)	-	(4)	(34)	-	(135)
Share of result of joint venture	150	-	-	-	-	-	150
Share of results of associates	130	19	(1)	-	-	-	148
Segment profit/(loss)	2,659	(568)	1,604	333	(1,854)	-	2,174

15 Segmented revenue and results for business or geographical segments (of the group) with comparative information for the immediately preceding year. (Cont'd)

Segment revenue by geographical region

We have segmented our revenue by geographical region based on the location of our clients.

Revenue	Year Ended 31 Dec 20		Year Ended 31 Dec 19	
	S\$000	%	S\$000	%
North Asia	116,683	40.7%	125,746	34.4%
South Asia	157,667	54.9%	198,425	54.2%
Middle East	3,144	1.1%	8,475	2.3%
United States and Canada	7,118	2.5%	20,368	5.6%
Europe	1,707	0.6%	10,997	3.0%
Others	639	0.2%	1,911	0.5%
	286,958	100.0%	365,922	100.0%

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 paragraph 8 for review of performance.

17 A breakdown of sales as follows:-

	Group		
	Year ended		% Change + / (-)
	31 Dec 20 S\$'000	31 Dec 19 S\$'000	
Revenue reported for first half year	122,989	172,842	-28.8%
Operating (loss)/profit after tax before deducting non-controlling interests reported for first half year	(6,010)	1,796	n/m
Revenue reported for second half year	163,969	193,080	-15.1%
Operating loss after tax before deducting non-controlling interests reported for second half year	(3,903)	(1,317)	196.4%

Note :

n/m = not meaningful

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

	Latest Full Year S\$'000	Previous Full Year S\$'000
Ordinary	-	5,049
Preference	-	-
Total	-	5,049

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). If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any Director and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Ong Chin Kwan	63	Brother of Simon Ong Chin Sim (Deputy Executive Chairman and Substantial Shareholder)	<p>Executive Director and Creative Director of Kingsmen Design Pte Ltd.</p> <p>He is responsible for charting the creative direction and developing its design capabilities, ensuring that all designs meet the aesthetic, functional and budgetary requirements of our clients.</p> <p>Position held since January 2000.</p>	Not applicable

BY ORDER OF THE BOARD OF DIRECTORS

Soh Siak Poh Benedict
Executive Chairman

27 February 2021