



HAI LECK HOLDINGS LIMITED
(Company Registration No. : 199804461D)
FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT
FOR FULL YEAR AND FOURTH QUARTER ENDED 30 JUNE 2020

PART I - 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**

	Group			Group		
	4Q20 \$'000	4Q19 \$'000	Change %	FY20 \$'000	FY19 \$'000	Change %
Revenue	38,426	15,530	147.4	96,068	83,009	15.7
Less:						
Cost of sales	(27,078)	(11,660)	132.2	(55,928)	(50,976)	9.7
Other income	4,544	283	1,505.7	5,387	1,394	286.4
Distribution and selling expenses	(103)	(99)	4.0	(567)	(414)	37.0
Administrative expenses	(7,904)	(4,924)	60.5	(29,682)	(26,405)	12.4
Other operating expenses	(6,328)	(1,583)	299.7	(11,448)	(6,683)	71.3
Interest expense	(69)	(3)	2,200.0	(273)	(11)	2,381.8
Share of results of joint venture	565	16	3,431.3	1,783	298	498.3
Profit/(loss) before taxation	2,053	(2,440)	n.m.	5,340	212	2,418.9
Taxation	(541)	1,171	n.m.	(1,212)	635	n.m.
Profit/(loss) for the period	1,512	(1,269)	n.m.	4,128	847	387.4
Attributable to:						
Equity holders of the Company	1,512	(1,269)	n.m.	4,128	847	387.4

Net profit/(loss) included the following:	Group		Group	
	4Q20 \$'000	4Q19 \$'000	FY20 \$'000	FY19 \$'000
Interest income	133	159	543	489
Interest expense	(69)	(3)	(273)	(11)
Foreign exchange loss, net	(14)	(6)	-	(73)
Gain on disposal of property, plant and equipment, net	24	55	218	253
(Loss)/gain on disposal of intangible assets, net	-	-	(21)	87
Amortisation of intangible assets	(346)	(36)	(409)	(168)
Depreciation of property, plant and equipment	(1,588)	(1,498)	(6,339)	(6,235)
Allowance for doubtful debts	(55)	(89)	(55)	(89)
Write back of provision for warranty	74	309	74	309
(Provision)/write back of provision for onerous contract	(248)	36	(248)	36
Impairment loss on property, plant and equipment	4,350	-	4,350	-

	Group		Group	
	4Q20 \$'000	4Q19 \$'000	FY20 \$'000	FY19 \$'000
Profit/(loss) for the period	1,512	(1,269)	4,128	847
Other comprehensive income:				
<u>Items that may be reclassified to profit and loss</u>				
Foreign currency translation	305	208	216	428
Total comprehensive income for the period	1,817	(1,061)	4,344	1,275
Total comprehensive income attributable to:				
Equity holders of the Company	1,817	(1,061)	4,344	1,275

Note:

4Q19: The 4th quarter ended 30 June 2019

4Q20: The 4th quarter ended 30 June 2020

FY19: The financial year ended 30 June 2019

FY20: The financial year ended 30 June 2020

n.m. denotes not meaningful

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

	Group		Company	
	30.6.2020 \$'000	30.6.2019 \$'000	30.6.2020 \$'000	30.6.2019 \$'000
Non-current assets:				
Property, plant and equipment	46,446	44,284	381	502
Investments in subsidiary companies	-	-	34,931	52,615
Investment in joint venture	8,803	7,154	-	-
Intangible assets	952	166	-	-
Other receivables and deposits	30	15	-	-
Deferred tax assets	471	158	-	-
	<u>56,702</u>	<u>51,777</u>	<u>35,312</u>	<u>53,117</u>
Current assets:				
Inventories	2,291	2,107	-	-
Trade receivables	39,110	12,659	-	-
Other receivables and deposits	3,279	586	10,153	227
Prepayments	357	207	103	91
Customer retention	124	3,685	-	-
Amounts due from subsidiary companies - non-trade	-	-	-	244
Contract assets	2,171	9,891	-	-
Fixed deposits pledged	1,134	1,308	-	-
Cash and cash equivalents	71,416	57,871	30,312	30,277
	<u>119,882</u>	<u>88,314</u>	<u>40,568</u>	<u>30,839</u>
Current liabilities:				
Trade and other payables	38,496	14,218	396	390
Advances from customers	153	153	-	-
Deferred income	1,521	-	-	-
Supplier retention	48	578	-	-
Amounts due to subsidiary companies - trade	-	-	97	71
Contract liabilities	1,733	592	-	-
Provisions	2,975	3,049	-	-
Lease obligations - current portion	922	20	-	-
Provision for taxation	1,616	614	108	47
	<u>47,464</u>	<u>19,224</u>	<u>601</u>	<u>508</u>
Net current assets	<u>72,418</u>	<u>69,090</u>	<u>39,967</u>	<u>30,331</u>
Non-current liabilities:				
Deferred taxation	437	732	3	3
Provisions, non-current portion	2,314	600	-	-
Lease obligations, non-current portion	6,791	-	-	-
	<u>9,542</u>	<u>1,332</u>	<u>3</u>	<u>3</u>
Net assets	<u>119,578</u>	<u>119,535</u>	<u>75,276</u>	<u>83,445</u>
Equity attributed to equity holders of the Company				
Share capital	65,403	65,403	65,403	65,403
Treasury shares	(160)	(160)	(160)	(160)
Capital reserve	-	1,046	-	1,046
Accumulated profits	53,621	52,748	10,033	17,156
Translation reserve	714	498	-	-
Total equity	<u>119,578</u>	<u>119,535</u>	<u>75,276</u>	<u>83,445</u>

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

Amount repayable in one year or less, or on demand

	As at 30.6.2020		As at 30.6.2019	
	\$'000	\$'000	\$'000	\$'000
	Secured	Unsecured	Secured	Unsecured
Lease obligations	922	-	20	-

Amount repayable after one year

	As at 30.6.2020		As at 30.6.2019	
	\$'000	\$'000	\$'000	\$'000
	Secured	Unsecured	Secured	Unsecured
Lease obligations	6,791	-	-	-

Details of any collateral

Lease financing for plant and equipment.

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 Statement of Cash Flows	Group		Group	
	4Q20 \$'000	4Q19 \$'000	FY20 \$'000	FY19 \$'000
Cash flows from operating activities:				
Profit/(loss) before taxation	2,053	(2,440)	5,340	212
Adjustments for:				
Depreciation of property, plant and equipment	1,588	1,498	6,339	6,235
Amortisation of intangible assets	346	36	409	168
Property, plant and equipment written off	-	1	-	1
Intangible assets written off	-	1	-	11
Property, plant and equipment expensed off	47	37	343	132
Gain on disposal of property, plant and equipment, net	(24)	(55)	(218)	(253)
Loss/(gain) on disposal of intangible assets, net	-	-	21	(87)
Impairment loss on property, plant and equipment	4,350	-	4,350	-
Share of results of joint venture	(565)	(16)	(1,783)	(298)
Provision/(write back of provision) for onerous contract	248	(36)	248	(36)
Write back of provision for warranty	(74)	(309)	(74)	(309)
Utilisation of provision for warranty	-	(26)	-	(26)
Allowance for doubtful debts	55	89	55	89
Interest income	(133)	(159)	(543)	(489)
Interest expense	69	3	273	11
Unrealised exchange gain	(6)	(11)	(2)	(20)
Operating cash flows before working capital changes	7,954	(1,387)	14,758	5,341
<i>(Increase)/Decrease in:</i>				
Customer retention, trade and other receivables and prepayments	(16,250)	1,410	(25,834)	8,915
Inventories	(305)	(369)	(184)	683
Contract assets/liabilities, net	(2,184)	302	8,861	(7,373)
<i>Increase/(Decrease) in:</i>				
Trade and other payables, supplier retention, deferred income and advances from customers	23,794	(325)	25,021	(7,216)
Cash generated from/(used in) operations	13,009	(369)	22,622	350
Tax (paid)/refund	-	(8)	(474)	228
Net cash flows generated from/(used in) operating activities	13,009	(377)	22,148	578
Cash flows from investing activities:				
Interest received	238	203	624	438
Purchase of property, plant and equipment	(521)	(1,058)	(3,454)	(3,118)
Purchase of intangible assets	(15)	-	(1,117)	(4)
Proceeds from disposal of property, plant and equipment	40	128	379	382
Proceeds from disposal of intangible assets	-	-	-	87
Net cash flows used in investing activities	(258)	(727)	(3,568)	(2,215)
Cash flows from financing activities:				
Repayment of lease obligations	(223)	(19)	(823)	(78)
Decrease in fixed deposits pledged	-	380	174	519
Dividend paid	-	-	(4,113)	(2,057)
Interest paid	(69)	(3)	(273)	(11)
Net cash flows (used in)/generated from financing activities	(292)	358	(5,035)	(1,627)
Net increase/(decrease) in cash and cash equivalents	12,459	(746)	13,545	(3,264)
Cash and cash equivalents at beginning of period	58,957	58,617	57,871	61,135
Cash and cash equivalents at end of period	71,416	57,871	71,416	57,871

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

Statements of changes in equity
For period ended 30 June 2020

Group	Share capital \$'000	Treasury shares \$'000	Capital reserve \$'000	Accumulated profits \$'000	Translation reserve \$'000	Total equity \$'000
At 1 July 2018	65,403	(160)	1,046	53,958	70	120,317
Profit net of tax	-	-	-	847	-	847
Other comprehensive income for the period	-	-	-	-	428	428
Total comprehensive income for the period	-	-	-	847	428	1,275
<u>Contributions by and distributions to owners</u>						
Dividend on ordinary shares	-	-	-	(2,057)	-	(2,057)
Balance at 30 June 2019	65,403	(160)	1,046	52,748	498	119,535
At 1 July 2019, as previously stated	65,403	(160)	1,046	52,748	498	119,535
Cumulative effects of adopting SFRS(I) 16	-	-	-	(188)	-	(188)
At 1 July 2019, as restated	65,403	(160)	1,046	52,560	498	119,347
Profit net of tax	-	-	-	4,128	-	4,128
Other comprehensive income for the period	-	-	-	-	216	216
Total comprehensive income for the period	-	-	-	4,128	216	4,344
<u>Contributions by and distributions to owners</u>						
Transfer of reserves	-	-	(1,046)	1,046	-	-
Dividend on ordinary shares	-	-	-	(4,113)	-	(4,113)
Balance at 30 June 2020	65,403	(160)	-	53,621	714	119,578

Company	Share capital \$'000	Treasury shares \$'000	Capital reserve \$'000	Accumulated profits \$'000	Total \$'000
At 1 July 2018	65,403	(160)	1,046	14,559	80,848
Profit net of tax	-	-	-	4,654	4,654
Total comprehensive income for the period	-	-	-	4,654	4,654
<u>Contributions by and distributions to owners</u>					
Dividend on ordinary shares	-	-	-	(2,057)	(2,057)
Balance at 30 June 2019	65,403	(160)	1,046	17,156	83,445
At 1 July 2019, as restated	65,403	(160)	1,046	17,156	83,445
Loss net of tax	-	-	-	(4,056)	(4,056)
Total comprehensive income for the period	-	-	-	(4,056)	(4,056)
<u>Contributions by and distributions to owners</u>					
Transfer of reserves	-	-	(1,046)	1,046	-
Dividend on ordinary shares	-	-	-	(4,113)	(4,113)
Balance at 30 June 2020	65,403	(160)	-	10,033	75,276

1(d)(ii) Details of any changes in the company's share capital arising from right 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 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 were no changes in the Company's share capital arising from right 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 previous period reported on.

There are no shares that may be issued on conversion of outstanding convertibles.

Issued and paid up capital

As at beginning of financial year
Share issued pursuant to the exercise of Warrants
At 30 June

FY20		FY19	
No of shares	\$'000	No of shares	\$'000
205,993,947	65,403	205,993,947	65,403
-	-	-	-
205,993,947	65,403	205,993,947	65,403
Treasury shares		Treasury shares	
As at beginning of financial year and at 30 June		As at beginning of financial year and at 30 June	
320,000	160	320,000	160
Percentage of treasury shares against total number of shares outstanding		Percentage of treasury shares against total number of shares outstanding	
0.16%		0.16%	
Total shares excluding treasury shares as at end of period		Total shares excluding treasury shares as at end of period	
205,673,947	65,243	205,673,947	65,243

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

As at 30 June 2020, the total number of issued ordinary shares (excluding treasury shares) was 205,673,947 (30 June 2019: 205,673,947).

1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares 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 not been audited nor reviewed.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of 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

On 1 July 2019, the Group adopted Singapore Financial Reporting Standards (International) ("SFRS(I)") 16 Leases which requires lessees to recognise most leases on balance sheets.

Except for the adoption of SFRS(I) 16 above, the Group has adopted the same methods of computation in the financial statements for the current financial period as those applied for the most recently audited financial statements for the year ended 30 June 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

SFRS(I) 16 Leases includes two recognition exemptions for lessees - leases of 'low value' assets and short-term leases. At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

The Group adopted SFRS(I) 16 retrospectively with the cumulative effect of initially applying the standard as an adjustment to the opening accumulated profits at the date of initial application, 1 July 2019.

On adoption of SFRS(I) 16, the Group chooses, on a lease-by-lease basis, to measure the right-of-use asset at either:

- (i) its carrying amount as if SFRS(I) 16 had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as of 1 July 2019; or
- (ii) an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before 1 July 2019.

In addition, the Group elected the following practical expedients:

- not to reassess whether a contract is, or contains a lease at the date of initial application and to apply SFRS(I) 16 to all contracts that were previously identified as leases;
- to apply the exemption not to recognise right-of-use asset and lease liabilities to leases for which the lease term ends within 12 months as of 1 July 2019;
- to apply a single discount rate to a portfolio of leases with reasonably similar characteristics.

Pursuant to the adoption of SFRS(I) 16 on 1 July 2019, the Group made an adjustment of \$188,000 to its accumulated profits, recognised right-of-use assets with net book value of \$6,478,000, lease obligations of \$6,705,000, deferred tax assets of \$41,000 and deferred tax liabilities of \$2,000.

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		Group	
	4Q20 \$'000	4Q19 \$'000	FY20 \$'000	FY19 \$'000
Profit/(loss) attributable to ordinary equity holders of the Company (\$'000)	1,512	(1,269)	4,128	847
Weighted average number of ordinary shares in issue (excluding treasury shares) applicable to basic earnings per share ('000)	205,674	205,674	205,674	205,674
Weighted average number of ordinary shares in issue (excluding treasury shares) applicable to diluted earnings per share ('000)	205,674	205,674	205,674	205,674
Earnings per share -				
Basic (cents)	0.7	(0.6)	2.0	0.4
Fully diluted (cents)	0.7	(0.6)	2.0	0.4

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 period reported on and (b) immediately preceding financial year

	Group		Company	
	30.6.2020	30.6.2019	30.6.2020	30.6.2019
Net asset value (\$'000)	119,578	119,535	75,276	83,445
Number of ordinary shares in issue (excluding treasury shares) at end of quarter ('000)	205,674	205,674	205,674	205,674
Net asset value per ordinary share based on the number of shares in issue (excluding treasury shares) at end of period (cents)	58.1	58.1	36.6	40.6

- 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 Financial Results

Results for financial year and fourth quarter ended 30 June 2020

Revenue

Revenue for FY20 increased by 15.7% to \$96.0 million compared to \$83.0 million recorded in FY19 mainly due to higher contact centre services revenue, partially offset by lower project and maintenance services revenue.

Quarter-on-quarter, revenue increased to \$38.4 million in 4Q20 compared to \$15.5 million in 4Q19 due to the same reasons as above.

Cost of sales

For FY20, cost of sales increased to \$55.9 million mainly in line with the higher revenue in FY20.

Quarter-on-quarter, cost of sales increased to \$27.0 million in 4Q20 as compared to \$11.7 million in 4Q19 in tandem with the increase in revenue in 4Q20 compared to 4Q19.

Other income

Other income comprise mainly of interest income, miscellaneous income earned from non-core businesses, safety and performance incentives, gain on disposal of property, plant and equipment as well as government grant, jobs credit grant and special employment credit. The amount of other income for FY20 and 4Q20 was \$5.4 million and \$4.5 million respectively. The increase of approximately \$4.0 million and \$4.3 million respectively compared to FY19 and 4Q19 was mainly due to the Job Support Scheme and foreign worker levy rebates from the government.

Operating expenses

Operating expenses consist of distribution and selling expenses, administrative expenses and other operating expenses, including depreciation, amortisation and exchange differences.

Total operating expenses increased \$8.2 million from \$33.5 million in FY19 to \$41.7 million in FY20 mainly due to higher personnel related costs to support the higher level of activities in the contact centre services segment and impairment loss recorded in 4Q20 in respect of certain property, plant and equipment in the project and maintenance services segment in view of the market conditions.

For 4Q20, total operating expenses increased \$7.7 million from \$6.6 million in 4Q19 to \$14.3 million due to the same reasons as above.

Taxation

The effective tax rate in FY20 is higher than the statutory tax rate mainly due to the effects of certain non-tax deductible expenses.

Profit attributable to equity holders of the Company

The profit attributable to equity holders for FY20 increased by \$3.3 million to \$4.1 million compared to FY19.

Quarter-on-quarter, the profit attributable to equity holders increased by \$2.8 million from a loss of \$1.3 million in 4Q19 to a profit of \$1.5 million in 4Q20.

Review of Financial Position

Non-current assets

Non-current assets of the Group increased from \$51.8 million as at 30 June 2019 to \$56.7 million as at 30 June 2020 mainly due to the recognition of right-of-use assets pursuant to adoption of SFRS(I) 16 as well as increase in investments in intangible assets and joint venture, partially offset by the effects of impairment and depreciation of property, plant and equipment.

Current assets

Current assets increased by \$31.6 million, from \$88.3 million as at 30 June 2019 to \$119.9 million as at 30 June 2020. The increase was due to increase in trade and other receivables and cash and cash equivalents, which was partially offset by decrease in customer retention and contract assets.

The increase in trade receivables was mainly due the higher level of operations in 4Q20 compared to 4Q19 as well as timing differences in billings. The decrease in contract assets, which primarily relate to the Group's right to consideration for work completed but not yet billed at reporting date for projects, was mainly due to completion of projects during FY20.

Current liabilities

Current liabilities comprise of payables to suppliers of materials and equipment and subcontractors, other payables, advances from customers, provision for warranty as well as tax provision. Current liabilities increased by \$28.2 million, from \$19.2 million as at 30 June 2019 to \$47.5 million as at 30 June 2020 mainly due to increase in trade and other payables in line with the higher level of activities in 4Q20 compared to 4Q19.

Increase in deferred income and contract liabilities also contributed to the increase in current liabilities. Deferred income relates to government grants received in advance and contract liabilities relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances from customers for projects. The increase in contract liabilities was mainly due to advance billing made for certain projects in FY20.

Non-current liabilities

Non-current liabilities increased from \$1.3 million as at 30 June 2019 to \$9.5 million as at 30 June 2020 mainly due recognition of lease obligations pursuant to adoption of SFRS(I) 16 and increase in provision for costs that are not expected to be paid within 12 months from 30 June 2020.

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

Not applicable

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 current global health situation has negatively impacted both the global and local economy. The duration of the impact of this pandemic remains uncertain and unpredictable. Resumption of activities for our project and maintenance services is proceeding at a cautious pace.

11 Dividend

(a) Current financial period reported on

Any dividend declared for the current financial period reported on?

Final dividends

Name of Dividend	Not applicable
Dividend Type	
Dividend Rate	

(b) Corresponding period of the immediately preceding financial year

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

Final dividends

Name of Dividend	Final
Dividend Type	Cash
Dividend Rate	1 cent per ordinary share (one-tier tax exempt, out of accumulated profits)

Special dividends

Name of Dividend	Special
Dividend Type	Cash
Dividend Rate	1 cent per ordinary share (one-tier tax exempt, out of accumulated profits)

(c) Date payable

Not applicable

(d) Books closure 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/recommended in view of the uncertain global health and economic situation.

- 13 If the Group has obtained a general mandate from shareholders for Interested Persons Transactions (“IPT”), 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

No IPT mandate has been obtained.

- 14 Confirmation of Undertakings from Directors and Executive Officers pursuant to Rule 720(1) of the Listing Manual

The Company has procured undertakings in the format set out in Appendix 7.7 collectively from all its directors and executive officers under Rule 720(1) of the Listing Manual.

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

- 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

(a) By business segments

Revenue by business segment	Project and Maintenance Services		Contact Centre Services		Elimination		Group FY20 \$'000	Group FY19 \$'000
	Group FY20 \$'000	Group FY19 \$'000	Group FY20 \$'000	Group FY19 \$'000	Group FY20 \$'000	Group FY19 \$'000		
<u>Revenue</u>								
External customers	45,365	75,588	50,703	7,421	-	-	96,068	83,009
Inter-segment	20,877	42,414	-	40	(20,877)	(42,454)	-	-
	<u>66,242</u>	<u>118,002</u>	<u>50,703</u>	<u>7,461</u>	<u>(20,877)</u>	<u>(42,454)</u>	<u>96,068</u>	<u>83,009</u>
<u>Results</u>								
Interest income	530	477	13	12	-	-	543	489
Depreciation and amortisation	5,577	5,880	1,171	523	-	-	6,748	6,403
Segment (loss)/profit before tax	(840)	(745)	7,174	1,093	(994)	(136)	5,340	212
<u>Assets</u>								
Additions to non-current assets	3,816	3,452	3,936	134	-	-	7,752	3,586
Segment assets	186,076	223,496	46,365	8,374	(56,328)	(91,937)	176,113	139,933
<u>Segment liabilities</u>	66,172	78,911	33,000	1,453	(44,219)	(61,154)	54,953	19,210

(b) by geographical segments

	Revenue		Non-current assets	
	Group FY20 \$'000	Group FY19 \$'000	Group FY20 \$'000	Group FY19 \$'000
Singapore	90,386	83,009	47,398	44,450
Others	5,682	-	-	-
Total	<u>96,068</u>	<u>83,009</u>	<u>47,398</u>	<u>44,450</u>

- 16 In the review of performance, the factors leading to any material changes in the contribution to turnover and earning by business or geographical segments

Project and Maintenance Services segment turnover decreased from \$118.0 million in FY19 to \$66.2 million in FY20 mainly due to lesser work from on-going contracts and completion of projects during FY20. Turnover for Contact Centre Services segment increased from \$7.4 million to \$50.7 million.

Profit before tax for Project and Maintenance Services segment remained comparable at loss before tax of approximately \$0.8 million. Profit before tax for Contact Centre Services segment increased from \$1.1 million in FY19 to \$7.2 million in FY20 in tandem with higher turnover in FY20.

- 17 A breakdown of sales

	Group		Change %
	Group FY20 \$'000	Group FY19 \$'000	
Sales reported for first half year	35,910	49,228	(27.1)
Operating profit after tax before deducting minority interest for first half year	718	1,347	(46.7)
Sales reported for second half year	60,158	33,781	78.1
Operating profit/(loss) after tax before deducting minority interest for second half year	3,410	(500)	n.m.

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

Group	
Group FY20 \$'000	Group FY19 \$'000

Ordinary	4,113	2,057
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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 is no such persons, the issuer must make an appropriate negative statements

Name	Age	Family relationship with any director and/or chief executive officer and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Cheng Buck Poh @ Chng Bok Poh	77	Mr Cheng Yao Tong, Ms Cheng Li Chen and Ms Cheng Wee Ling are the children of Mr Cheng Buck Poh @ Chng Bok Poh, Executive Chairman, Chief Executive Officer (with effect from 16 June 2020) and Substantial Shareholder of the Company.	Executive Chairman 1998 Responsible for charting and reviewing corporate directions and strategies for the Group and subsidiaries. Chief Executive Officer 2020 Responsible for overseeing management and development of the Group's businesses, locally and overseas, and is also responsible for sales and marketing for the Group's businesses.	Re-designated as Executive Chairman and Chief Executive Officer with effect from 16 June 2020.
Cheng Yao Tong	38	Son of Mr Cheng Buck Poh @ Chng Bok Poh, Executive Chairman, Chief Executive Officer (with effect from 16 June 2020) and Substantial Shareholder of the Company and Mdm Goo Guik Bing @ Goh Guik Bing, Substantial Shareholder of the Company.	Chief Executive Officer and Executive Director 2012 Responsible for overseeing management and development of the Group's businesses, locally and overseas, and is also responsible for sales and marketing for the Group's businesses.	Resigned with effect from 30 June 2020.
Cheng Li Chen	46	Daughter of Mr Cheng Buck Poh @ Chng Bok Poh, Executive Chairman, Chief Executive Officer (with effect from 16 June 2020) and Substantial Shareholder of the Company and Mdm Goo Guik Bing @ Goh Guik Bing, Substantial Shareholder of the Company.	Non-Executive Director 2012 Provide oversight & value added input to strategy and strategic development Executive Director 2020 Assist the Executive Chairman and Chief Executive Officer in overseeing management and development of the Group's business.	Re-designated as Executive Director with effect from 16 June 2020.
Cheng Wee Ling	41	Daughter of Mr Cheng Buck Poh @ Chng Bok Poh, Executive Chairman, Chief Executive Officer (with effect from 16 June 2020) and Substantial Shareholder of the Company and Mdm Goo Guik Bing @ Goh Guik Bing, Substantial Shareholder of the Company.	Managing Director of Tele-centre Services Pte. Ltd. ("Tele-centre") 2014 Responsible for overseeing management and development, as well as the daily operations of Tele-centre	N.A.

BY THE ORDER OF THE BOARD

Cheng Buck Poh @ Chng Bok Poh
Executive Chairman and Chief Executive Officer
26 August 2020