

KEMAO INDUSTRIES LIMITED – MARKET UPDATE

PRELIMINARY RESULTS FOR ANNOUNCEMENT TO THE MARKET (Lodged with the NSX under Listing Rule 6.10)

Name of issuer: Kemao Industries Limited (NSX: KEM)

ACN or ARBN	Half yearly (tick)	Preliminary final (tick)	Financial period ended (‘Current period’)
625 928 216	✓		30 June 2020

Figures of results below are under audit review process.

- 1. The amount and percentage change up or down from the previous corresponding period of revenue:**

	Up/Down	%		\$A'000
Revenue	down	21.1%	to	61,506

- 2. The amount and percentage change up or down from the previous corresponding period of profit (loss) after income tax:**

	Up/Down	%		\$A'000
Profit (loss) after income tax:	down	126.0%	to	(424)

- 3. The amount and percentage change up or down from the previous corresponding period of profit (loss) for the period attributable to members of the parent:**

	Up/Down	%		\$A'000
Profit (loss) for the period attributable to members of the parent	down	126.0%	to	(424)

- 4. The amount per security and franked amount per security of final and interim dividends or a statement that it is not proposed to pay dividends:**

No dividends have been paid or proposed to pay.

5. A brief explanation of any of the figures in 1 to 4 necessary to enable the figures to be understood.

Revenue for the half year ended 30 June 2020 was estimated to be \$61.5 million, down 21% from last period (30 June 2019: \$77.9 million). This was mainly due to the drop of the Group's overseas sales, which fell by 47.5% from \$28.7 million to \$13.6 million due to the outbreak of coronavirus pandemic. Under the rapidly developing situations, countries around the world have implemented various measures and restrictions on travel, quarantine, social distance, and border controls. The global economy and world trade were badly hurt by such unprecedented disruption and damage. The declines in foreign trade and output during the period were significantly.

Due to the drop of foreign sales, the Company estimated it had a consolidated loss approximately \$424,000 for the period.

6. Net tangible assets per security with the comparative figure for the previous corresponding period.

	2020.6.30	2019.12.31
Net tangible assets per ordinary share (cents)	14.87	14.97

7. Details of entities over which control has been gained or lost during the period:

The Company has not gained or lost control over any entities during the period.

8. Details of individual and total dividends or distributions and dividend or distribution payments:

No dividends or distribution payments have been paid or proposed to pay.

9. Details of any dividend or distribution reinvestment plans in operation and the last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan:

The Company has no dividend or distribution reinvestment plan.

10. For foreign entities, which set of accounting standards is used in compiling the report (e.g. International Accounting Standards):

KEM's half year financial report is a general purpose consolidated financial report which has been prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards and Interpretations (Standards) issued by the Australian Accounting Standards Board (AASB), in particular AASB 134 'Interim Financial Reporting'.

11. For all entities, if the accounts are subject to audit dispute or qualification, a description of the dispute or qualification:

The accounts are under audit review process. The Company does not expect an audit dispute or qualification.