



GDS
Global Limited

GDS GLOBAL LIMITED

(Company Registration No.: 201217895H)
(Incorporated in the Republic of Singapore on 19 July 2012)

**FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017**

- 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.**

On 11 August 2017, GDS Global Limited (the “**Company**”) announced the disposal of its entire 55% shareholding interest in the issued and paid up share capital of Gliderol Doors Asia Limited (“**GDA**”), for a cash consideration of S\$50,000 (the “**Disposal**”). Upon completion of the Disposal on 26 September 2017, GDA ceased to be a subsidiary of the Company.

For the purpose of this announcement, the financial information of GDA has been excluded from the consolidated financial statements of the Company and its subsidiaries (the “**Group**”) with effect from July 2017.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Group		Increase/ (Decrease) %
	Year ended 30 September 2017 S\$'000	2016 S\$'000	
Revenue	23,878	25,051	(4.7%)
Cost of sales	(14,866)	(13,669)	8.8%
Gross profit	9,012	11,382	(20.8%)
Other operating income	182	254	(28.3%)
Marketing and distribution expenses	(619)	(705)	(12.2%)
Administrative expenses	(6,663)	(6,665)	-
Other operating expenses	(981)	(883)	11.1%
Investment revenue	11	16	(31.3%)
Other gains and losses	(6)	(92)	(93.5%)
Finance costs	(11)	(15)	(26.7%)
Profit before tax	925	3,292	(71.9%)
Income tax expense	(21)	(551)	(96.2%)
Profit for the year	904	2,741	(67.0%)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations	4	43	(90.7%)
Other comprehensive income for the year, net of tax	4	43	(90.7%)
Total comprehensive income for the year	908	2,784	(67.4%)
Profit (Loss) attributable to:			
Owners of the Company	609	2,838	(78.5%)
Non-controlling interests	295	(97)	n.m ⁽¹⁾
	904	2,741	(67.0%)
Total comprehensive income (loss) attributable to:			
Owners of the Company	606	2,881	(79.0%)
Non-controlling interests	302	(97)	n.m ⁽¹⁾
	908	2,784	(67.4%)
Basic and diluted earnings per share (cents)	0.54	2.53	(78.6%)

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

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

	Group		Increase/ (Decrease) %
	Year ended 30 September 2017 S\$'000	2016 S\$'000	
Other operating income:			
Rental income	20	20	-
Sundry income	162	234	(30.8%)
	<u>182</u>	<u>254</u>	<u>(28.3%)</u>
Investment revenue:			
Interest income from bank deposits	11	16	(31.3%)
Finance costs	(11)	(15)	(26.7%)
Depreciation of property, plant and equipment	(537)	(486)	10.5%
Amortisation of intangible asset	(239)	(292)	(18.2%)
Net foreign exchange gains (losses)	47	(91)	n.m ⁽¹⁾
Gain (loss) on disposal of property, plant and equipment	4	(1)	n.m ⁽¹⁾
Loss on disposal of subsidiary	(56)	-	n.m ⁽¹⁾
Adjustments for over provision of tax in respect of prior year	-	10	n.m ⁽¹⁾
Impairment loss recognized on trade receivables	(724)	(398)	81.9%
Bad debts written off	-	(3)	n.m ⁽¹⁾

Note:

(1) n.m. denotes not meaningful.

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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

	Group		Company	
	As at 30 September		As at 30 September	
	2017	2016	2017	2016
	S\$'000	S\$'000	S\$'000	S\$'000
<u>ASSETS</u>				
Current assets				
Cash and cash equivalents	9,816	10,084	542	485
Trade and other receivables	6,498	9,471	1,799	1,889
Inventories	2,905	3,288	-	-
Total current assets	19,219	22,843	2,341	2,374
Non-current assets				
Pledged bank deposits	-	132	-	-
Property, plant and equipment	4,269	3,082	-	-
Intangible asset	1,558	1,797	-	-
Goodwill	860	860	-	-
Subsidiaries	-	-	4,040	4,232
Total non-current assets	6,687	5,871	4,040	4,232
Total assets	25,906	28,714	6,381	6,606
<u>LIABILITIES AND EQUITY</u>				
Current liabilities				
Bank borrowings	-	139	-	-
Trade and other payables	2,828	4,543	207	214
Finance leases payable	60	47	-	-
Income tax payable	198	615	5	5
Total current liabilities	3,086	5,344	212	219
Non-current liabilities				
Bank borrowings	-	404	-	-
Deferred tax liabilities	624	605	-	-
Other payables	76	-	-	-
Total non-current liabilities	700	1,009	-	-
Total liabilities	3,786	6,353	212	219
Capital, reserves and non-controlling interests				
Share capital	5,245	5,245	5,245	5,245
Reserves	15,326	15,616	924	1,142
Equity attributable to owners of the Company	20,571	20,861	6,169	6,387
Non-controlling interests	1,549	1,500	-	-
Total equity	22,120	22,361	6,169	6,387
Total liabilities and equity	25,906	28,714	6,381	6,606

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1(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 2017		As at 30 September 2016	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable in one year or less, or on demand	-	-	139	-
Amount repayable after one year	-	-	404	-

Details of any collateral

As at 30 September 2016, secured borrowings comprised term loans of S\$543,000 which were secured by a pledge of the Group's bank deposits of S\$132,000.

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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

	Group	
	Year ended 30 September	2016
	2017	2016
	S\$'000	S\$'000
Operating activities		
Profit before income tax	925	3,292
Adjustments for:		
Interest income	(11)	(16)
Finance costs	11	15
Depreciation of property, plant and equipment	537	486
Amortisation of intangible asset	239	292
Allowance for doubtful receivables	724	398
Bad debts written off	-	3
Net foreign exchange loss	15	14
Loss on disposal of subsidiary	56	-
(Gain) loss on disposal of property, plant and equipment	(4)	1
Operating cash flows before movements in working capital	2,492	4,485
Inventories	230	(951)
Trade and other receivables	1,474	(205)
Trade and other payables	(48)	1,279
Cash generated from operations	4,148	4,608
Income tax paid	(419)	(200)
Net cash from operating activities	3,729	4,408
Investing activities		
Purchase of property, plant and equipment	(1,853)	(891)
Interest received	11	16
Proceeds from disposal of property, plant and equipment	70	2
Acquisition of subsidiary, net of cash acquired	-	(1,768)
Net cash outflow from disposal of subsidiary	(1,001)	-
Repayment of loan from a third party	-	504
Net cash used in investing activities	(2,773)	(2,137)
Financing activities		
Dividends paid by the Company	(896)	(1,120)
Dividends paid to non-controlling shareholders by subsidiary	(147)	-
Decrease in pledged bank deposits	-	1,009
Proceeds from bank borrowings	23	21
Repayment of bank borrowings	(111)	(129)
Repayment of obligations under finance leases	(67)	(34)
Interest paid	(11)	(15)
Net cash used in financing activities	(1,209)	(268)
Net decrease in cash and cash equivalents	(253)	2,003
Cash and cash equivalents at beginning of period	10,084	8,095
Effects of foreign exchange rate changes on the balance of cash held in foreign currencies	(15)	(14)
Cash and cash equivalents at end of period	9,816	10,084

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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

The Group	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
Balance at 1 October 2016	5,245	(44)	277	19	15,364	20,861	1,500	22,361
Total comprehensive income (loss) for the period								
Profit for the period	-	-	-	-	609	609	295	904
Other comprehensive income (loss) for the period	-	(3)	-	-	-	(3)	7	4
Total	-	(3)	-	-	609	606	302	908
Transactions with owners, recognised directly in equity								
Dividends	-	-	-	-	(896)	(896)	-	(896)
Dividends paid to non-controlling shareholders by subsidiary	-	-	-	-	-	-	(147)	(147)
Disposal of subsidiary	-	-	-	-	-	-	(106)	(106)
Total	-	-	-	-	(896)	(896)	(253)	(1,149)
Balance at 30 September 2017	5,245	(47)	277	19	15,077	20,571	1,549	22,120
Balance at 1 October 2015	5,245	(87)	277	19	13,646	19,100	463	19,563
Total comprehensive income (loss) for the period								
Profit (Loss) for the period	-	-	-	-	2,838	2,838	(97)	2,741
Other comprehensive income (loss) for the period	-	43	-	-	-	43	-	43
Total	-	43	-	-	2,838	2,881	(97)	2,784
Transactions with owners, recognised directly in equity								
Dividends	-	-	-	-	(1,120)	(1,120)	-	(1,120)
Capital contribution from non-controlling interests in a subsidiary	-	-	-	-	-	-	1,134	1,134
Total	-	-	-	-	(1,120)	(1,120)	1,134	14
Balance at 30 September 2016	5,245	(44)	277	19	15,364	20,861	1,500	22,361

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The Company	Share capital S\$'000	Retained earnings S\$'000	Total S\$'000
Balance at 1 October 2016	5,245	1,142	6,387
Profit for the period, representing total comprehensive income for the period	-	678	678
Transactions with owners, recognised directly in equity			
Dividends	-	(896)	(896)
Balance at 30 September 2017	<u>5,245</u>	<u>924</u>	<u>6,169</u>
Balance at 1 October 2015	5,245	1,423	6,668
Profit for the period, representing total comprehensive income for the period	-	839	839
Transactions with owners, recognised directly in equity			
Dividends	-	(1,120)	(1,120)
Balance at 30 September 2016	<u>5,245</u>	<u>1,142</u>	<u>6,387</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 2017 and 30 September 2017.

The Company did not have any outstanding convertibles, treasury shares or subsidiary holdings as at 30 September 2017 and 30 September 2016.

- 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.**

	No of ordinary shares	
	As at 30 September	
	2017	2016
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 2017 and 30 September 2016.

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.

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 2017 as its most recently audited financial statements for the financial year ended 30 September 2016.

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.

In the financial year ended 30 September 2017, the Group has adopted all the new and revised Financial Reporting Standards ("**FRS**") and Interpretations of FRS ("**INT FRS**") that are relevant to the Group and effective for the financial period beginning on 1 October 2016. The adoption of these new and revised FRS and INT FRS did not result in changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior periods.

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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).

Earnings per Share ("EPS")

	Group	
	Year ended 30 September 2017	2016
Profit attributable to owners of the Company (S\$'000)	609	2,838
Weighted average number of ordinary shares ('000)	112,000	112,000
EPS - Basic and diluted (cents)	<u>0.54</u>	<u>2.53</u>

EPS is calculated based on profit 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 2017 and 30 September 2016.

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 2017	2016	As at 30 September 2017	2016
NAV per ordinary share (cents)	18.37	18.63	5.51	5.77
Number of ordinary shares used in computation of NAV per ordinary share ('000)	<u>112,000</u>	<u>112,000</u>	<u>112,000</u>	<u>112,000</u>

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

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.

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Revenue for the financial year ended 30 September 2017 (“FY2017”) was S\$23.88 million, a decrease of S\$1.17 million or 4.7% as compared to S\$25.05 million for the previous financial year ended 30 September 2016 (“FY2016”). The decrease in revenue was a result of a decrease in the Group’s sales of door and shutter system which was partially offset by an increase in revenue from Grimm Industries Pte. Ltd. (“Grimm”) and an increase in revenue from the Group’s provision of service and maintenance work, as follows:

- (i) The Group’s overall sales of doors and shutter system decreased by S\$3.98 million or 20.1% from S\$19.77 million in FY2016 to S\$15.79 million in FY2017. The decrease was mainly due to the decrease of the Group’s sales of manufactured products and distributed products of S\$3.71 million and S\$0.27 million respectively amidst a slowing economy;
- (ii) Grimm recorded an increase in revenue of S\$2.45 million or 73.1% from S\$3.35 million in FY2016 to S\$5.80 million in FY2017. This increase was due to Grimm’s full-year revenue contribution to the Group in FY2017 as compared to an eight-month period of revenue contribution in FY2016, as Grimm was acquired by the Company in January 2016; and
- (iii) The Group’s provision of service and maintenance work recorded an increase in revenue of S\$0.36 million or 18.6% from S\$1.93 million in FY2016 to S\$2.29 million in FY2017.

Cost of sales

Cost of sales increased by S\$1.20 million or 8.8% from S\$13.67 million in FY2016 to S\$14.87 million in FY2017 mainly due to higher material costs of S\$1.48 million which were partially offset by lower labour cost of S\$0.34 million.

Gross profit

Gross profit decreased by S\$2.37 million or 20.8% from S\$11.38 million in FY2016 to S\$9.01 million in FY2017. Gross profit margin decreased from 45.4% in FY2016 to 37.7% in FY2017. The lower gross profit margin was mainly due to lower sales in manufactured products which typically have better margins as compared to distributed products.

Other operating income

Other operating income decreased by S\$0.07 million or 28.3% from S\$0.25 million in FY2016 to S\$0.18 million in FY2017. The decrease was mainly due to lower government grant and incentives received in FY2017.

Marketing and distribution expenses

Marketing and distribution expenses decreased by S\$0.09 million or 12.2% from S\$0.71 million in FY2016 to S\$0.62 million in FY2017. This was mainly due to a decrease in travelling, entertainment and advertising cost of S\$0.11 million in aggregate.

Administrative expenses

Administrative expenses remained at S\$6.66 million in FY2017 as compared to FY2016. During FY2017, there was an increase in personnel cost of S\$0.22 million mainly due to an increase in headcount and an increase in government levy. This increase was partially offset by (i) a decrease in rental expenses of S\$0.05 million; (ii) a decrease in professional fees of S\$0.04 million; and (iii) lower general expenses incurred by the Group of S\$0.05 million following the disposal of GDA.

Other operating expenses

Other operating expenses increased by S\$0.10 million or 11.1% from S\$0.88 million in FY2016 to S\$0.98 million in FY2017. The increase was due to an increase in impairment loss on trade receivables of S\$0.33 million which was partially offset by a decrease in research and development expenses of S\$0.23 million. The higher impairment loss on trade receivables was mainly attributable to debts relating to customers who are in financial difficulties. The lower research and development expenses was attributable to more fire testing carried out in FY2016 as compared to FY2017.

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Investment revenue

Investment revenue which mainly comprise interest from bank deposits, decreased from S\$16,000 in FY2016 to S\$11,000 in FY2017.

Other gains and losses

Other gains and losses decreased from a net loss of S\$0.09 million in FY2016 to S\$6,000 in FY2017 mainly due to a higher net foreign exchange gain of S\$0.14 million arising from the translation of trade receivables and bank balances denominated in US\$ in FY2017. The increase in foreign exchange gain was partially offset by a loss on disposal of GDA of S\$0.06 million.

Finance costs

Finance costs decreased slightly by \$4,000 from S\$15,000 in FY2016 to S\$11,000 in FY2017 mainly due to the disposal of GDA.

Income tax expense

Income tax expense decreased by S\$0.53 million from S\$0.55 million in FY2016 to S\$0.02 million in FY2017. The decrease in income tax expense was mainly due to a tax refund of S\$0.12 million received and lower income tax expense as a result of lower profit generated.

Profit for the year

As a result of the above, profit for the year decreased by S\$1.84 million or 67.0 % from S\$2.74 million in FY2016 to S\$0.90 million in FY2017.

Review of the Group's Financial Position

Current assets

Current assets decreased by S\$3.62 million from S\$22.84 million as at 30 September 2016 to S\$19.22 million as at 30 September 2017, as a result of the following:

- (i) a decrease in trade and other receivables of S\$2.97 million, mainly attributable to the disposal of GDA;
- (ii) a decrease in inventories of S\$S\$0.38 million; and
- (iii) a decrease in cash and cash equivalents of S\$0.27 million.

Non-current assets

Non-current assets increased by S\$0.82 million from S\$5.87 million as at 30 September 2016 to S\$6.69 million as at 30 September 2017, as a result of the following:

- (i) an increase in property, plant and equipment of S\$1.19 million mainly due to the automation of the Group's production process which contributed an increase of S\$1.17 million in machinery and equipment;
- (ii) a decrease in intangible asset of S\$0.24 million; and
- (iii) a decrease in pledged deposits of S\$0.13 million as these deposits relate to GDA which has since been disposed by the Group.

Current liabilities

Current liabilities decreased by S\$2.25 million from S\$5.34 million as at 30 September 2016 to S\$3.09 million as at 30 September 2017, as a result of the following:

- (i) a decrease in trade and other payables of S\$1.72 million mainly attributable to the disposal of GDA;
- (ii) a decrease in income tax payable of S\$0.42 million; and
- (iii) a decrease in bank borrowings of S\$0.14 million as these bank borrowings relate to GDA which has since been disposed by the Group.

Non-current liabilities

Non-current liabilities decreased by S\$0.31 million from S\$1.01 million as at 30 September 2016 to S\$0.70 million as at 30 September 2017, as a result of the following:

- (i) a decrease in bank borrowings of S\$0.40 million as these bank borrowings relate to GDA which has since been disposed by the Group;
- (ii) an increase in other payables of S\$0.08 million; and
- (iii) an increase in deferred tax liabilities of S\$0.02 million.

Capital, reserves and non-controlling interests

Total equity as at 30 September 2017 was S\$22.12 million as compared S\$22.36 million as at 30 September 2016.

Review of the Group's Cash Flows

Net cash from operating activities

In FY2017, the Group generated net cash of S\$2.49 million from operating activities before changes in working capital. The Group's net working capital inflow amounted to S\$1.66 million and was mainly due to a decrease in trade and other receivables of S\$1.47 million and a decrease in inventories of S\$0.23 million, which were partially offset by a decrease in trade and other payables of S\$0.05 million. After payment of income tax of S\$0.42 million, the net cash generated from operating activities in FY2017 amounted to S\$3.73 million.

Net cash used in investing activities

Net cash used in investing activities amounted to S\$2.77 million, mainly due to the Group's purchase of property, plant and equipment of S\$1.85 million and the cash outflow from the disposal of GDA of S\$1.00 million.

Net cash used in financing activities

Net cash used in financing activities amounted to S\$1.21 million, mainly due to payment of dividends of S\$1.04 million and the net repayment of bank borrowings and repayment of finance lease obligation of S\$0.09 million and S\$0.07 million respectively.

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

No forecast or prospect statement has been previously disclosed to shareholders.

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 factors that may impact the Group are as follows:

- (a) General health of the Singapore economy;
- (b) Level of activities in the commercial and industrial developments in Singapore; and
- (c) Changes in the Singapore government's policies and regulations on the immigration and employment of foreign workers.

The industry remains challenging and competitive. The Group will strive to continuously improve its operational efficiency and focus its strength as a trusted door and shutter system solutions provider. The Group continues to be on the lookout for new projects to maintain or expand its order book while exercising stricter evaluation and assessment when negotiating new contracts.

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The Group also expects increasing constraints in labour supply and manpower costs in Singapore. In this regard, the Group will continue to take appropriate steps and measures to address these issues to maintain its competitiveness.

11. Dividend

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

Yes. The board of directors of the Company (the “**Board**”) is proposing a first and final dividend in respect of FY2017 (the “**Dividend**”), as follows:

	FY2017
Name of dividend	First and final dividend
Type of dividend	Cash
Dividend per ordinary share	0.5 Singapore cent
Total annual dividend	S\$560,000

The Dividend is subject to the approval of the Company’s shareholders at the forthcoming annual general meeting to be held in January 2018.

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

Yes. The following first and final dividend in respect of FY2016 was paid to the Company’s shareholders on 20 February 2017:

	FY2016
Name of dividend	First and final dividend
Type of dividend	Cash
Dividend per ordinary share	0.8 Singapore cent
Total annual dividend	S\$896,000

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

Tax exempt (one-tier).

(d) Date payable

To be announced at a later date.

(e) Books closure date

To be announced at a later date.

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

Not applicable. The Board is recommending to declare the Dividend in respect of FY2017.

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 FY2017, 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 the Singapore Exchange Securities Trading Limited (“SGX-ST”) Listing Manual Section B: Rules of Catalist (“Catalist Rules”) in accordance with Rule 720(1) of the Catalist Rules.

Part II Additional Information Required for Full Year Announcement

15. **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, Greater China, Middle East and Others. The Group’s revenue from external customers by geographical locations are as follows:

Revenue from external customers (based on location of customers)	Group	
	Year ended 30 September	
	2017	2016
	S\$’000	S\$’000
Singapore	15,328	19,112
Europe	4,252	2,947
Greater China	2,588	2,143
Middle East	122	464
Others	1,588	385
Total	23,878	25,051

16. **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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17. A breakdown of sales as follows:

	Group		Increase/ (Decrease) %
	Year ended 30 September 2017 S\$'000	2016 S\$'000	
(a) Sales reported for first half year	12,608	11,461	10.0%
(b) Operating profit after tax before deducting non-controlling interests reported for first half year	1,058	1,530	(30.8%)
(c) Sales reported for second half year	11,270	13,590	(17.1%)
(d) Operating profit after tax before deducting non-controlling interests reported for second half year	(154)	1,211	n.m ⁽¹⁾

Note:

(1) n.m. denotes not meaningful.

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

	Group	
	Year ended 30 September 2017 S\$'000	2016 S\$'000
Ordinary	560	896
Preference	-	-
Total	560	896

19. 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 FY2017 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

20 November 2017

This announcement has been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch ("Sponsor") for compliance with the Catalist Rules. The Sponsor has not independently verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume 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.