



Full Year Financial Statements and Dividend Announcement for the Year Ended 31 August 2020

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 2019 to 31 Aug 2020 S\$'000	Audited 1 Sep 2018 to 31 Aug 2019 S\$'000	Increase/ (Decrease) %
Continuing operations			
Revenue	12,569	15,401	-18.4%
Cost of sales	(8,071)	(10,119)	-20.2%
Gross profit	4,498	5,282	-14.8%
Other items of income			
Other income	1,916	358	435.2%
Fair value gain on financial assets at FVTPL	42,432	89,899	-52.8%
Other items of expense			
(Loss)/Reversal of allowance on trade and other receivables	(129)	37	-448.6%
Selling and distribution expenses	(2,487)	(2,689)	-7.5%
Administrative expenses	(6,889)	(8,656)	-20.4%
Finance costs	(403)	(430)	-6.3%
Other expenses	(135)	(7)	1828.6%
Share of loss of a joint venture	(67)	-	N.M.
Profit before income tax from continuing operations	38,736	83,794	-53.8%
Income tax expense	(4,084)	(9,057)	-54.9%
Profit for the year from continuing operations	34,652	74,737	-53.6%
Discontinued operation			
Loss for the year from discontinued operation	-	(1,855)	N.M.
Profit for the year	34,652	72,882	-52.5%
Other comprehensive income:			
<i>Items that may subsequently be reclassified to profit or loss:</i>			
Foreign currency differences on translation of foreign operations, net of tax \$Nil	-	138	N.M.
Income tax relating to component of other comprehensive income	-	-	N.M.
Other comprehensive income for the year	-	138	N.M.
Total comprehensive income for the year	34,652	73,020	-52.5%
Profit attributable to:			
Owners of the parent	34,652	72,781	-52.4%
Non-controlling interests	-	101	N.M.
	34,652	72,882	-52.5%
Total comprehensive income attributable to:			
Owners of the parent	34,652	72,861	-52.4%
Non-controlling interests	-	159	N.M.
	34,652	73,020	-52.5%

N.M. = Not meaningful

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

	Group		
	1 Sep 2019 to 31 Aug 2020 S\$'000	Audited 1 Sep 2018 to 31 Aug 2019 S\$'000	Increase/ (Decrease) %
Continuing operations			
Bad debts recovered - trade receivables	14	18	-22.2%
Bad debts written off - other receivables	(2)	*	N.M.
Bad debts written off - trade receivables	*	(7)	N.M.
Loss allowance on other receivables	(129)	(11)	1072.7%
Loss allowance on trade receivables	(37)	-	N.M.
Reversal of loss allowance on other receivables	11	-	N.M.
Reversal of loss allowance on trade receivables	26	48	-45.8%
Depreciation of investment property	(39)	(29)	34.5%
Depreciation of property, plant and equipment	(85)	(321)	-73.5%
Depreciation of right-of-use assets	(331)	-	N.M.
Dividend income from financial assets at FVTPL	837	-	N.M.
Employee benefits expenses	(7,836)	(9,740)	-19.5%
Fair value (loss)/gain on derivative financial instruments	(34)	12	-383.3%
Gain on foreign exchange, net	120	14	757.1%
Gain on disposal of property, plant and equipment	6	5	20.0%
Government grants	498	33	1409.1%
Impairment loss on right-of-use assets	(99)	-	N.M.
Interest income	4	3	33.3%
Interest expenses	(363)	(376)	-3.5%
Rental income	342	247	38.5%
Inventories written off	(39)	(274)	-85.8%
Reversal of inventories write-down	208	425	-51.1%
Write-down for inventories obsolescence	(386)	(370)	4.3%
Discontinued operation			
Reversal of loss allowance on trade receivables	-	672	N.M.
Depreciation of property, plant and equipment	-	(898)	N.M.
Employee benefits expenses	-	(3,882)	N.M.
Loss on disposal of a subsidiary	-	(2,092)	N.M.
Loss on foreign exchange, net	-	(59)	N.M.
Loss on disposal of property, plant and equipment	-	(2)	N.M.
Impairment loss on property, plant and equipment	-	(1,500)	N.M.
Interest income	-	3	N.M.
Interest expenses	-	(36)	N.M.

N.M. = Not meaningful

* 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 2020 S\$'000	Audited As at 31 Aug 2019 S\$'000	As at 31 Aug 2020 S\$'000	Audited As at 31 Aug 2019 S\$'000
Non-current assets				
Property, plant and equipment	1,097	5,511	-	-
Right-of-use assets ("ROU")	5,261	-	308	-
Intangible assets	1,647	1,647	-	-
Investment property	654	549	-	-
Investments in subsidiaries	-	-	18,000	18,000
Investment in a joint venture	433	-	500	-
Financial assets at fair value through profit or loss ("FVTPL")	166,682	124,967	166,682	124,967
Deposits	169	-	-	-
	175,943	132,674	185,490	142,967
Current assets				
Inventories	14,852	14,569	-	-
Trade and other receivables	3,203	3,764	260	1,727
Prepayments	60	84	21	20
Derivative financial instruments	-	12	-	-
Cash and bank balances	106	325	5	5
	18,221	18,754	286	1,752
Less:				
Current liabilities				
Trade and other payables	7,334	2,728	8,772	1,876
Interest bearing liabilities	5,467	5,408	-	-
Lease liabilities	105	-	14	-
Derivative financial instruments	34	-	-	-
Current income tax payable	29	14	-	-
	12,969	8,150	8,786	1,876
Net current assets/(liabilities)	5,252	10,604	(8,500)	(124)
Less:				
Non-current liabilities				
Other payables	6,971	11,425	6,971	11,425
Interest bearing liabilities	5,276	1,802	-	-
Lease liabilities	1,188	-	298	-
Deferred tax liabilities	15,665	11,711	15,334	11,359
	29,100	24,938	22,603	22,784
Net assets	152,095	118,340	154,387	120,059
Equity				
Share capital	26,700	26,700	26,700	26,700
Reserves	125,395	91,640	127,687	93,359
Equity attributable to owners of the parent	152,095	118,340	154,387	120,059
Non-controlling interests	-	-	-	-
Total equity	152,095	118,340	154,387	120,059

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 2020		As at 31 Aug 2019	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
5,522	-	5,408	-

The amount repayable after one year

As at 31 Aug 2020		As at 31 Aug 2019	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
5,413	-	1,802	-

Details of collaterals

The Group's borrowings are secured by:

- Corporate guarantee by the Company.
- First legal mortgage of subsidiaries' properties and investment property.

The Group's obligation under leases are secured by the leased assets.

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 2019 to 31 Aug 2020 S\$'000	Audited 1 Sep 2018 to 31 Aug 2019 S\$'000
Operating activities		
Profit before income tax from continuing operations	38,736	83,794
Loss before income tax from discontinued operation	-	(1,673)
Profit before income tax, total	38,736	82,121
Adjustments for:		
Bad debts written off - other receivables	2	*
Bad debts written off - trade receivables	*	7
Loss allowance on other receivables	129	11
Loss allowance on trade receivables	37	-
Reversal of loss allowance on other receivables	(11)	-
Reversal of loss allowance on trade receivables	(26)	(720)
Depreciation of investment property	39	29
Depreciation of property, plant and equipment	85	1,219
Depreciation of right-of-use assets	331	-
Dividend income from financial assets at FVTPL	(837)	-
Fair value loss/(gain) on derivative financial instruments	34	(12)
Fair value gain on financial assets at FVTPL	(42,432)	(89,899)
Gain on disposal of property, plant and equipment	(6)	(3)
Loss on disposal of a subsidiary	-	2,092
Impairment loss on property, plant and equipment	-	1,500
Impairment loss on right-of-use assets	99	-
Interest expenses	363	412
Interest income	(4)	(6)
Inventories written off	39	274
Reversal of inventories write-down	(208)	(425)
Write-down for inventories obsolescence	386	370
Share of loss of a joint venture	67	-
Unrealised foreign exchange (gain)/loss	(95)	98
Operating cash flows before working capital changes	(3,272)	(2,932)
Changes in working capital:		
Inventories	(500)	415
Trade and other receivables	575	3,975
Prepayments	24	204
Trade and other payables	876	2,602
Cash (used in)/from operations	(2,297)	4,264
Interest received	4	6
Income taxes paid	(115)	(571)
Net cash (used in)/from operating activities	(2,408)	3,699
Investing activities		
Acquisition of a joint venture	(500)	-
Additions in right-of-use assets	(39)	-
Additions in investment property	-	(80)
Deposits placed to purchase of property, plant and equipment	(122)	(53)
Disposal of a subsidiary, net of cash disposed	-	752
Dividend income from financial assets at FVTPL	837	-
Loan to a joint venture	(200)	-
Proceeds from disposal of financial assets at FVTPL	-	3,080
Proceeds from disposal of property, plant and equipment	6	5
Purchase of property, plant and equipment	(205)	(210)
Net cash (used in)/from investing activities	(223)	3,494
Financing activities		
Dividend paid to shareholders	(897)	(3,589)
Repayment of obligations under leases (2019: Repayment of obligation under finance leases)	(114)	(271)
Proceeds from bank borrowings	8,650	7,266
Repayment of bank borrowings	(5,106)	(15,413)
Interest paid	(363)	(412)
Net cash from/(used in) financing activities	2,170	(12,419)
Net change in cash and cash equivalents	(461)	(5,226)
Cash and cash equivalents at beginning of financial year	325	5,583
Effect of foreign exchange rate changes on cash and cash equivalents	*	(32)
Cash and cash equivalents at end of financial year	(136)	325
Cash and cash equivalents comprise:		
Short-term deposits with banks	-	-
Cash and bank balances	106	325
Cash and cash equivalents on statement of financial position	106	325
Bank overdraft	(242)	-
Cash and cash equivalents on statement of cash flows	(136)	325

* 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	Retained earnings/ (Accumulated losses) S\$'000	Equity attributable to owners of the parent S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Balance at 1 September 2019	26,700	-	-	-	91,640	118,340	-	118,340
Profit for the year, representing total comprehensive income for the year	-	-	-	-	34,652	34,652	-	34,652
Transactions with owners, recognised directly in equity								
Dividend paid	-	-	-	-	(897)	(897)	-	(897)
Balance at 31 August 2020	26,700	-	-	-	125,395	152,095	-	152,095

Balance at 31 August 2018	26,700	691	23,375	290	(724)	50,332	6,982	57,314
Effect of adopting SFRS(I) 9	-	-	(23,375)	-	23,172	(203)	-	(203)
Balance at 1 September 2018	26,700	691	-	290	22,448	50,129	6,982	57,111
Profit for the year	-	-	-	-	72,781	72,781	101	72,882
Other comprehensive income for the year that may subsequently be reclassified to profit or loss:								
Foreign currency differences on translation of foreign operations	-	-	-	80	-	80	58	138
Total comprehensive income for the year	-	-	-	80	72,781	72,861	159	73,020
Transactions with owners, recognised directly in equity								
Dividend paid	-	-	-	-	(3,589)	(3,589)	-	(3,589)
Transactions with non-controlling shareholders								
Disposal of a subsidiary	-	(691)	-	(370)	-	(1,061)	(7,141)	(8,202)
Balance at 31 August 2019	26,700	-	-	-	91,640	118,340	-	118,340

Company	Share capital S\$'000	Fair value reserve S\$'000	Retained earnings/ (Accumulated losses) S\$'000	Total equity S\$'000
Balance at 1 September 2019	26,700	-	93,359	120,059
Profit for the year, representing total comprehensive income for the year	-	-	35,225	35,225
Dividend paid	-	-	(897)	(897)
Balance at 31 August 2020	<u>26,700</u>	<u>-</u>	<u>127,687</u>	<u>154,387</u>
Balance at 31 August 2018	26,700	23,375	(1,727)	48,348
Effect of adopting SFRS(I) 9	-	(23,375)	23,375	-
Balance at 1 September 2018	26,700	-	21,648	48,348
Profit for the year, representing total comprehensive income for the year	-	-	75,300	75,300
Dividend paid	-	-	(3,589)	(3,589)
Balance at 31 August 2019	<u>26,700</u>	<u>-</u>	<u>93,359</u>	<u>120,059</u>

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.

Shares

Date	Description	Number of shares	Paid-up capital S\$'000
1 Sep 2019 and 31 Aug 2020	Issued and paid-up capital	29,905,222	26,700
1 Sep 2018 and 31 Aug 2019	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 2020	Audited As at 31 Aug 2019
Total number of issued shares	29,905,222	29,905,222
Less: Treasury shares	-	-
Total number of issued shares excluding treasury shares	29,905,222	29,905,222

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 modifications or emphasis of a matter).

Not Applicable.

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

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

Not Applicable.

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

Not Applicable.

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

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 the SFRS(I) 16 Leases in the financial year beginning on 1 September 2019 using the modified retrospective method in accordance with the transitional provision, and therefore recognised leases on statement of financial position as at 1 September 2019.

As at 1 September 2019, the adoption of SFRS(I) 16 Leases resulted in the following key effects at the Group:

	Group \$'000
Right-of-use assets (inclusive of ROU under Investment property)	5,690
Property, plant and equipment	(4,541)
Lease liabilities	1,149
Discount rate ("IBR")	3.25%

The right-of-use assets were mainly related to leases of land rent from Jurong Town Corporation by the subsidiary.

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 2019 to 31 Aug 2020	Audited 1 Sep 2018 to 31 Aug 2019
Weighted average number of ordinary shares on issue	29,905,222	29,905,222
Continuing operations		
Profit attributable to owners of the parent (\$'000)	34,652	74,737
Earnings per share:		
- Basic and diluted (cents)	115.873	249.915
Discontinued operation		
Loss attributable to owners of the parent (\$'000)	-	(1,956)
Loss per share:		
- Basic and diluted (cents)	-	(6.541)

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 2020	Audited As at 31 Aug 2019	As at 31 Aug 2020	Audited As at 31 Aug 2019
Net assets value per ordinary share based on issued share capital at the end of the period reported (cents)	508.59	395.72	516.25	401.47
Total number of issued shares excluding treasury shares	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

The Group recorded revenue of S\$12.569 million for the financial year ended 31 August 2020 ("FY2020") as compared to S\$15.401 million in the last financial year. The Group revenue was contributed by 34.5% from Retail business segment, 46.9% from Export business segment and remaining 18.6% from Original Equipment Manufacturing ("OEM") business segment. Geographically, revenue from local market consists of 48%, and overseas market consists of 52%, mainly from Malaysia (23%) and Indonesia (19%).

In view of sluggish recovery in global growth due to trade war started in 2018 and coronavirus ("COVID-19") outbreak since December 2019, the revenue and gross profit of the Group have decreased by 18.4% and 14.8% respectively as compared to FY2019. Despite of the lower revenue and gross profit, the gross profit margin increased from 34.3% to 35.8% in the current financial year.

Based on the market closing price in the Shanghai Stock Exchange "STAR Market" on 31 August 2020, the Group had revalued the holding of Espressif Systems (Shanghai) Co., Ltd. ("Espressif Shanghai") and recognised the fair value gain on financial assets of S\$42.432 million. Furthermore, the Group had also increased the withholding income tax by S\$3.954 million for the fair value gain on financial assets. Overall, the Group attained a lower profit before income tax from continuing operations of S\$38.736 million as compared with the profit before tax of S\$83.794 million in the last financial year. As a result, the Group had provided lower employee benefits for the variable bonus provision by 19.5% as compared to FY2019.

The Group had reassessed the expected credit loss of trade and other receivables at the end of current financial year using provision matrix as required under SFRS(I) 9, it resulted a reversal of loss allowance on trade and other receivables of S\$37k. However, the Group had provided some specific loss allowance on trade and other receivables of S\$166k due to the uncollectible doubtful debts for long overdue balances, in particular to the dormitory tenants. Upon adoption of SFRS(I) 16 on 1 September 2019, the Group had recognised the operating leases in the statement of financial position and recorded the depreciation of right-of-use assets of S\$331k and interest on lease liabilities of S\$45k in the statement of comprehensive income. Besides, the Group had provided an impairment loss of S\$99k for Admiralty leasehold property as the fair value is below the carrying amount as at 31 August 2020.

In FY2020, the Group had received a dividend income of S\$837k from Espressif Shanghai. Rental income rose by 38.5% as increased in the occupancy of workers' dormitory. The Group has received several government grants supports of S\$465k to curb COVID-19 impact to the companies.

On 26 November 2019, the Group entered into a Joint Venture Agreement with the founder shareholder, Cheng Pek Lui and Esse PI Pte. Ltd. ("Esse") to hold 12.5% of equity interest in Esse. During FY2020, the Group incurred a share of loss of Esse for the amount of S\$67k due to the impact of COVID-19 to the business.

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

In the financial year ended 31 August 2020, the Group had revalued the holding of Espressif Shanghai based on closing market price in the Shanghai Stock Exchange "STAR Market", resulting the financial assets at FVTPL increased by S\$41.715 million. Apart of this, the Group had converted the S\$250k loans to Esse into equity shares in Esse on 28 August 2020, in which the Group is currently holding 25% equity interest in Esse as at 31 August 2020.

Upon adoption of SFRS(I) 16, the Group had recognised the operating leases S\$1.149 million and reclassified the finance leases of S\$152k in the beginning of financial year. On the other hand, the Group had reclassified the leasehold buildings of S\$4.331 million, plant and machinery of S\$130k and motor vehicles of S\$80k from property, plant and equipment to ROU assets in the beginning of financial year.

Trade and other receivables in current assets were decreased by S\$561k due to lower revenue contribution.

Other payables in non-current liabilities decreased by S\$4.454 million which was mainly due to the classification of accrual of variable bonus provision in current liabilities in FY2020, whereas it is classified under non-current liabilities in FY2019.

Interest bearing liabilities increased by S\$3.533 million mainly consisting of higher bank term and revolving loans of S\$4.270 million, bank overdraft of S\$242k and lower trust receipts utilisation of S\$827k to fund the Group's working capital needs.

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 GDP Growth forecast released on 11 August 2020 by Singapore's Ministry of Trade and Industry indicated that Singapore's GDP contracted by 13.2% on a year-on-year basis in 2Q 2020 due to weak external demand and COVID-19 "circuit breaker" measures. The wholesale and retail sector reported a contraction of 8.2% on a year-on-year basis in the half-year ended, worsen from the 5.6% decline in the first quarter 2020.

The Group's financial performance for the year ended 31 August 2020 was not spared from the negative impact caused by the outbreak of COVID-19 and the imposition of circuit breaker measures. Business disruptions that affected the Group and our customers, especially those from the construction sector which had mostly halted business operations since the circuit breaker period had led to the decline in the Group's business volume in FY2020.

The global economy environment remains slowdown and economy activities continue to severely and adversely impacted due to the outbreak of COVID-19 pandemic and it is likely to dampen the global growth prospects in next 12 months.

Given the economic uncertainties and volatile industry conditions, the Group will continue to focus on optimising its balance sheet, monitoring the risk exposures faced by the business and to adjust our response to the evolving situation, where possible. In addition, while there is no liquidity risk concern faced by the Group at the moment, the Group has secured temporary financing lines from banks as contingent plan to support the Group's working capital needs as and when required.

11 Dividend

(a) Current financial period reported on

Any dividend declared for the current financial period reported on? Yes.

Name of Dividend	Final	Special
Dividend Type	Cash	Cash
Dividend Amount (SGD)	3.0 cents per ordinary share	30.0 cents per ordinary share
Tax Rate	One-tier tax exempt	One-tier tax exempt

(b) Corresponding period of the immediately preceding financial year

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

Name of Dividend	Interim	Final
Dividend Type	Cash	Cash
Dividend Amount (SGD)	6.0 cents per ordinary share	3.0 cents per ordinary share
Tax Rate	One-tier tax exempt	One-tier tax exempt

(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 and the reason(s) for the decision.

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)
Esse PI Pte. Ltd. (Loan to a joint venture)	S\$'000 200	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 2020 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, Chief Financial Officer and Group Financial Controller.

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.

Business segments Group	Trading of hardware and fasteners				Precision engineering	Others	Unallocated	Eliminations	Consolidated
	Retail	OEM	Export	Total					
For the financial year ended 31 August 2020 (S\$'000)									
Revenue									
External operating revenue	4,336	2,336	5,897	12,569	-	-	-	-	12,569
Inter-segment sales	-	-	-	-	-	-	-	-	-
Total revenue	4,336	2,336	5,897	12,569	-	-	-	-	12,569
Segment results									
Interest income	159	(67)	228	320	-	38,882	-	-	39,202
Finance costs	*	*	*	*	-	4	-	-	4
Share of loss of a joint venture, net of tax	(137)	(111)	(117)	(365)	-	(38)	-	-	(403)
Profit/(Loss) before income tax from continuing operations	-	-	-	-	-	(67)	-	-	(67)
Income tax expense	22	(178)	111	(45)	-	38,781	-	-	38,736
Profit/(Loss) after income tax from continuing operations	(17)	(17)	(17)	(51)	-	(4,033)	-	-	(4,084)
Non-controlling interests	5	(195)	94	(96)	-	34,748	-	-	34,652
Profit attributable to owners of the parent									-
									34,652
Segment assets									
	-	-	-	29,708	-	191,785	-	(27,329)	194,164
Segment liabilities									
	-	-	-	16,501	-	32,977	-	(7,409)	42,069
Capital expenditure									
Property, plant and equipment	-	-	-	212	-	-	-	-	212
Significant non-cash items									
Depreciation of investment property	-	-	-	-	-	39	-	-	39
Depreciation of property, plant and equipment	-	-	-	83	-	2	-	-	85
Depreciation of right-of-use assets	-	-	-	111	-	220	-	-	331
Impairment loss on right-of-use assets	-	-	-	99	-	-	-	-	99
Loss allowance on other receivables	-	-	-	-	-	129	-	-	129
Loss allowance on trade receivables	-	-	-	37	-	-	-	-	37
Reversal of loss allowance on other receivables	-	-	-	(11)	-	-	-	-	(11)
Reversal of loss allowance on trade receivables	-	-	-	(26)	-	-	-	-	(26)
Inventories written off	-	-	-	39	-	-	-	-	39
Reversal of inventories write-down	-	-	-	(208)	-	-	-	-	(208)
Write-down for inventories obsolescence	-	-	-	386	-	-	-	-	386

* denotes amounts less than \$1,000

Business segments**Group****For the financial year ended 31 August 2019 (S\$'000)****Revenue**

	Trading of hardware and fasteners				Precision engineering	Others	Unallocated	Eliminations	Consolidated
	Retail	OEM	Export	Total					
External operating revenue	5,497	2,573	7,331	15,401	-	-	-	-	15,401
Inter-segment sales	-	-	-	-	-	-	-	-	-
Total revenue	5,497	2,573	7,331	15,401	-	-	-	-	15,401

Segment results

Interest income	578	28	369	975	-	83,246	-	-	84,221
Finance costs	3	*	*	3	-	-	-	-	3
Income tax expense	(158)	(130)	(141)	(429)	-	(1)	-	-	(430)
Profit/(Loss) from continuing operations	*	-	-	-	-	(9,057)	-	-	(9,057)
Loss for the year from discontinued operation	423	(102)	228	549	-	74,188	-	-	74,737
Profit/(Loss) for the year	-	-	-	-	(1,855)	-	-	-	(1,855)
	423	(102)	228	549	(1,855)	74,188	-	-	72,882

Segment assets

	-	-	-	23,481	-	149,894	-	(21,947)	151,428
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Segment liabilities

	-	-	-	9,697	-	25,402	-	(2,011)	33,088
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Capital expenditure

Property, plant and equipment	-	-	-	181	443	15	-	-	639
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Significant non-cash items

Depreciation of investment property	-	-	-	-	-	29	-	-	29
Depreciation of property, plant and equipment	-	-	-	157	898	164	-	-	1,219
Impairment loss on property, plant and equipment	-	-	-	-	1,500	-	-	-	1,500
Loss allowance on other receivables	-	-	-	11	-	-	-	-	11
Reversal of loss allowance on trade receivables	-	-	-	(48)	(672)	-	-	-	(720)
Inventories written off	-	-	-	274	-	-	-	-	274
Reversal of inventories write-down	-	-	-	(425)	-	-	-	-	(425)
Write-down for inventories obsolescence	-	-	-	370	-	-	-	-	370

* denotes amounts less than \$1,000

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 Loo @ Teo Teck Puay	83	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	54	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 Thian who is a director and a substantial shareholder 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	Appointed as managing director of Sin Hong Group on 1 October 2019 and oversees the operations of Sin Hong Group.
Teo Eng Shing	49	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 Thian who is a director and a substantial shareholder 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 2019 to 31 Aug 2020 S\$'000	1 Sep 2018 to 31 Aug 2019 S\$'000	Increase/ (decrease)
(a) Revenue reported for first half year	7,425	7,829	-5%
(b) Profit/(Loss) after income tax reported for first half year	83,733	(3,962)	N.A.
(c) Revenue reported for second half year	5,144	7,572	-32%
(d) (Loss)/Profit after income tax reported for second half year	(49,081)	78,699	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	-	2,692
Preference	-	-
Total	-	2,692

BY ORDER OF THE BOARD

Teo Teck Leong
Managing Director
28 Oct 2020