



**Full Year Financial Statement And Dividend Announcement for the Year Ended 31 August 2018**

**Part I Information Required for Quarterly (Q1, Q2 & Q3), Half-Year and Full Year Announcements**

**1(a)(i) A statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Group		
	1 Sep 2017 to 31 Aug 2018 S\$'000	Audited 1 Sep 2016 to 31 Aug 2017 S\$'000	Increase/ (Decrease) %
Revenue	64,153	53,213	20.6%
Cost of sales	(51,836)	(42,676)	21.5%
<b>Gross profit</b>	<b>12,317</b>	<b>10,537</b>	<b>16.9%</b>
<b>Other item of income</b>			
Other income	4,344	1,283	238.6%
<b>Other items of expense</b>			
Selling and distribution expenses	(2,752)	(3,219)	-14.5%
Administrative expenses	(7,504)	(7,165)	4.7%
Finance costs	(699)	(778)	-10.2%
Other expenses	(1,802)	(115)	1467.0%
Profit/(Loss) before income tax	3,904	543	619.0%
Income tax expense	(260)	(15)	1633.3%
<b>Profit/(Loss) for the year</b>	<b>3,644</b>	<b>528</b>	<b>590.2%</b>
<b>Other comprehensive income:</b>			
<b>Items that may subsequently be reclassified to profit or loss:</b>			
Foreign currency differences on translation of foreign operations	(666)	161	-513.7%
Fair value gain on available-for-sale financial asset	20,689	2,686	670.3%
Other comprehensive income for the year, net of tax at S\$Nil	20,023	2,847	603.3%
<b>Total comprehensive income for the year</b>	<b>23,667</b>	<b>3,375</b>	<b>601.2%</b>
<b>Profit/(Loss) attributable to:</b>			
Owners of the parent	3,051	(182)	-1776.4%
Non-controlling interests	593	710	-16.5%
	<b>3,644</b>	<b>528</b>	<b>590.2%</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the parent	23,357	2,601	798.0%
Non-controlling interests	310	774	-59.9%
	<b>23,667</b>	<b>3,375</b>	<b>601.2%</b>

N.M. = Not meaningful

**1(a)(ii) The following items have been included in arriving at profit/(loss) before income tax:-**

	Group		
	1 Sep 2017 to 31 Aug 2018 S\$'000	Audited 1 Sep 2016 to 31 Aug 2017 S\$'000	Increase/ (Decrease) %
Bad debts recovered - trade receivables	24	24	0.0%
Bad debts written off - other receivables	-	(3)	N.M.
Bad debts written off - trade receivables	(1)	(6)	-83.3%
Depreciation of investment properties	(26)	(149)	-82.6%
Depreciation of property, plant and equipment	(2,345)	(2,725)	-13.9%
Employee benefits expenses	(12,111)	(11,020)	9.9%
Fair value (loss)/gain on derivative financial instruments	5	(29)	-117.2%
Gain on disposal of a subsidiary	-	23	N.M.
Gain/(Loss) on disposal of property, plant and equipment	(7)	218	-103.2%
Gain/(Loss) on disposal of non current asset held for sale	2,715	-	N.M.
Gain/(Loss) on foreign exchange, net	776	(77)	-1107.8%
Impairment loss for trade receivables	(1,792)	*	N.M.
Interest income	25	28	-10.7%
Interest on borrowings	(605)	(661)	-8.5%
Inventories written off	(50)	(3)	1566.7%
Rental income	550	541	1.7%
Reversal of inventories write-down	245	232	5.6%
Write-back of impairment loss for other receivables	-	5	N.M.
Write-back of impairment loss for trade receivables	-	18	N.M.
Write-down for inventories obsolescence	(556)	(632)	-12.0%

\* denotes amounts less than \$1,000

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.

	Group		Company	
	As at 31 Aug 2018 S\$'000	Audited As at 31 Aug 2017 S\$'000	As at 31 Aug 2018 S\$'000	Audited As at 31 Aug 2017 S\$'000
<b>Non-current assets</b>				
Property, plant and equipment	14,622	15,332	-	2
Intangible assets	1,647	1,647	-	-
Investment properties	498	524	-	-
Investments in subsidiaries	-	-	23,620	23,620
Available-for-sale financial asset	27,380	6,795	27,380	6,795
Other receivables	74	289	-	-
	44,221	24,587	51,000	30,417
<b>Current assets</b>				
Inventories	18,247	16,099	-	-
Trade and other receivables	22,406	16,416	11	17
Prepayments	433	422	20	20
Derivative financial instruments	5	-	-	-
Cash and cash equivalents	5,583	2,992	2	6
	46,674	35,929	33	43
Non-current asset held for sale	2,822	1,449	2,822	-
	49,496	37,378	2,855	43
Less:				
<b>Current liabilities</b>				
Trade and other payables	16,511	11,598	6,013	5,148
Interest bearing liabilities	14,107	12,982	-	-
Derivative financial instruments	-	29	-	-
Current income tax payable	339	368	-	-
	30,957	24,977	6,013	5,148
<b>Net current assets/(liabilities)</b>	18,539	12,401	(3,158)	(5,105)
Less:				
<b>Non-current liabilities</b>				
Interest bearing liabilities	2,708	2,616	-	-
Deferred tax liabilities	2,738	580	2,294	-
	5,446	3,196	2,294	-
<b>Net assets</b>	57,314	33,792	45,548	25,312
<b>Equity</b>				
Share capital	26,700	26,700	26,700	26,700
Reserves	23,631	274	18,848	(1,388)
<b>Equity attributable to owners of the parent</b>	50,331	26,974	45,548	25,312
Non-controlling interests	6,983	6,818	-	-
<b>Total equity</b>	57,314	33,792	45,548	25,312

\* denotes amounts less than \$1,000

1(b)(ii) The aggregate amount of the 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:-

The amount repayable in one year or less, or on demand

As at 31 Aug 2018 (S\$'000)		As at 31 Aug 2017 (S\$'000)	
Secured	Unsecured	Secured	Unsecured
14,107	-	12,982	-

The amount repayable after one year

As at 31 Aug 2018 (S\$'000)		As at 31 Aug 2017 (S\$'000)	
Secured	Unsecured	Secured	Unsecured
2,708	-	2,616	-

Details of collaterals

The Group's borrowings are secured by:

- Corporate guarantee by the Company
- Assignment of rental proceeds from an investment property of a subsidiary
- First legal mortgage of subsidiaries' properties and investment properties
- Assignment of contracts and contract proceeds/charge over account of a subsidiary
- Debenture incorporating a First Floating charge over the receivables of a subsidiary
- Personal guarantee by Director of subsidiary

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.

	Group	
	1 Sep 2017 to 31 Aug 2018 S\$'000	Audited 1 Sep 2016 to 31 Aug 2017 S\$'000
<b>Operating activities</b>		
Profit/(Loss) before income tax	3,904	543
Adjustments for:		
Bad debts written off - other receivables	-	3
Bad debts written off - trade receivables	1	6
Depreciation of investment properties	26	149
Depreciation of property, plant and equipment	2,345	2,725
Fair value (gain)/loss on derivative financial instruments	(5)	29
Gain on disposal of a subsidiary	-	(23)
(Gain)/Loss on disposal of property, plant and equipment	7	(218)
(Gain)/Loss on disposal of non current asset held for sale	(2,715)	-
Impairment loss for trade receivables	1,792	*
Interest expenses	605	671
Interest income	(25)	(28)
Inventories written off	50	3
Reversal of inventories write-down	(245)	(232)
Write-back of impairment loss for other receivables	-	(5)
Write-back of impairment loss for trade receivables	-	(18)
Write-down for inventories obsolescence	556	632
Unrealised foreign exchange loss/(gain)	(348)	(59)
Operating cash flows before working capital changes	5,948	4,178
Changes in working capital:		
Inventories	(2,538)	323
Trade and other receivables	(8,157)	121
Prepayments	(11)	169
Trade and other payables	4,560	1,480
Cash generated from operations	(198)	6,271
Interest received	25	28
Income taxes paid	(313)	(280)
Net cash from operating activities	(486)	6,019
<b>Investing activities</b>		
Disposal of a subsidiary, net of cash disposed	-	(7)
Deposits placed to purchase of property, plant and equipment	(43)	(144)
Proceeds from disposal of property, plant and equipment	4	1,618
Proceeds from disposal of non current asset held for sale	4,065	-
Purchase of property, plant and equipment	(71)	(1,115)
Net cash (used in)/from investing activities	3,955	352
<b>Financing activities</b>		
Dividend paid to non-controlling shareholders	(145)	(217)
Repayment of obligations under finance leases	(457)	(2,544)
Proceeds from bank borrowings	2,168	768
Repayment of bank borrowings	(1,872)	(1,930)
Interest paid	(605)	(661)
Net cash used in financing activities	(911)	(4,584)
Net change in cash and cash equivalents	2,558	1,787
Cash and cash equivalents at beginning of financial year	2,992	1,240
Effect of foreign exchange rate changes on cash and cash equivalents	33	(35)
<b>Cash and cash equivalents at end of financial year</b>	<b>5,583</b>	<b>2,992</b>
<b>Cash and cash equivalents comprise:</b>		
Cash and bank balances	5,583	2,992
<b>Cash and cash equivalents on statement of financial position</b>	<b>5,583</b>	<b>2,992</b>
<b>Cash and cash equivalents on statement of cash flows</b>	<b>5,583</b>	<b>2,992</b>

\* denotes amounts less than \$1,000

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.

Group	Share capital S\$'000	Statutory reserve fund S\$'000	Fair value reserve S\$'000	Foreign currency translation reserve S\$'000	Accumulated (losses) / gain S\$'000	Equity attributable to owners of the parent S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
<b>Balance at 1 September 2017</b>	26,700	478	2,686	672	(3,562)	26,974	6,818	33,792
<b>(Loss)/Profit for the year</b>	-	-	-	-	3,051	3,051	593	3,644
<b>Other comprehensive income for the year that may subsequently be reclassified to profit or loss:</b>								
Foreign currency differences on translation of foreign operation	-	-	-	(383)	-	(383)	(283)	(666)
Fair value gain on available-for-sale financial asset	-	-	20,689	-	-	20,689	-	20,689
<b>Total comprehensive income for the year</b>	-	-	20,689	(383)	3,051	23,357	310	23,667
<b>Transactions with non-controlling shareholders</b>								
Disposal of a subsidiary	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	(145)	(145)
<b>Total transactions with non-controlling shareholders</b>	-	-	-	-	-	-	(145)	(145)
<b>Others</b>								
Transfer to statutory reserve fund	-	213	-	-	(213)	-	-	-
<b>Balance at 31 August 2018</b>	26,700	691	23,375	289	(724)	50,331	6,983	57,314
<b>Balance at 1 September 2016</b>	26,700	208	-	575	(3,110)	24,373	5,773	30,146
<b>(Loss)/Profit for the year</b>	-	-	-	-	(182)	(182)	710	528
<b>Other comprehensive income for the year that may subsequently be reclassified to profit or loss:</b>								
Foreign currency differences on translation of foreign operation	-	-	-	97	-	97	64	161
Fair value gain on available-for-sale financial asset	-	-	2,686	-	-	2,686	-	2,686
<b>Total comprehensive income for the year</b>	-	-	2,686	97	(182)	2,601	774	3,375
<b>Transactions with non-controlling shareholders</b>								
Disposal of a subsidiary	-	-	-	-	-	-	488	488
Dividend paid	-	-	-	-	-	-	(217)	(217)
<b>Total transactions with non-controlling shareholders</b>	-	-	-	-	-	-	271	271
<b>Others</b>								
Transfer to statutory reserve fund	-	270	-	-	(270)	-	-	-
<b>Balance at 31 August 2017</b>	26,700	478	2,686	672	(3,562)	26,974	6,818	33,792

[illegible]

- 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.

**Shares**

Date	Description	Number of shares	Paid-up capital S\$'000
1 Sep 2017 and 31 August 2018	Issued and paid-up capital	29,905,222	26,700
1 Sep 2016 and 31 August 2017	Issued and paid-up capital	29,905,222	26,700

- 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.

	As at 31 Aug 2018	Audited As at 31 Aug 2017
Total number of issued shares	29,905,222	29,905,222
Less: Treasury shares	-	-
<b>Total number of issued shares excluding treasury shares</b>	<b>29,905,222</b>	<b>29,905,222</b>

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

Not Applicable.

- 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.

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

The figures in this announcement 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.

- 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 accounting policies and methods of computation applied by the Group are consistent with those used in its most recently audited financial statements.

- 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 applicable new and revised Singapore Financial Reporting Standards ("SFRS") and interpretations of Financial Reporting Standards ("INT FRS") that are mandatory for the accounting periods beginning 1 September 2017. The adoption of these new/revised FRS did not result in any material impact on the Group's results.

- 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:-

	Group	
	1 Sep 2017 to 31 Aug 2018	Audited 1 Sep 2016 to 31 Aug 2017
Weighted average number of ordinary shares in issue	29,905,222	29,905,222
<b>Profit (Loss) attributable to owners of the parent (\$'000)</b>	<b>3,051</b>	<b>(182)</b>
Loss per share: - Basic and diluted (cents)	10.202	(0.609)

**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:-**

	Group		Company	
	As at 31 Aug 2018	Audited As at 31 Aug 2017	As at 31 Aug 2018	Audited As at 31 Aug 2017
Net assets value per ordinary share based on issued share capital of the issuer at the end of the period reported (cents)	168.30	90.20	152.31	84.64
Number of ordinary shares in issue	29,905,222	29,905,222	29,905,222	29,905,222

**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

In this financial year, the Group registered a profit before income tax of S\$3.904 million compared to a profit of S\$0.543 million in the last financial year. 71.9% of the Group revenue was contributed by the precision engineering business segment while the remaining 28.1% of the Group's revenue was contributed by the retail, original equipment manufacturing ("OEM") and export business segments.

Throughout the financial year, the global economy was showing improvement sign and the oil price per barrel managed to stabilise in a range of US\$ 50 to US\$70, but mixed with negative news liked looming trade war between US and China, Brexit and upward pressure of US interest rate. Nevertheless, the Group recorded 20.6% higher revenue and 16.9% higher gross profit compared to previous corresponding period.

The precision engineering business segment showed 26.6% higher revenue compared with the previous year due to the improving market outlook, while the revenues of retail, OEM and export business segments were 8.7% higher than in the previous year. In view of the continuous intense competition in the market, the gross profit margin of precision engineering business segment decreased to 14.2% compared to 15.4% in previous corresponding period. On the other hand, the gross profit margins of retail, OEM and export business segments were 32.0% which was slightly higher as compared to 31.4% in previous corresponding period due to the increase in raw materials price and better demand from customers.

Overall, the Group was improving its operating gain this financial year in the uncertain market outlook. There was a gain of disposal of investment property of S\$2.715 million, a bad debt provision of S\$1.792 million was being made against the trade accounts receivable and a provision for obsolete stocks of S\$0.311 million due to increase in allowance to reflect the prevailing market conditions.

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

Available-for-sale financial asset increased to S\$27.380 million due to fair value adjustment on investment in Espressif Group based on the recent transaction during the financial year.

Inventory increased by S\$2.148 million and Trade Receivable increased by S\$2.975 million due to higher orders from the customers. Other Receivable increased by S\$3.015 million due to the cashier's order received from the disposal of investment property.

Cash and cash equivalents increased by S\$2.591 million mainly from the proceed of disposal of investment property.

The increased in trade payable by S\$4.464 million is related to the increased in sales.

The increased in finance lease by S\$1.217 million is due to purchase of machineries.

**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.**

Global economic growth is projected to reach 3.7% for 2018 and 2019 and MTI anticipates Singapore's full year GDP to likely grow at between 2.5% to 3.5%. Hence, we do see positive momentum for retail, OEM and export segments to improve further in the next twelve months. As downside risks and uncertainties still remain in the next 12 months, the Group will be continue striving to maintain competitiveness with offering the flexible and competitive pricing, building stronger customer relationships and seeking suitable opportunities.

An announcement to dispose the entire 57.48% equity interest in GD Tech H.K. was made on 9 Oct 2018. Once the proposed disposal of the precision engineering business is going through, the Group will see sudden drop in total revenue and net profit in the coming financial year.

The Group is upbeat about the investment in Espressif Systems (Shanghai) and also foresee there will be a great return on the investment once it is successfully listed in Shanghai Stock Exchange in the next 12 months.

**11 Dividend****(a) Current Financial Period Reported**

Any dividend recommended for the current financial period reported on? Yes

The Board of Directors is pleased to propose the following dividends (one-tier tax-exempt) in respect of the financial year ended 31 Aug 20 for approval by shareholders at the next Annual General Meeting to be convened.

Name of Dividend	Final Dividend	Special Dividend
Dividend Type	Cash	Cash
Dividend Amount (SGD and in Cents)	3.0 cents per ordinary share	3.0 cents per ordinary share
Tax Rate	Tax Exempt (1-tier)	Tax Exempt (1-tier)

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend recommended for the corresponding period of the immediately preceding financial year? None

**(c) Date payable**

The date of payment of the final dividend and special dividend will be announced at a later date.

**(d) Books closure date**

The books closure date for the final dividend and special dividend will be announced at a later date.

**12 If no dividend has been declared (recommended), a statement to that effect.**

Not Applicable.

**13 Interested person transactions pursuant to Rule 920(1)(a)(ii).**

No mandate was sought or obtained from shareholders for the Company to deal with interested persons in recurrent transactions of a revenue or trading nature or in transactions necessary for day-to-day operations.

Name of interested person	Aggregate value of all interested person transactions during the financial year 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 during the financial year under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
-	S\$'000 -	S\$'000 -

**14 Confirmation by the Board pursuant to Rule 705(5).**

We, Loh Suan Len and Teo Teck Leong, being two directors of the Company, do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the year ended 31 Aug 2018 to be false or misleading.

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

The Company confirms that all the required undertakings under Rule 720(1) have been obtained from all its directors and Chief Financial Officer.

**Part II Additional Information Required for Full Year Announcement****16 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.**

The Group is organised into strategic business units ("SBU"), catering to the need of different customer segments. The SBUs are:-

- 'Retail' SBU which operates two retail shops in Singapore and partners with other hardware distributors, stockists and retail hardware stores in Singapore to reach the small and medium enterprises.
- 'Original Equipment Manufacturing ("OEM")' SBU which serves a wide spectrum of manufacturing sectors in Singapore. The customers are mainly from the machine manufacturing and assembly, automation assembly, electronic assembly, metal stamping, construction building, shipyard and aerospace aviation industries.
- 'Export' SBU which manages overseas customers, mainly distributors and traders, and provides freight and shipment services.
- 'Precision Engineering' SBU which engages in the manufacturing of high precision components and complex electromechanical assembly, serving mainly the semiconductor equipment manufacturers, oil and gas, medical and solar manufacturers.
- 'Others' SBU which comprises investment holding and general trading.

**Business segments****Group****For the financial year ended 31 August 2018 (S\$'000)****Revenue**

External operating revenue

Inter-segment sales

Total revenue

**Segment results**

Interest income

Finance costs

Share of loss of an associate

Profit/(Loss) before income tax

Income tax credit/(expense)

Profit/(Loss) after income tax

Non-controlling interests

Profit/(Loss) attributable to owners of the parent

**Segment assets****Segment liabilities****Capital expenditure**

Property, plant and equipment

**Significant non-cash items**

Depreciation of investment properties

Depreciation of property, plant and equipment

Gain on disposal of non current asset held for sale

Impairment loss for other receivables

Impairment loss for trade receivables

Inventories written off

Reversal of inventories write-down

Write-back of impairment loss for other receivables

Write-back of impairment loss for trade receivables

Write-down for inventories obsolescence

\* denotes amounts less than \$1,000

	Trading of hardware and fasteners				Precision engineering	Others	Unallocated	Eliminations	Consolidated
	Retail	OEM	Export	Total					
Revenue									
External operating revenue	5,462	2,990	9,557	18,009	46,144	-	-	-	64,153
Inter-segment sales	-	-	-	-	-	-	-	-	-
Total revenue	5,462	2,990	9,557	18,009	46,144	-	-	-	64,153
Segment results	372	(40)	654	986	1,689	1,903	-	-	4,578
Interest income	5	*	*	5	20	-	-	-	25
Finance costs	(230)	(199)	(220)	(649)	(49)	(1)	-	-	(699)
Share of loss of an associate	-	-	-	-	-	-	-	-	-
Profit/(Loss) before income tax	147	(239)	434	342	1,660	1,902	-	-	3,904
Income tax credit/(expense)	-	-	-	-	(266)	6	-	-	(260)
Profit/(Loss) after income tax	147	(239)	434	342	1,394	1,908	-	-	3,644
Non-controlling interests									(593)
Profit/(Loss) attributable to owners of the parent									3,051
Segment assets	-	-	-	33,796	31,898	59,094	-	(31,071)	93,717
Segment liabilities	-	-	-	17,250	15,479	9,124	-	(5,450)	36,403
Capital expenditure									
Property, plant and equipment	-	-	-	116	1,786	-	-	-	1,902
Significant non-cash items									
Depreciation of investment properties	-	-	-	-	-	26	-	-	26
Depreciation of property, plant and equipment	100	25	25	150	2,002	193	-	-	2,345
Gain on disposal of non current asset held for sale	-	-	-	-	-	(2,715)	-	-	(2,715)
Impairment loss for other receivables	-	-	-	-	-	-	-	-	-
Impairment loss for trade receivables	5	3	-	8	1,784	-	-	-	1,792
Inventories written off	28	11	11	50	-	-	-	-	50
Reversal of inventories write-down	(81)	(82)	(82)	(245)	-	-	-	-	(245)
Write-back of impairment loss for other receivables	-	-	-	-	-	-	-	-	-
Write-back of impairment loss for trade receivables	-	-	-	-	-	-	-	-	-
Write-down for inventories obsolescence	186	185	185	556	-	-	-	-	556

**Business segments****Group****For the financial year ended 31 August 2017 (\$'000)****Revenue**

External operating revenue

Inter-segment sales

Total revenue

**Segment results**

Interest income

Finance costs

Share of loss of an associate

Profit/(Loss) before income tax

Income tax credit/(expense)

Profit/(Loss) after income tax

Non-controlling interests

Profit/(Loss) attributable to owners of the parent

**Segment assets****Segment liabilities****Capital expenditure**

Property, plant and equipment

**Significant non-cash items**

Depreciation of investment properties

Depreciation of property, plant and equipment

Impairment loss for other receivables

Impairment loss for trade receivables

Inventories written off

Reversal of inventories write-down

Write-back of impairment loss for other receivables

Write-back of impairment loss for trade receivables

Write-down for inventories obsolescence

\* denotes amounts less than \$1,000

	Trading of hardware and fasteners				Precision engineering	Others	Unallocated	Eliminations	Consolidated
	Retail	OEM	Export	Total					
Revenue									
External operating revenue	4,305	2,997	9,272	16,574	36,639	-	-	-	53,213
Inter-segment sales	53	-	-	53	-	-	-	(53)	-
Total revenue	4,358	2,997	9,272	16,627	36,639	-	-	(53)	53,213
Segment results	122	170	699	991	1,128	(826)	-	-	1,293
Interest income	7	*	*	7	21	2	-	(2)	28
Finance costs	(212)	(180)	(195)	(587)	(192)	(1)	-	2	(778)
Share of loss of an associate	-	-	-	-	-	-	-	-	-
Profit/(Loss) before income tax	(83)	(10)	504	411	957	(825)	-	-	543
Income tax credit/(expense)	10	-	-	10	(40)	15	-	-	(15)
Profit/(Loss) after income tax	(73)	(10)	504	421	917	(810)	-	-	528
Non-controlling interests									(710)
Profit/(Loss) attributable to owners of the parent									(182)
Segment assets	-	-	-	28,624	26,689	35,926	1,449	(30,723)	61,965
Segment liabilities	-	-	-	16,245	10,655	6,277	99	(5,103)	28,173
Capital expenditure									
Property, plant and equipment	-	-	-	5	1,395	-	-	-	1,400
Significant non-cash items									
Depreciation of investment properties	-	-	-	-	-	26	123	-	149
Depreciation of property, plant and equipment	150	47	47	244	2,238	243	-	-	2,725
Impairment loss for other receivables	-	-	-	-	-	-	-	-	-
Impairment loss for trade receivables	*	-	-	*	-	-	-	-	*
Inventories written off	1	1	1	3	-	-	-	-	3
Reversal of inventories write-down	(78)	(77)	(77)	(232)	-	-	-	-	(232)
Write-back of impairment loss for other receivables	(5)	-	-	(5)	-	-	-	-	(5)
Write-back of impairment loss for trade receivables	-	-	-	*	(18)	-	-	-	(18)
Write-down for inventories obsolescence	210	211	211	632	-	-	-	-	632

- 17 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). 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	(a) Current position; (b) Duties; and (c) the year position was held	Details of changes in duties and position held, if any, during the year
Teo Teck Puay @ Teo Teck Loo	81	Brother of Mr Teo Teck Leong who is a managing director and a substantial shareholder of the Company	(a) Consultant of Sin Hong Hardware Pte Ltd ("Sin Hong"), a wholly-owned subsidiary of the Company (b) Advises on the operations in the retail strategic business unit of Sin Hong and its subsidiaries ("Sin Hong Group") (c) 2010	N.A.
Teo Eng Hwee	52	Substantial shareholder Nephew of Mr Teo Teck Leong who is a managing director and a substantial shareholder of the Company Brother of Mr Teo Eng Tian who is a director of the Company	(a) Director of Sin Hong (b) Assists directors of the Company in strategic business development and oversees the IT Department from 2016 (c) 2012	N.A.
Teo Eng Shing	47	Substantial shareholder Nephew of Mr Teo Teck Leong who is a managing director and a substantial shareholder of the Company Brother of Mr Teo Eng Tian who is a director of the Company	(a) Director of Sin Hong (b) Oversees the operations in the retail strategic business unit of Sin Hong Group (c) 2006	N.A.

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

Not Applicable.

- 19 A breakdown of sales as follows:-

	Group		
	1 Sep 2017 to 31 Aug 2018 S\$'000	Audited 1 Sep 2016 to 31 Aug 2017 S\$'000	Increase/ (decrease)
(a) Revenue reported for first half year	28,541	27,226	5%
(b) Profit after income tax reported for first half year	348	703	-50%
(c) Revenue reported for second half year	35,612	25,987	37%
(d) Profit after income tax reported for second half year	3,296	-175	N.A.

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

	Latest financial year S\$'000	Previous financial year S\$'000
Ordinary	-	-
Preference	-	-
Total	-	-

**BY ORDER OF THE BOARD**

Teo Teck Leong  
Managing Director  
29 Oct 2018