



**SECURA**  
**GROUP LIMITED**

**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR  
ENDED 31 DECEMBER 2020**

This announcement has been prepared by Secura Group Limited (the “**Company**”) and has been reviewed by the Company’s sponsor, United Overseas Bank Limited (the “**Sponsor**”), for compliance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalyst.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact persons for the Sponsor are Mr. David Tham, Senior Director, Equity Capital Markets and Ms. Priscilla Ong, Vice President, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, telephone: +65 6533 9898.



**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), HALF-YEAR AND FULL YEAR RESULTS**

**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.**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	GROUP		Increase/ (Decrease) %
	FY2020 S\$'000	FY2019 S\$'000	
Revenue	33,916	38,704	(12.4)
Cost of sales	(28,304)	(32,927)	(14.0)
<b>Gross profit</b>	<b>5,612</b>	<b>5,777</b>	<b>(2.9)</b>
Other operating income	5,233	1,727	NM
Distribution and selling expenses	(1,289)	(1,623)	(20.6)
Administrative expenses	(4,472)	(5,127)	(12.8)
Finance costs	(199)	(322)	(38.2)
Share of results of joint ventures and associates	(903)	(4,896)	NM
Impairment loss on financial assets	(16)	(8)	100.0
Impairment loss on goodwill	(995)	–	NM
<b>Profit/(loss) before tax</b>	<b>2,971</b>	<b>(4,472)</b>	<b>NM</b>
Income tax credit	15	15	–
<b>Profit/(loss) for the year</b>	<b>2,986</b>	<b>(4,457)</b>	<b>NM</b>
<b>Other comprehensive income</b>			
<b>Items that may be classified subsequently to profit or loss</b>			
Share of foreign currency translation of joint ventures and associates	31	(15)	NM
<b>Total comprehensive income for the year</b>	<b>3,017</b>	<b>(4,472)</b>	<b>NM</b>
<b>Profit/(loss) for the year attributable to:</b>			
Owners of the Company	2,986	(4,453)	NM
Non-controlling interests	–	(4)	NM
	<b>2,986</b>	<b>(4,457)</b>	<b>NM</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the Company	3,017	(4,468)	NM
Non-controlling interests	–	(4)	NM
	<b>3,017</b>	<b>(4,472)</b>	<b>NM</b>

NM: Not meaningful

**1(a)(ii) Notes to combined statements of profit or loss and other comprehensive income. The Group's profit before tax was arrived at after crediting / (charging) the following:**

	FY2020 S\$'000	Group FY2019 S\$'000	Increase/ (Decrease) %
<u>Material items included in other operating income:</u>			
Government grant income	4,643	852	NM
Interest income	169	218	(22.5)
Bad debts recovered from associate	40	30	33.3
<u>Material items included in distribution and selling expenses:</u>			
Amortisation of intangible assets	(218)	(218)	—
<u>Material items included in administrative expenses:</u>			
Gain on disposal of property, plant and equipment	—	3	NM
Impairment loss on financial assets	(16)	(8)	100.0
Foreign exchange gain, net	67	7	NM
<u>Material items included in finance costs:</u>			
Finance cost on bank borrowing and finance lease	(169)	(288)	(41.3)
Finance cost on the right-of-use assets	(30)	(34)	(11.8)
Depreciation of property, plant and equipment and investment properties	(1,683)	(1,842)	(8.6)
Depreciation of right-of-use assets	(185)	(232)	(20.3)

NM: Not meaningful

**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.**

**STATEMENT OF FINANCIAL POSITION**

	Group		Company	
	As at 31/12/2020 S\$'000	As at 31/12/2019 S\$'000	As at 31/12/2020 S\$'000	As at 31/12/2019 S\$'000
<b>Non-current assets</b>				
Property, plant and equipment	24,647	26,070	14,578	14,871
Right-of-use assets	1,307	1,446	–	–
Investment property	519	537	2,595	2,685
Intangible assets	–	1,214	–	–
Investment in subsidiaries	–	–	23,334	21,034
Investment in joint ventures	643	789	–	–
Investment in associates	1,186	1,912	–	952
Deferred tax asset	–	–	67	220
Trade and other receivables	–	2	–	–
	28,302	31,970	40,574	39,762
<b>Current assets</b>				
Inventories	758	2,288	–	–
Trade and other receivables	8,229	8,263	20	58
Contract assets	198	350	–	–
Prepaid operating expenses	274	348	27	18
Amounts due from subsidiaries	–	–	585	1,593
Amount due from a joint venture	92	87	–	–
Cash and cash equivalents	21,028	14,479	9,239	7,820
	30,579	25,815	9,871	9,489
<b>Current liabilities</b>				
Trade and other payables	4,060	3,024	241	268
Contract liabilities	492	2,272	–	–
Accrued operating expenses	981	1,224	130	173
Lease liabilities	132	148	–	–
Bank loan	833	833	833	833
Amount due to subsidiaries	–	–	4,178	4,650
Income tax payable	107	391	–	–
	6,605	7,892	5,382	5,924
<b>Net current assets</b>	23,974	17,923	4,489	3,565
<b>Non-current liabilities</b>				
Lease liabilities	945	1,030	–	–
Provision of reinstatement cost	122	122	–	–
Bank loan	7,062	7,742	7,062	7,742
Deferred tax liabilities	743	629	–	–
	8,872	9,523	7,062	7,742
<b>Net assets</b>	43,404	40,370	38,001	35,585
<b>Equity</b>				
Share capital	61,644	61,644	61,644	61,644
Merger reserve	(16,291)	(16,291)	–	–
Foreign currency translation reserve	(71)	(102)	–	–
Employee share option reserve	388	371	389	361
Accumulated losses	(2,315)	(5,301)	(24,032)	(26,420)
	43,355	40,321	38,001	35,585
Non-controlling interests	49	49	–	–
<b>Total equity</b>	43,404	40,370	38,001	35,585

**1(b)(ii) Aggregate amount of group's borrowings and debt securities as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year.**

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

As at 31/12/2020		As at 31/12/2019	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
965	–	981	–

**Amount repayable after one year**

As at 31/12/2020		As at 31/12/2019	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
8,007	–	8,772	–

**Details of any collateral**

As at the balance sheet date, the Group's finance lease and bank loan are secured by machineries, motor vehicles and the property at 38 Alexandra Terrace ("**Alexandra Property**") respectively.

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	
	FY2020 S\$'000	FY2019 S\$'000
<b>Operating activities:</b>		
Profit/(loss) before tax	2,971	(4,472)
Adjustments for:		
Depreciation of property, plant and equipment and investment property	1,683	1,842
Amortisation of intangible assets	218	218
Amortisation of right-of-use assets	185	232
Loss on disposal of property, plant and equipment	–	(3)
Interest income	(169)	(218)
Write back for stock obsolescence	(91)	(9)
Impairment loss on financial assets	16	8
Impairment loss on goodwill	995	–
Share of results of joint ventures and associates	903	4,896
Unrealised exchange loss, net	–	5
Finance cost	199	322
Grant of equity-settled share options to employees	17	24
<b>Operating cash flows before working capital changes</b>	<b>6,927</b>	<b>2,845</b>
Decrease in inventories	1,620	1,033
Decrease in trade and other receivables and contract assets	172	600
Decrease/(increase) in prepaid operating expenses	74	(83)
Increase in amount due from a joint venture	(5)	(42)
(Decrease)/increase in trade and other payables and contract liabilities	(744)	638
Decrease in accrued operating expenses	(241)	(176)
<b>Cash flows generated from operations</b>	<b>7,803</b>	<b>4,815</b>
Interest received	169	166
Interest paid	(169)	(322)
Tax paid	(153)	(71)
<b>Net cash flows generated from operating activities</b>	<b>7,650</b>	<b>4,588</b>
<b>Cash flows from investing activities:</b>		
Proceeds from disposal of property, plant and equipment	–	14
Purchase of property, plant and equipment	(242)	(347)
Dividend income from a joint venture	–	49
<b>Net cash flows used in from investing activities</b>	<b>(242)</b>	<b>(284)</b>
<b>Cash flows from financing activities:</b>		
Acquisition of non-controlling interest	–	(62)
Issuance of shares	–	–*
Dividends on ordinary shares	–	(1,200)
Repayment of finance lease	(180)	(233)
Repayment of bank loan	(680)	(2,178)
<b>Net cash flows used in financing activities</b>	<b>(860)</b>	<b>(3,673)</b>
<b>Net increase in cash and cash equivalents</b>	<b>6,548</b>	<b>631</b>
Effect of exchange rate changes on cash and cash equivalents	1	(5)
Cash and cash equivalents at beginning of year	<b>14,479</b>	<b>13,853</b>
<b>Cash and cash equivalents at end of year</b>	<b>21,028</b>	<b>14,479</b>

\* Denotes 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.

Group	Share capital (S\$'000)	Merger reserve (S\$'000)	Foreign currency translation reserve (S\$'000)	Employee share option reserve (S\$'000)	Accumulated losses (S\$'000)	Non-controlling interests (S\$'000)	Total equity (S\$'000)
<b>At 1 January 2020</b>	61,644	(16,291)	(102)	371	(5,301)	49	40,370
Profit for the year	–	–	–	–	2,986	–	2,986
<u>Other comprehensive income</u>							
Share of foreign currency translation of joint ventures and associates	–	–	31	–	–	–	31
Other comprehensive income for the year, net of tax	–	–	31	–	–	–	31
Total comprehensive income for the year	–	–	31	–	2,986	–	3,017
<u>Contributions by and distributions to owners</u>							
Grant of equity-settled share options to employees	–	–	–	17	–	–	17
<b>At 31 December 2020</b>	61,644	(16,291)	(71)	388	(2,315)	49	43,404

<b>Group</b>	<b>Share capital (S\$'000)</b>	<b>Merger reserve (S\$'000)</b>	<b>Foreign currency translation reserve (S\$'000)</b>	<b>Employee share option reserve (S\$'000)</b>	<b>(Accumulated losses)/ retained earnings (S\$'000)</b>	<b>Non-controlling interests (S\$'000)</b>	<b>Total equity (S\$'000)</b>
<b>At 1 January 2019</b>	61,644	(16,291)	(87)	347	352	115	46,080
Loss for the year	–	–	–	–	(4,453)	(4)	(4,457)
<u>Other comprehensive income</u>							
Share of foreign currency translation of joint ventures and associates	–	–	(15)	–	–	–	(15)
Other comprehensive income for the year, net of tax	–	–	(15)	–	–	–	(15)
Total comprehensive income for the year	–	–	(15)	–	(4,453)	(4)	(4,472)
<u>Contributions by and distributions to owners</u>							
Grant of equity-settled share options to employees	–	–	–	24	–	–	24
Dividends on ordinary shares	–	–	–	–	(1,200)	–	(1,200)
Acquisition of non-controlling interests	–	–	–	–	–	(62)	(62)
<b>At 31 December 2019</b>	<b>61,644</b>	<b>(16,291)</b>	<b>(102)</b>	<b>371</b>	<b>(5,301)</b>	<b>49</b>	<b>40,370</b>



Company	Share capital S\$'000	Employee share option reserve S\$'000	Accumulated losses S\$'000	Total equity S\$'000
<b>At 1 January 2020</b>	61,644	361	(26,420)	35,585
Profit for the year, representing total comprehensive income for the year	–	–	2,388	2,388
<u>Contributions by and distributions to owners</u>				
Grant of equity-settled share options to employees	–	28	–	28
<b>At 31 December 2020</b>	61,644	389	(24,032)	38,001

Company	Share capital S\$'000	Employee share option reserve S\$'000	Accumulated losses S\$'000	Total equity S\$'000
<b>At 1 January 2019</b>	61,644	337	(15,918)	46,063
Loss for the year, representing total comprehensive income for the year	–	–	(9,302)	(9,302)
<u>Contributions by and distributions to owners</u>				
Grant of equity-settled share options to employees	–	24	–	24
Dividends on ordinary shares	–	–	(1,200)	(1,200)
<b>At 31 December 2019</b>	61,644	361	(26,420)	35,585

**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.**

	Number of shares	Issued and paid-up share capital S\$
As at 31 December 2020 and 30 June 2020	400,002,000	61,644,000

There were 8,400,000 share options outstanding under the Secura Employee Share Option Scheme as at 31 December 2020 (31 December 2019: 8,400,000 share options).

As at 31 December 2020 and 31 December 2019, there were no treasury shares held by the Company and there were no subsidiary holdings.

**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 31/12/20	As at 31/12/19
Total number of issued shares excluding treasury shares	400,002,000	400,002,000

**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.**

There were no treasury shares held by the Company.

**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.**

There were no subsidiary holdings.

**2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the auditors of the Company.

**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.**

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.**

Other than adoption of the new and revised SFRS(I) which took effect from the current financial year, the accounting policies have been consistently applied by the Group and are consistent with those applied in the previous financial year.

**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.**

There are no changes in the Group's accounting policies and methods of computation including any required by an accounting standard. The adoption of the new and revised Financial Reporting Standards (including their consequential amendments) and interpretations is assessed to have no material impact on the results of the Group and of the Company for FY2020.

**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	
	FY2020	FY2019
Profit/(loss) attributable to owners of the Company (S\$'000)	2,986	(4,453)
Weighted average number of shares ('000)	400,002	400,002
Basic and diluted earnings per share (cents)	0.75	(1.11)

**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 31/12/20	As at 31/12/19	As at 31/12/20	As at 31/12/19
Net asset value (S\$'000)	43,355	40,321	38,001	35,585
Number of shares ('000)	400,002	400,002	400,002	400,002
Net asset value per share (cents)	10.84	10.08	9.50	8.90

**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 THE GROUP'S PERFORMANCE**

Revenue

Revenue decreased by 12.4% or S\$4.79 million, from S\$38.70 million in FY2019 to S\$33.92 million in FY2020 mainly due to the following:

- (1) decrease in revenue of S\$5.09 million or 19.5% from the security guarding segment due to loss of contracts; and
- (2) decrease in revenue of S\$1.95 million or 24.8% from the security printing segment due to decrease in demand for printed products in line with nation-wide digitization initiatives.

The decrease was partially offset by the following:

- (1) increase in revenue of S\$1.31 million or 96.5% from the digital forensic segment with the fulfilment of outstanding orders carried over from 2019 to 2020;
- (2) increase in revenue of S\$0.78 million or 132.01% from the security surveillance services and ad-hoc guarding assignments; and
- (3) increase in revenue of S\$0.22 million or 32.6% from the cyber security segment.

Cost of sales

Cost of sales decreased by 14.0% or S\$4.62 million, from S\$32.93 million in FY2019 to S\$28.30 million in FY2020, in line with the decrease in revenue.

Gross profit

Gross profit decreased by 2.9% or S\$0.17 million, from S\$5.78 million in FY2019 to S\$5.61 million in FY2020. Gross profit margin increased from 14.9% in FY2019 to 16.5% in FY2020, due mainly to the following:

- (1) higher gross profit margin achieved for both the ad-hoc guarding assignments and the delivery and installation of digital forensic products; and
- (2) the foreign worker levy rebates and fee waivers granted by the Singapore government during the COVID-19 period had elevated the gross profit margin of security guarding segment.

This increase was partially offset by the following:

- (1) the decline in gross profit margin for the security printing segment and security guarding segment due to fixed overheads; and
- (2) the adoption of Progressive Wage Model in the security guarding segment resulted in increases to security officer payroll cost.

Other operating income

Other operating income increased by S\$3.51 million, from S\$1.73 million in FY2019 to S\$5.23 million in FY2020. This was primarily due to the jobs support scheme (“**JSS**”) grants from the Singapore government which amounted to S\$3.80 million for FY2020.

Distribution and selling expenses

Distribution and selling expenses decreased by 20.6% or S\$0.33 million, from S\$1.62 million in FY2019 to S\$1.29 million in FY2020 mainly due to decrease in staff headcount and travelling expenses.

Administrative expenses

Administrative expenses decreased by 12.8% or S\$0.66 million, from S\$5.13 million in FY2019 to S\$4.47 million in FY2020, mainly due to the Group’s efforts on cost control measures including voluntary pay cut by senior management, lower depreciation charges with more fully depreciated assets and foreign exchange gains.

Finance cost

Finance cost largely relates to bank borrowings incurred for the financing of the Alexandra Property. Finance cost decreased by 38.2% or S\$0.12 million, from S\$0.32 million in FY2019 to S\$0.20 million in FY2020 primarily due to the partial repayment of bank loan and refinancing of the bank loan at lower interest rates.

Share of results of joint ventures and associates

Share of losses of joint ventures and associates amounted to S\$0.90 million. This was mainly due to share of losses and impairment of the investment in Custodio Technologies Pte Ltd (“**Custodio**”) of S\$0.97 million, impairment loss on goodwill arose from the acquisition of Foremost Secura Corporation of S\$0.18 million and partially offset by the share of profits from the investment in Secura Bangladesh Ltd (“**SBL**”) which amounted to S\$0.24 million.

Profit attributable to owners of the Company

Profit attributable to owners of the Company of S\$2.99 million was largely due to the JSS grants, decrease in operating expenses and partially offset by the share of losses and impairment of the investment in Custodio and impairment loss on goodwill arose from the acquisition of Secura Singapore Pte Ltd and its subsidiaries (“**SSPL Group**”).

**REVIEW OF THE GROUP’S FINANCIAL POSITION**Non-current assets

The Group’s non-current assets decreased by 11.5% or S\$3.67 million, from S\$31.97 million as at 31 December 2019 to S\$28.30 million as at 31 December 2020 mainly due to the depreciation and amortisation charged to property, plant and equipment and right-of-use assets, amortisation of intangible assets in relation to customer relationships, share of losses and impairment of the investment in Custodio and impairment loss on goodwill arose from the acquisition of the SSPL Group. This offsets the addition of property, plant and equipment and share of profits of the investment in SBL.

Current assets

The Group’s current assets increased by 18.5% or S\$4.76 million, from S\$25.82 million as at 31 December 2019 to S\$30.58 million as at 31 December 2020 mainly due to increase in cash and cash equivalents of S\$6.55 million from the receipt of JSS and wage grants and improved operational cash flows, this offsets the decrease in inventories of S\$1.53 million due mainly to the delivery of digital forensic products.

Current liabilities

The Group’s current liabilities decreased by 16.3% or S\$1.29 million, from S\$7.89 million as at 31 December 2019 to S\$6.61 million as at 31 December 2020 mainly due to decrease in contract liabilities of S\$1.78 million, decrease in accrued operating expenses of S\$0.24 million, decrease in income tax payable of S\$0.28 million, this offsets the increase in trade and other payables of S\$1.04 million mainly due to recognition of deferred grant income.

Non-current liabilities

The Group’s non-current liabilities decreased by 6.8% or S\$0.65 million, from S\$9.52 million as at 31 December 2019 to S\$8.87 million as at 31 December 2020 mainly due to repayment of bank loan and leases of S\$0.86 million, this offsets the increase in deferred tax liabilities of S\$0.11 million.

## **REVIEW OF THE GROUP'S CASH FLOWS STATEMENT**

We generated operating cash flows before working capital changes of S\$6.93 million for FY2020. Net cash generated from working capital amounted to S\$0.88 million mainly due to decrease in inventories of S\$1.62 million, decrease in trade and other receivables and contract assets of S\$0.17 million, decrease in prepaid operating expenses of S\$0.07 million, and partially offset by the decrease in trade and other payables and contract liabilities of S\$0.74 million and decrease in accrued operating expenses of S\$0.24 million. Net cash generated from operating activities for FY2020 amounted to S\$7.65 million.

Net cash used in investing activities for FY2020 amounted to S\$0.24 million due to the addition of property, plant and equipment.

Net cash used in financing activities for FY2020 amounted to S\$0.86 million. This was due to repayment of bank loan and leases of S\$0.68 million and S\$0.18 million respectively.

As at 31 December 2020, the Group's cash and cash equivalents amounted to S\$21.03 million.

**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 has been previously disclosed.

**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 Group approached the new financial year with greater confidence after securing two major security guarding contracts in September 2020 and January 2021 respectively. We will continue to face cost pressures from wage increases under the Progressive Wage Model and paying higher costs for officer who work on rest days, with strict adherence to monthly overtime hours allowed per officer. Cost management and compliance costs remain challenging, as manpower shortage for the security industry had become more severe with cross-border travel restrictions and limited growth in the local pool of officers.

Against this backdrop, we will exercise caution and be more selective in securing future guarding contracts in order to ensure good service levels. We will also continue to drive the remote surveillance business which compliments the system integration segment. As the COVID-19 pandemic carries on into the new financial year and barring any unforeseen circumstances, the Group does not expect any significant impact to its businesses given that we are mainly providing essential services.

**11. Dividend****(a) Any dividend declared for the current financial period reported on?**

Name of dividend	Final
Dividend type	Cash
Dividend amount per share	0.40 cents per ordinary share
Tax rate	Tax exempt (one-tier)

The final dividend is subject to shareholders' approval at the forthcoming annual general meeting of the Company to be held on 20 April 2021 ("**AGM**").

**(b) (i) Amount per share**

0.40 cents per ordinary share

**(ii) Previous corresponding period**

Nil

**(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).**

The dividend is not taxable in the hands of shareholders.

**(d) Date payable**

The proposed final dividends, if approved at the AGM, will be paid on or about 14 May 2021.

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

5 May 2021.

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

Not applicable.

**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.**

The Group has not obtained a general mandate from shareholders of the Company for interested person transactions. During FY2020, the following interested person transactions were entered into by the Group:

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Catalist Rules)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the Catalist Rules (excluding transactions less than S\$100,000)
Mr. Peter Lim	S\$268,000	–

**14. Use of IPO proceeds**

Pursuant to the Company's IPO, the Company received net proceeds from the IPO of approximately S\$26.1 million (the "**Net Proceeds**"). As at the date of this announcement, the Net Proceeds have been utilised as follows:

<b>Purpose</b>	<b>Allocation of Net Proceeds (as announced on 25 July 2019) (\$'000)</b>	<b>Net Proceeds utilised as at the date of this announcement (\$'000)</b>	<b>Balance of Net Proceeds as at the date of this announcement (\$'000)</b>
Expand cyber security, technology and systems integration business	13,300	(9,498)	3,802
Enhance and upgrade security printing equipment	1,000	(1,000)	–
Corporate infrastructure improvements	5,500	(5,500)	–
General working capital purposes	6,300	(6,005)*	295
	<b>26,100</b>	<b>(22,003)</b>	<b>4,097</b>

\* Mainly utilised for the repayment of loans.

**15. Confirmation by the issuer pursuant to Rule 720(1)**

The Company has procured the undertakings from all its Directors and executive officers as required under Rule 720(1) of the Catalist Rules.

**16. Negative confirmation by the board pursuant to Rule 705(5)**

Not required for announcement on full year results.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

**17. Segmented revenue and results operating 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.**

The following table provides an analysis of the Group's revenue from external customers based on the products and services where revenue is generated:

Sales revenue by products and services

	Corporate S\$'000	Security Printing S\$'000	Security Guarding S\$'000	Cyber Security S\$'000	Homeland Security and Digital Forensic S\$'000	System Integration, Security Consultancy and Security Training S\$'000	Elimination S\$'000	Group S\$'000
<b>FY2020</b>								
External customers	–	5,898	21,863	874	2,690	2,591	–	33,916
Inter-segment	1,368	5	59	11	7	1,769	(3,219)	–
<b>Results:</b>								
Interest income	66	117	–	–	–	–	(14)	169
Depreciation of property, plant and equipment and investment properties	383	1,096	115	2	7	80	–	1,683
Amortisation of right-of- use assets	–	141	–	–	–	44	–	185
Amortisation of intangible assets	–	218	–	–	–	–	–	218
Share of results of joint ventures and associates	(974)	71	–	–	–	–	–	(903)
Impairment loss on goodwill	–	(995)	–	–	–	–	–	(995)
Segment (loss)/profit	(1,343)	(959)	3,560	(188)	1,026	890	–	2,986
<b>Assets:</b>								
Segment assets	30,356	19,879	9,651	493	1,159	2,420	(5,077)	58,881
<b>Liabilities:</b>								
Segment liabilities	12,381	2,976	3,479	397	734	1,885	(6,375)	15,477
<b>FY2019</b>								
External customers	–	7,843	26,171	659	1,355	2,676	–	38,704
Inter-segment	1,500	4	100	6	7	1,095	(2,712)	–
<b>Results:</b>								
Interest income	142	132	–	–	–	–	(56)	218
Depreciation of property, plant and equipment and investment properties	490	1,054	130	4	10	154	–	1,842
Amortisation of right-of- use assets	–	141	–	–	17	74	–	232
Amortisation of intangible assets	–	218	–	–	–	–	–	218
Share of results of joint ventures and associates	(5,007)	111	–	–	–	–	–	(4,896)
Segment (loss)/profit	(5,608)	703	950	(22)	(189)	(291)	–	(4,457)
<b>Assets:</b>								
Segment assets	30,841	21,166	7,774	432	3,132	2,483	(8,043)	57,785
<b>Liabilities:</b>								
Segment liabilities	13,457	3,331	5,263	348	3,734	2,326	(11,044)	17,415



Geographical information

Revenue and non-current assets information based on the geographical location of the Group's operations are as follows:

	FY2020 S\$'000	FY2019 S\$'000
<b>Revenue</b>		
Singapore	33,855	38,585
Philippines	55	110
Others	6	9
	<hr/> 33,916	<hr/> 38,704
<b>Non-current assets</b>		
Singapore	26,629	30,377
Taiwan	487	631
Bangladesh	1,186	960
	<hr/> 28,302	<hr/> 31,968

Non-current assets presented above consist of property, plant and equipment, investment property, intangible assets in relation to customer relationships, investment in joint ventures and investment in associates.

**18. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by operating segments.**

Please refer to paragraph 8.

**19. A breakdown of sales.**

	Group FY2020 S\$'000	FY2019 S\$'000	Increase/ (Decrease) %
Sales reported for:			
(a) First half of the financial year	16,885	19,904	(15.2)
(b) Second half of the financial year	17,031	18,800	(9.4)
	<hr/> 33,916	<hr/> 38,704	<hr/> (12.4)
Profit/(loss) net of tax:			
(c) First half of the financial year	2,091	216	NM
(d) Second half of the financial year	895	(4,673)	NM
	<hr/> 2,986	<hr/> (4,457)	<hr/> NM

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

	FY2020 S\$'000	FY2019 S\$'000
Final dividend	1,600	Nil

**21. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(1) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

There are no such persons occupying a managerial position in the Group who is a relative of a director, chief executive officer or substantial shareholder of the Company.

**22. Disclosure pursuant to Rule 706A of the Catalist Rules.**

There was no acquisition and or sale of shares by the Company during FY2020 which requires disclosure pursuant to Rule 706A of the Catalist Rules.

**BY ORDER OF THE BOARD**

**Kan Kheong Ng**  
**Chief Executive Officer**

19 February 2021

**Lim Siok Leng**  
**Chief Financial Officer**