

**UNAUDITED HALF YEAR FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2020**

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

- 1 (a) (i) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Results for the six (6) months ended 30 September 2020 (hereinafter referred as "HYFY2021") and comparative figures for the six (6) months ended 30 September 2019 (hereinafter referred as "HYFY2020")

	HYFY2021 S'000	HYFY2020 <sup>(1)</sup> (Restated) S'000	Increase/ (Decrease) %
<b><u>Continuing operations</u></b>			
Revenue	7,641	6,407	19
Cost of sales	(6,232)	(6,041)	3
<b>Gross profit</b>	<b>1,409</b>	366	N/M
Other income	2,833	130	N/M
Selling and distribution expenses	(95)	(127)	(25)
Administrative expenses	(1,322)	(3,060)	(57)
Finance costs	(121)	(113)	7
<b>Profit / (Loss) before tax from continuing operations</b>	<b>2,704</b>	(2,804)	N/M
Tax expense	-	-	-
<b>Profit / (Loss) from continuing operations, net of tax</b>	<b>2,704</b>	(2,804)	N/M
<b><u>Discontinued operations</u></b> <sup>(2)</sup>			
Loss from discontinued operations, net of tax	(528)	(640)	(18)
<b>Profit / (Loss) for the period</b>	<b>2,176</b>	(3,444)	N/M
<b>Profit / (Loss) attributable to:</b>			
<i>Equity holders of the Company</i>			
Profit / (Loss) from continuing operations	2,937	(2,761)	N/M
Loss from discontinued operations	(528)	(640)	(18)
<b>Profit / (Loss) for the period attributable to equity holders of the Company</b>	<b>2,409</b>	(3,401)	N/M
<i>Non-controlling interests</i>			
Loss from continuing operations	(233)	(43)	N/M
<b>Loss for the period attributable to non-controlling interests</b>	<b>(233)</b>	(43)	N/M
<b>Profit / (Loss) for the period</b>	<b>2,176</b>	(3,444)	N/M

N/M: Not Meaningful

	<b>HYFY2021</b>	<b>HYFY2020</b>	<b>Increase/ (Decrease)</b>
	<b>\$'000</b>	<b>(Restated) \$'000</b>	<b>%</b>
Profit / (Loss) for the period	<b>2,176</b>	(3,444)	N/M
Other comprehensive income / (loss):			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Currency translation differences arising on consolidation and representing other comprehensive income for the period, net of tax	<b>1,074</b>	750	42
<b>Total comprehensive income / (loss) for the period</b>	<b>3,250</b>	(2,694)	N/M
<b>Total comprehensive income / (loss) attributable to:</b>			
<i>Equity holders of the Company</i>			
Profit from continuing operations	<b>3,344</b>	(2,272)	N/M
Loss from discontinued operations	<b>(528)</b>	(640)	(18)
<b>Total comprehensive income / (loss) for the period attributable to equity holders of the Company</b>	<b>2,816</b>	(2,912)	N/M
<i>Non-controlling interest</i>			
Profit from continuing operations	<b>434</b>	218	99
<b>Total comprehensive income for the period attributable to non-controlling interests</b>	<b>434</b>	218	99
<b>Total comprehensive income / (loss) for the period</b>	<b>3,250</b>	(2,694)	N/M

N/M: Not Meaningful

- (1) Comparative figures have been re-presented to report separately on the profit and loss items for continuing and discontinued operations.
- (2) Discontinued operations relate to Dongguan Lebox Doors Co. Ltd and KLW (HK) Limited, as both entities are considered as a group of cash generating unit.

**(ii) The following items have been included in arriving at loss from operations:-**

	<b><u>The Group</u></b>		<b>Increase/ (Decrease)</b>
	<b>HYFY2021</b>	<b>HYFY2020</b>	<b>%</b>
	<b>\$'000</b>	<b>\$'000</b>	
<b><u>Continuing operations</u></b>			
Depreciation of property, plant and equipment	<b>321</b>	424	(24)
Depreciation of right-of-use assets	<b>131</b>	-	N/M
Interest expense	<b>121</b>	113	7
Interest income	<b>74</b>	91	(19)
Government grants and incentives	<b>204</b>	3	N/M
Gain on disposal of property, plant and equipment	<b>32</b>	-	N/M
Gain on disposal of subsidiary	<b>2,450</b>	-	N/M
Foreign currency exchange (gain) / loss	<b>(1,577)</b>	72	N/M
Inventories written down	<b>2</b>	-	N/M
Impairment loss on development properties	<b>590</b>	-	N/M
<b><u>Discontinued operations</u></b>			
Depreciation of right-of-use assets	<b>161</b>	156	3
Depreciation of property, plant and equipment	<b>38</b>	79	(53)
Foreign currency exchange loss	<b>194</b>	347	(44)
Inventories written down / (back)	<b>33</b>	(127)	N/M
Interest expense	<b>5</b>	25	(80)
Government grants and incentives	<b>5</b>	1	N/M
Staff costs	<b>502</b>	406	24

N/M: Not Meaningful

**1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

	<u>The Group</u>		<u>The Company</u>	
	<b>30-Sep-2020</b>	31-Mar-2020	<b>30-Sep-2020</b>	31-Mar-2020
	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	<b>8,128</b>	8,393	<b>94</b>	127
Right-of-use assets	<b>7,572</b>	7,855	<b>2,150</b>	2,170
Subsidiaries	-	-	<b>40,384</b>	40,384
Financial assets at fair value through profit or loss	*	*	-	-
Contracts assets	<b>97</b>	97	-	-
	<b>15,797</b>	16,345	<b>42,628</b>	42,681
<b>Current assets</b>				
Development properties	<b>42,263</b>	38,794	-	-
Prepayments, trade and other receivables	<b>4,507</b>	5,469	<b>17,751</b>	22,543
Contract assets	<b>315</b>	374	-	-
Inventories	<b>6,690</b>	6,337	-	-
Cash and cash equivalents	<b>17,754</b>	12,667	<b>13,379</b>	8,246
	<b>71,529</b>	63,641	<b>31,130</b>	30,789
Disposal group assets classified as held-for-sale	-	6,494	-	-
	<b>87,326</b>	70,135	<b>31,130</b>	30,789
<b>Total assets</b>	<b>87,326</b>	86,480	<b>73,758</b>	73,470
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Borrowings	<b>3,049</b>	3,095	-	-
Deferred tax liabilities	<b>1,597</b>	1,597	-	-
	<b>4,646</b>	4,692	-	-
<b>Current liabilities</b>				
Trade and other payables	<b>5,502</b>	6,674	<b>276</b>	169
Borrowings	<b>985</b>	1,629	-	-
Income tax payable	<b>1</b>	1	-	-
Provision for restructuring	<b>1,733</b>	2,219	-	-
	<b>8,221</b>	10,523	<b>276</b>	169
Liabilities directly associated with disposal group classified as held-for-sale	-	56	-	-
	<b>8,221</b>	10,579	<b>276</b>	169
<b>Total liabilities</b>	<b>12,867</b>	15,271	<b>276</b>	169
<b>Net assets</b>	<b>75,459</b>	71,209	<b>73,482</b>	73,301
<b>EQUITY</b>				
Share capital	<b>103,171</b>	103,171	<b>103,171</b>	103,171
Revaluation and other reserves	<b>(6,481)</b>	(7,051)	-	-
Reserves of disposal group classified as held-for-sale	-	163	-	-
Accumulated losses	<b>(31,231)</b>	(33,640)	<b>(29,689)</b>	(29,870)
Equity holders of the company	<b>65,459</b>	62,643	<b>73,482</b>	73,301
Non-controlling interest	<b>9,000</b>	8,566	-	-
<b>Total equity</b>	<b>74,459</b>	71,209	<b>73,482</b>	73,301

\* Amounts less than \$1,000

**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 30 Sep 2020		As at 31 Mar 2020	
Secured (\$'000)	Unsecured (\$'000)	Secured (\$'000)	Unsecured (\$'000)
985	-	1,629	-

**Amount repayable after one year**

As at 30 Sep 2020		As at 31 Mar 2020	
Secured (\$'000)	Unsecured (\$'000)	Secured (\$'000)	Unsecured (\$'000)
3,049	-	3,095	-

**Details of any collateral**

The obligations under finance leases are secured by a charge over the leased motor vehicles of the Group to the lessor.

The foreign currency loan against import of the Group is secured by the following:-

- (a) a corporate guarantee from the Company;
- (b) a negative pledge over certain assets of the Group; and
- (c) legal charges over certain properties of the Group.

The term loan of the Group is secured by the following:-

- (a) legal charges over the Group's leasehold land and building in Singapore; and
- (b) a corporate guarantee from the Company.

1(c) **A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	HYFY2021 \$'000	HYFY2020 (Restated) \$'000
<b>Cash flows from operating activities</b>		
Profit / (Loss) before tax from continuing operations	2,704	(2,804)
Loss before tax from discontinued operations	(531)	(637)
	<u>2,173</u>	<u>(3,441)</u>
Adjustments for:		
Depreciation of property, plant and equipment	359	503
Depreciation of right-of-use assets	292	156
Gain on disposal of subsidiary	(2,450)	-
Gain on disposal of property, plant and equipment	(26)	-
Interest expense	121	113
Interest expense on lease liabilities	5	25
Interest income	(74)	(91)
Impairment loss on development properties	590	-
Reversal of impairment loss on property, plant and equipment	(17)	-
Waiver of debts	(1,067)	-
	<u>(94)</u>	<u>(2,735)</u>
Operating loss before working capital changes		
Changes in operating assets and liabilities		
Development properties	(764)	(1,774)
Inventories	(354)	238
Trade and other receivables	1,412	139
Trade and other payables	(1,765)	(1,204)
Currency translation adjustments	(2,123)	463
	<u>(3,688)</u>	<u>(4,873)</u>
<b>Cash used in operations</b>		
Interest income received	74	91
Income tax refund / (paid)	18	(246)
	<u>(3,596)</u>	<u>(5,028)</u>
<b>Net cash used in operating activities</b>		
<b>Cash flows from investing activities</b>		
Other receivables – commitment fees	-	3,500
Sale proceeds from disposal of subsidiary	9,352	-
Purchase of property, plant and equipment	(120)	(65)
Proceeds from disposal of property, plant and equipment	63	1
	<u>9,295</u>	<u>3,436</u>
<b>Net cash generated from investing activities</b>		
<b>Cash flows from financing activities</b>		
Repayments of borrowings	(1,982)	(1,694)
Proceeds from borrowings	1,530	1,488
Loan from non-controlling interest	171	-
Interest paid	(121)	(113)
Interest element of lease payments	(5)	(25)
Principal element of lease payments	(183)	(144)
	<u>(590)</u>	<u>(488)</u>
<b>Net cash used in financing activities</b>		
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>5,109</b>	<b>(2,080)</b>
Cash and cash equivalents at beginning of the period	12,667	16,466
Effect of exchange rate changes on cash and cash equivalents	(19)	48
	<u>17,757</u>	<u>14,434</u>
<b>Cash and cash equivalents at end of the period</b>		

For the purpose of the consolidated cash flow statement, the consolidated cash and cash equivalents comprise the following:

	The Group	
	30-Sep-2020 \$'000	30-Sep-2019 \$'000
Cash and bank balances	4,993	9,676
Fixed deposits	12,761	4,162
Cash and bank balances as per balance sheets	<u>17,754</u>	<u>13,838</u>
Cash and cash equivalents		
- Continuing operations	17,754	13,838
- Disposal group assets classified as held for sale	3	596
Cash and cash equivalents as per consolidated statement of cash flows	<u>17,757</u>	<u>14,434</u>

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.

	← Attributable to equity holders of the Company →							Total equity
	Share capital	Asset revaluation reserve	Reserves of disposal group classified as held for sale	Foreign currency translation reserve	Accumulated losses	Subtotal	Non-controlling interest	
<u>The Group</u>	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1-Apr-2020	103,171	-	163	(7,051)	(33,640)	62,643	8,566	71,209
Profit / (Loss) for the period	-	-	-	-	2,409	2,409	(233)	2,176
Other comprehensive income	-	-	-	407	-	407	667	1,074
Total comprehensive income/ (loss) for the period	-	-	-	407	2,409	2,816	434	3,250
Reserves attributable to disposal group classified as held for sale	-	-	(163)	163	-	-	-	-
Balance at 30-Sep-2020	103,171	-	-	(6,481)	(31,231)	65,459	9,000	74,459
Balance at 1-Apr-2019	103,171	-	(9)	(4,864)	(24,230)	74,068	9,679	83,747
Loss for the period	-	-	-	-	(3,401)	(3,401)	(43)	(3,444)
Other comprehensive income	-	-	106	383	-	489	261	750
Total comprehensive income /(loss) for the period	-	-	106	383	(3,401)	(2,912)	218	(2,694)
Balance at 30-Sep-2019	103,171	-	97	(4,481)	(27,631)	71,156	9,897	81,053

<u>The Company</u>	Share capital	Accumulated losses	Total
	\$'000	\$'000	\$'000
Balance at 1-Apr-2020	103,171	(29,870)	73,301
Profit and total comprehensive income for the period	-	181	181
Balance at 30-Sep-2020	103,171	(29,689)	73,482
Balance at 1-Apr-2019	103,171	(32,118)	71,053
Profit and total comprehensive income for the period	-	2,627	2,627
Balance at 30-Sep-2019	103,171	(29,491)	73,680

- 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.**

**Issued and fully paid ordinary share capital**

	Number of shares	\$
	'000	'000
Balance as at 30 September 2020	5,380,556	103,171

No change in the Company's share capital since the end of the previous period reported on. The Company does not have any treasury shares and there were no subsidiary holdings as at 30 September 2020 (30 September 2019: nil).

The Company did not have any other outstanding convertible securities as at 30 September 2020 (30 September 2019: nil).

- 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.**

The total number of issued shares in the capital of the Company as at the end of the current financial period ended 30 September 2020 was 5,380,556,316 (31 March 2020: 5,380,556,316). The Company does not have any treasury shares as at 30 September 2020 (31 March 2020: nil).

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

The Company did not have any sales, transfers, cancellation and/or use of treasury shares during the current financial period reported on.

There were no treasury shares held by the Company as at 30 September 2020 and 30 September 2019.

- 1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial year reported on.**

The Company did not have any sales, transfers, cancellation and/or use of subsidiary holdings during the current financial period reported on.

There were no subsidiary holdings held by the Company as at 30 September 2020 and 30 September 2019.

- 2 Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard).**

The financial statements have not been audited or reviewed by the Company's auditors.

- 3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of 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.**

The latest financial statements are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

**(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.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the financial year ended 31 March 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**

None.

**6 Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends, (a) based on the weighted average number of ordinary shares on issue and (b) on a fully diluted basis (detailing any adjustments made to the earnings).**

	Half year ended	
	30-Sep-2020	30-Sep-2019
Profit/(Loss) per share	Cents	Cents
- basic	0.045	(0.063)
- diluted	0.045	(0.063)

The weighted average number of ordinary shares for the purposes of basic and diluted loss per share is 5,380,556,316 shares for the financial period ended 30 September 2020 (30 September 2019: 5,380,556,316 shares).

Basic profit / loss per share is calculated by dividing the loss after tax attributable to shareholders by the weighted average number of fully paid ordinary shares in issue during the financial period.

For the purposes of calculating diluted profit / loss per share, the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares. As at 30 September 2020 and 30 September 2019, the Company does not have any outstanding share options.

**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 period reported on and (b) immediately preceding financial year.**

	30-Sep-2020	31-Mar-2020
	Net asset value per ordinary share based on existing issued share capital as at end of period/year	Cents
- Group	1.22	1.16
- Company	1.37	1.36

Net asset value per ordinary share is calculated based on 5,380,556,316 shares as at 30 September 2020. (31 March 2020: 5,380,556,316).



- 8 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

### Income Statement Review

#### HYFY2021

##### (A) Continuing operations

#### Revenue

The Group registered revenue from continuing operations of \$7.64 million in HYFY2021, representing an increase of 19% as compared to \$6.41 million in HYFY2020 due to the increase in the export sales of doors.

#### Cost of sales

Cost of sales increased by 3% to \$6.23 million in HYFY2021 as compared to \$6.04 million in HYFY2020. The slight increase despite the higher increase in export sales of doors, was due in part to cost savings achieved by our factory in Malaysia.

#### Gross Profit

The Group's gross profit increased from \$0.37 million in HYFY2020 to \$1.41 million in HYFY2021. The Group's gross margin increased from 6% in HYFY2020 to 18% in HYFY2021 due to higher export sales and higher cost savings achieved by our factory in Malaysia.

#### Other income

Other income increased to \$2.83 million in HYFY2021 as compared to \$0.13 million in HYFY2020. The increase was largely due to the recognition of gain on disposal group classified as held for sale of approximately \$2.45 million (which relates to the disposal of our subsidiary in Vietnam, Key Bay Furniture Co., Ltd, the completion of which was previously announced on 11 May 2020 via SGXNet) and various government grants and incentives which were offset against a decrease in interest income.

#### Selling and distribution expenses

Selling and distribution expenses decreased by 25% to \$0.01 million in HYFY2021 as compared to \$0.13 million in HYFY2020. The decrease was primarily due to cost savings arising from no commission payment, lower marketing and entertainment expenses, which were offset against the increase in freight charges arising from the higher export sales of doors.

#### Administrative expenses

Administrative expenses decreased by 57% to \$1.32 million in HYFY2021 as compared to \$3.1 million in HYFY2020. The decrease was mainly due to unrealized foreign exchange gain in HYFY2021 recorded as a result of the strengthening of the Australian Dollar and Indonesian Rupiah relative to the Singapore dollar as compared to a unrealized foreign exchange loss recorded previously in HYFY2020. In addition, there were lower staff cost, professional fees and travelling expenses in view of the travel restrictions due to the onset of the COVID-19 pandemic, as compared to the administrative expenses incurred in HYFY2020 offset against the increase in impairment loss on development properties in HYFY2021.

#### Finance costs

Finance costs increased by 7% from \$0.11 million in HYFY2020 to \$0.12 million in HYFY2021. The increase was mainly due to higher loan interest from term loan offset against lower interest cost resulting from lower import loan drawn down or utilized.

#### Profit for the period HYFY2021

The Group posted a profit from continuing operations of \$2.70 million in HYFY2021 as compared to a loss of \$2.80 million in HYFY2020. With the inclusion of the loss from discontinued operations, the profit attributable to equity holders of the Company would be \$2.79 million in HYFY2021 compared to a loss of \$3.40 million in HYFY2020.

## **(B) Discontinued operations**

Discontinued operations relate to Dongguan Lebex Doors Co. Ltd and KLW (HK) Limited. These two entities are considered as part of a cash generating unit. The loss from discontinued operations amounting to \$0.53 million is in respect of losses incurred in the current financial period.

## **Review of the Balance Sheet of the Group**

### Non-current assets

Property, plant and equipment decreased by 3% from \$8.39 million as at 31 March 2020 to \$8.13 million as at 30 September 2020 mainly due to depreciation of property, plant and equipment.

### Current assets

Development properties increased by 9% from \$38.79 million as at 31 March 2020 to \$42.26 million as at 30 September 2020 mainly due to the strengthening of exchange rate of the Indonesia Rupiah and the Australian dollars against the Singapore dollar, which is the reporting currency of the Group and offset against the impairment loss recognised as at 30 September 2020.

Prepayments, trade and other receivables decreased by 18% from \$5.47 million as at 31 March 2020 to \$4.51 million as at 30 September 2020 mainly due to decrease in trade receivables in its China plant whereby the production activity has ceased due to restructuring, resulting in collection of all accounts receivables owed to the subsidiary which were offset against the increase in trade receivables in its Malaysia factory due to increased export sales. Contract assets decreased by 16% from \$0.37 million as at 31 March 2020 to \$0.32 million as at 30 September 2020 due to payment received for local supply and installation project.

Cash and cash equivalents increased by 40% from \$12.67 million as at 31 March 2020 to \$17.75 million as at 30 September 2020 mainly due to the sales proceeds received from disposal of its subsidiary in Vietnam (the completion of which was previously announced on 11 May 2020 via SGXNet) which was offset against cash used for working capital needs.

### Current liabilities

Trade and other payables decreased by 18% from \$6.67 million as at 31 March 2020 to \$5.50 million as at 30 September 2020 mainly due to reversal of deposit received from pursuant to the completion of the disposal of the subsidiary in Vietnam, offset against increase in other payables. Borrowings decreased by 40% from \$1.63 million as at 31 March 2020 to \$0.99 million as at 30 September 2020. This is mainly due to settlement of foreign currency loan against import and lease liabilities. Provision for restructuring decreased by 22% from \$2.22 million as at 31 March 2020 to \$1.73 million as at 30 September 2020 due to payment of professional fees pertaining to the restructuring exercise in relation to the voluntary winding up of the subsidiary in China.

### Equity

Total equity increased by 5% from \$71.21 million as at 31 March 2020 to \$74.46 million as at 30 September 2020 mainly due to the profit recognized in HYFY2021.

## **Cash Flow Statement Review**

The Group's net cash used in operating activities for HYFY2021 was \$3.60 million as compared to \$5.03 million for HYFY2020. Net cash used in operating activities in HYFY2021 was mainly due to working capital use.

Net cash generated from investing activities for HYFY2021 was \$9.30 million as compared to \$3.44 million for HYFY2020. Net cash generated from investing activities in HYFY2021 was mainly due to the sales proceeds received from disposal of its subsidiary in Vietnam (the completion of which was previously announced on 11 May 2020 via SGXNet).

Net cash used in financing activities for HYFY2021 was \$0.59 million as compared to \$0.49 million for HYFY2020. Net cash used in financing activities in HYFY2021 was mainly due to the net payment of the foreign currency loans against import, lease payments and interest.

As a result of the above, the Group's cash and cash equivalents stood at \$17.76 million as at 30 September 2020.

- 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 unprecedented COVID-19 pandemic and the measures taken by globally to attempt to quell and control the spread of the pandemic continues to have a dampening effect on global economic prospects, economic growth and demand, which shows little signs of abating.

For the Door business, the order book's visibility for the foreseeable future remains limited and clouded, as the Group continues to navigate the increasingly challenging operating environment. The Group is mindful and watchful of the consumer sentiment in the United Kingdom, the Group's largest market by revenue, which continues to be affected by the COVID-19 pandemic. In addition, Malaysia has recently announced a month-long conditional movement order until 6 December 2020. The Group will be monitoring the impact of this recent announcement and will make the necessary announcements on any material developments.

For the Property business, the Group continues to press ahead with the necessary applications for various permits and licences for its proposed property development in Jakarta which is also badly affected by the partial lockdown, amid an increasing number of daily infections. Over in Melbourne, which has recently seen a wave of infections and a city wide lockdown, the Group continues to be mindful, evaluating the best commercial options for its Melbourne asset.

- 11** If a decision regarding dividend has been made:

- (a) Whether an interim (final) ordinary dividend has been declared (recommended); and**

None.

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

Not applicable

- (b)(ii) Previous corresponding period**

Not applicable.

- (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).**

Not applicable.

- (d) The date the dividend is payable.**

Not applicable.

- (e) The date on which Registrable Transfers received by the company (up to 5:00pm) will be registered before entitlements to the dividend are determined.**

Not applicable.

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

No dividend has been declared or recommended for the financial period as the Group was not in a financial position to declare dividends.

- 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 mandate has been obtained, a statement to that effect.**

The Group has not obtained a general mandate for interested person transactions.

<b>Name of Interested Person</b>	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Not applicable	-	-

- 14 Negative confirmation pursuant to Rule 705(5).**

The Directors of the Company hereby confirm on behalf of the Board of Directors of the Company, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited half year financial results of the Company and the Group for the period ended 30 September 2020 to be false or misleading in any material aspect.

- 15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).**

The Company confirms that it has procured undertakings from all its Directors and executive officers (in the format set out in Appendix 7H) in accordance with Rule 720(1) of the Catalist Rules.

**On behalf of the Board**

Gloria Wong  
Executive Director  
14 November 2020