

**SHINVEST HOLDING LTD.**  
(Incorporated in the Republic of Singapore on 16 December 1989)  
(Company Registration No. 198905519R)

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**PROFIT GUIDANCE FOR THE FULL YEAR FINANCIAL RESULTS ENDED 31 AUGUST 2020**

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The Board of Directors (the “**Board**”) of Shinvest Holding Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) deems it appropriate to announce after preliminary assessment of the Group’s unaudited financial results for the Financial Year Ended 31 August 2020 (the “**FY2020**”), that the Group is expected to report a lower gain (Profit before Tax) for the FY2020 mainly due to the following reasons –

(1) With the adoption of SFRS(I) 9 on 1 Sep 2018, all fair value changes for the investments in quoted equity shares will be recognised in profit or loss, along with any related deferred tax expense. Accordingly, the Company had recognised the fair value gain derived from the differences between Espressif Systems (Shanghai) Co., Ltd.’s (“**Espressif Shanghai**”) total share price offset against the cost of investment resulting in a substantial gain of approximately S\$90 million in profit or loss as at 31 August 2019.

(2) The Company currently holds 6% equity shares in Espressif Shanghai and its closing price on 31 August 2020 (last trading day in August 2020) recorded at RMB 174.50 per share compared to its previous closing price of RMB 134.20 per share on 31 August 2019. As required by SFRS (I) 9, the Company would need to recognise the change in fair value of Espressif Shanghai by using the closing share price as at 31 August 2020 as compared to FY2019.

The change in fair value is shown as below:

	<b>FY2019</b>	<b>FY2020</b>	<b>Variance (Fair value gain)</b>
Espressif Shanghai’s Share Price as at 31 August	RMB 134.20 per share	RMB 174.50 per share	RMB 40.30 per share
Fair Value of Espressif Shanghai’s Shares as at 31 August (4,800,000 shares)	Approximately S\$125 million	Approximately S\$167 million	Approximately S\$42 million

Further information of the Group’s financial performance will be provided when the Group releases its unaudited full yearly financial results for FY2020 on or before 30 October 2020.

**By Order of the Board**  
Teo Teck Leong  
Managing Director

7 October 2020