



**FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT  
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020**

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

**Consolidated Statement of Profit or Loss and Other Comprehensive Income**

	<b>Group</b>		<b>Increase/ (Decrease) %</b>
	<b>Year ended 30 September 2020 S\$'000</b>	<b>2019 S\$'000</b>	
<b>Revenue</b>	14,282	14,260	0.2%
Cost of sales	(9,839)	(10,016)	(1.8%)
Gross profit	4,443	4,244	4.7%
Other operating income	1,121	216	n.m <sup>(1)</sup>
Marketing and distribution expenses	(326)	(458)	(28.8%)
Administrative expenses	(5,241)	(5,420)	(3.3%)
Other operating expenses	(625)	(347)	80.1%
Interest revenue	20	32	(37.5%)
Other gains and losses	(161)	8	n.m <sup>(1)</sup>
Finance costs	(254)	-	n.m <sup>(1)</sup>
<b>Loss before tax</b>	(1,023)	(1,725)	(40.7%)
Income tax expense	(125)	(39)	n.m <sup>(1)</sup>
<b>Loss for the year</b>	(1,148)	(1,764)	(34.9%)
<b>Other comprehensive income:</b>			
<b>Items that may be reclassified subsequently to profit or loss</b>			
Exchange differences on translation of foreign operations	15	(15)	n.m <sup>(1)</sup>
<b>Other comprehensive loss for the year, net of tax</b>	15	(15)	n.m <sup>(1)</sup>
<b>Total comprehensive loss for the year</b>	(1,133)	(1,779)	(36.3%)
<b>(Loss) income attributable to:</b>			
Owners of the Company	(1,468)	(2,143)	(31.5%)
Non-controlling interests	320	379	(15.6%)
	(1,148)	(1,764)	(34.9%)
<b>Total comprehensive (loss) income attributable to:</b>			
Owners of the Company	(1,453)	(2,158)	(32.7%)
Non-controlling interests	320	379	(15.6%)
	(1,133)	(1,779)	(36.3%)
<b>Basic and diluted loss per share (cents)</b>	(1.31)	(1.91)	(31.4%)

**Note:**

- (1) n.m. denotes not meaningful.

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**1(a)(ii) Notes to consolidated statement of profit or loss and other comprehensive income**

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

	<b>Group</b>		<b>Increase/ (Decrease) %</b>
	<b>Year ended 30 September 2020 S\$'000</b>	<b>2019 S\$'000</b>	
Other operating income:			
Grant income	931	77	n.m <sup>(1)</sup>
Sundry income	190	139	n.m <sup>(1)</sup>
	<u>1,121</u>	<u>216</u>	<u>n.m <sup>(1)</sup></u>
Interest revenue:			
Interest income from bank deposits	<u>20</u>	<u>32</u>	<u>(37.5%)</u>
Interest expense on lease liabilities	(254)	-	n.m <sup>(1)</sup>
Depreciation of property, plant and equipment	(556)	(577)	(3.6%)
Depreciation of right-of-use assets	(1,391)	-	n.m <sup>(1)</sup>
Amortisation of intangible assets	(239)	(239)	-
Net foreign exchange (losses) gains	(31)	18	n.m <sup>(1)</sup>
Loss on disposal of property, plant and equipment	(130)	(10)	n.m <sup>(1)</sup>
Impairment loss of goodwill	(200)	-	n.m <sup>(1)</sup>
Adjustments for under provision of tax in respect of prior year	-	(6)	n.m <sup>(1)</sup>
Loss allowance on trade receivables and contract assets, net	(6)	(3)	n.m <sup>(1)</sup>
Allowance for inventory obsolescence	(15)	(21)	(28.6%)
Inventory written-off	(297)	-	n.m <sup>(1)</sup>

**Note:**

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

**Statements of Financial Position**

	<b>Group</b>		<b>Company</b>	
	<b>As at</b>		<b>As at</b>	
	<b>30.09.20</b>	<b>30.09.19</b>	<b>30.09.20</b>	<b>30.09.19</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b><u>ASSETS</u></b>				
<b>Current assets</b>				
Cash and cash equivalents	9,193	8,314	3,787	4,455
Trade and other receivables	2,701	2,370	1,203	623
Contract assets	871	1,840	-	-
Inventories	2,228	2,743	-	-
<b>Total current assets</b>	<b>14,993</b>	<b>15,267</b>	<b>4,990</b>	<b>5,078</b>
<b>Non-current assets</b>				
Property, plant and equipment	2,685	3,355	-	-
Right-of-use assets	10,195	-	-	-
Intangible assets	1,501	1,940	-	-
Subsidiaries	-	-	4,240	4,040
<b>Total non-current assets</b>	<b>14,381</b>	<b>5,295</b>	<b>4,240</b>	<b>4,040</b>
<b>Total assets</b>	<b>29,374</b>	<b>20,562</b>	<b>9,230</b>	<b>9,118</b>
<b><u>LIABILITIES AND EQUITY</u></b>				
<b>Current liabilities</b>				
Trade and other payables	1,197	1,486	236	216
Contract liabilities	1,034	262	-	-
Lease liabilities	987	-	-	-
Income tax payable	203	192	12	11
<b>Total current liabilities</b>	<b>3,421</b>	<b>1,940</b>	<b>248</b>	<b>227</b>
<b>Non-current liabilities</b>				
Deferred tax liabilities	192	217	-	-
Lease liabilities	9,473	-	-	-
Other payables	335	412	-	-
<b>Total non-current liabilities</b>	<b>10,000</b>	<b>629</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>13,421</b>	<b>2,569</b>	<b>248</b>	<b>227</b>
<b>Capital, reserves and non-controlling interests</b>				
Share capital	5,245	5,245	5,245	5,245
Reserves	8,973	11,039	3,737	3,646
Equity attributable to owners of the Company	14,218	16,284	8,982	8,891
Non-controlling interests	1,735	1,709	-	-
<b>Total equity</b>	<b>15,953</b>	<b>17,993</b>	<b>8,982</b>	<b>8,891</b>
<b>Total liabilities and equity</b>	<b>29,374</b>	<b>20,562</b>	<b>9,230</b>	<b>9,118</b>

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- (b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:

	As at 30 September 2020		As at 30 September 2019	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable in one year or less, or on demand	-	-	-	-
Amount repayable after one year	-	-	-	-

**Details of any collateral**

Nil

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

**Consolidated Statement of Cash Flows**

	<b>Group</b>	
	<b>Year ended 30 September</b>	<b>2019</b>
	<b>2020</b>	<b>2019</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Operating activities</b>		
Loss before tax	(1,023)	(1,725)
Adjustments for:		
Interest income	(20)	(32)
Interest expense on lease liabilities	254	-
Depreciation of property, plant and equipment	556	577
Depreciation of right-of-use assets	1,391	-
Amortisation of intangible assets	239	239
Amortisation of deferred income	(81)	(57)
Loss allowance on trade receivables and contract assets, net	6	3
Allowance for inventory obsolescence	15	21
Inventory written-off	297	-
Net foreign exchange (gain) loss	23	(16)
Loss on disposal of property, plant and equipment	130	10
Impairment loss of goodwill	200	-
Operating cash flows before movements in working capital	1,987	(980)
Inventories	203	(286)
Trade and other receivables	(331)	815
Contract assets	963	(88)
Trade and other payables	(272)	(281)
Contract liabilities	772	31
Cash generated from (used in) operations	3,322	(789)
Income tax paid	(138)	(116)
Interest paid on lease liabilities	(254)	-
Net cash generated from (used in) operating activities	2,930	(905)
<b>Investing activities</b>		
Purchase of property, plant and equipment	(112)	(139)
Interest received	20	32
Proceeds from disposal of property, plant and equipment	96	2
Net cash generated from (used in) investing activities	4	(105)
<b>Financing activities</b>		
Dividends paid	(336)	(560)
Dividends paid to non-controlling shareholders by subsidiary	(294)	(294)
Repayment of lease liabilities	(1,402)	-
Net cash used in financing activities	(2,032)	(854)
Net increase (decrease) in cash and cash equivalents	902	(1,864)
Cash and cash equivalents at beginning of year	8,314	10,162
Effects of foreign exchange rate changes on the balance of cash held in foreign currencies	(23)	16
Cash and cash equivalents at end of year	9,193	8,314

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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.

**Statements of Changes in Equity**

<b>The Group</b>	Share capital S\$'000	Translation reserve S\$'000	Capital reserves S\$'000	Merger reserve S\$'000	Retained earnings S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total S\$'000
<b>Balance at 1 October 2019</b>	5,245	(72)	277	19	10,815	16,284	1,709	17,993
Adjustment on initial application of SFRS(I) 16	-	-	-	-	(277)	(277)	-	(277)
<b>Adjusted balance at 1 October 2019</b>	5,245	(72)	277	19	10,538	16,007	1,709	17,716
<b>Total comprehensive (loss) income for the period</b>								
(Loss) profit for the period	-	-	-	-	(1,468)	(1,468)	320	(1,148)
Other comprehensive income for the period	-	15	-	-	-	15	-	15
<b>Total</b>	-	15	-	-	(1,468)	(1,453)	320	(1,133)
<b>Transactions with owners, recognised directly in equity</b>								
Dividends	-	-	-	-	(336)	(336)	-	(336)
Dividends paid to non-controlling shareholders by subsidiary	-	-	-	-	-	-	(294)	(294)
<b>Total</b>	-	-	-	-	(336)	(336)	(294)	(630)
<b>Balance at 30 September 2020</b>	5,245	(57)	277	19	8,734	14,218	1,735	15,953

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<b>The Group</b>	Share capital S\$'000	Translation reserve S\$'000	Capital reserves S\$'000	Merger reserve S\$'000	Retained earnings S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total S\$'000
<b>Balance at 1 October 2018</b>	5,245	(57)	277	19	13,518	19,002	1,624	20,626
<b>Total comprehensive (loss) income for the period</b>								
(Loss) profit for the period	-	-	-	-	(2,143)	(2,143)	379	(1,764)
Other comprehensive loss for the period	-	(15)	-	-	-	(15)	-	(15)
<b>Total</b>	-	(15)	-	-	(2,143)	(2,158)	379	(1,779)
<b>Transactions with owners, recognised directly in equity</b>								
Dividends	-	-	-	-	(560)	(560)	-	(560)
Dividends paid to non-controlling shareholders by subsidiary	-	-	-	-	-	-	(294)	(294)
	-	-	-	-	(560)	(560)	(294)	(854)
<b>Balance at 30 September 2019</b>	5,245	(72)	277	19	10,815	16,284	1,709	17,993

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<b>The Company</b>	Share capital S\$'000	Retained earnings S\$'000	Total S\$'000
<b>Balance at 1 October 2019</b>	5,245	3,646	8,891
<b>Profit for the period, representing total comprehensive income for the period</b>	-	427	427
<b>Transactions with owners, recognised directly in equity</b>			
Dividends	-	(336)	(336)
<b>Balance at 30 September 2020</b>	<u>5,245</u>	<u>3,737</u>	<u>8,982</u>
<b>Balance at 1 October 2018</b>	5,245	3,777	9,022
<b>Profit for the period, representing total comprehensive income for the period</b>	-	429	429
<b>Transactions with owners, recognised directly in equity</b>			
Dividends	-	(560)	(560)
<b>Balance at 30 September 2019</b>	<u>5,245</u>	<u>3,646</u>	<u>8,891</u>

- 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.**

There were no changes in the Company's share capital since the end of the previous period reported on, being 31 March 2020 and 30 September 2020.

The Company did not have any outstanding convertibles, treasury shares or subsidiary holdings as at 30 September 2020 and 30 September 2019.

- 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.**

	<u>No of ordinary shares</u>	
	<u>As at 30 September</u>	
	<u>2020</u>	<u>2019</u>
Total number of issued shares excluding treasury shares	<u>112,000,000</u>	<u>112,000,000</u>

There were no treasury shares as at 30 September 2020 and 30 September 2019.



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

Not applicable as the Company did not have any treasury shares.

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

Not applicable as the Company did not have any subsidiary holdings.

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

The figures have not been audited or reviewed by the auditors of the Company.

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

Not applicable as the figures have not been audited or reviewed.

**3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-**

**(a) Updates on effort taken to resolve each outstanding audit issue.**

**(b) Confirmation from the Board that the impact of all outstanding audit issues on financial statements have been adequately disclosed.**

**This is not required for any audit issue that is a material uncertainty relating to going concern.**

Not applicable as the Company's financial statements are not subject to any adverse opinion, qualified opinion or disclaimer of opinion.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Save as disclosed in section 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the financial year ended 30 September 2020 as its most recently audited financial statements for the financial year ended 30 September 2019.

**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 SFRS(I) and Interpretations of SFRS(I) ("**INT SFRS(I)**") that are relevant to the Group and effective for the financial period beginning on 1 October 2019. The adoption of these new and revised SFRS(I) and INT SFRS(I) do not result in changes to the Group's accounting policies and have no material effect on the amounts reported for the current or prior periods except as disclosed below:

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*Adoption of SFRS(I) 16 Leases*

SFRS(I) 16 *Leases* requires the lessee to recognise qualifying leases on balance sheet. On adoption of SFRS(I) 16, *Leases*, the Group has recognised an asset being the right to use the leased item (i.e. the right-of-use (ROU) assets) and recognised a lease liability representing the liability to make rental payments.

Qualifying rental payments were no longer taken to expenses. The future rental payments are discounted using the incremental borrowing rate and recognised as lease liabilities. The lease liabilities are allocated between rental payment and interest expense where the rental payment is presented as part of financing activities and the interest expense is presented within operating activities. The corresponding right-of-use assets are depreciated over the term of the lease.

In adopting SFRS(I) 16 *Leases*, the Group has used the modified retrospective approach whereby the cumulative effect of adopting SFRS(I) 16 *Leases* will be recognised as an adjustment to the opening balance of retained earnings as at 1 October 2019, with no restatement of comparative information.

The adoption of SFRS(I) 16 *Leases* resulted in adjustments to the statement of financial position of the Group as at 1 October 2019. The impact to the statement of financial position as previously reported as at 30 September 2019 are as follows:

<b>Statement of Financial Position - Consolidated</b>	<b>As at 1 October 2019</b>
	<b>Increase / (Decrease)</b>
	S\$'000
Right-of-use assets	11,585
<b>Total assets</b>	<b>11,585</b>
Lease liabilities	11,862
<b>Total liabilities</b>	<b>11,862</b>
Retained earnings	(277)
Non-controlling interests	-
<b>Total equity and liabilities</b>	<b>11,585</b>

**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:**

**(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).**

**Loss per Share ("LPS")**

	<b>Group</b>	
	<b>Year ended 30 September</b>	<b>2019</b>
	<b>2020</b>	<b>2019</b>
Loss attributable to owners of the Company (S\$'000)	(1,468)	(2,143)
Weighted average number of ordinary shares ('000)	112,000	112,000
LPS - Basic and diluted (cents)	<u>(1.31)</u>	<u>(1.91)</u>

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LPS is calculated based on loss attributable to owners of the Company divided by the weighted average number of ordinary shares in issue. There were no dilutive equity instruments for the financial years ended 30 September 2020 and 30 September 2019.

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

**Net Asset Value (“NAV”)**

	Group		Company	
	As at 30 September 2020	2019	As at 30 September 2020	2019
NAV per ordinary share (cents)	12.69	14.54	8.02	7.94
Number of ordinary shares used in computation of NAV per ordinary share ('000)	112,000	112,000	112,000	112,000

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

**Review of the Group’s Financial Performance**

**Revenue**

For the sales of doors and shutter systems, the Group typically experiences a fluctuation in revenue contribution from its customers from period to period due to the project-based nature of its business. The Group’s projects differ in their scope and size and are typically non-recurring.

Revenue for the financial year ended 30 September 2020 (“FY2020”) was S\$14.28 million, a slight increase of S\$22,000 or 0.2% as compared to S\$14.26 million for the previous financial year ended 30 September 2019 (“FY2019”). The increase in revenue was due to an increase in the Group’s sales of doors and shutter systems which was partially offset by a decrease in revenue from the provision of service and maintenance work and a decrease in revenue from trading of production components, as follows:

- (i) The Group’s overall sales of doors and shutter system increased by S\$0.73 million or 13.2% from S\$5.51 million in FY2019 to S\$6.24 million in FY2020. The increase was mainly due to the increase in the Group’s sales of manufactured products of S\$0.86 million but with a lower revenue recorded in the sales of distributed products of S\$0.13 million;
- (ii) The Group’s provision of service and maintenance work decreased by S\$0.14 million or 5.9% from S\$2.36 million in FY2019 to S\$2.22 million in FY2020; and
- (iii) The Group’s trading of production component revenue recorded a decrease in revenue of S\$0.57 million or 8.9% from S\$6.39 million in FY2019 to S\$5.82 million in FY2020.

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Despite the negative impact of the Covid-19 pandemic, the Group achieve a slightly higher revenue for the whole of FY2020. In the first half year from 1 October 2019 to 31 March 2020, the Group had achieved an increase in revenue of S\$3.69 million mainly due to the substantial completion on installation of the doors and shutter systems of some projects (including projects which were spilled over from prior period). However this was partially offset by a decrease in revenue of S\$3.67 million in the second half year from 1 April 2020 to 30 September 2020 as most of the Group's operations in Singapore (apart from provision of emergency repair and maintenance services for essential sectors) were temporarily suspended during the Circuit Breaker period from 7 April to 1 June 2020. After the Circuit Breaker was lifted, the Group's projects for doors and shutter systems encountered delays in the scheduled installation works as the Covid-19 pandemic impeded the progress of construction projects. Please refer to section 18 for a breakdown in sales between the first half year and the second half year of FY2020.

**Cost of sales**

Cost of sales decreased by S\$0.18 million or 1.8% from S\$10.02 million in FY2019 to S\$9.84 million in FY2020 mainly due to a decrease in labour and overhead costs of S\$0.27 million and partially offset by a slight increase in material costs of S\$0.09 million.

**Gross profit**

Gross profit increased by S\$0.20 million or 4.7% from S\$4.24 million in FY2019 to S\$4.44 million in FY2020. Gross profit margin increased from 29.8% in FY2019 to 31.1% in FY2020. The higher gross profit margin was mainly due to higher sales in manufactured products which typically have better margins.

**Other operating income**

Other operating income increased by S\$0.90 million from S\$0.22 million in FY2019 to S\$1.12 million in FY2020. The increase was mainly due to government grants and relief relating to the Covid-19 pandemic, such as the Jobs Support Scheme, rental reliefs and foreign workers levy totaling S\$0.93 million in FY2020.

**Marketing and distribution expenses**

Marketing and distribution expenses decreased by S\$0.13 million or 28.8% from S\$0.46 million in FY2019 to S\$0.33 million in FY2020. This was mainly due to a decrease in freight charges, motor vehicle rental expenses and upkeep expenses.

**Administrative expenses**

Administrative expenses decreased by S\$0.18 million or 3.3% from S\$5.42 million in FY2019 to S\$5.24 million in FY2020. The decrease was mainly due to a decrease in personnel cost of S\$0.24 million from staff attrition and a decrease in rental expenses of S\$0.25 million which were partially offset by an increase in depreciation on rights-of-use assets of S\$0.29 million.

**Other operating expenses**

Other operating expenses increased by S\$0.28 million or 80.1% from S\$0.35 million in FY2019 to S\$0.63 million in FY2020. The increase was mainly due to an impairment loss of goodwill acquired in a business combination of S\$0.20 million. The impairment loss of goodwill acquired in a business combination arise when the Group wrote down the recoverable amount of the cash-generating unit.

**Interest revenue**

Interest revenue which mainly comprise interest from bank deposits, decreased from S\$32,000 in FY2019 to S\$20,000 in FY2020.

**Other gains and losses**

Other gains and losses reversed from a net gain of S\$8,000 in FY2019 to a net loss of S\$161,000 in FY2020. The loss was mainly due to an increase in loss on disposal of fixed assets relating to machinery and equipment of S\$120,000 and a higher net foreign exchange loss of S\$49,000 arising from the translation of trade receivables, payables and bank balances denominated in US\$ in FY2020. The disposal of machinery and equipment was part of the Group's cost control measures in managing maintenance expenses.

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**Finance costs**

There was an increase in finance costs of S\$0.25 million arising from interest expense in lease liabilities following the adoption of SFRS(I) 16 *Leases*.

**Income tax expense**

Income tax expense increased by S\$86,000 from S\$39,000 in FY2019 to S\$125,000 in FY2020. The increase was due to a lower tax refund and lower reversal of over provision of tax as compared to FY2019.

**Loss for the year**

As a result of the above, the Group recorded a loss of S\$1.15 million in FY2020 as compared to loss of S\$1.76 million in FY2019.

**Review of the Group's Financial Position**

**Current assets**

Current assets decreased by S\$0.28 million from S\$15.27 million as at 30 September 2019 to S\$14.99 million as at 30 September 2020, as a result of the following:

- (i) a decrease in contract assets of S\$0.97 million;
- (ii) a decrease in inventories of S\$0.52 million, and partially offset by
- (iii) an increase in cash and cash equivalents of S\$0.88 million; and
- (iv) an increase in trade and other receivables of S\$0.33 million

**Non-current assets**

Non-current assets increased by S\$9.08 million from S\$5.30 million as at 30 September 2019 to S\$14.38 million as at 30 September 2020. The increase in non-current assets was mainly due to the adoption of SFRS(I) 16 *Leases* where right-of-use assets of S\$10.20 million was recognised. The increase was partially offset by impairment loss of goodwill of S\$0.20 million and lower net book value in property, plant and equipment and intangible assets arising from depreciation and amortisation charges.

**Current liabilities**

Current liabilities increased by S\$1.48 million from S\$1.94 million as at 30 September 2019 to S\$3.42 million as at 30 September 2020. The increase in current liabilities was a result of mainly the following:

- (i) an increase in lease liabilities of S\$0.99 million arising from the adoption of SFRS(I) 16 *Leases*;
- (ii) an increase in contract liabilities of S\$0.77 million, and partially offset by
- (iii) a decrease in trade and other payables of S\$0.29 million.

**Non-current liabilities**

Non-current liabilities increased by S\$9.37 million from S\$0.63 million as at 30 September 2019 to S\$10.00 million as at 30 September 2020. The increase in non-current liabilities was mainly due to an increase in lease liabilities of S\$9.47 million arising from the adoption of SFRS(I) 16 *Leases*.

**Capital, reserves and non-controlling interests**

Total equity was S\$15.95 million as at 30 September 2020 as compared to S\$17.99 million as at 30 September 2019.

**Review of the Group's Cash Flows**

**Net cash generated from operating activities**

In FY2020, the Group generated cash from operating activities before changes in working capital of S\$1.99 million. The Group's net working capital inflow amounted to S\$1.33 million and was mainly due to a decrease in contract assets of S\$0.96 million, an increase in contract liabilities of S\$0.77 million and a decrease in inventories of S\$0.20 million which were partially offset by an increase in trade and other receivables of S\$0.33 million and a decrease

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in trade and other payables of S\$0.27 million. After income tax paid of S\$0.14 million and interest paid on lease liabilities of S\$0.25 million, the Group generated net cash from operating activities of S\$2.93 million in FY2020.

**Net cash used in investing activities**

Net cash generated from investing activities amounted to S\$4,000, mainly due to proceeds from disposal of property, plant and equipment of S\$0.10 million and interest received of S\$0.02 million, partially offset by the purchase of property, plant and equipment of S\$0.11 million.

**Net cash used in financing activities**

Net cash used in financing activities was S\$2.03 million due to repayment of lease liabilities of S\$1.40 million and payment of dividends of S\$0.63 million.

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

The Group's financial results for FY2020 are in line with the Company's profit guidance announcement dated 12 November 2020, and the trends and competitive conditions previously disclosed in the Company's announcement dated 8 May 2020 in relation to its results for the first half year ended 31 March 2020.

**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 doors and shutter solutions industry continues to be challenging and competitive. The Group continues to focus on innovations and production efficiency to stay competitive.

The Covid-19 pandemic has weighed in on the already challenging business and operation environment. The Singapore Government's directives to implement the Circuit Breaker to contain the spread of Covid-19 has resulted in a temporary suspension of majority of the Group's business operations from 7 April to 1 June 2020.

Despite the Group being permitted to resume business operations after the lifting of the Circuit Breaker, the Group continues to face challenges and disruptions, including having workers living in dormitories recalled and placed under quarantine whenever notified by the authorities.

In the near term, the Group expects a slow recovery in its sales of doors and shutter systems in particular for construction projects, where it acts as one of the end-process contractors. Further the Group anticipates to continue to experience delays in some scheduled installations works as the Covid-19 pandemic is expected to impede the progress of construction projects. In respect of trading of production components in global markets, the Group expects to see a decline in business volume particularly in countries that are still battling the pandemic.

As the circumstances arising from the Covid-19 pandemic are still evolving and fluid, the Board expects the Group's prospects in the months ahead to remain weak. The Covid-19 pandemic is expected to continue to disrupt the Group's sales and marketing efforts in overseas markets. The Group will continue its efforts to leverage on technology in enhancing its distribution channels and to harness its research and development capabilities in introducing new shutter products. The Group will continually evaluate strategies to navigate through market uncertainties.

**11. Dividend**

**(a) Dividend declared (recommended) for the current financial period reported on**

No dividend is declared or recommended for FY2020.

**(b) Dividend declared (recommended) for the corresponding period of the immediately preceding financial year**

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Yes. The following first and final dividend in respect of FY2019 was paid to the Company's shareholders on 7 February 2020:

	<b>FY2019</b>
Name of dividend	First and final dividend
Type of dividend	Cash
Dividend per ordinary share	0.3 Singapore cent
Total annual dividend	S\$336,000

**(c) Whether the dividend is before tax, net of tax, or tax exempt.**

Not applicable.

**(d) Date payable**

Not applicable.

**(e) Books closure date**

Not applicable.

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

After careful deliberation, the Board has decided not to declare or recommend any dividend for FY2020 so as to conserve cash for working capital requirements during the uncertain business environment amidst the Covid-19 pandemic.

**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 Company has not obtained a general mandate from its shareholders for IPTs. During FY2020, there were no IPTs entered into by the Group.

**14. 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 already procured signed undertakings from all its directors and relevant executive officers in the format as set out in Appendix 7H of SGX-ST Listing Manual Section B: Rules of Catalyst ("Catalist Rules") in accordance with Rule 720(1) of the Catalist Rules.

**15. Acquisition or sale of shares in subsidiaries and/or associated companies under Rule 706(A)**

On 23 December 2019, the Company announced that it has established a wholly-owned subsidiary, known as Homegardd Pte. Ltd. ("**Homegardd**") in Singapore and on 6 April 2020, the Company announced that it has increased the paid-up share capital of Homegardd.

Save as disclosed above, there is no other acquisition and/or sale of shares in any subsidiaries or associated companies of the Group during FY2020 which is required to be reported under Rule 706(A) of the Catalist Rules.

**Part II Additional Information Required for Full Year Announcement**

16. **Segmented revenue and results for operating 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.**

**By business segment**

The Group operates and manages its business primarily as a single operating segment in the manufacture and supply of door and shutter systems and provision of service and maintenance works. As such, no operating segmental revenue and results have been prepared.

**By geographical segment**

The Group operates mainly in the geographical areas of Singapore, Europe, Australia, United States of America, Middle East, Greater China and Others. The Group's revenue from external customers by geographical locations are as follows:

Revenue from external customers (based on location of customers)	<b>Group</b>	
	<b>Year ended 30 September</b>	
	<b>2020</b>	<b>2019</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Singapore	8,184	7,304
Europe	4,562	5,050
Australia	640	857
United States of America	309	263
Middle East	278	381
Greater China	77	214
Others	232	191
<b>Total</b>	<b>14,282</b>	<b>14,260</b>

17. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

Please refer to section 8 of this announcement for the review of the performance of the Group.



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**18. A breakdown of sales as follows:**

	<b>Group</b>		<b>Increase/ (Decrease) %</b>
	<b>Year ended 30 September 2020 S\$'000</b>	<b>2019 S\$'000</b>	
(a) Sales reported for first half year	9,626	5,936	62.2%
(b) Operating profit (loss) after tax before deducting non-controlling interests reported for first half year	820	(1,182)	n.m <sup>(1)</sup>
(c) Sales reported for second half year	4,656	8,324	(44.1%)
(d) Operating loss after tax before deducting non-controlling interests reported for second half year	(1,968)	(582)	n.m <sup>(1)</sup>

**Note:**

(1) n.m. denotes not meaningful.

**19. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:**

	<b>Group</b>	
	<b>Year ended 30 September 2020 S\$'000</b>	<b>2019 S\$'000</b>
Ordinary	336	560
Preference	-	-
Total	<u>336</u>	<u>560</u>

**20. 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(10). If there are no such persons, the issuer must make an appropriate negative statement.**

Pursuant to Rule 704(10) of the Catalist Rules, the Company confirms that during FY2020 and up to the date hereof, there has not been any person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

**BY ORDER OF THE BOARD**

**Wong Lok Yung**

**Chairman and Chief Executive Officer**

**18 November 2020**

*This announcement has been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch ("Sponsor") in accordance with Rule 226(2)(b) of the Catalist Rules. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement. The contact person for the Sponsor is Ms Tan Cher Ting, Director, Investment Banking, CIMB Bank Berhad, Singapore Branch, at 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, Telephone: +65 6337 5115.*