



GRAND VENTURE TECHNOLOGY LIMITED

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Company Reg. No.: 201222831E

UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 FOR GRAND VENTURE TECHNOLOGY LIMITED (THE “COMPANY” AND TOGETHER WITH ITS SUBSIDIARIES, THE “GROUP”)

Comparative financial year

For the purposes of this results announcement:

- The current financial year being reported on relating to the full year from 1 January 2020 to 31 December 2020, shall be referred to herein as “**FY2020**”; and
- The corresponding financial year from 1 January 2019 to 31 December 2019, shall be referred to herein as “**FY2019**”.

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

- 1(a)(i) 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.

Consolidated Statement of Comprehensive Income

	Group		Changes
	FY2020	FY2019	
	S\$'000	S\$'000	
Revenue	61,400	40,074	53.2%
Cost of sales	(42,466)	(25,158)	68.8%
Gross profit	18,934	14,916	26.9%
Other income	529	627	(15.6)%
Gain on forward contract	26	-	NM
Selling and distribution costs	(467)	(519)	(10.0)%
General and administrative expenses	(9,561)	(8,117)	17.8%
Other operating expenses	(2,009)	(1,971)	1.9%
Finance costs	(1,423)	(1,093)	30.2%
Profit before tax	6,029	3,843	56.9%
Income tax expense	(813)	(746)	9.0%
Profit after tax	5,216	3,097	68.4%
Other comprehensive income:			
<i>Items that maybe reclassified subsequently to profit or loss</i>			
Currency translation differences arising from consolidation of foreign operations	144	(139)	NM
Total comprehensive income for the financial year attributable to owners of the Company	5,360	2,958	81.2%

NM: Not meaningful

1(a)(ii) **Notes to the consolidated statement of comprehensive income.**

	Group	
	FY2020	FY2019
	S\$'000	S\$'000
Profit before tax has been arrived at after charging/(crediting) the following:		
Employee benefits expenses	17,359	14,594
Depreciation of property, plant and equipment	6,718	4,906
Interest expense	1,423	1,093
Foreign exchange loss	496	213
Operating lease expenses for short-term leases	175	255
Amortisation of intangible assets	24	24
Rental income	(194)	(251)
Amortisation of deferred income	(31)	(96)
Interest income	(8)	(22)
Write-back of allowance for expected credit loss	-	(4)
Loss on disposal of fixed assets	-	4

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.

Balance Sheets

	Group		Company	
	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Property, plant and equipment ^(Note 1)	43,349	34,686	15,573	14,557
Investment in subsidiaries	-	-	12,085	12,085
Intangible assets	2,035	2,040	-	-
Prepayments	-	639	-	361
Loan to a subsidiary	-	-	2,450	2,000
Deferred tax assets	1,025	1,084	140	521
Total non-current assets	46,409	38,449	30,248	29,524
Current assets				
Cash and bank balances	7,493	5,769	3,888	2,721
Trade and other receivables	17,889	12,993	7,943	6,009
Prepayments	1,685	698	666	32
Inventories	20,928	15,696	7,515	5,128
Loan to a subsidiary	-	-	4,900	4,900
Total current assets	47,995	35,156	24,912	18,790
Total assets	94,404	73,605	55,160	48,314
Current liabilities				
Trade and other payables	13,197	10,696	5,781	4,761
Loans and borrowings	10,575	12,281	2,722	7,764
Lease liabilities	726	658	29	27
Deferred income	41	188	41	188
Forward contract	2	-	2	-
Provision for income tax	247	157	-	-
Total current liabilities	24,788	23,980	8,575	12,740
Net current assets	23,207	11,176	16,337	6,050
Non-current liabilities				
Loans and borrowings	29,138	9,191	18,712	4,583
Lease liabilities	3,380	3,890	1,598	1,628
Deferred income	237	43	237	43
Shareholder loan	-	5,000	-	5,000
Total non-current liabilities	32,755	18,124	20,547	11,254
Total liabilities	57,543	42,104	29,122	23,994
Net assets	36,861	31,501	26,038	24,320
Equity attributable to owners of the Company				
Share capital	27,843	27,843	27,843	27,843
Currency translation reserve	(868)	(1,012)	-	-
Retained earnings/(accumulated losses)	9,886	4,670	(1,805)	(3,523)
Total equity	36,861	31,501	26,038	24,320

Note 1: Property, plant and equipment includes right-of-use assets.

- 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			
	31-Dec-20		31-Dec-19	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount payable in one year or less or on demand	11,301	-	12,939	-
Amount payable after one year	32,518	-	13,081	5,000
Total	43,819	-	26,020	5,000

The above includes lease liabilities, as follows:

Amount payable in one year or less or on demand	726	-	658	-
Amount payable after one year	3,380	-	3,890	-
Total	4,106	-	4,548	-

Details of any collateral

The Group has provided different securities for its various secured loan and credit facilities which include:

- (i) Open all monies first party first legal charge over the Group's properties in Penang (Malaysia);
- (ii) First legal mortgage over the property in Singapore;
- (iii) Charge over certain properties in Penang, Malaysia;
- (iv) Corporate guarantees by the Company and its wholly-owned subsidiary, Grand Venture Technology Sdn Bhd ("GVT MY"); and
- (v) Charge over certain of the Group's equipment and vehicles.

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.**

Consolidated Cash Flow Statement

	Group	
	FY2020	FY2019
	S\$'000	S\$'000
Operating activities		
Profit before tax	6,029	3,843
Adjustments for:		
Depreciation of property, plant and equipment	6,718	4,906
Amortisation of intangible assets	24	24
Amortisation of deferred income	(31)	(96)
Interest income	(8)	(22)
Interest expense	1,423	1,093
Provision for sales rebate	188	53
Inventories written-down	9	20
Loss on disposal of property, plant and equipment	-	4
Write-back of allowance for expected credit loss	-	(4)
Write-back of provision for unutilised leave	-	(86)
Unrealised foreign exchange loss/(gain)	464	(219)
Operating cash flows before changes in working capital	14,816	9,516
Increase in trade and other receivables	(4,887)	(3,448)
Increase in inventories	(5,242)	(4,918)
Increase in prepayments	(333)	(663)
Increase in trade and other payables	2,197	197
Cash flows generated from operations	6,551	684
Income tax paid	(705)	(618)
Income tax credit	42	-
Interest received	8	22
Interest paid	(1,423)	(1,284)
Net cash flows generated from/(used in) operating activities	4,473	(1,196)
Investing activities		
Purchases of property, plant and equipment	(7,939)	(6,026)
Proceeds from disposal of property, plant and equipment	7	21
Capital expenditure grants received	78	319
Net cash flows used in investing activities	(7,854)	(5,686)
Financing activities		
Proceeds from loans and borrowings	25,445	2,093
Repayment of loans and borrowings	(10,801)	(2,017)
Repayment of shareholder loan	(5,000)	(600)
Repayment of hire purchases	(3,585)	(2,387)
Payment of principal portion of lease liabilities	(677)	(278)
(Repayment of)/proceeds from trade financing	(358)	481
Increase in placement of short-term fixed deposits	(8)	(16)
Proceeds from issuance of shares	-	13,204
Net cash flows generated from financing activities	5,016	10,480
Net increase in cash and cash equivalents	1,635	3,598
Effect of foreign exchange rate changes, net	83	(43)
Cash and cash equivalents at the beginning of the financial year	5,387	1,832
Cash and cash equivalents at the end of the financial year	7,105	5,387
Cash and cash equivalents represented by:		
Cash and bank balances	7,493	5,769
less Short-term fixed deposits	(388)	(382)
	7,105	5,387

- 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	Share capital S\$'000	Currency translation reserve S\$'000	Retained earnings S\$'000	Total S\$'000
Balance as at 1 January 2019	15,351	(873)	1,573	16,051
<i>Transactions with owners, recognised directly in equity</i>				
Shares issued pursuant to Company's IPO	13,204	-	-	13,204
Shares issuance expenses	(712)	-	-	(712)
Total	12,492	-	-	12,492
<i>Total comprehensive income for the year</i>				
Profit for the year	-	-	3,097	3,097
Other comprehensive income for the year	-	(139)	-	(139)
Total comprehensive income for the year	-	(139)	3,097	2,958
Balance as at 31 December 2019	27,843	(1,012)	4,670	31,501
Balance as at 1 January 2020	27,843	(1,012)	4,670	31,501
<i>Total comprehensive income for the year</i>				
Profit for the year	-	-	5,216	5,216
Other comprehensive income for the year	-	144	-	144
Total comprehensive income for the year	-	144	5,216	5,360
Balance as at 31 December 2020	27,843	(868)	9,886	36,861

Company	Share capital S\$'000	Accumulated losses S\$'000	Total S\$'000
Balance as at 1 January 2019	15,351	(4,074)	11,277
<i>Transactions with owners, recognised directly in equity</i>			
Shares issued pursuant to Company's IPO	13,204	-	13,204
Shares issuance expenses	(712)	-	(712)
Total	<u>12,492</u>	<u>-</u>	<u>12,492</u>
<i>Total comprehensive income for the year</i>			
Profit for the financial year, representing total comprehensive income for the year	-	551	551
Balance as at 31 December 2019	<u>27,843</u>	<u>(3,523)</u>	<u>24,320</u>
Balance as at 1 January 2020	27,843	(3,523)	24,320
<i>Total comprehensive income for the year</i>			
Profit for the financial year, representing total comprehensive income for the year	-	1,718	1,718
Balance as at 31 December 2020	<u>27,843</u>	<u>(1,805)</u>	<u>26,038</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.

	31-Dec-20		30-Jun-20	
	Number of	S\$'000	Number of	S\$'000
	ordinary shares		ordinary shares	
Issued ordinary shares	<u>234,253,000</u>	<u>27,843</u>	<u>234,253,000</u>	<u>27,843</u>

There was no change in the Company's share capital since the end of the previous period reported on.

The Company did not have any outstanding options, convertibles, treasury shares or subsidiary holdings as at 31 December 2020 and 31 December 2019.

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.

	31-Dec-20	31-Dec-19
Total number of issued shares excluding treasury shares	<u>234,253,000</u>	<u>234,253,000</u>

There were no treasury shares as at 31 December 2020 and 31 December 2019.

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.

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 auditing standard or practice.

The figures have neither been audited nor reviewed by the 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:

- (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.**

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

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 reporting period as those of the audited financial statements for the 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.

Not applicable.

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:

- (a) Based on the weighted average number of ordinary shares on issue; and**
- (b) On a fully diluted basis (detailing any adjustments made to the earnings).**

	FY2020	FY2019
Profit after tax (S\$'000)	5,216	3,097
Weighted average numbers of ordinary shares ('000)	234,253	231,228
Basic and diluted Earnings Per Share ("EPS") (Singapore Cents)	<u>2.23</u>	<u>1.34</u>

The basic and diluted EPS for the respective financial periods are computed based on the weighted average number of ordinary shares in issue during the respective financial period.

The basic and diluted earnings per share were the same as there were no potentially dilutive ordinary shares in issue in FY2020 and FY2019.

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-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19
Net assets (S\$'000)	36,861	31,501	26,038	24,320
Number of ordinary shares ('000)	234,253	234,253	234,253	234,253
Net asset value per ordinary share (Singapore cents)	<u>15.74</u>	<u>13.45</u>	<u>11.12</u>	<u>10.38</u>

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.

Review of Consolidated Statement of Comprehensive Income

Revenue

The Group's revenue increased by S\$21.3 million (53.2%) from S\$40.1 million in FY2019 to S\$61.4 million in FY2020, mainly driven by the key segments, as follows:

Sales by segment	FY2020		FY2019	
	S\$'000	%	S\$'000	%
Semiconductor	42,152	68.7%	23,873	59.6%
Life sciences, electronics and others	19,248	31.3%	16,201	40.4%
Total	61,400	100.0%	40,074	100.0%

Semiconductor

The Group experienced a sustained demand since fourth quarter of 2019 and it persisted through in FY2020, resulting in the increased contribution by the semiconductor segment from 59.6% in FY2019 to 68.7% in FY2020.

Life sciences, electronics and others

Following several key First Article ("FA") approvals from the life sciences segment in 2019, the Group saw increasing contribution from this segment as the FAs were converted into Mass Production ("MP"). However, the increase in life sciences' contribution was offset by the decline in the electronics segment, largely attributable to the temporary shut down of a customer's facility and supply chain disruption amid the COVID-19 pandemic. Whilst there was a S\$3.0 million higher sales level, the proportionate contribution of this segment to the Group's revenue had declined by 9.1%.

Gross profit ("GP") and margin ("GPM")

GP increased by S\$4.0 million from S\$14.9 million in FY2019 to S\$18.9 million in FY2020 on the back of 53.2% higher revenue explained above, however, at a lower GPM of 30.8% as compared to 37.2% recorded in FY2019.

A breakdown of GP and GPM by segment, as follows:

GP and GPM by segment	FY2020		FY2019	
	GP S\$'000	GPM %	GP S\$'000	GPM %
Semiconductor	12,795	30.4%	8,742	36.6%
Life sciences, electronics and others	6,139	31.9%	6,174	38.1%
Total	18,934	30.8%	14,916	37.2%

In FY2020, the life sciences segment contributed approximately 62.4% of the revenues of the life sciences, electronics and others segment. Revenues of the life sciences segment grew over S\$5.3 million or 80.1% from S\$6.7 million in FY2019 to S\$12.0 million in FY2020. As the margins from the life sciences segment are usually higher than the other segments, the revenue growth in the life sciences segment largely drove the higher GPM

(approximately 1.5%) for the life sciences, electronics and others segment as compared to the semiconductor segment.

In FY2020, the Group had continued to invest in its competencies and production capacity, leading to higher level of production fixed costs which has not been optimised during FY2020 due to, amongst others, (i) GVT MY and GVT SZ's factory shut down leading to lower output and (ii) slowdown in deliveries to customer's facilities due to effects of government measures against COVID-19. The underlying COGS fixed costs, comprising direct labour, depreciation and others were therefore not sufficiently covered by the business volume, leading to an overall lower GPM of 30.8% in FY2020.

The lower GPM, however, was offset by the effects of Singapore government grants of S\$0.6 million by way of (i) Jobs Support Scheme (“**JSS**”), (ii) Foreign Worker Levy (“**FWL**”) rebate and waiver of FWL in the months of March 2020 and April 2020.

Other income

Other income in FY2020 was S\$529K, a S\$98K decrease from S\$627K in FY2019, mainly driven by (i) S\$57K lower rental income as the Company repossessed certain previously tenanted areas to cater for its higher production capacity and requirements and (ii) S\$65K lower amortisation of deferred income.

General and administrative expenses

General and administrative expenses increased by S\$1.5 million from S\$8.1 million in FY2019 to S\$9.6 million in FY2020 mainly driven by (i) the Group's continued net investment of S\$0.8 million in human resource, competencies and capabilities by way of increased headcount across its entities, (ii) S\$0.3 million higher foreign exchange losses and (iii) S\$0.2 million higher level of professional fees incurred.

Other operating expenses

In FY2020, other operating expenses incurred was S\$2.0 million, which had remained fairly consistent as compared to FY2019.

Finance costs

Finance costs increased by S\$0.3 million from S\$1.1 million in FY2019 to S\$1.4 million in FY2020, mainly driven (i) S\$0.2 million higher financing costs from the Group's acquisition of hire purchase contracts to finance capital expenditures in its capacity expansions and (ii) approximately S\$0.1 million higher finance costs from the Group's utilisation of its borrowings facilities to support its higher level of working capital requirements.

Income tax expense

In FY2020, the Group obtained S\$42K tax credit and continued to enjoy higher capital allowances along with the Group's continued capital expenditures. This has reduced the Group's overall effective tax rate from 19.4% in FY2019 to 13.5% in FY2020.

Review of Group's Balance Sheets

Non-current assets

Non-current assets increased by S\$8.0 million from S\$38.4 million as at 31 December 2019 to S\$46.4 million as at 31 December 2020 mainly due to a S\$8.7 million increase in net book value from property, plant and equipment acquired to support capacity expansion, offset by S\$0.6 million lower level of prepayments.

Current assets

Current assets increased by S\$12.8 million from S\$35.2 million as at 31 December 2019 to S\$48.0 million as at 31 December 2020 mainly due to (i) S\$5.2 million increased inventory level, (ii) S\$4.9 million increased trade and other receivables, (iii) S\$1.7 million higher cash balances, and (iv) further S\$1.0 million higher prepayments largely comprising down-payments for fixed assets, in line with revenue growth, and business and capacity expansion.

Non-current and current liabilities (Total liabilities)

Total liabilities increased by S\$15.4 million from S\$42.1 million as at 31 December 2019 to S\$57.5 million as 31 December 2020. This is mainly due to (i) S\$13.2 million net increase in borrowings (comprising external borrowings, net of shareholder loan repaid) as the Group incurred borrowings to finance higher levels of capital expenditure and working capital requirements, and restructured its borrowing profile towards more long term borrowings, and (ii) S\$2.5 million higher balances of trade and other payables in line with increased revenues and business expansion, offset by S\$0.4 million lower lease liabilities.

Review of Consolidated Cash Flow Statement

In FY2020, the net cash generated from operating activities was S\$4.5 million, of which S\$6.6 million was cash generated from operations and net of working capital changes (approximately S\$8.3 million) before S\$1.4 million interest paid and S\$0.7 million tax paid.

The Group invested S\$7.9 million in capital expenditure mainly for the acquisition of machineries and assets for capacity expansion whilst also receiving S\$78K capital expenditure grant during the period.

Net cash flows generated from financing activities was S\$5.0 million, mainly due to the S\$9.3 million net proceeds from increase in borrowings (S\$13.2 million including hire purchase arrangements) as the Group restructured its loans and borrowings, shareholder loan and trade financing for more favourable financing costs, offset by (i) S\$3.6 million repayment of hire purchases and (ii) S\$0.7 million payment of principal portion of lease liabilities.

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 forecast or prospect statement had been previously disclosed by the Company to shareholders for the financial year discussed in this announcement.

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.

The novel coronavirus (“**Covid-19**”) pandemic has disrupted trade and supply chains worldwide, which resulted in a severe deterioration of the global economic environment. In spite of the challenges arising from this, the Group was able to deliver growth in both its top and bottom lines.

In the year ahead, the macroeconomic landscape is expected to remain difficult, with virus resurgence already leading some countries to re-impose lockdowns. Notwithstanding this, the Group is cautiously optimistic that demand for its services will remain healthy, in view that it is serving customers in the essential industries of semiconductor, medical and life sciences. The Group successfully obtained its ISO13485:2016 certification in June 2020, bearing testimony to its ability to provide manufacturing and related services for medical devices in a manner that consistently meets the applicable regulatory requirements. Consequently, the Group was able to enjoy higher demand for its services from the Life Sciences and Medical segments in FY2020, and the Group expects the growth momentum to continue in 2021.

Following the pandemic-induced delay in the refurbishment of its Penang facility that the Group acquired in February 2020, the Group is now looking forward to commissioning it by mid-2021.

Going forward, the Group will continue to remain nimble in addressing challenges and opportunities as they arise, and exercise prudence in the management of its working capital.

On 12 January 2021, the Group announced that it had entered into a conditional placement agreement with NT SPV 12, a wholly-owned subsidiary of private equity fund, Novo Tellus PE Fund 2 to raise net proceeds of approximately S\$23.5 million. Completion of the placement is subject to shareholders' approval at an extraordinary general meeting to be convened on 1 March 2021. Should shareholders approve, the proceeds raised would strengthen the Group's financial position and capital base, providing it with resources for its operations and the financing of future strategic investments and/or acquisitions.

11. If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

No dividend was declared for FY2020.

(b) (i) Amount per share (cents)

Not applicable.

(b) (ii) Previous corresponding period (cents)

Not applicable. No dividend was declared for FY2019.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

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 is recommended for FY2020 as the Group wishes to reserve its cash resources for business growth.

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.

Name of interested person	Nature of relationship	Transaction	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) S\$'000
Lee Tiam Nam (" Ricky Lee ")	Controlling shareholder and Executive Chairman	Interest on shareholder's loan	64

The Group has not obtained a general mandate from shareholders for Interested Person Transactions ("IPT").

14 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix H) under Rule 720(1).

The Company hereby confirms that it has procured undertakings from all its Directors and Executive Officers in the format set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

15 Use of proceeds

The Company raised gross proceeds from Initial Public Offering (“**IPO**”) of approximately S\$13.2 million (the “**Gross Proceeds**”). As at the date of this announcement, the Gross Proceeds as disclosed in the Offer Document dated 15 January 2019 (“**Offer Document**”) have been utilised as follows:

Intended usage in accordance with the Offer Document	Allocated S\$'000	Utilised S\$'000	Balance S\$'000
Investing and enhancing operational and engineering capabilities	7,500	7,500	-
Expansion via mergers and acquisitions, joint ventures and partnerships	1,500	-	1,500
General working capital ⁽¹⁾	1,404	1,404	-
Repayment of bank borrowings	500	500	-
Listing expenses	2,300	2,300	-
Total	13,204	11,704	1,500

⁽¹⁾ Details for general working capital used:

	S\$'000
Rental, office expenditure and other operating expenses	994
Professional fees	310
Directors' fees	100
Total	1,404

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

16. **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.**

By business segment

	Semiconductor S\$'000	Life sciences, electronics and others S\$'000	Total S\$'000
2020			
Revenue	42,152	19,248	61,400
Cost of sales	(29,357)	(13,109)	(42,466)
Gross profit	12,795	6,139	18,934
2019			
Revenue	23,873	16,201	40,074
Cost of sales	(15,131)	(10,027)	(25,158)
Gross profit	8,742	6,174	14,916

By geographical segment

	FY2020 S\$'000	FY2019 S\$'000
Singapore	17,709	15,578
Malaysia	35,597	18,850
United States	3,118	1,059
China	3,768	2,886
Others	1,208	1,701
Total	61,400	40,074

17. **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 for the review of the performance of the Group.

18. **A breakdown of sales as follows:**

	FY2020 S\$'000	FY2019 S\$'000	Increase/ decrease %
(a) Sales reported for first half year	26,912	18,075	48.9%
(b) Operating profit/loss after tax before deducting non-controlling interests reported for first half year	2,223	1,521	46.2%
(c) Sales reported for second half year	34,488	21,999	56.8%
(b) Operating profit/loss after tax before deducting non-controlling interests reported for second half year	2,993	1,576	89.9%

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

- (a) Ordinary
- (b) Preference
- (c) Total

Not applicable. No dividend has been declared or recommended for FY2020 and FY2019.

20. **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(10) in the format below. 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 year the position was held	Details of changes in duties and position held, if any during the year
Lee Ching Ann	45	Brother of Lee Tiam Nam	Sales Manager of the Company, (year 2013)	Not applicable
Lee Peng Guan	57	Brother of Lee Tiam Nam	Senior Engineer of the Company, (year 2017)	Not applicable
Lee Ban Seng	42	Nephew of Lee Tiam Nam	Operations Manager of the Company, (year 2019)	Not applicable
Lee Ban Sing	31	Son of Lee Tiam Nam	Procurement Engineer of the Company, (year 2019)	Not applicable

BY ORDER OF THE BOARD

LEE TIAM NAM

Executive Chairman

22 February 2021

*This document has been reviewed by the Company's Sponsor, CIMB Bank Berhad, Singapore Branch ("**Sponsor**") in accordance with Rule 226(2)(b) of the SGX-ST Listing Manual Section B: Rules of Catalist. This document has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document. The contact person for the Sponsor is Mr Jason Chian, Head, Corporate Finance, CIMB Bank Berhad, Singapore Branch, at 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, Telephone: +65 6337 5115.*