



APO PRODUCTION UNIT, INC.

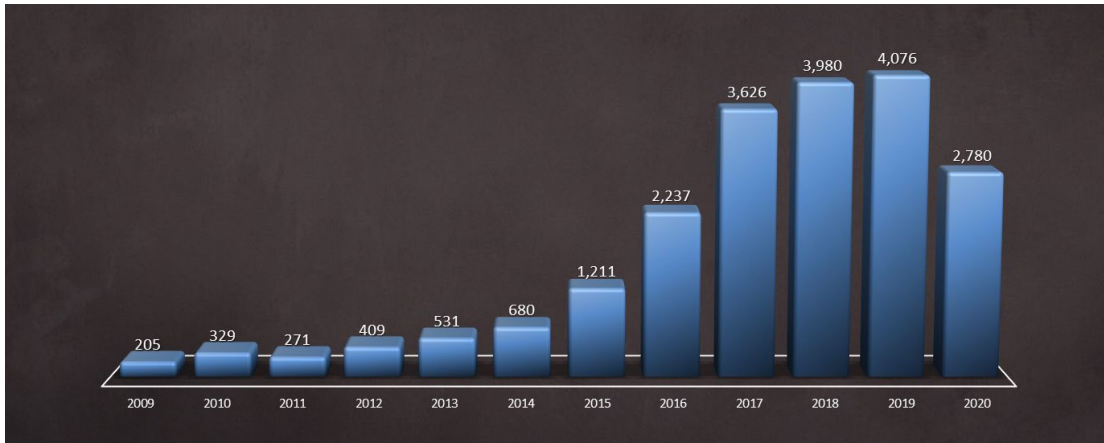
**APO PRODUCTION UNIT, INC**

# **ANNUAL REPORT**

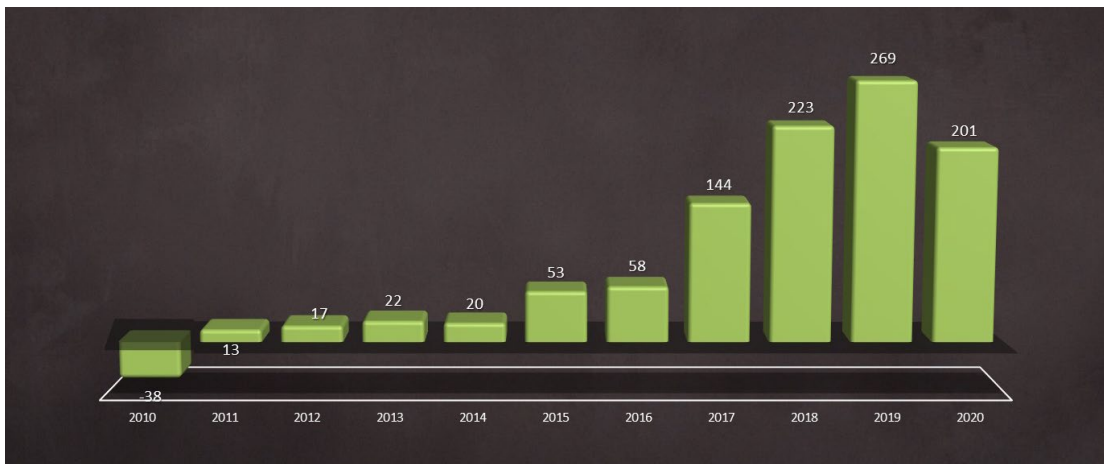
---

**2020**

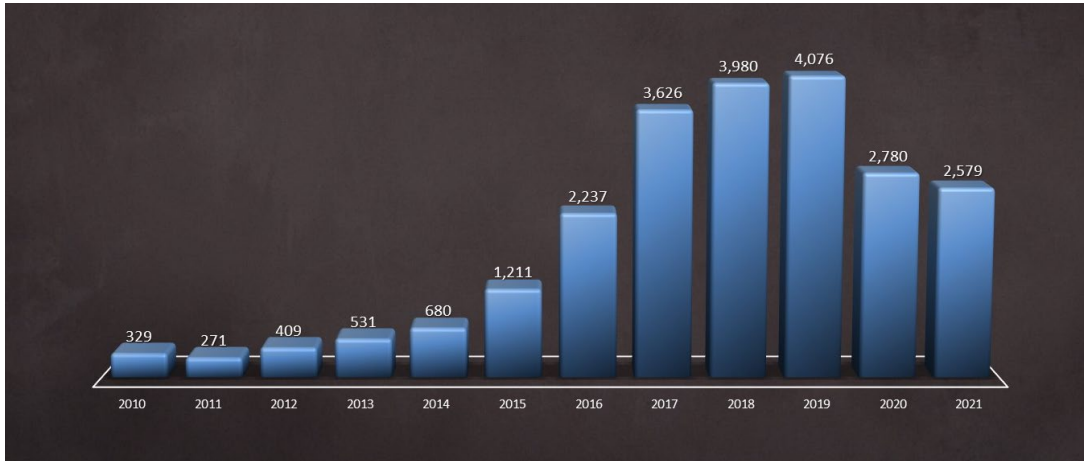
In 2020, APO Production Unit's total revenue declined by 32% due the onset of the COVID-19 pandemic. Revenue from the Joint Venture for the printing of the Philippine passport went down by as much as 80% in April due to lockdown downs which affected the passport enrollment. Revenue from other sources, such as printing of tax stamps, and other accountable forms have remained stable despite the continued interruptions in our marketing efforts during this period. We also printed the materials used by Philippine Statistics Authority in the 2020 Census conducted in the same year.



In 2020, net income after tax in 2020 decline by 25% due to reduction in revenue and dividend income from the Joint venture. The company's operating expenses (increase in overtime pay and hazard pay) also increased due to the pandemic which further impact the income of the company.



In 2021, APO Production Unit is still projecting a further decline in sales due to the continued COVID-19 pandemic. Revenue from the printing of passports is projected to further decline due to slow passport enrollment due to travel restrictions implemented by the government. Revenue from the printing of tax stamps is also affected by the pandemic and is expected to decline by as much as 11%. Revenue for the printing of accountable forms is projected to flat with the addition of DEPED projects for the printing of educational modules.



In 2021, net income is projected to decline by 27% due to softening of APO Production Unit's revenue from the Joint Venture for the printing of passports. We are also projecting a 10% increase in salaries across the board.

