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TS WONDERS HOLDING LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1767)

ANNOUNCEMENT OF THE ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2020

FINANCIAL HIGHLIGHTS:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2020	2019	% of change
	S\$	S\$	
Revenue	69,562,227	61,058,604	13.9
Listing expenses	–	(785,196)	-100.0
Profit before taxation	8,870,506	4,082,824	117.3
Profit for the year	6,830,819	2,908,371	134.9

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	2020	2019	% of change
	S\$	S\$	
Bank balances and cash	24,400,875	16,310,340	49.6
Bank and other borrowings	2,509,299	2,750,495	-8.8
Net assets	58,340,360	51,583,887	13.1

KEY FINANCIAL RATIOS

	2020	2019
Gross profit margin	26.9%	25.3%
Profit before taxation margin	12.8%	6.7%
Profit margin for the year	9.8%	4.8%
Return on total assets	9.5%	4.5%
Return on equity	11.7%	5.6%
Gearing ratio (times)	0.04	0.05
Current ratio (times)	5.1	5.1

FINANCIAL INFORMATION

The board (the “Board”) of directors (the “Directors”, each a “Director”) of TS Wonders Holding Limited (the “Company”) hereby announces the audited annual results of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 December 2020 together with the comparative figures for the year ended 31 December 2019 and selected explanatory notes. All amounts set out in this announcement are presented in Singapore Dollars (“S\$”) unless otherwise indicated.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2020

	Note	2020 S\$	2019 S\$
Revenue	4	69,562,227	61,058,604
Cost of sales		<u>(50,878,961)</u>	<u>(45,586,465)</u>
Gross profit		18,683,266	15,472,139
Other income	5	923,823	171,878
Other gains and losses	6	(157,878)	(64,474)
Selling and distribution expenses		(2,954,517)	(3,151,317)
Administrative expenses		(7,475,492)	(7,377,449)
Listing expenses		–	(785,196)
Finance costs	7	(148,696)	<u>(182,757)</u>
Profit before taxation		8,870,506	4,082,824
Income tax expense	8	(2,039,687)	<u>(1,174,453)</u>
Profit for the year	9	<u>6,830,819</u>	<u>2,908,371</u>
Other comprehensive (expense) income			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operation		17,614	(32,944)
<i>Item that will not be reclassified subsequently to profit or loss:</i>			
Revaluation of property, plant and equipment, net of tax		(91,960)	<u>115,644</u>
Other comprehensive (expense) income for the year		<u>(74,346)</u>	<u>82,700</u>
Total profit and other comprehensive income for the year, net of tax		<u>6,756,473</u>	<u>2,991,071</u>
Basic and diluted earnings per share (S\$ cents)	11	<u>0.68</u>	<u>0.29</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	Note	2020 S\$	2019 S\$
ASSETS			
Non-current assets			
Property, plant and equipment		21,200,795	19,769,323
Right-of-use assets		1,112,811	1,175,915
Investment property		–	1,283,880
Deposit		493,384	194,390
		<u>22,806,990</u>	<u>22,423,508</u>
Current assets			
Inventories		10,636,795	12,426,169
Trade receivables	12	13,156,360	12,377,622
Other receivables, deposits and prepayments		872,228	607,875
Derivative financial instruments		4,545	2,502
Bank balances and cash		24,400,875	16,310,340
		<u>49,070,803</u>	<u>41,724,508</u>
LIABILITIES			
Current liabilities			
Trade and other payables	13	6,798,189	6,515,860
Amount due to a related party		–	6,432
Derivative financial instruments		237,308	69,215
Lease liabilities		180,756	190,772
Bank and other borrowings		670,281	447,756
Income tax payable		1,824,755	1,017,706
		<u>9,711,289</u>	<u>8,247,741</u>
Net current assets		<u>39,359,514</u>	<u>33,476,767</u>
Total assets less current liabilities		<u>62,166,504</u>	<u>55,900,275</u>
Non-current liabilities			
Lease liabilities		1,076,621	1,121,528
Bank and other borrowings		1,839,018	2,302,739
Deferred tax liabilities		910,505	892,121
		<u>3,826,144</u>	<u>4,316,388</u>
Net assets		<u>58,340,360</u>	<u>51,583,887</u>
EQUITY			
Capital and reserves			
Share capital		1,725,820	1,725,820
Share premium		13,487,471	13,487,471
Other reserve		(332,000)	(332,000)
Merger reserve		299,994	299,994
Revaluation reserve		11,676,998	11,768,958
Translation reserve		(1,589,833)	(1,607,447)
Accumulated profits		33,071,910	26,241,091
		<u>58,340,360</u>	<u>51,583,887</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020

1. GENERAL

The Company was incorporated in the Cayman Islands as an exempted company and registered in the Cayman Islands with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as combined and revised) of the Cayman Islands on 19 April 2018. The Company was registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Hong Kong Companies Ordinance (the “Companies Ordinance”) (Chapter 622 of the Laws of Hong Kong) on 23 May 2018 and the principal place of business in Hong Kong is Room 901, 9th Floor, Prosperity Tower, No. 39 Queen’s Road Central, Central, Hong Kong. Its registered office and principal place of business are located at Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands and 255 Pandan Loop, Singapore 128433, respectively. The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) with effect from 14 January 2019 (the “Listing Date”).

The Company is an investment holding company and its subsidiaries are principally engaged in the production, packaging and retailing of food products. Its parent and ultimate holding company is SWL Limited a company incorporated in the British Virgin Islands with limited liability. Its ultimate controlling shareholders are Mdm. Han Yew Lang, Ms. Lim Seow Yen, Mr. Lim Fung Yee, Mr. Lim Fung Chor, Mr. Loo Soon Hock James and Ms. Ong Liow Wah who are family members.

The consolidated financial statements are presented in S\$, which is also the functional currency of the Company.

2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

The annual results set out in the announcement do not constitute the Group’s financial statements for the year ended 31 December 2020 but are extracted from those financial statements.

The financial statements have been prepared in accordance with all applicable International Financial Reporting Standards (“IFRS”) which collective term includes all applicable individual IFRS, International Accounting Standards (“IAS”) and Interpretations issued by the International Accounting Standards Board (“IASB”). These financial statements also comply with the disclosure requirements of the Companies Ordinance and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”).

3. ADOPTION OF NEW AND REVISED STANDARDS

New and amended IFRS that are effective for the current year

New and amended International Financial Reporting Standards (“IFRS”) that are effective for the current year

Impact of the initial application of Corona Virus Disease 2019 (“Covid-19”) Related Rent Concessions Amendment to IFRS 16

In the current financial year, the Group has applied the amendment to IFRS 16 (as issued by the IASB in May 2020) in advance of its effective date.

The Group has applied the practical expedient retrospectively to all rent concessions that meet the conditions in IFRS 16:46B, and has not restated prior period figures.

Impact of the initial application of other new and amended IFRS Standards that are effective for the current year

In the current year, the Group has applied the amendments to IFRS Standards and Interpretations issued by the Board that are effective for an annual period that begins on or after 1 January 2020. Their adoption has not had any material impact on the disclosures or on the amounts reported in these consolidated financial statements.

New and revised IFRS in issue but not yet effective

At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRSs that have been issued but are not yet effective:

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Interest Rate Benchmark Reform – Phase 2 ¹
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies ²
Amendments to IAS 8 IFRS 17	Definition of Accounting Estimates ² Insurance Contracts ²
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
Amendments to IAS 1 Amendments to IFRS 3 Amendments to IAS 16	Classification of Liabilities as Current or Non-Current ³ Reference to the Conceptual Framework ⁵ Property Plant and Equipment – Proceeds before Intended use ⁵
Amendments to IAS 37 Annual improvements to IFRS standards 2018-2020 Cycle	Onerous Contracts – Cost of Fulfilling a Contract ⁵ Amendments to IFRS 9 Financial Instruments and IFRS 16 Leases ⁵

¹ *Effective for annual periods beginning on or after 1 January 2021.*

² *Effective for annual periods beginning on or after 1 January 2023.*

³ *Effective for annual periods beginning on or after 1 January 2023, with early application permitted.*

⁴ *Effective for annual periods beginning on or after a date to be determined.*

⁵ *Effective for annual periods beginning on or after 1 January 2022, with early application permitted.*

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Group in future periods.

4. REVENUE AND SEGMENT INFORMATION

Revenue represents the fair value of amounts received and receivable from the sale of food products, which can largely be grouped under nuts and chips, which also represents the revenue from contracts with customers.

Information is reported to the executive Directors of the Company, which are also the Chief Operating Decision Makers (the “CODM”) of the Group, for the purposes of resource allocation and assessment of segment performance focuses on the types of products sold and in respect of the “Nuts” and “Chips” operations. In current year, the CODM review the profits by type of product sold instead of overall results of the Group. Accordingly, the comparative figure is disclosed with segment result. No operating segments have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group’s reportable segments under IFRS 8 are as follows:

- (i) Nuts,
- (ii) Chips; and

(iii) Others.

Others mainly include items such as disposable towels which are normally sold together with the nuts and chips products to food and beverages companies.

Segment revenue and results

The following is a breakdown of the Group's revenue and results by reportable segments:

	For the year ended 31 December			
	Revenue		Gross profit	
	2020	2019	2020	2019
	S\$	S\$	S\$	S\$
Nuts	50,611,699	46,966,438	13,590,663	11,776,815
Chips	17,489,566	11,651,116	4,667,510	2,994,081
Others	1,460,962	2,441,050	425,093	701,243
	<hr/>	<hr/>	<hr/>	<hr/>
Total	<u>69,562,227</u>	<u>61,058,604</u>	<u>18,683,266</u>	<u>15,472,139</u>

Geographical information

The Group principally operates in Singapore and Malaysia, which are the place of domicile of respective group entities. Geographical segmental revenue is based on the geographical location of the end customers.

	For the year ended 31 December	
	2020	2019
	S\$	S\$
Singapore	39,595,455	36,495,611
Malaysia	15,881,052	15,184,101
The People's Republic of China (including Hong Kong and Macau)	11,612,353	5,416,606
Others ^(Note)	2,473,367	3,962,286
	<hr/>	<hr/>
Total	<u>69,562,227</u>	<u>61,058,604</u>

Note:

Others include India, the United Kingdom and Indonesia.

5. OTHER INCOME

	For the year ended 31 December	
	2020	2019
	S\$	S\$
Government grants ⁽¹⁾	615,083	25,046
Interest income ⁽²⁾	259,537	64,272
Rental income	11,818	71,475
Others	37,385	11,085
	<hr/>	<hr/>
	<u>923,823</u>	<u>171,878</u>

Notes:

- 1) The government grants received during the year ended 31 December 2020 mainly comprise support measures by the government which aims to aid businesses cope with challenges arising from the Covid-19 pandemic.

Other government grants comprised the Wage Credit Scheme and the Special Employment Credit by the Singapore government. These compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs.

- 2) Interest income received during the year ended 31 December 2020 mainly comprised interest income from the unutilised net proceeds from the Company's share offer which was placed as fixed deposits with maturity of between six months and one year.

6. OTHER GAINS AND LOSSES

	For the year ended 31 December	
	2020	2019
	S\$	S\$
Gain on lease modification	5,423	–
Gain on disposal of property, plant and equipment	3,444	–
Foreign exchange gain, net	68,885	217,643
Fair value loss on revaluation of investment property	– ⁽¹⁾	(165,452)
Fair value loss on derivative financial instruments	(235,630)	(116,665)
	<u>(157,878)</u>	<u>(64,474)</u>

Note:

- 1) The property has since been designated for the Group's own use.

7. FINANCE COSTS

	For the year ended 31 December	
	2020	2019
	S\$	S\$
Interest on bank loans	74,177	104,212
Interest on lease liabilities	74,519	78,545
	<u>148,696</u>	<u>182,757</u>

8. INCOME TAX EXPENSE

	For the year ended 31 December	
	2020	2019
	S\$	S\$
Tax expense comprises:		
Current income tax		
Current year	2,087,469	1,469,981
Over provision in prior year	(74,843)	(242,634)
	2,012,626	1,227,347
Withholding tax	3,962	2,771
Deferred tax		
Current year	(66,292)	(125,462)
Under provision in prior year	97,126	85,725
Effect of revaluations of assets for taxation purposes	(7,735)	(15,928)
	23,099	(55,665)
	2,039,687	1,174,453

Singapore Corporate Income Tax ("CIT") is calculated at 17% of the estimated assessable profit and the subsidiaries in Singapore are further eligible for CIT rebate of 25% of the tax payable, capped at S\$15,000 for Year of Assessment ("YoA") 2020 and S\$Nil for YoA 2021, determined based on financial year end date of the group of companies. Singapore incorporated companies can also enjoy 75% tax exemption on the first S\$10,000 of chargeable income and a further 50% tax exemption on the next S\$190,000 of chargeable income.

In Malaysia, the standard corporate tax rate is 24% for the year ended 31 December 2019 and 2020. For YoA 2020, the tax rate for resident small and medium-sized companies is 17% on the first MYR 500,000 with the balance being taxed at 24%.

The income tax expense for the year can be reconciled to the profit before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

	For the year ended 31 December	
	2020	2019
	S\$	S\$
Profit before taxation	8,870,506	4,082,824
Tax at applicable tax rate of 17%	1,507,986	694,080
Effect of different tax rates of subsidiaries operating in other jurisdiction	222,929	225,449
Tax effect of expenses not deductible for tax purpose	351,248	513,048
Tax effect of income not taxable for tax purpose	(110,137)	(10,319)
Reversal of temporary difference from transfer of investment property to property, plant and equipment	(64,013)	–
Effect of tax concessions and partial tax exemptions	(82,885)	(96,891)
Under (over) provision in prior year	22,283	(156,909)
Effect of revaluations of assets for taxation purposes	(7,735)	(15,928)
Withholding tax	3,962	2,771
Others	196,049	19,152
	2,039,687	1,174,453

9. PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging (crediting):

	For the year ended 31 December	
	2020	2019
	S\$	S\$
Depreciation of property, plant and equipment		
Recognised as cost of sales	1,390,423	1,425,594
Recognised as administrative expenses	334,493	269,436
	<u>1,724,916</u>	<u>1,695,030</u>
Annual audit fee:		
– Paid to auditors of the Company	169,000	202,000
– Paid to other auditors	28,888	14,000
Non-audit fees paid to other auditors	18,080	15,600
Listing expenses	–	785,196
Directors' remuneration	3,515,000	3,147,964
Other staff costs		
– Salaries and other benefits	6,366,446	5,854,784
– Contributions to Central Provident Fund and Employees Provident Fund	483,573	478,405
	<u>10,365,019</u>	<u>9,481,153</u>
Total staff costs		
Inventories recognised as cost of sales	43,009,326	38,249,623
Gross rental income from investment property	<u>(11,818)</u>	<u>(71,475)</u>

Amount recognised in profit or loss relating to leases

(Disclosure required by IFRS 16)

	2020	2019
	S\$	S\$
Depreciation expense on right-of-use assets	195,762	199,081
Interest expense on lease liabilities	74,024	75,614
Expense relating to short-term leases	25,198	25,164
	<u>294,984</u>	<u>299,859</u>

The total cash outflow for leases amount to S\$279,070 and S\$295,333 for the year ended 31 December 2020 and 31 December 2019 respectively.

10. DIVIDENDS

	2020	2019
	S\$	S\$
Dividends for ordinary shareholders of the Company declared and paid during the year:		
2019 Final – HK\$Nil (2018: HK\$0.2 cents) per share	<u>–</u>	<u>347,628</u>

11. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to owners of the Company is based on the following data:

	For the year ended 31 December	
	2020	2019
Earnings:		
Profit for the year attributable to owners of the Company (S\$)	<u>6,830,819</u>	<u>2,908,371</u>
	2020	2019
Number of shares:		
Weighted average number of ordinary shares in issue ^(Note)	<u>1,000,000,000</u>	<u>992,876,712</u>
Basic and diluted earnings per share (S\$ cents)	<u>0.68</u>	<u>0.29</u>

Note:

Diluted earnings per share is the same as the basic earnings per share because the Group has no dilutive securities that are convertible into shares for the years ended 31 December 2020 and 2019 respectively.

12. TRADE RECEIVABLES

	As at 31 December	
	2020	2019
	S\$	S\$
Trade receivables	<u>13,156,360</u>	<u>12,377,622</u>

The Group grants credit terms to customers typically ranging from 7 to 60 days from the invoice date for trade receivables and certain sales require payment in cash upon delivery. The following is an aged analysis of trade receivables presented (based on the invoice date) which approximated the revenue recognition date at the end of each reporting period:

	As at 31 December	
	2020	2019
	S\$	S\$
Within 30 days	8,003,947	7,108,179
31 days to 60 days	4,045,961	4,249,289
61 days to 90 days	1,101,376	942,844
91 days to 180 days	4,771	53,169
181 days to one year	305	24,141
	<u>13,156,360</u>	<u>12,377,622</u>

13. TRADE AND OTHER PAYABLES

	As at 31 December	
	2020	2019
	S\$	S\$
Trade payables	3,151,033	3,576,835
Trade accruals	–	116,611
	<u>3,151,033</u>	<u>3,693,446</u>
Accrued operating expenses	3,043,484	2,385,890
Other payables:		
– Deferred grant income	110,833	–
– Advances from customers	29,872	–
– Deposits received	11,601	10,601
– Goods and services tax payables	172,304	186,758
– Others	279,062	239,165
	<u>3,647,156</u>	<u>2,822,414</u>
	<u>6,798,189</u>	<u>6,515,860</u>

The credit period on purchases from suppliers is between 7 to 30 days or payable upon delivery.

The following is an aged analysis of trade payables presented (based on the invoice date) at the end of each reporting period:

	As at 31 December	
	2020	2019
	S\$	S\$
Within 30 days	1,981,482	2,663,842
31 days to 90 days	879,328	739,651
91 days to 180 days	290,223	173,342
	<u>3,151,033</u>	<u>3,576,835</u>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group which is headquartered in Singapore is primarily focused on the production, packaging and sale of nuts and chips with track record of more than 50 years. The Group's core products include roasted nuts, baked nuts, potato chips and cassava chips. The Group's products have been sold and distributed to over 10 countries, including Singapore, Malaysia, the People's Republic of China (the "PRC"), India, the United Kingdom and Indonesia. The Group principally sells its products on a wholesale basis to (i) key account customers which include supermarkets, hotels, airlines and original equipment manufacturer (OEM) customers; and (ii) distributors.

The Group is committed to delivering high quality and safe food products and continuously meeting consumers' expectations and complying with legal requirements. It implements comprehensive and strict quality assurance procedures throughout all stages of the production, from the procurement of raw materials to the packaging and delivery of the finished products. In this regard, the Group has been accredited with various certifications in relation to quality management and food safety.

The Group's revenue increased by approximately S\$8.5 million or 13.9% from approximately S\$61.1 million for the year ended 31 December 2019 to approximately S\$69.6 million for the year ended 31 December 2020 mainly due to sudden increase in demand from our customers, especially supermarket and OEM customers. As households in Singapore, Malaysia and the PRC (including Hong Kong and Macau) were encouraged to stay indoors throughout most of the year 2020 to curb the spread of the Covid-19 pandemic, the tendency to stock up and consume snack foods increased.

Products

The Group's revenue was primarily derived from the sale of nuts and chips. The following table sets forth a breakdown of the Group's revenue for the years ended 31 December 2019 and 31 December 2020:

	For the year ended 31 December			
	2020		2019	
	S\$	%	S\$	%
Nuts	50,611,699	72.8%	46,966,438	76.9%
Chips	17,489,566	25.1%	11,651,116	19.1%
Others ^(Note)	1,460,962	2.1%	2,441,050	4.0%
Total	<u>69,562,227</u>	<u>100.0%</u>	<u>61,058,604</u>	<u>100.0%</u>

Note: Others mainly refer to items such as disposable towels which were normally sold together with nuts and chips products to food and beverages companies.

The sale of nuts and chips products accounted for approximately 72.8% and 25.1% of revenue respectively for the year ended 31 December 2020. The product mix between the sale of nuts and chips were relatively stable for the two years ended 31 December 2020.

Geographical location

The Group's products are sold and distributed to customers in over 10 countries. The table below sets forth the breakdown of revenue by geographical location of end customers for the years ended 31 December 2020 and 31 December 2019:

	For the year ended 31 December			
	2020		2019	
	S\$	%	S\$	%
Singapore	39,595,455	56.9%	36,495,611	59.8%
Malaysia	15,881,052	22.8%	15,184,101	24.9%
The PRC (including Hong Kong and Macau)	11,612,353	16.7%	5,416,606	8.9%
Others ^(Note)	2,473,367	3.6%	3,962,286	6.4%
Total	<u>69,562,227</u>	<u>100.0%</u>	<u>61,058,604</u>	<u>100.0%</u>

Note: Others include India, the United Kingdom and Indonesia.

The Group's products were largely sold in Singapore and Malaysia which accounted for approximately 56.9% and 22.8% of total revenue respectively for the year ended 31 December 2020. The composition of sales from end consumers in the PRC increased from approximately 8.9% for the year ended 31 December 2019 to approximately 16.7% for the year ended 31 December 2020 mainly driven by sales to an OEM customer based in Hong Kong. The large order by the said customer was due to increase in demand as consumers in the PRC (including Hong Kong and Macau) were encouraged to stay indoors throughout most of the year 2020 where the tendency to stock up and consume snack foods increased.

Gross profit

The following table sets forth a breakdown of the Group's gross profit for the years ended 31 December 2020 and 31 December 2019:

	For the year ended 31 December					
	2020			2019		
	Revenue	Gross profit	Gross profit margin	Revenue	Gross profit	Gross profit margin
	S\$	S\$	%	S\$	S\$	%
Nuts	50,611,699	13,590,663	26.9%	46,966,438	11,776,815	25.1%
Chips	17,489,566	4,667,510	26.7%	11,651,116	2,994,081	25.7%
Others	1,460,962	425,093	29.1%	2,441,050	701,243	28.7%
Total/Overall	<u>69,562,227</u>	<u>18,683,266</u>	<u>26.9%</u>	<u>61,058,604</u>	<u>15,472,139</u>	<u>25.3%</u>

The pricing of the Group's nuts and chips products are generally based on prices comparable to competitors for similar products.

The Group's gross profit margin for nuts increased from approximately 25.1% for the year ended 31 December 2019 to approximately 26.9% for the year ended 31 December 2020 mainly due to lower average cost of certain raw nuts, as the Group purchased in bulk from its suppliers.

The Group's gross profit margin for chips was relatively stable at approximately 26.7% and 25.7% for the years ended 31 December 2020 and 2019 respectively.

Overall, the Group's gross profit margin for the year increased from 25.3% for the year ended 31 December 2019 to 26.9% for the year ended 31 December 2020.

OUTLOOK AND STRATEGIES

Economic performance in Singapore in the fourth quarter of 2020

The Singapore economy contracted by 2.4% on a year-on-year basis in the fourth quarter of 2020, an improvement from the 5.8% contraction in the third quarter of 2020. On a quarter-on-quarter seasonally-adjusted basis, the economy expanded by 3.8%, following the 9.0% growth recorded in the third quarter of 2020. The strong growth seen in the third quarter of 2020 was due to the phased resumption of activities following the circuit breaker that was implemented by the Singapore government between 7 April 2020 and 1 June 2020 to slow the spread of Covid-19 in Singapore, as well as the rebound in activity in major economies during the quarter as they emerged from their lockdowns.

(Source: The Ministry of Trade and Industry, Singapore)

Overall economic performance in Singapore in 2020

For the whole of 2020, the Singapore economy contracted by 5.4%, a reversal from the 1.3% growth recorded in 2019.

Economic outlook for 2021

The Ministry of Trade and Industry, Singapore forecasted a gross domestic product growth for 2021 of between 4.0% and 6.0%.

Toward the end of 2020, there has been further progress in Covid-19 vaccine development and deployment, with several approved vaccines being rolled out in many economies around the world. Although the speed of vaccine deployment varies, advanced economies like the United States of America ("US") and Eurozone are likely to reach population immunity by the second half of 2021, which should in turn spur their economic recoveries. On the other hand, the growth prospects for regional economies such as Malaysia and Indonesia have weakened due to the recent resurgence in infections, which has necessitated the re-imposition of lockdowns and restrictions. On balance, positive developments in the key external economies broadly offset the negative ones.

In particular, the US economy is projected to rebound this year on the back of a recovery in personal consumption expenditure, which is in turn expected to be bolstered by the injection of additional fiscal stimulus amidst an improvement in the health situation and the progressive rollout of vaccines. In the Eurozone, the recent surge in Covid-19 cases and resulting public health measures to contain the outbreak are likely to pose a drag on domestic demand and hence its economic recovery. Nonetheless, the pace of recovery is expected to pick up over the course of the year as the deployment of vaccines becomes more widespread. In Asia, the PRC's economy is projected to continue to strengthen this year, driven by healthy growth in investment, consumption and exports. Meanwhile, the key South East Asia economies are expected to post a recovery this year, supported by a pickup in external demand, even though domestic demand is likely to be dampened by the recent wave of Covid-19 cases and associated measures taken to contain the virus.

At the same time, uncertainties and risks in the global economy remain. First, there continues to be significant uncertainty surrounding the course of the Covid-19 pandemic and the trajectory of the global economic recovery. How these pan out in 2021 depends on factors such as the adequacy of vaccine supplies and speed of vaccine deployment, the possible emergence and spread of new strains of the virus, as well as the strength of policy support to drive economic recovery. Second, the protracted nature of the economic recovery in many countries could lead to financial system stresses, which could in turn trigger a tightening of financial conditions and adversely affect the global economic recovery. Excessive private sector indebtedness arising from loose monetary conditions also remains a concern. Third, continued geopolitical uncertainty involving the major economies could weigh on global trade and the global economic recovery.

Domestically, Singapore's Covid-19 situation remains under control with vaccination programme underway. However, the pace of border re-opening has slowed amidst the global surge in Covid-19 cases and the emergence of more contagious strains of the virus.

Against this external and domestic backdrop, the Singapore economy is expected to see a gradual recovery over the course of 2021, although the outlook remains uneven across sectors.

(Source: The Ministry of Trade and Industry, Singapore)

Outlook for the Group and strategies

The Group noted that global snack food market, which includes nuts and chips will reach US\$743.4 billion by 2026, growing by 5.5% annually over 2020-2026 owing to the growing need for snack food amid Covid-19 pandemic⁽¹⁾.

During the year ended 31 December 2020, the Group's revenue and profits increased despite the challenging macroeconomic environment. As households in Singapore, Malaysia and the PRC (including Hong Kong and Macau) were encouraged to stay indoors throughout most of 2020 to curb the spread of the Covid-19 pandemic, the tendency to stock up and consume snack foods increased. The Group was also a beneficiary to the government's assistance which was rolled out in stages to aid businesses cope with challenges arising from the Covid-19 pandemic.

Notwithstanding the Group's favourable results for the year ended 31 December 2020 and that the Group expects that demand for snack products with less sugar, artificial sweeteners and flavourings such as savoury snacks to remain resilient even during challenging economic environment as health awareness is increasing among consumers, the Group takes cognizance that such favourable results may not be sustainable as uncertainties and risks in the global economy remain, as highlighted by the Ministry of Trade and Industry, Singapore.

In Malaysia, the Prime Minister of Malaysia had on 11 January 2021, announced that certain states including Johor (where the Group's production facilities are located) will be placed under movement control order ("MCO"), which has since been extended several times to 4 March 2021, to curb the soaring number of Covid-19 cases in Malaysia. With effect from 5 March 2021, certain states including Johor, are subject to conditional MCO, whereby travel between states is still prohibited. Even though the Group's operations are not disrupted, the Group's customers' operations in Malaysia are impacted.

During the year ended 31 December 2020, the Group was a beneficiary to the government grants as part of the support measures by the government which aims to aid businesses cope with challenges arising from the Covid-19 pandemic. Further to the Budget 2021 announced by the Singapore government on 16 February 2021, the Group will continue to have government support for a short term. However, there is no certainty that the government's assistance will continue or that the Group will continue to be a beneficiary to the government's assistance after that.

In view of the foregoing, the Group will continue to adopt cautious and prudent approach in managing its business without compromising the quality of its products in line with its objectives to maintain sustainable growth in its business and create long-term shareholders' value.

The Group shall continue to remain vigilant and monitor the Covid-19 outbreak very closely especially in its production facilities in Malaysia as the number of cases remains high, and its priority is always the well-being of its consumers and staff.

Note:

- ¹ As extracted from excerpts of the "Global Snack Food market is anticipated to grow at a CAGR of 5.5% by 2026" report, which was made available at www.ozonemarketreports.com as at the date of this announcement.

FINANCIAL REVIEW

Revenue

The Group's revenue increased by approximately S\$8.5 million or 13.9% from approximately S\$61.1 million for the year ended 31 December 2019 to approximately S\$69.6 million for the year ended 31 December 2020 mainly due to sudden increase in demand from our customers, especially supermarket and OEM customers. As households in Singapore, Malaysia and the PRC (including Hong Kong and Macau) were encouraged to stay indoors throughout most of the year 2020 to curb the spread of the Covid-19 pandemic, the tendency to stock up and consume snack foods increased.

Cost of sales

The Group's cost of sales increased by approximately S\$5.3 million or 11.6% from approximately S\$45.6 million for the year ended 31 December 2019 to approximately S\$50.9 million for the year ended 31 December 2020 mainly due to the increase in cost of materials as the Group acquired more materials to fulfill increased orders from its customers during the year, consistent with the increase in revenue.

Gross profit

The Group's total gross profit increased by approximately S\$3.2 million or 20.8% from approximately S\$15.5 million for the year ended 31 December 2019 to approximately S\$18.7 million for the year ended 31 December 2020 in line with the increase in revenue. The Group's overall gross profit margin increased from approximately 25.3% for the year ended 31 December 2019 to approximately 26.9% for the year ended 31 December 2020 mainly due to increase in gross profit margin for nuts as discussed above.

Other income

The Group's other income increased by approximately S\$752,000 or 5.4 times from approximately S\$172,000 for the year ended 31 December 2019 to approximately S\$924,000 for the year ended 31 December 2020 mainly due to receipt of government grants as part of the support measures by the government which aims to aid businesses cope with challenges arising from the Covid-19 pandemic and increase in interest income mainly arising from the unutilised net proceeds from the Company's share offer which was placed as fixed deposits with maturity of between six months and one year.

Other gains and losses

The Group reported other losses of approximately S\$158,000 for the year ended 31 December 2020 compared to other losses of approximately S\$64,000 for the year ended 31 December 2019 even though the Group did not recognise fair value loss on revaluation of investment property for the year ended 31 December 2020 as compared to fair value loss on revaluation of investment property of approximately S\$165,000 for the year ended 31 December 2019. The overall losses was mainly due to recognition of lower foreign exchange gain of approximately S\$69,000 for the year ended 31 December 2020 as compared to approximately S\$218,000 recorded for the year ended 31 December 2019. In addition, the Group also recognised higher fair value loss on derivative financial instruments of approximately S\$236,000 for the year ended 31 December 2020 as compared to approximately S\$117,000 for the year ended 31 December 2019 arising from mark-to-market losses on its forward foreign exchange contracts due to the depreciation of the Singapore dollars against the US dollars.

Selling and distribution expenses

Selling and distribution expenses decreased by approximately S\$197,000 or 6.2% from approximately S\$3.2 million for the year ended 31 December 2019 to approximately S\$3.0 million for the year ended 31 December 2020 mainly due to the lockdowns and movement control restrictions imposed by the authorities which led to reduced marketing activities of the Group.

Administrative expenses

The Group's administrative expenses was relatively stable at approximately S\$7.4 million and S\$7.5 million for the years ended 31 December 2019 and 31 December 2020 respectively.

Listing expenses

The Group incurred and recognised listing expenses of approximately S\$785,000 for the year ended 31 December 2019 following its successful listing on the Stock Exchange on the Listing Date.

Finance costs

Finance costs decreased by approximately S\$34,000 or 18.6% from approximately S\$183,000 for the year ended 31 December 2019 to approximately S\$149,000 for the ended 31 December 2020 due to lower interest incurred in line with the decrease in bank and other borrowings.

Income tax expense

Income tax expense increased by approximately S\$0.9 million or 73.7% from approximately S\$1.2 million for the year ended 31 December 2019 to approximately S\$2.0 million for the year ended 31 December 2020 due mainly to higher profit before taxation. The Group also had prior year's over-provision of taxation of approximately S\$157,000 for the year ended 31 December 2019 as compared to a prior year's under provision of approximately S\$22,000 for the year ended 31 December 2020.

Profit for the year

Profit for the year increased by approximately S\$3.9 million or 2.3 times from approximately S\$2.9 million for the year ended 31 December 2019 to approximately S\$6.8 million for the year ended 31 December 2020 mainly due to increase in revenue, increase in gross profit margin, increase in other income and no listing expenses incurred in 2020 as discussed above.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group's source of funds comprises a combination of internally generated funds, bank and other borrowings and net proceeds from the share offer. As part of the Group's liquidity risk management, the Group monitors its working capital to ensure that its financial obligations can be met when due by (i) ensuring healthy bank balances and cash for payment of its short-term working capital needs; (ii) monitoring trade receivables and its aging monthly and following up closely to ensure prompt payment from customers; and (iii) monitoring bank and finance lease payments.

As at 31 December 2020 and 2019, the Group's current ratio, being current assets over current liabilities was 5.1 times respectively.

As at 31 December 2020, the Group's bank and other borrowings amounted to approximately S\$2.5 million, which was lower as compared to approximately S\$2.8 million as at 31 December 2019. The Group maintained a relatively low gearing ratio, based on interest-bearing bank and other borrowings divided by net assets, at approximately 0.04 times as at 31 December 2020 (2019: 0.05 times).

CONTINGENT LIABILITIES

As at 31 December 2020 and 31 December 2019, the Group provided performance guarantee to certain customers with balances amounted to approximately S\$0.3 million respectively.

PLEDGE OF ASSETS

The Group has pledged leasehold building, freehold land and building to secure general banking facilities granted to the Group with carrying values of approximately S\$12.7 million and S\$11.9 million as at 31 December 2020 and 31 December 2019 respectively.

CAPITAL EXPENDITURES AND COMMITMENTS

During the year ended 31 December 2020, the Group had incurred capital expenditures of approximately S\$2.0 million as compared to approximately S\$3.5 million in the year ended 31 December 2019. The expenditures were mainly related to the purchase of property, plant and equipment to support the growth of the Group's business.

The Group has capital commitments of approximately S\$3.8 million as at 31 December 2020 (2019: S\$1.6 million).

SIGNIFICANT INVESTMENTS

The Group did not hold any significant investments as at 31 December 2020 and 31 December 2019.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

There was no material acquisitions and disposals of subsidiaries and associated companies for the year ended 31 December 2020.

EVENTS AFTER THE REPORTING PERIOD

There were no significant events after the year ended 31 December 2020 and up to the date of this announcement.

USE OF PROCEEDS FROM LISTING

The Company's shares have been listed on the Stock Exchange since 14 January 2019, being the Listing Date, and the net proceeds from the share offer (after deducting listing expenses) amounted to approximately HK\$66.8 million (equivalent to approximately S\$11.7 million) (the "Net IPO Proceeds"). The Group has utilised approximately HK\$9.2 million (equivalent to approximately S\$1.6 million) of the Net IPO Proceeds as at 31 December 2020. The following sets forth a summary of the allocation of the Net IPO Proceeds and its utilisation as at 31 December 2020:

Use of proceeds	Approximate amount of net proceeds <i>(HK\$'million)</i>	Approximate percentage of net proceeds <i>(%)</i>	Approximate actual amount utilised as at 31 December 2020 <i>(HK\$'million)</i>	Unused amount of net proceeds as at 31 December 2020 <i>(HK\$'million)</i>
Expansion of existing nuts and potato chips products	26.7	40.0	3.0	23.7
Production and launch of tortilla chips	16.3	24.4	–	16.3
Expansion of workforce	17.6	26.3	–	17.6
Working capital	6.2	9.3	6.2	–
Total	66.8	100.0	9.2	57.6

The Company had on 5 August 2020 announced a revision to the expected timeline to implement its business strategies as set out in the prospectus of the Company dated 31 December 2018 (the "Prospectus") after taking into consideration the recent business environment and development of the Group. Please refer to the announcement of the Company dated 5 August 2020 for further details.

As at the date of this announcement, the unutilised Net IPO Proceeds were deposited with licensed banks in Singapore and Hong Kong.

FOREIGN EXCHANGE EXPOSURE

As the Group sells a majority of its food products overseas in which these sales are principally denominated in US\$ and sources its main materials in which these purchases are principally denominated in US\$, Euro and AUD, the Group is exposed to foreign currency exchange fluctuations arising in the normal course of its business operations.

The Group generally hedges 30% of its expected monthly sales and purchases denominated in foreign currencies.

The Group has a committee in place, comprising its finance manager and its executive Directors. The committee meets regularly from time to time when necessary and is responsible for reviewing, researching and studying the future foreign exchange rates and the methods of hedging. In deciding whether to enter into any foreign currency hedging transactions, the committee will undertake a cautious approach and will consider factors including (i) the expected sales and purchases denominated in foreign currencies; (ii) the historical foreign exchange rates; and (iii) the perceived future foreign exchange rates. The finance manager keeps track of the Group's hedging activities and all hedging contracts have to be approved by the executive Directors. As sales and purchases will continue to be denominated in foreign currencies, the Group expects that it will continue to enter into hedging arrangements where necessary.

DIVIDEND

After due consideration of the uncertain macroeconomic outlook ahead as set out in the section headed "Outlook and Strategies" of this announcement, the Board has resolved not to recommend any final dividend for the year ended 31 December 2020 even though the Group was profitable (No dividend declared for the year ended 31 December 2019). Nonetheless, the Group's dividend policy has not changed and the Board will continue to assess whether to recommend dividend in the next financial period.

ANNUAL GENERAL MEETING

The annual general meeting of the Company (the "AGM") will be held at 10:00 a.m. on 31 May 2021 at 255 Pandan Loop, Singapore 128433 and the notice of the AGM will be published and despatched in accordance with the requirements under the Company's articles of association and the Listing Rules in due course.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the shareholders' rights to attend and vote at the AGM, the register of members of the Company will be closed from 26 May 2021 to 31 May 2021, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the AGM, non-registered shareholders must lodge all completed transfer documents accompanied by the relevant share certificates with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on 25 May 2021.

EMPLOYEES AND REMUNERATION POLICIES

The Group had 270 employees and 256 employees as at 31 December 2020 and 31 December 2019 respectively. The Group incurred staff costs of approximately S\$10.4 million and S\$9.5 million for the years ended 31 December 2020 and 2019 respectively. Remuneration is determined by reference to prevailing market terms and in accordance with the performance, qualification and experience of each individual employee. The Company has adopted a share option scheme (the “Share Option Scheme”) on 20 December 2018 to enable the Board to grant share options to eligible participants with an opportunity to have a personal stake in the Company with a view to achieve the following objectives: (i) motivate the eligible participants to optimise their performance efficiency for the benefit of the Group; and (ii) attract and retain or otherwise maintain an ongoing business relationship with the eligible participants whose contributions are or will be beneficial to the long-term growth of the Group.

As at 31 December 2020, there was no outstanding share option granted under the Share Option Scheme.

PURCHASE, SALE OR REDEMPTION OF SHARES

During the year ended 31 December 2020, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

CORPORATE GOVERNANCE

The Company is committed to fulfilling its responsibilities to its shareholders and protecting and enhancing shareholders’ value through good corporate governance.

The Directors recognise that a good corporate governance is essential for the Company to achieve its objectives and drive improvement, as well as maintain legal and ethical standing in the eyes of shareholders, regulators and the general public.

The Company has adopted the Corporate Governance Code contained in Appendix 14 to the Listing Rules.

To the best of the knowledge of the Board, the Company has complied with the Corporate Governance Code for the year ended 31 December 2020.

INTERESTS OF COMPLIANCE ADVISER

As notified by the Company’s compliance adviser, Vinco Capital Limited (the “Compliance Adviser”), except for the compliance adviser agreement entered into between the Company and the Compliance Adviser dated 20 December 2018, the Compliance Adviser nor its directors, employees or close associates had any interests in relation to the Company, which is required to be notified to the Company pursuant to the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules as its own code of conduct governing the Directors’ securities transactions. All the Directors have confirmed, upon specific enquiries made by the Company, that they have complied with the Model Code during the year ended 31 December 2020.

DIRECTORS’ INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND THE ASSOCIATED CORPORATIONS

As at 31 December 2020, the interests or short positions of the Directors of the Company in the shares, underlying shares and debentures of the Company or any of the associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”), which were required: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code contained in Appendix 10 to the Listing Rules, were as follows:

Long position in the shares of SWL Limited, an associated corporation of the Company

Name of Directors	Capacity/nature of interest	Number of shares held	Percentage of shareholding
Ms. Lim Seow Yen	Beneficial owner	490	24.5%
Mr. Lim Fung Yee	Beneficial owner	490	24.5%
Mr. Lim Fung Chor	Beneficial owner	490	24.5%

Note: SWL Limited held in aggregate 750,000,000 shares, representing 75% of the issued share capital of the Company. The issued share capital of SWL Limited is legally and beneficially owned as to 24.5% by Mdm. Han Yew Lang, 24.5% by Ms. Lim Seow Yen, 24.5% by Mr. Lim Fung Yee, 24.5% by Mr. Lim Fung Chor, 1.0% by Mr. Loo Soon Hock James and 1.0% by Ms. Ong Liow Wah.

Save as disclosed above, as at 31 December 2020, none of the Directors of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company (within the meaning of Part XV of the SFO), which were required: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of the SFO), (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein, or (c) pursuant to the Model Code to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 December 2020, so far as is known to the Directors, the following persons (other than a Director of the Company) and entities had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept by the Company under section 336 of the SFO:

Name of shareholder	Capacity/nature of interest	Number of shares held	Percentage of shareholding
SWL Limited	Beneficial owner	750,000,000	75%

Note: The issued share capital of SWL Limited is legally and beneficially owned as to 24.5% by Mdm. Han Yew Lang, 24.5% by Ms. Lim Seow Yen, 24.5% by Mr. Lim Fung Yee, 24.5% by Mr. Lim Fung Chor, 1.0% by Mr. Loo Soon Hock James and 1.0% by Ms. Ong Liow Wah.

Save as disclosed above, as at 31 December 2020, so far as the Directors are aware, no other persons (other than a Director of the Company) or entities had any interests or short positions in the shares or underlying shares of the Company, which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept by the Company under section 336 of the SFO.

INTEREST OF DIRECTORS IN A COMPETING BUSINESS

During the year ended 31 December 2020, none of the Directors or their respective close associates had interests in businesses which compete or are likely to compete, either directly or indirectly, with the business of the Group pursuant to the Listing Rules.

NON-COMPETITION UNDERTAKING

SWL Limited, Mdm. Han Yew Lang, Ms. Lim Seow Yen, Mr. Lim Fung Yee, Mr. Lim Fung Chor, Mr. Loo Soon Hock James and Ms. Ong Liow Wah (collectively, the "Controlling Shareholders") entered into a deed of non-competition dated 20 December 2018 in favour of the Company and the subsidiaries (the "Deed of Non-competition") regarding certain non-competition undertakings. Details of the Deed of Non-competition were disclosed in the section headed "Relationship with our Controlling Shareholders" in the Prospectus.

The Controlling Shareholders have confirmed compliance with and the enforcement of the terms of the Deed of Non-competition during the year ended 31 December 2020.

CHANGE OF REGISTERED OFFICE AND ADDRESS OF PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

With effect from 16 December 2020, the principal share registrar and transfer office of the Company in the Cayman Islands has been changed from Estera Trust (Cayman) Limited to Ocorian Trust (Cayman) Limited; and the registered office and the address of the principal share registrar and transfer office of the Company in the Cayman Islands has been changed to:

Windward 3, Regatta Office Park
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

The Company's branch share registrar and transfer office in Hong Kong is still maintained by Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong.

REVIEW BY THE AUDIT COMMITTEE

The Company established an audit committee (the "Audit Committee") on 20 December 2018 with written terms of reference in compliance with the Corporate Governance code. The primary duties of the Audit Committee are to review the financial information of the Group, oversee the Group's financial report system, risk management and internal control procedures, provide advice and comments to the Board, and monitor the independence and objective of the external auditor.

The Audit Committee consists of three members who are all independent non-executive Directors, namely, Mr. Chan Ka Yu, Mr. Lee Yan Fai and Mr. Chew Keat Yeow. Mr. Chan Ka Yu is the chairman of the Audit Committee. The Audit Committee has reviewed the audited consolidated financial statements for the year ended 31 December 2020. The Audit Committee was of the opinion that the preparation of such results complied with applicable accounting standards and requirements as well as the Listing Rules and relevant adequate disclosures have been made.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

The annual results announcement of the Company is published on the website of the Stock Exchange (www.hkexnews.hk) and on the website of the Company (www.taisun.com.sg). The annual report of the Company for the year ended 31 December 2020 containing all the relevant information required by the Listing Rules will be despatched to the shareholders of the Company and published on the websites of the Stock Exchange and the Company in due course.

By order of the Board,
TS Wonders Holding Limited
Lim Seow Yen
Chairlady and Executive Director

Hong Kong, 29 March 2021

As at the date of this announcement, the Board comprises eight Directors, including five executive Directors, namely Ms. Lim Seow Yen, Mr. Lim Fung Yee, Mr. Lim Fung Chor, Mr. Lim Seng Chye (Lin Shengcai) and Mr. Zhang Junli and three independent non-executive Directors, namely Mr. Chan Ka Yu, Mr. Lee Yan Fai and Mr. Chew Keat Yeow (Zhou Jieyao).