

UNAUDITED FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

PART I INFORMATION REQUIRED FOR QUARTERLY (1Q, 2Q & 3Q), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a)(i) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 28 FEBRUARY 2021 ("FY2021")

	FY2021 28-Feb-21	FY2020 29-Feb-20	Increase / (Decrease)
	USD'000	USD'000	
Revenue	17,275	14,009	23%
Cost of sales	(13,018)	(11,190)	16%
Gross profit	4,257	2,819	51%
Interest income from banks	7	32	(78%)
Other income	154	24	> 100%
Marketing and distribution expenses	(445)	(529)	(16%)
Administrative expenses	(2,570)	(3,263)	(21%)
Other expenses	(50)	(66)	(24%)
Results from operating activities	1,353	(983)	N.M.
Finance costs	(132)	(197)	(33%)
Profit/(loss) before income tax	1,221	(1,180)	N.M.
Income tax expenses	(340)	(179)	90%
Profit/(loss) for the financial year	881	(1,359)	N.M.
Other comprehensive income/(loss) for the financial year			
<i>Items that are or may be reclassified subsequently to profit or loss:</i>			
Currency translation differences arising on consolidation	768	(349)	N.M.
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Currency translation differences arising on consolidation	(38)	25	N.M.
Other comprehensive income/(loss) for the financial year, net of tax	730	(324)	N.M.
Total comprehensive income/(loss) for the financial year	1,611	(1,683)	N.M.

**1(a)(i) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED
28 FEBRUARY 2021 ("FY2021") (continued)**

	FY2021 28-Feb-21	FY2020 29-Feb-20	Increase / (Decrease)
	USD'000	USD'000	
Profit/(loss) attributable to:			
Owners of the Company	817	(1,377)	N.M.
Non-controlling interests	64	18	> 100%
	<u>881</u>	<u>(1,359)</u>	N.M.
Total comprehensive income/(loss) attributable to:			
Owners of the Company	1,585	(1,726)	N.M.
Non-controlling interests	26	43	(40%)
	<u>1,611</u>	<u>(1,683)</u>	N.M.

N.M. denotes not meaningful

1(a)(ii) NOTES TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Profit/(loss) before tax is arrived at after charging/(crediting) the following items:

	Group	
	FY2021 28-Feb-21	FY2020 29-Feb-20
	USD'000	USD'000
Amortisation of intangible assets	1	1
Impairment loss on trade receivables	-	133
Write-down of inventory obsolescence	-	134
Reversal of inventories write-down	(168)	(78)
Depreciation of property, plant and equipment	269	214
Depreciation on right-of-use assets	321	422
Loss on disposal of property, plant and equipment	1	-
Directors' fees	80	89
Foreign exchange loss	50	66
Interest expense	132	197
Interest income from banks	(7)	(32)
Net fair value (gain)/loss on financial assets at fair value through profit and loss	(30)	9
Operating lease expenses	1	1
Staff costs	1,539	1,586
- Key management remuneration	656	654
- Other staff salaries and related costs	883	932

1(b)(i) STATEMENTS OF FINANCIAL POSITION OF THE GROUP AND THE COMPANY

	Group		Company	
	As at	As at	As at	As at
	28-Feb-2021	29-Feb-2020	28-Feb-2021	29-Feb-2020
	USD'000	USD'000	USD'000	USD'000
Non-current assets				
Property, plant and equipment	3,455	3,781	-	-
Investment in subsidiaries	-	-	7,597	7,597
Long-term investments	-	30	-	30
Intangible assets	2	3	-	-
Deferred tax assets	-	2	-	-
	<u>3,457</u>	<u>3,816</u>	<u>7,597</u>	<u>7,627</u>
Current assets				
Inventories	7,266	6,741	-	-
Trade and other receivables	6,160	4,465	3,771	3,386
Contract assets	650	651	-	-
Cash and cash equivalents	3,836	3,427	15	753
Current tax recoverable	8	-	-	-
	<u>17,920</u>	<u>15,284</u>	<u>3,786</u>	<u>4,139</u>
Total assets	<u>21,377</u>	<u>19,100</u>	<u>11,383</u>	<u>11,766</u>
Equity				
Share capital	15,851	15,851	15,851	15,851
Reserves	(1,380)	(2,263)	-	-
Accumulated profits/(losses)	2,585	1,883	(4,742)	(4,299)
Equity attributable to owners of the Company	17,056	15,471	11,109	11,552
Non-controlling interests	(472)	(498)	-	-
Total equity	<u>16,584</u>	<u>14,973</u>	<u>11,109</u>	<u>11,552</u>
Non-current liabilities				
Lease liabilities	328	527	-	-
Deferred tax liabilities	10	10	-	-
	<u>338</u>	<u>537</u>	<u>-</u>	<u>-</u>
Current liabilities				
Trade and other payables	1,488	1,241	273	213
Bill payables	-	705	-	-
Financial liabilities	2,696	1,324	-	-
Contract liabilities	20	20	-	-
Lease liabilities	230	261	-	-
Current tax payable	21	39	1	1
	<u>4,455</u>	<u>3,590</u>	<u>274</u>	<u>214</u>
Total liabilities	<u>4,793</u>	<u>4,127</u>	<u>274</u>	<u>214</u>
Total equity and liabilities	<u>21,377</u>	<u>19,100</u>	<u>11,383</u>	<u>11,766</u>

1(b)(ii) AGGREGATE AMOUNT OF GROUP'S BORROWINGS AND DEBT SECURITIES

	Group	
	As at	As at
	28-Feb-2021	29-Feb-2020
	USD'000	USD'000
Amounts repayable in one year or less, or on demand		
Secured bank loans	2,696	1,324
	<u>2,696</u>	<u>1,324</u>

Details of any collateral

- Secured bank loans are secured against trade receivables in China, amounting to USD 4,454,480 (FY2020: USD 2,700,105), legal mortgages over a personal property of a director of the Group, and are guaranteed by the Company and its subsidiaries.

1(c) CONSOLIDATED STATEMENT OF CASH FLOWS

	GROUP	
	FY2021	FY2020
	28-Feb-21	29-Feb-20
	USD'000	USD'000
Operating activities		
Profit/(loss) before income tax	1,221	(1,180)
Adjustments for:		
Depreciation of property, plant and equipment	269	214
Depreciation on right-of-use assets	321	422
Amortisation of intangible assets	1	1
Impairment loss on trade receivables	-	133
Write-down for inventory obsolescence	-	134
Reversal of inventories write-down	(168)	(78)
Loss on disposal of property, plant and equipment	1	-
Write-back of impairment on trade receivables	-	(12)
Interest expense	132	197
Dividend income	(1)	(1)
Interest income from banks	(7)	(32)
Net fair value (gain)/loss on financial assets at fair value through profit or loss	(30)	9
Operating cash flows before working capital changes	1,739	(193)
Changes in working capital:		
Inventories	(357)	1,359
Trade and other receivables	(1,695)	(189)
Trade and other payables	(458)	(180)
Contract assets	1	(107)
Contract liabilities	-	(94)
Secured working capital bank loan	1,372	(1,218)
Currency translation adjustments	650	(373)
Cash flows generated from/(used in) operations	1,252	(995)
Income taxes paid, net	(364)	10
Interest paid	(98)	(148)
Cash flows generated from/(used in) operating activities	790	(1,133)
Investing activities		
Interest received	7	32
Dividend received	1	1
Purchase of property, plant and equipment	(133)	(233)
Proceeds from disposal of quoted shares	60	-
Purchase of intangible assets	(1)	(1)
Cash flows used in investing activities	(66)	(201)

	GROUP	
	FY2021	FY2020
	28-Feb-21	29-Feb-20
	USD'000	USD'000
Financing activities		
Repayment of finance lease liabilities	(266)	(245)
Interest paid on lease liabilities	(33)	(48)
Repayment of loan from directors	-	(34)
Cash flows used in financing activities	(299)	(327)
Net increase/(decrease) in cash and cash equivalents	425	(1,661)
Cash and cash equivalents at beginning of the year	3,427	5,044
Effect of exchange rate fluctuations on cash held	(16)	44
Cash and cash equivalents at end of the year	3,836	3,427

Cash and cash equivalents included in the consolidated cash flow statement comprise the following:

	Group	
	As at	As at
	28-Feb-2021	29-Feb-2020
	USD'000	USD'000
Cash at banks and in hand	3,836	3,427
Cash and cash equivalents at end of the year	3,836	3,427

1(d)(i) CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital USD'000	Merger reserve USD'000	Currency translation reserve USD'000	Statutory surplus reserve USD'000	Accumulated profits USD'000	Total USD'000	Non-controlling interests USD'000	Total equity USD'000
The Group								
At 1 March 2019	15,851	(2,825)	279	592	3,300	17,197	(541)	16,656
Loss for the year	—	—	—	—	(1,377)	(1,377)	18	(1,359)
Other comprehensive loss, net of tax								
Currency translation differences arising from consolidation	—	—	(349)	—	—	(349)	25	(324)
Total comprehensive loss for the year	—	—	(349)	—	(1,377)	(1,726)	43	(1,683)
Transfer of statutory surplus reserve	—	—	—	40	(40)	—	—	—
At 29 February 2020	15,851	(2,825)	(70)	632	1,883	15,471	(498)	14,973

The Group								
At 1 March 2020	15,851	(2,825)	(70)	632	1,883	15,471	(498)	14,973
Profit for the year	—	—	—	—	817	817	64	881
Other comprehensive income, net of tax								
Currency translation differences arising from consolidation	—	—	768	—	—	768	(38)	730
Total comprehensive income for the year	—	—	768	—	817	1,585	26	1,611
Transfer of statutory surplus reserve	—	—	—	115	(115)	—	—	—
At 28 February 2021	15,851	(2,825)	698	747	2,585	17,056	(472)	16,584

STATEMENT OF CHANGES IN EQUITY

The Company	Share capital USD'000	Accumulated losses USD'000	Total USD'000
At 1 Mar 2019	15,851	(3,381)	12,470
Loss and total comprehensive loss for the year	-	(918)	(918)
At 29 Feb 2020	15,851	(4,299)	11,552
Loss and total comprehensive loss for the year	-	(443)	(443)
At 28 Feb 2021	15,851	(4,742)	11,109

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of 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.**

During the period reported on, there is no change in the Company's issued share capital.

There were no outstanding convertibles as at 28 February 2021 and 29 February 2020.

- 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.**

	Number of Shares ('000)	
	FY2021 28-Feb-21	FY2020 29-Feb-20
Number of ordinary shares issued and fully paid		
At 1 March	4,962,166	4,962,166
At 28 February 2021 & 29 February 2020	4,962,166	4,962,166

There were no treasury shares as at 28 February 2021 and 29 February 2020.

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

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

These figures have not been audited or reviewed by the auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications 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 (This is not required for any audit issue that is a material uncertainty relating to going concern).**

- (a) Updates on the efforts taken to resolve each outstanding audit issue.

Not applicable.

- (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.

Except as disclosed in paragraph 5 below, the Group and the Company have applied the same accounting policies and methods of computation in the financial statements for the current reporting year as those of the audited financial statements for the financial year ended 29 February 2020.

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.

The Group has adopted all the new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)") and Interpretations of SFRS(I) ("SFRS(I) INT") that are relevant to its operations and effective for the current financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and SFRS(I) INT. The adoption of these new and revised SFRS(I) and SFRS(I) INT did not have any material effect of the financial results or position of the Group.

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.

	FY2021 28-Feb-21	FY2020 29-Feb-20
	USD'000	USD'000
Net profit/(loss) for the year attributable to Owners of the Company	817	(1,377)
	FY2021 28-Feb-21	FY2020 29-Feb-20
Weighted average number of ordinary shares during the year ('000)	4,962,166	4,962,166
Profit/(loss) per share (US cents) - basic and diluted	0.02	(0.03)

7. **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-**
(a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	FY2021 28-Feb-21	FY2020 29-Feb-20	FY2021 28-Feb-21	FY2020 29-Feb-20
	USD'000	USD'000	USD'000	USD'000
Net assets	16,584	14,973	11,109	11,552
Net asset value per ordinary share based on the existing issued share capital as at the respective period (US cents)	0.3	0.3	0.2	0.2

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;

Review of Group's Results

The Group continued to drive its business focusing on higher value-add services and customised metallurgical solutions with its range of proprietary NICO brand of metal alloys and materials, to overcome limitations and achieve functional and performance applications of its customers' end-user products. It was making good progress with its NICO brand of metal alloys, gaining recognition for its own-brand metallurgical solutions with the global brand owners of electronic communication devices. However, the intensified trade dispute between the United States and China, led the Group to place more efforts to work with the dominant Chinese companies in the electronic communication devices sector.

Group's revenue increased by 23.3% year-on-year from US\$14.0 million for the financial year ended 29 February 2020 ("FY2020") to US\$17.3 million for the financial year ended 28 February 2021 ("FY2021"). This was mainly due to the increasing in customers' orders from the Chinese companies.

Revenue Analysis by Product Categories

	FY2021		FY2020		YoY Change
	USD'000	% of revenue	USD'000	% of revenue	
Customised Solutions	13,670	79.1	11,626	83.0	+ 17.6%
NICO Brand of Metal Alloys	3,605	20.9	2,383	17.0	+ 51.3%
	17,275	100.0	14,009	100.0	+ 23.3%

Geographically, China remained as the key revenue contributor to the Group in FY2021, contributing 87.4% of the Group's total revenue, an increase from 85.3% in FY2020. Revenue contribution from Thailand decreased from 13.2% in FY2020 to 11.2% in FY2021.

Cost of Sales

In tandem with the increase in revenue, cost of sales increased by 16.2% from US\$11.2 million in FY2020 to US\$13.0 million in FY2021.

Gross Profit and Gross Profit Margin

Gross profit increased by 51.5% from US\$2.8 million in FY2020 to US\$4.3 million in FY2021. This was mainly due to the increase in the Group's revenue on higher margin value-add customised solutions including electroplating services. Correspondingly, gross profit margin increased from 20.1% in FY2020 to 24.6% in FY2021.

Interest Income from Banks

Interest income decreased from US\$32,000 in FY2020 to US\$7,000 in FY2021, mainly due to the interest rate decreased significantly in FY2021.

Other Income

Other income increased significantly from US\$24,000 in FY2020 to US\$154,000 in FY2021. This was mainly due to Jobs Support Scheme grant income received from Singapore government by the Company and one of the Group's subsidiary in Singapore during FY2021 and net fair value gain from disposal of financial assets at fair value through profit or loss.

Marketing and Distribution, Administrative, Other Operating and Finance Expenses

Marketing and distribution expenses decreased by 15.9% from US\$529,000 in FY2020 to US\$445,000 in FY2021. The decrease was mainly due to lesser marketing expenses incurred as a result of travel restrictions amidst the COVID-19 pandemic.

Administrative expenses decreased by 21.2% from US\$3.3 million in FY2020 to US\$2.6 million in FY2021 as a result of the Group's efforts to manage expenses.

Other expenses decreased 24.8% from US\$66,000 in FY2020 to US\$50,000 in FY2021, due to the decrease in foreign exchange loss as the Renminbi depreciated against the US dollar during the financial year under review.

Finance costs decreased 32.9% from US\$197,000 in FY2020 to US\$132,000 in FY2021. The decrease was mainly due to (i) the decrease in interest rate on trade facilities and secured bank loans in FY2021 for raw material purchases; and (ii) the prompt repayment of bill payables of a subsidiary in Singapore in FY2021.

Income tax expenses increased 90.8% from US\$179,000 in FY2020 to US\$340,000 in FY2021, as a result of two of the Group's China subsidiaries reporting higher profit before income tax in FY2021.

Taking into account the above mentioned, the Group recorded a net profit attributable to the equity holders of the Company of US\$817,000 in FY2021, a reverse from a net loss attributable to the equity holders of the Company of US\$1.4 million in FY2020.

Utilisation of Net Proceeds from the Redeemable Convertible Bonds (“RCB”) Issued on 15 March 2016, 29 November 2016, 10 January 2017, 24 January 2017, 13 June 2017, 28 November 2017, 26 January 2018, 18 April 2018, 25 June 2018, and 28 August 2018. The RCB was terminated on 11 September 2018.

Use of Proceeds from RCB Issue	S\$'000	S\$'000
Net Proceeds from the Initial Bond [#]		9,530
Less:		
Repayment of loans from Parot Tovot LLC	260	
Repayment of loans from Nico Steel Solutions (S) Pte Ltd	300	
Repayment of loans from Affiliated Companies	340	
Group's general working capital*	8,283	
Legal and professional fee in relation to RCB issued	347	
Total usage of proceeds		(9,530)
Balance of Net Proceeds		-

Notes:

Net Proceeds from the Initial Bond of S\$9,530,000 was derived after the deduction of transaction costs amounting to S\$470,000 including arranger's fee and legal fees incurred.

* Funds used for the Group's general working capital were mainly for staff costs and other operating expenses.

Appended below is a table showing the breakdown of the category entitled “Group's general working capital”:

	<u>S\$'000</u>
Staff cost	4,233
Repayment of advances from Directors ⁽¹⁾	1,212
Repayment of loan receivable from affiliated company (D.S.A.G Investment Pte. Ltd.) ⁽¹⁾	730
Directors' fee	633
Repayment of loan receivable from subsidiary (Nico Steel Solutions (S) Pte. Ltd.) ⁽¹⁾	475
Audit fees	404
Legal & professional fees	204
Upkeep of office equipment	135
SGX/CDP listing fees	144
Secretarial fees/Share registrar's fees/Tax agent's fees	52
Travelling expenses for business trips	31
Entertainment expenses for business purpose	21
Upkeep of motor vehicle	9
Total:	<u>8,283</u>

Note:

(1) The advances from Directors, D.S.A.G Investment Pte Ltd, and Nico Steel Solutions (S) Pte Ltd were for the Group's working capital purposes.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Non-current assets decreased by US\$326,000 from US\$3.8 million as at 29 February 2020 to US\$3.5 million as at 28 February 2021. This was mainly due to depreciation of property, plant and equipment and right-of-use assets.

Current assets increased by US\$2.6 million from US\$15.3 million as at 29 February 2020 to US\$17.9 million as at 28 February 2021, mainly due to:

- i) inventories increased by 7.8% from US\$6.7 million as at 29 February 2020 to US\$7.3 million as at 28 February 2021, as a result of an increase in purchases of raw materials and reversal of inventories write-down during FY2021;
- ii) trade and other receivables, and contract assets increased by 33.1% from US\$5.1 million as at 29 February 2020 to US\$6.8 million as at 28 February 2021 as a result of higher sales towards the end of FY2021; and
- iii) cash and cash equivalents increased by 11.9% from US\$3.4 million as at 29 February 2020 to US\$3.8 million as at 28 February 2021. The increase was mainly due to the receipts from trade receivables by a subsidiary in Singapore and two of the Group's China subsidiaries in FY2021.

Non-current liabilities decreased by US\$199,000 from US\$537,000 as at 29 February 2020 to US\$338,000 as at 28 February 2021. The decrease was mainly due to repayments of lease liabilities amounting to US\$299,000 made in FY2021.

Current liabilities increased by US\$865,000 from US\$3.6 million as at 29 February 2020 to US\$4.5 million as at 28 February 2021. This was mainly due to the increased in working capital bank loan by one of the Group's China subsidiary to finance the purchase raw materials in FY2021.

Equity comprises share capital, reserves, accumulated profits, and non-controlling interests. The total equity of the Group increased by US\$1.6 million or 10.8% from US\$15.0 million as at 29 February 2020 to US\$16.6 million as at 28 February 2021.

REVIEW OF CASH FLOW STATEMENT

Net cash generated from operations amounted to US\$790,000 in FY2021, as compared to net cash used in operations of US\$1.1 million in FY2020. The positive cash flow was mainly due to cash inflow from operating profits in FY2021.

Net cash used in investing activities was decreased from US\$201,000 in FY2020 to US\$66,000 in FY2021 due to (i) lesser costs expended on the purchases of property, plant and equipment; and (ii) proceeds from disposal of financial assets at fair value through profit or loss in 2nd half of FY2021.

Net cash used in financing activities was decreased from US\$327,000 in FY2020 to US\$299,000 in FY2021 due to advance loan from directors had been fully repaid in FY2020.

Overall, the Group generated net cash inflows of US\$425,000 in FY2021 as compared to net cash outflows of US\$1.7 million in FY2020

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

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Group managed to make a breakthrough into the Chinese market in FY2021, garnering orders, in particular, from dominant Chinese brands in the mobile communications sector, working directly with the brand owners as well as their key module vendors. As the trade dispute between the United States and China intensified, sales of metallurgical and material solutions to the Chinese companies based in China where the Group operates, mitigated the adverse impact.

As 5G devices tend to be more mobile and multifunctional, they typically require material components with specific properties that can support their usability. Existing standard metallic materials are already stretched when it comes to strength-to-weight ratio, heat dissipation and electromagnetic protection. With 5G on its way to 1.9 billion subscribers worldwide by 2024,¹ the Group continues to work closely with both the international and dominant Chinese brand owners in the enhancement of their product development pipelines.

The ongoing coronavirus pandemic has brought unprecedented challenges to the economies and businesses, accelerated digitalisation, and transformed conventional lifestyles. Amidst the pandemic, demand for electronic communication devices continues to grow as telecommuting and home-based learning became the new norm. This demand, in turn, will continue to filter through the supply chain, and bodes well for the Company.

However, the pandemic has also caused a global shortage of electronic chipset. Other than the automobile industry, the electronic and mobile device products industries are all rushing for electronic chipset. This shortage of supply is expected to continue beyond the next year, which will have a negative impact on the Group's revenue.

As a result of the ongoing urbanisation plan by the city government in Suzhou, China, in the vicinity where the Group's Suzhou production facilities are located, plans to shift its operations to the northern region of Jiangsu Province is still in the cost-benefits analysis stage.

Company's wholly-owned subsidiary in Singapore ("Nico Singapore") accepted an offer on 29 October 2019 from JTC Corporation for a further term lease of 20 years from 01 January 2023, of the leasehold estate at 51 Loyang Way Singapore 508744. Currently Nico Singapore is in the research and development stage of Liquid Forging Project. The installation of production equipment will be completed in the first half of FY2022, and will be put into trial operation in the second half of FY2022.

The Group will update shareholders on any material developments as and when appropriate.

¹ <https://www.telecompetitor.com/ericsson-revises-5g-subscriber-forecast-sees-1-9-billion-5g-subscribers-by-2024/>

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommendedd, a statement to that effect.

No dividend has been declared or recommended because the Group wants to conserve cash for expansion and growth amid the current challenging business environment.

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 for interested person transactions pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST").

There were no interested person transactions, as defined in Chapter 9 of the Listing Manual of the SGX-ST, entered into by the Group or by the Company during the financial year ended 28 February 2021.

PART II: ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

14. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

ANALYSIS OF GROUP'S REVENUE BY GEOGRAPHICAL REGIONS

	FY2021		FY2020	
	USD'000	%	USD'000	%
Singapore	126	0.7	103	0.7
PRC	15,097	87.4	11,943	85.3
Malaysia	86	0.5	94	0.7
Thailand	1,931	11.2	1,851	13.2
Other Countries*	35	0.2	18	0.1
Total	17,275	100.0	14,009	100.0

*Other Countries comprise mainly Taiwan and Philippines.

15. **Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1)**

The Company hereby confirms that it has procured undertakings from all the directors and executive officers under Rule 720(1).

16. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Please refer to the section on "Review of Results of Operations" in paragraph 8 of this announcement for details.

17. **A breakdown of sales.**

	FY2021 28-Feb-21	FY2020 29-Feb-20	Change
	USD'000	USD'000	
(a) Sales reported for first half year	8,215	7,115	15.5%
(b) Operating (loss)/profit after tax for first half year	294	(269)	N.M.
(c) Sales reported for second half year	9,060	6,894	31.4%
(d) Operating (loss)/profit after tax for second half year	587	(1,090)	N.M.

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

Not Applicable.

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Ang Bee Choo	56	Wife of Tan Chee Khiong, Executive Director/Chairman and President of the Company Sister-in-law of Tang Chee Bian and Tang Chee Wee, Executive Directors of the Company	Administrative Manager since 7 July 1995, responsible for office administration and human resource matters.	NIL

Tan Chee Khiong, Tang Chee Bian, Tang Chee Wee are substantial shareholders of the Company. Tan Chee Khiong (Executive Chairman & President), Tang Chee Bian (Executive Director) and Tang Chee Wee (Executive Director) are siblings.

Save as disclosed above, there are no other persons holding managerial positions in the Group who are related to the Directors, Chief Executive Officer or substantial shareholders of the Company or of any of its principal subsidiaries.

BY ORDER OF THE BOARD

Tan Chee Khiong Danny
Chairman and President
27 April 2021