



**XMH**

**XMH HOLDINGS LTD.**

(Incorporated in the Republic of Singapore)  
(Company Registration No: 201010562M)

**UNAUDITED SECOND HALF YEAR (“2HFY2020”) AND FULL YEAR (FY2020)  
FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE PERIOD/YEAR ENDED 30  
APRIL 2020**

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

(In S\$'000) Description	Group					
	Actual 2HFY2020	Actual 2HFY2019 (Restated)	Change %	Actual FY2020	Actual FY2019 (Restated)	Change %
<b>Continuing operations</b>						
Revenue	24,616	42,499	(42.1)	53,964	67,146	(19.6)
Cost of sales	(18,770)	(32,389)	(42.0)	(41,509)	(50,229)	(17.4)
<b>Gross profit</b>	5,846	10,110	(42.2)	12,455	16,917	(26.4)
Other income	1,447	1,631	(11.3)	2,532	2,508	1.0
Distribution expenses	(2,009)	(2,556)	(21.4)	(4,331)	(4,515)	(4.1)
Administrative expenses	(9,309)	(7,964)	16.9	(15,931)	(15,124)	5.3
Net (impairment losses)/write-back of impairment losses on financial assets	(31)	(22)	40.9	(168)	25	NM
<b>Results from operating activities</b>	(4,056)	1,199	NM	(5,443)	(189)	NM
Finance income	15	381	(96.1)	98	820	(88.0)
Finance costs	(1,507)	(905)	66.5	(2,954)	(1,657)	78.3
<b>Net finance costs</b>	(1,492)	(524)	NM	(2,856)	(837)	NM
<b>(Loss)/profit before tax</b>	(5,548)	675	NM	(8,299)	(1,026)	NM
Tax credit/(expense)	10	(290)	NM	(32)	(341)	(90.6)
<b>(Loss)/profit from continuing operations, net of tax</b>	<b>(5,538)</b>	<b>385</b>	<b>NM</b>	<b>(8,331)</b>	<b>(1,367)</b>	<b>NM</b>
<b>Discontinued Operation<sup>(1)</sup></b>						
Loss on disposal of a subsidiary, net of tax	-	-	NM	(2,219)	-	NM
Loss from discontinued operation, net of tax	-	(2,527)	NM	(1,125)	(2,869)	(60.8)
Results from discontinued operation, net of tax	-	(2,527)	NM	(3,344)	(2,869)	16.6
<b>Loss for the period/year</b>	<b>(5,538)</b>	<b>(2,142)</b>	<b>NM</b>	<b>(11,675)</b>	<b>(4,236)</b>	<b>NM</b>
Items that may be reclassified subsequently to profit or loss						
<i>Exchange differences arising from translation of the financial statements of the subsidiary corporations</i>	1,381	(198)	NM	2,048	11	NM
<i>Net changes in the fair value of equity securities</i>	-	88	NM	-	(45)	NM
<i>Deferred tax arising from fair value change of equity securities</i>	-	(13)	NM	-	10	NM
<i>Other comprehensive income/(expenses) for the period/year, net of tax</i>	1,381	(123)	NM	2,048	(24)	NM
<b>Total comprehensive expenses for the period/year</b>	<b>(4,157)</b>	<b>(2,265)</b>	<b>83.5</b>	<b>(9,627)</b>	<b>(4,260)</b>	<b>NM</b>

Note:

(1) Discontinued operation relates to Z-Power Automation Pte. Ltd. (disposed on 8 October 2019).

**UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS  
ANNOUNCEMENT FOR THE PERIOD/YEAR ENDED 30 APRIL 2020**

(In S\$'000) Description	Group					
	Actual 2HFY2020	Actual 2HFY2019 (Restated)	Change %	Actual FY2020	Actual FY2019 (Restated)	Change %
<b>Loss attributable to:</b>						
Owners of the Company						
(Loss)/profit from continuing operations	(5,408)	401	NM	(8,161)	(1,349)	NM
Loss from discontinued operation	-	(1,901)	NM	(2,774)	(1,989)	39.5
	<b>(5,408)</b>	<b>(1,500)</b>	NM	<b>(10,935)</b>	<b>(3,338)</b>	NM
Non-controlling interests						
Loss from continuing operations	(130)	(16)	NM	(170)	(18)	NM
Loss from discontinued operation	-	(626)	NM	(570)	(880)	(35.2)
	(130)	(642)	(79.8)	(740)	(898)	(17.6)
	<b>(5,538)</b>	<b>(2,142)</b>	<b>NM</b>	<b>(11,675)</b>	<b>(4,236)</b>	<b>NM</b>
<b>Total comprehensive expenses attributable to:</b>						
Owners of the Company						
(Loss)/profit from continuing operations	(4,047)	289	NM	(6,135)	(1,364)	NM
Loss from discontinued operation	-	(1,901)	NM	(2,774)	(1,989)	39.5
	<b>(4,047)</b>	<b>(1,612)</b>	NM	<b>(8,909)</b>	<b>(3,353)</b>	NM
Non-controlling interests						
Loss from continuing operations	(110)	(27)	NM	(148)	(27)	NM
Loss from discontinued operation	-	(626)	NM	(570)	(880)	(35.2)
	(110)	(653)	(83.2)	(718)	(907)	(20.8)
	<b>(4,157)</b>	<b>(2,265)</b>	<b>83.5</b>	<b>(9,627)</b>	<b>(4,260)</b>	<b>NM</b>

Note:

NM denotes not meaningful where there is no comparative or the fluctuation is more than 100%

**UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS  
ANNOUNCEMENT FOR THE PERIOD/YEAR ENDED 30 APRIL 2020**

**1(a)(ii) The statement of comprehensive income is arrived after crediting /(charging) the following:**

(In S\$'000) Description	Group					
	Actual 2HFY2020	Actual 2HFY2019 (Restated)	Change %	Actual FY2020	Actual FY2019 (Restated)	Change %
Gain on disposal of property, plant and equipment						
- Continuing operations	3	58	(94.8)	3	58	(94.8)
- Discontinued operation	-	4	NM	-	4	NM
Other miscellaneous income						
- Continuing operations	431	929	(53.6)	734	1,077	(31.8)
- Discontinued operation	-	17	NM	40	74	(45.9)
Write-back of impairment loss on receivables and contract assets						
- Continuing operations	57	91	(37.4)	40	157	(74.5)
- Discontinued operation	-	160	NM	38	220	(82.7)
Interest income						
- Continuing operations	15	146	(89.7)	98	258	(62.0)
- Discontinued operation	-	7	NM	-	50	NM
Interest expense						
- Continuing operations	(857)	(905)	(5.3)	(1,731)	(1,657)	4.5
- Discontinued operation	-	(47)	NM	(33)	(66)	(50.0)
Net foreign exchange (loss)/gain						
- Continuing operations	(650)	234	NM	(1,223)	562	NM
- Discontinued operation	-	(6)	NM	(2)	(24)	(91.7)
Depreciation of property, plant and equipment						
- Continuing operations	(1,651)	(2,127)	(22.4)	(3,493)	(4,647)	(24.8)
- Discontinued operation	-	(93)	NM	(52)	(212)	(75.5)
Amortisation of intangible assets						
- Continuing operations	(52)	(28)	85.7	(99)	(52)	90.4
- Discontinued operation	-	(419)	NM	(335)	(840)	(60.1)
Amortisation of right-of-use assets						
- Continuing operations	(488)	-	NM	(545)	-	NM
- Discontinued operation	-	-	NM	(4)	-	NM
Fair value losses on quoted equity securities						
- Continuing operations	(217)	(56)	NM	(237)	(56)	NM
Share-based payment expenses						
- Continuing operations	-	(37)	NM	(24)	(93)	(74.2)
Rental income						
- Continuing operations	1,008	633	59.2	1,776	1,343	32.2
Dividend income						
- Continuing operations	5	5	NM	20	25	(20.0)
Impairment loss on receivables and contract assets						
- Continuing operations	-	(108)	NM	(120)	(114)	5.3
- Discontinued operation	-	(238)	NM	-	(238)	NM
Bad debts written-off						
- Continuing operations	(88)	(5)	NM	(88)	(18)	NM

Note:

NM denotes not meaningful where there is no comparative or the fluctuation is more than 100%

**UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS  
ANNOUNCEMENT FOR THE PERIOD/YEAR ENDED 30 APRIL 2020**

(In S\$'000) Description	Group					
	Actual 2HFY2020	Actual 2HFY2019 (Restated)	Change %	Actual FY2020	Actual FY2019 (Restated)	Change %
Inventories written-off						
- Continuing operations	(882)	(13)	NM	(882)	(13)	NM
- Discontinued operation	-	(263)	NM	-	(263)	NM
Provision for onerous contract						
- Continuing operations	(1,200)	-	NM	(1,200)	-	NM
- Discontinued operation	-	(355)	NM	-	(355)	NM
Impairment loss on stocks obsolescence						
- Continuing operations	(58)	-	NM	(58)	-	NM
Forfeiture deposits from customers						
- Continuing operations	-	5	NM	-	5	NM
- Discontinued operation	-	695	NM	-	695	NM
Impairment loss of club membership						
- Continuing operations	(36)	-	NM	(36)	-	NM
Impairment loss of goodwill						
- Continuing operations	(887)	-	NM	(887)	-	NM
Impairment loss of intangible asset						
- Continuing operations	(132)	-	NM	(132)	-	NM
Adjustment for (under)/over provision of tax in respect of prior period/year						
- Continuing operations	-	(213)	NM	(6)	(234)	(97.4)
- Discontinued operation	-	22	NM	-	22	NM

*Note:*

*NM denotes not meaningful where there is no comparative or the fluctuation is more than 100%*

**UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS  
ANNOUNCEMENT FOR THE PERIOD/YEAR ENDED 30 APRIL 2020**

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

(In S\$'000) Description	Group		Company	
	30 Apr 2020	30 Apr 2019	30 Apr 2020	30 Apr 2019
<b>ASSETS</b>				
<u>Non-current assets</u>				
Property, plant and equipment	49,954	59,534	45,500	54,741
Intangible assets	8,615	10,351	-	-
Other financial assets	425	662	-	-
Investment in subsidiary corporations	-	-	11,297	18,701
Club memberships	188	206	-	-
Deferred tax assets	486	37	-	-
Right-of-use assets	7,527	-	6,184	-
<b>Total non-current assets</b>	<b>67,195</b>	<b>70,790</b>	<b>62,981</b>	<b>73,442</b>
<u>Current assets</u>				
Inventories	29,651	27,496	-	-
Trade and other receivables	10,472	14,570	873	1,912
Prepayment	472	416	8	38
Contract assets	8,942	15,389	-	-
Cash and short-term deposits	14,162	23,552	1,006	792
Tax recoverable	55	32	-	-
<b>Total current assets</b>	<b>63,754</b>	<b>81,455</b>	<b>1,887</b>	<b>2,742</b>
<b>TOTAL ASSETS</b>	<b>130,949</b>	<b>152,245</b>	<b>64,868</b>	<b>76,184</b>
<b>LIABILITIES AND EQUITY</b>				
<u>Current liabilities</u>				
Trade and other payables	15,761	23,078	8,972	8,843
Deferred grant income	406	-	52	-
Contract liabilities	222	240	-	-
Loans and borrowings	20,151	23,267	2,027	1,929
Current tax payables	20	183	-	52
<b>Total current liabilities</b>	<b>36,560</b>	<b>46,768</b>	<b>11,051</b>	<b>10,824</b>
<u>Non-current liabilities</u>				
Other payables	196	251	369	562
Loans and borrowings	45,243	47,250	35,102	37,160
Deferred tax liabilities	594	241	450	-
<b>Total non-current liabilities</b>	<b>46,033</b>	<b>47,742</b>	<b>35,921</b>	<b>37,722</b>
<b>TOTAL LIABILITIES</b>	<b>82,593</b>	<b>94,510</b>	<b>46,972</b>	<b>48,546</b>
<b>NET ASSETS</b>	<b>48,356</b>	<b>57,735</b>	<b>17,896</b>	<b>27,638</b>
<b>EQUITY</b>				
<b>Equity attributable to owners of the Company</b>				
Share capital	39,780	39,780	39,780	39,780
Reserve for own shares	(3,292)	(3,292)	(3,292)	(3,292)
Other reserves	(4,859)	(6,909)	2,292	2,268
Accumulated profits/(losses)	16,562	27,510	(20,884)	(11,118)
	<b>48,191</b>	<b>57,089</b>	<b>17,896</b>	<b>27,638</b>
Non-controlling interests	165	646	-	-
<b>Total equity</b>	<b>48,356</b>	<b>57,735</b>	<b>17,896</b>	<b>27,638</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>130,949</b>	<b>152,245</b>	<b>64,868</b>	<b>76,184</b>

**UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS  
ANNOUNCEMENT FOR THE PERIOD/YEAR ENDED 30 APRIL 2020**

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

Description (in S\$'000)	Group	
	30 April 2020	30 April 2019
<b>Loans and borrowings</b>		
Amount repayable in one year or less, or on demand		
- Secured <sup>(1)</sup>	19,732	23,267
Amount repayable after one year		
- Secured	44,261	47,250
<b>Total</b>	<b>63,993</b>	<b>70,517</b>

The Group has certain banking facilities which are secured by the following: -

- (a) Legal mortgage on factory buildings of the Group; and
- (b) Corporate guarantee by the Company.

Excluded from the loans and borrowings above are lease liabilities of S\$1.4 million which are secured over the right-of-use assets as at 30 April 2020.

Note:

- (1) The type of secured loans payable in one year or less, or on demand consists of the following;

Description (in S\$'000)	Group	
	30 April 2020	30 April 2019
<b>Loans and borrowings</b>		
Bills payables	7,177	10,378
Revolving credit facility	9,843	10,330
Finance leases	-	78
Term loans	2,695	2,481
Lease liabilities	17	-
<b>Total</b>	<b>19,732</b>	<b>23,267</b>

**UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS  
ANNOUNCEMENT FOR THE PERIOD/YEAR ENDED 30 APRIL 2020**

**1(d) A consolidated statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

(In S\$'000) Description	6 months ended		12 months ended	
	2HFY2020	2HFY2019 (Restated)	FY2020	FY2019 (Restated)
<b>Cash flows from operating activities</b>				
(Loss)/Profit before tax from continuing operations	(5,548)	675	(8,299)	(1,026)
Loss before tax from discontinued operation	-	(2,609)	(3,444)	(3,011)
	(5,548)	(1,934)	(11,743)	(4,037)
<b>Adjustments for:</b>				
Amortisation of intangible assets	52	447	434	892
Amortisation of right-of-use assets	488	-	549	-
Depreciation of property, plant and equipment	1,651	2,220	3,545	4,859
Gain on disposal of property, plant and equipment	(3)	(62)	(3)	(62)
Share-based payment expenses	-	37	24	93
Interest income	(15)	(153)	(98)	(308)
Interest expense	857	952	1,764	1,723
Dividend income from quoted equity security	(5)	(5)	(20)	(25)
Write-back of impairment loss on receivables and contract assets	(57)	(251)	(78)	(377)
Impairment loss on receivables and contract assets	-	346	120	352
Impairment loss of goodwill	887	-	887	-
Impairment loss of intangible asset	132	-	132	-
Impairment loss of club membership	36	-	36	-
Bad debts written-off	88	5	88	18
Fair value losses on quoted equity securities	217	56	237	56
Loss from disposal of a subsidiary	-	-	2,269	-
Provision for onerous contract	700*	355	700*	355
Inventories written-off	882	276	882	276
Impairment loss on stocks obsolescence	58	-	58	-
Unrealised foreign exchange loss/(gain)	1,005	(42)	1,333	70
	1,425	2,247	1,116	3,885
Changes in inventories	(3,005)	(2,964)	(7,551)	(2,639)
Changes in trade and other receivables	(1,119)	2,740	569	(595)
Changes in prepayment	(10)	68	(98)	(98)
Changes in contract assets	7,935	(5,756)	6,515	(470)
Changes in trade and other payables	(1,253)	7,171	(4,069)	4,322
Changes in deferred grant income	406	-	406	-
Changes in contract liabilities	38	(439)	(18)	229
<b>Cash generated from/(used in) operations</b>	<b>4,417</b>	<b>3,067</b>	<b>(3,130)</b>	<b>4,634</b>
Income tax (paid)/refund, net	(47)	297	(219)	242
<b>Net cash generated from/(used in) operating activities</b>	<b>4,370</b>	<b>3,364</b>	<b>(3,349)</b>	<b>4,876</b>
<b>Cash flows from investing activities</b>				
Interest received	15	153	98	308
Dividends received	5	5	20	25
Proceeds from sale of property, plant and equipment	3	62	3	62
Acquisition of property, plant and equipment	(417)	(185)	(617)	(283)
Purchase of intangible assets	(32)	(127)	(32)	(149)
(Placement)/withdrawal of structured deposits	(500)	(8,167)	7,667	(8,167)
Net cash outflows from disposal of a subsidiary	-	-	(341)	-
<b>Net cash (used in)/generated from investing activities</b>	<b>(926)</b>	<b>(8,259)</b>	<b>6,798</b>	<b>(8,204)</b>

Note:

\* S\$0.5 million out of the total provision for onerous contract of S\$1.2 million was paid.

**UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS  
ANNOUNCEMENT FOR THE PERIOD/YEAR ENDED 30 APRIL 2020**

(In S\$'000) Description	6 months ended		12 months ended	
	2HFY2020	2HFY2019 (Restated)	FY2020	FY2019 (Restated)
<b>Cash flows from financing activities</b>				
Proceed from borrowings	4	4,372	181	10,500
Repayment of borrowings	(1,239)	(1,684)	(2,448)	(2,580)
Proceeds from revolving credit facility	7,609	9,850	14,578	15,765
Repayment of revolving credit facility	(6,354)	(15,493)	(14,320)	(27,069)
Proceeds from trust receipts	11,825	19,533	28,619	40,046
Repayment of trust receipts	(12,100)	(15,145)	(30,805)	(40,025)
Repayment of finance lease liabilities	-	(54)	-	(106)
Repayment of principal portion of lease liabilities	(197)	-	(326)	-
Interest paid	(844)	(952)	(1,732)	(1,723)
Purchase of treasury shares	-	-	-	(501)
Capital injection from non-controlling interest	-	200	238	302
Decrease in fixed deposit	-	-	21	-
<b>Net cash (used in)/generated from financing activities</b>	<b>(1,296)</b>	<b>627</b>	<b>(5,994)</b>	<b>(5,391)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>2,148</b>	<b>(4,268)</b>	<b>(2,545)</b>	<b>(8,719)</b>
Cash and cash equivalents at the beginning of the period/year	11,176	19,666	15,345	23,959
Effect of exchange rate fluctuation on cash held	319	(53)	843	105
Cash and cash equivalents at the end of the period/year	<b>13,643</b>	<b>15,345</b>	<b>13,643</b>	<b>15,345</b>
<b>Represented by:</b>				
Cash at bank and on hand	13,643	15,345	13,643	15,345
Short-term deposits	519	8,207	519	8,207
	<b>14,162</b>	<b>23,552</b>	<b>14,162</b>	<b>23,552</b>
Less: Fixed deposits under pledged	(19)	(19)	(19)	(19)
Fixed deposits	-	(21)	-	(21)
Structured deposits	(500)	(8,167)	(500)	(8,167)
<b>Cash and cash equivalents in the consolidated statement of cash flows</b>	<b>13,643</b>	<b>15,345</b>	<b>13,643</b>	<b>15,345</b>



**UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS  
ANNOUNCEMENT FOR THE PERIOD/YEAR ENDED 30 APRIL 2020**

- 1(e) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

<b>COMPANY Description (in S\$'000)</b>	<b>Share Capital</b>	<b>Reserve for own Shares</b>	<b>Share Option Reserve</b>	<b>Accumulated Losses</b>	<b>Total</b>
<b>As at 1 May 2019</b>	39,780	(3,292)	2,268	(11,118)	27,638
Loss for the period	-	-	-	(1,151)	(1,151)
Share-based payment transactions	-	-	24	-	24
<b>As at 31 October 2019</b>	39,780	(3,292)	2,292	(12,269)	26,511
Loss for the period	-	-	-	(8,615)	(8,615)
<b>As at 30 April 2020</b>	39,780	(3,292)	2,292	(20,884)	17,896

<b>COMPANY Description (in S\$'000)</b>	<b>Share Capital</b>	<b>Reserve for own Shares</b>	<b>Share Option Reserve</b>	<b>Accumulated Losses</b>	<b>Total</b>
<b>As at 1 May 2018</b>	39,780	(2,791)	2,175	(2,751)	36,413
Loss for the period	-	-	-	(721)	(721)
Share-based payment transactions	-	-	56	-	56
Purchase of treasury shares	-	(501)	-	-	(501)
<b>As at 31 October 2018</b>	39,780	(3,292)	2,231	(3,472)	35,247
Loss for the period	-	-	-	(7,646)	(7,646)
Share-based payment transactions	-	-	37	-	37
<b>As at 30 April 2019</b>	39,780	(3,292)	2,268	(11,118)	27,638

**UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE PERIOD/YEAR ENDED 30 APRIL 2020**

GROUP Description (in S\$'000)	Share Capital	Reserve for Own Shares	Share Option Reserve	Foreign Currency Translation Reserve	Accumulated Profits	Attributable to Owners of the Company	Non- controlling Interests	Total
As at 1 May 2019	39,780	(3,292)	2,268	(9,177)	27,510	57,089	646	57,735
Effects on adoption of SFRS(I) 16	-	-	-	-	(13)	(13)	(1)	(14)
As at 1 May 2019 (Restated)	39,780	(3,292)	2,268	(9,177)	27,497	57,076	645	57,721
Loss for the period from continuing operations	-	-	-	-	(2,753)	(2,753)	(40)	(2,793)
Loss for the period from discontinued operation	-	-	-	-	(2,774)	(2,774)	(570)	(3,344)
<b>Other comprehensive expenses</b>								
Exchange differences arising from translation of the financial statements of the subsidiary corporations	-	-	-	665	-	665	2	667
<b>Total other comprehensive expenses for the period, net of tax</b>	-	-	-	665	-	665	2	667
<b>Total comprehensive expenses for the period</b>	-	-	-	665	(5,527)	(4,862)	(608)	(5,470)
<b>Changes in ownership interest in subsidiary corporation</b>								
Subscription of shares of a subsidiary corporation	-	-	-	-	-	-	238	238
<b>Contributions by and distributions to owners</b>								
Share-based payment transactions	-	-	24	-	-	24	-	24
<b>Total transactions with owners in their capacity as owners</b>	-	-	24	-	-	24	-	24
As at 31 October 2019	39,780	(3,292)	2,292	(8,512)	21,970	52,238	275	52,513
Loss for the period from continuing operations	-	-	-	-	(5,408)	(5,408)	(130)	(5,538)
<b>Other comprehensive expenses</b>								
Exchange differences arising from translation of the financial statements of the subsidiary corporations	-	-	-	1,361	-	1,361	20	1,381
<b>Total other comprehensive expenses for the period, net of tax</b>	-	-	-	1,361	-	1,361	20	1,381
<b>Total comprehensive expenses for the period</b>	-	-	-	1,361	(5,408)	(4,047)	(110)	(4,157)
As at 30 April 2020	39,780	(3,292)	2,292	(7,151)	16,562	48,191	165	48,356

**UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE PERIOD/YEAR ENDED 30 APRIL 2020**

GROUP Description (in S\$'000)	Share Capital	Reserve for Own Shares	Share Option Reserve	Fair Value Reserve	Foreign Currency Translation Reserve	Accumulated Profits	Attributable to Owners of the Company	Non- controlling Interests	Total
As at 1 May 2018	39,780	(2,791)	2,175	35	(9,197)	31,608	61,610	1,345	62,955
Effects on adoption of SFRS(I) 15	-	-	-	-	-	(172)	(172)	(43)	(215)
Effects on adoption of SFRS(I) 9	-	-	-	-	-	(588)	(588)	(51)	(639)
As at 1 May 2018 (Restated)	39,780	(2,791)	2,175	35	(9,197)	30,848	60,850	1,251	62,101
Loss for the period from continuing operations	-	-	-	-	-	(1,750)	(1,750)	(2)	(1,752)
Loss for the period from discontinued operation	-	-	-	-	-	(88)	(88)	(254)	(342)
<b>Other comprehensive income/(expenses)</b>									
Exchange differences arising from translation of the financial statements of the subsidiary corporations	-	-	-	-	207	-	207	2	209
Net changes in the fair value of equity securities	-	-	-	(133)	-	-	(133)	-	(133)
Deferred tax arising from fair value change of equity securities	-	-	-	23	-	-	23	-	23
<b>Total other comprehensive income/(expenses) for the period, net of tax</b>	-	-	-	(110)	207	-	97	2	99
<b>Total comprehensive income/(expenses) for the period</b>	-	-	-	(110)	207	(1,838)	(1,741)	(254)	(1,995)
<b>Changes in ownership interest in subsidiary corporation</b>									
Subscription of shares of a subsidiary corporation	-	-	-	-	-	-	-	102	102
<b>Contributions by and distributions to owners</b>									
Share-based payment transactions	-	-	56	-	-	-	56	-	56
Purchase of treasury shares	-	(501)	-	-	-	-	(501)	-	(501)
<b>Total transactions with owners in their capacity as owners</b>	-	(501)	56	-	-	-	(445)	-	(445)
As at 31 October 2018	39,780	(3,292)	2,231	(75)	(8,990)	29,010	58,664	1,099	59,763

**UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE PERIOD/YEAR ENDED 30 APRIL 2020**

GROUP Description (in S\$'000)	Share Capital	Reserve for Own Shares	Share Option Reserve	Fair Value Reserve	Foreign Currency Translation Reserve	Accumulated Profits	Attributable to Owners of the Company	Non- controlling Interests	Total
<b>As at 1 November 2018</b>	39,780	(3,292)	2,231	(75)	(8,990)	29,010	58,664	1,099	59,763
<b>Profit/(loss) for the period from continuing operations</b>	-	-	-	-	-	401	401	(16)	385
<b>Loss for the period from discontinued operation</b>	-	-	-	-	-	(1,901)	(1,901)	(626)	(2,527)
<b>Other comprehensive income/(expenses)</b>									
Exchange differences arising from translation of the financial statements of the subsidiary corporations	-	-	-	-	(187)	-	(187)	(11)	(198)
Net changes in the fair value of equity securities	-	-	-	88	-	-	88	-	88
Deferred tax arising from fair value change of equity securities	-	-	-	(13)	-	-	(13)	-	(13)
<b>Total other comprehensive income/(expenses) for the period, net of tax</b>	-	-	-	75	(187)	-	(112)	(11)	(123)
<b>Total comprehensive income/(expenses) for the period</b>	-	-	-	75	(187)	(1,500)	(1,612)	(653)	(2,265)
<b>Changes in ownership interest in subsidiary corporation</b>									
Subscription of shares in a subsidiary corporation	-	-	-	-	-	-	-	200	200
<b>Contributions by and distributions to owners</b>									
Share-based payment transactions	-	-	37	-	-	-	37	-	37
<b>Total transactions with owners in their capacity as owners</b>	-	-	37	-	-	-	37	-	37
<b>As at 30 April 2019</b>	39,780	(3,292)	2,268	-	(9,177)	27,510	57,089	646	57,735

**UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS  
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- 1(f) 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 any other purpose since the end of the previous period reported on.**

As at 30 April 2020, the Company's issued and fully paid up capital (excluding treasury shares and subsidiary holdings) comprises of 109,282,221 ordinary shares (30 April 2019: 109,282,221 ordinary shares). Particulars of the company's share capital in FY2020 and FY2019 are set out below.

Description	FY2020	
	Number of Shares	Share Capital (\$'000)
Balance at beginning and end of year	<b>109,282,221</b>	<b>39,780</b>

Description	FY2019	
	Number of Shares	Share Capital (\$'000)
Balance at beginning of year	111,281,821	39,780
Purchase of treasury shares	(1,999,600)	-
Balance at end of year	<b>109,282,221</b>	<b>39,780</b>

Purchase of treasury shares

There was no share buy-back transaction in 2HFY2020 (2HFY2019: Nil). As at 30 April 2020, the total consideration for the treasury shares held under the share buy-back scheme was S\$3,292,000 (30 April 2019: S\$3,292,000) for a total of 5,230,350 shares (30 April 2019: 5,230,350 shares).

The number of treasury shares held by the Company represents 4.79% (30 April 2019: 4.79%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company as at 30 April 2020.

XMH Share Option Scheme

As at 30 April 2020, the outstanding balance of unexercised options under the XMH Share Option Scheme total 2,836,500 shares (30 April 2019: 4,225,250 shares) or 2.60% (30 April 2019: 3.87%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company.

**UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS  
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- 1(g) 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 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 call 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.**

Not applicable. There are no convertibles. Particulars of treasury shares and subsidiary holdings are shown in 1(h) below.

- 1(h)(i) To show the total number of issued shares excluding treasury shares as at the end of current financial year reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Description	30 April 2020	30 April 2019
Total number of shares issued	114,512,571	114,512,571
Less: Treasury shares	(5,230,350)	(5,230,350)
<b>Total</b>	<b>109,282,221</b>	<b>109,282,221</b>

- 1(h)(ii) A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Description	30 April 2020	30 April 2019
Balance at beginning of year	5,230,350	3,230,750
Purchase of treasury shares	-	1,999,600
<b>Balance at end of year</b>	<b>5,230,350</b>	<b>5,230,350</b>

- 1(h)(iii) A statement showing all sales, transfer, disposal, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

During the financial year, there was no transaction pertaining to subsidiary holdings.

- 2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)**

The figures for the years ended 30 April 2020 and 30 April 2019 (restated) have not been audited or reviewed by auditors.

**UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS  
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- 3. Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter).**

Not applicable.

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

- a) Updates on effort taken to resolve each outstanding audit issue.**
- b) Confirmation from the Board that the impact of all outstanding audit issues on financial statements have been adequately disclosed.**

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

Not applicable.

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

Except as described in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those adopted for the audited consolidated financial statements for the financial year ended 30 April 2019.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has adopted new Singapore Financial Reporting Standards (International) ("SFRS(I)") for the financial period beginning on or after 1 May 2019 as follows:

**SFRS(I) 16 Leases**

SFRS(I) 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use (ROU) asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items.

The Group adopted SFRS(I) 16 using the modified retrospective method of adoption with the date of initial application of 1 May 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application as an adjustment to the opening balance of retained earnings.

The nature of expenses related to rental/leases changed as the principles under SFRS(I) 16 replaces the straight-line operating lease expense with the net change in interest expense on lease liabilities.

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The following is the reconciliation of the impact arising from the first-time adoption of SFRS(I) 16 on 1 May 2019 to the statement of financial position of the Group as follows:

**Consolidated Statement of Financial Position**

Description (In S\$'000)	Group		
	30 April 2019 SFRS	1 May 2019 Effect on adoption of SFRS(I) 16	1 May 2019 SFRS(I) 16
<b>ASSETS</b>			
<b>Non-current assets</b>			
Right-of-use assets	-	6,660	6,660
Property, plant and equipment	59,534	(6,454)	53,080
Other non-current assets	11,256	-	11,256
	70,790	206	70,996
<b>Current assets</b>	81,455	-	81,455
<b>Total assets</b>	152,245	206	152,451
<b>LIABILITIES &amp; EQUITY</b>			
<b>Current liabilities</b>			
Loans and borrowings	23,267	104	23,371
Other current liabilities	23,501	-	23,501
	46,768	104	46,872
<b>Net current assets</b>	34,687	(104)	34,583
<b>Non-current liabilities</b>			
Loans and borrowings	47,250	116	47,366
Other non-current liabilities	492	-	492
	47,742	116	47,858
<b>Total liabilities</b>	94,510	220	94,730
<b>Equity attributable to owners of the Company</b>			
Share capital	39,780	-	39,780
Reserve for own shares	(3,292)	-	(3,292)
Other reserves	(6,909)	-	(6,909)
Accumulated profits	27,510	(13)	27,497
<b>Equity attributable to owners of the Company</b>	57,089	-	57,076
Non-controlling Interests	646	(1)	645
<b>Total equity</b>	57,735	(14)	57,721
<b>Total equity and liabilities</b>	152,245	-	152,451



**UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS  
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**6. (Loss)/earning per ordinary share (“(L)/EPS”) of the group for the current financial period reported on and the corresponding period of the immediately preceding financial period, after deducting any provision for preference dividends.**

(Loss)/earning per ordinary share for the period/year based on net loss attributable to shareholders:-

Description	6 months ended		12 months ended	
	2HFY2020	2HFY2019	FY2020	FY2019
(L)/EPS (based on consolidated net (loss)/profit attributable to owners):-				
a) Based on the weighted average no. of ordinary shares in issue (cents)				
- Continuing operations	(4.95)	0.37	(7.47)	(1.23)
- Discontinued operation	-	(1.74)	(2.54)	(1.81)
b) On a fully diluted basis (cents)				
- Continuing operations	(4.95)	0.37	(7.47)	(1.23)
- Discontinued operation	-	(1.74)	(2.54)	(1.81)
Weighted average no. of shares in issue during the period/year used in the computing of (L)/EPS	109,282,221 <sup>(1)</sup>	109,282,221 <sup>(2)</sup>	109,282,221 <sup>(1)</sup>	109,765,278 <sup>(2)</sup>
Weighted average no. of shares on fully diluted basis during the period/year used in the computing of (L)/EPS	109,282,221 <sup>(1)</sup>	109,282,221 <sup>(2)</sup>	109,282,221 <sup>(1)</sup>	109,765,278 <sup>(2)</sup>

Notes:

- (1) The figures are computed taking into account the potential ordinary shares to be issued for the share options granted in September 2015, 2016 and 2017.
- (2) The figures are computed taking into account the potential ordinary shares to be issued for the share options granted in September 2014, 2015, 2016 and 2017.

**7. Net asset value (for the Company 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

Description	Group		Company	
	30 April 2020	30 April 2019	30 April 2020	30 April 2019
Net asset value per ordinary share based on existing share capital (cents)	44.10	52.24	16.38	25.29
Number of shares at end of the year	109,282,221	109,282,221	109,282,221	109,282,221

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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.**

**STATEMENT OF COMPREHENSIVE INCOME REVIEW**

**Second half year ended 30 April 2020 ("2HFY2020") vs Second half year ended 30 April 2019 ("2HFY2019")**

**(i) Revenue**

Revenue decreased by approximately S\$17.9 million or 42.1% from S\$42.5 million in 2HFY2019 to S\$24.6 million in 2HFY2020. Both Distribution and Project Business Segments' revenue decreased significantly by approximately S\$10.4 million and S\$7.9 million respectively. This was partially offset by increased revenue from the After-sales service segment by approximately S\$0.4 million. The decrease was mainly due to suppliers' delay in shipment of materials and customers' deferment in taking deliveries over project delays and job site constraints. This was further aggravated by the outbreak of the COVID-19 pandemic.

**(ii) Cost of Sales and Gross Profit Margin**

Cost of sales decreased by approximately S\$13.6 million or 42.0% from S\$32.4 million in 2HFY2019 to S\$18.8 million in 2HFY2020 in line with decrease in revenue.

Gross profit decreased by S\$4.3 million or 42.2% from approximately S\$10.1 million in 2HFY2019 to S\$5.8 million in 2HFY2020. This was due mainly to decrease in revenue.

Gross profit margin remained relatively constant at 23.7%. However, if the write off inventories of approximately S\$0.9 million is excluded, the adjusted gross profit margin will be 27.4%. this was due to completion of a high margin project and increased service and maintenance jobs that command better margin.

**(iii) Other Income**

Other income decreased from S\$1.6 million in 2HFY2019 to S\$1.4 million in 2HFY2020. This was due mainly to:

- a. One-off compensation charge of approximately S\$0.46 million to a customer for temporary usage of generators and cable in 2HFY2019;

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- b. Decreased other miscellaneous income of approximately S\$0.24 million in 2HFY2020; and
- c. Decreased gain on disposal of fixed assets of approximately S\$0.06 million in 2HFY2020.

The decrease was partially offset by:

- a. Increase in rental income of approximately S\$0.38 million; and
- b. Increase in government grants and rebate of approximately S\$0.18 million mainly from the Job Support Scheme and property tax rebate.

**(iv) Distribution Expenses**

Distribution expenses decreased by S\$0.5 million or 21.4% from S\$2.5 million in 2HFY2019 to S\$2.0 million in 2HFY2020. This was due mainly to decrease in travelling, marketing and promotional expenses of approximately S\$0.3 million primarily due to COVID-19. In addition, staff costs also decreased by about S\$0.2 million.

**(v) Administrative Expenses**

Administrative expenses increased by approximately S\$1.3 million or 16.9%, from S\$8.0 million in 2HFY2019 to S\$9.3 million in 2HFY2020. This was due mainly to:

- a. Cost incurred on exploring gas generator set rental business of approximately S\$1.2 million which was subsequently aborted;
- b. Impairment loss of intangible asset of approximately S\$1.0 million;
- c. Amortisation of right-of-use assets of approximately S\$0.5 million; and
- d. Increase in fair value losses on quoted equity securities of approximately S\$0.1 million.

The increase was partially offset by:

- a. Decrease in staff costs of approximately S\$1.0 million; and
- b. Decrease in depreciation expenses of approximately S\$0.5 million.

**(vi) Net Finance Costs**

Net finance costs increased by approximately S\$1.0 million from S\$0.5 million in 2HFY2019 to S\$1.5 million in 2HFY2020. This was due mainly to net foreign exchange loss of approximately S\$0.7 million in 2HFY2020 as compared to net foreign exchange gain of approximately S\$0.2 million in 2HFY2019. The net foreign exchange loss was due to the strengthening of JPY against USD and SGD in FY2020. In addition, finance income decreased by approximately S\$0.1 million arising from decreased fixed deposits placed.

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**(vii) Tax Credit**

The Group recorded tax credit of approximately S\$0.01 million in 2HFY2020 as compared to tax expenses of S\$0.3 million in 2HFY2019. This was due mainly to reversal of tax provision in 2HFY2020 and under provision of prior year tax in 2HFY2019.

**Full year ended 30 April 2020 (“FY2020”) vs full year ended 30 April 2019 (“FY2019”)**

**(i) Revenue**

Revenue decreased by approximately S\$13.2 million or 19.6% from S\$67.2 million in FY2019 to S\$54.0 million in FY2020. Both Project and Distribution segments' revenue decreased significantly by approximately S\$9.0 million and S\$5.9 million respectively. This was partially offset by increased revenue of approximately S\$1.7 million in After-sales service. The increase in After-sales service was a result of the Group's strategy to expand its After-sales service team in FY2019. The decrease for both Distribution and Project segments were mainly due to suppliers' delay in shipment of materials and customers' deferment in taking deliveries over project delays and site constraints. This was further aggravated by the COVID-19 pandemic.

**(ii) Cost of Sales and Gross Profit Margin**

Cost of sales decreased by approximately S\$8.7 million or 17.4% from S\$50.2 million in FY2019 to S\$41.5 million in FY2020.

Gross profit decreased by approximately S\$4.4 million or 26.4% from S\$16.9 million in FY2019 to S\$12.5 million in FY2020.

Gross profit margin was 23.1% in FY2020 as compared to 25.2% of FY2019. This decrease was due mainly to the write down of approximately S\$0.9 million of inventory and lower margins from certain projects completed in 1HFY2020 due to competition.

**(iii) Other Income**

Other income increased by approximately S\$0.02 million from S\$2.51 million in FY2019 to S\$2.53 million in FY2020. This was due mainly to:

- a. Increased rental income of approximately S\$0.4 million; and
- b. Increased government grants and rebate of approximately S\$0.2 million mainly from the Job Support Scheme and property tax rebate.

The increase was partially offset by a one-off charge to a customer for temporary usage of generators and cables of approximately S\$0.46 million in FY2019.

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**(iv) Distribution Expenses**

Distribution expenses decreased by approximately S\$0.2 million or 4.1%, from S\$4.5 million in FY2019 to S\$4.3 million in FY2020. This was mainly due to decreased travelling, marketing and promotional expense of approximately S\$0.3 million. The decrease was partially offset by increased distribution staff costs of approximately S\$0.1 million due to the full effect of increased headcount in latter half of FY2019 to strengthen the After-sales service team in Indonesia.

**(v) Administrative Expenses**

Administrative expenses increased by approximately S\$0.8 million or 5.3%, from S\$15.1 million in FY2019 to S\$15.9 million in FY2020. This was due mainly to:

- a. Cost incurred on exploring gas generator set rental business of approximately S\$1.2 million which was subsequently aborted;
- b. Impairment loss of intangible asset of approximately S\$1.0 million;
- c. Amortisation of right-of-use assets of approximately S\$0.6 million; and
- d. Increase in fair value losses on quoted equity securities of approximately S\$0.2 million.

The increased administrative expenses was partially offset by the decrease in staff costs and depreciation charge of approximately S\$1.0 million and S\$1.2 million respectively.

**(vi) Net (Impairment Losses)/Write-back of Impairment Losses on Financial Assets**

Net impairment losses on financial assets of approximately S\$0.17 million in FY2020 as compared to write-back of impairment losses on financial assets of approximately S\$0.02 million in FY2019, this was due mainly to higher impairment loss on receivables and contract assets of approximately S\$0.07 million as compared to lower write back of approximately S\$0.12 million.

**(vii) Net Finance costs**

Net finance costs increased by approximately S\$2.1 million from S\$0.8 million in FY2019 to S\$2.9 million in FY2020. This was due mainly to net foreign exchange loss of approximately S\$1.2 million in FY2020 as compared to net foreign exchange gain of approximately S\$0.6 million in FY2019. Net foreign exchange loss was due mainly to the strengthening of JPY against USD and SGD in FY2020. In addition, finance income decreased by approximately S\$0.2 million due to decreased fixed deposits placed.

**(viii) Tax Expense**

The Group recorded tax expense of approximately S\$0.03 million in FY2020 as compared to S\$0.3 million in FY2019. This was due mainly to under provision of prior year tax in FY2019.

**UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS  
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**STATEMENT OF FINANCIAL POSITION REVIEW**

The Group's shareholders' funds as at 30 April 2020 stood at S\$48.2 million as compared to S\$57.1 million at the end of the immediate preceding financial year ended on 30 April 2019.

**(i) Property, Plant and Equipment**

Property, plant and equipment decreased by approximately S\$9.5 million from S\$59.5 million in FY2019 to S\$50.0 million as at 30 April 2020. This was mainly because of depreciation charges during the financial year and reclassification of land use rights of approximately S\$6.2 million to ROU assets in accordance with SFRS(I) 16 with effect from 1 May 2019.

**(ii) Intangible Assets**

Intangible assets comprise of:

- a. Goodwill of approximately S\$8.5 million; and
- b. Intellectual property rights of approximately S\$0.1 million.

The decrease of S\$1.7 million as compared to FY2019 was due to:

- a. Goodwill impairment and amortisation charged during the financial year; and
- b. Cessation of consolidation of a subsidiary which was disposed of during the financial year.

**(iii) Right-of-use Assets**

The Group recognises its existing operating lease arrangements in accordance with SFRS(I) 16 as ROU assets with effective from 1 May 2019 of approximately S\$7.5 million. S\$1.3 million was with corresponding lease liabilities.

In addition, there was reclassification of land use rights from property, plant and equipment of approximately S\$6.2 million in accordance with SFRS(I) 16 with effect from 1 May 2019.

**(iv) Inventories**

Inventories increased by approximately S\$2.2 million, from S\$27.5 million as at 30 April 2019 to S\$29.7 million as at 30 April 2020. The increase was due mainly to deferment of customers' deliveries primarily affected by the outbreak of COVID-19 pandemic. This was partially offset by the effect of cessation of consolidation of a subsidiary disposed during the financial year.

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**(v) Trade and Other Receivables**

Trade and other receivables decreased by approximately S\$4.1 million, from S\$14.6 million as at 30 April 2019 to S\$10.5 million as at 30 April 2020 due mainly to the effect of cessation of consolidation of a subsidiary disposed of and collection during the financial year.

**(vi) Contract Assets**

Contract Assets decreased by S\$6.4 million from S\$15.3 million as at 30 April 2019 to S\$8.9 million as at 30 April 2020. This was mainly because project work could not progress as a result of the outbreak of COVID-19 pandemic.

**(vii) Trade and Other Payables**

Trade and other payables decreased by S\$7.3 million from S\$23.1 million as at 30 April 2019 to S\$15.8 million as at 30 April 2020. This was due mainly to payment and cessation of consolidation of a subsidiary disposed of during the financial year.

**(viii) Loans and Borrowings**

Loans and borrowings decreased by approximately S\$5.1 million from S\$70.5 million as at 30 April 2019 to S\$65.4 million as at 30 April 2020. The decrease was due mainly to the repayment of term loan instalments, trade bills and the effect of cessation of consolidation of a subsidiary disposed of during the financial year. This was partially offset by lease liabilities recognition of approximately S\$1.4 million in accordance with SFRS(I) 16 with effective from 1 May 2019.

**STATEMENT OF CASH FLOW REVIEW**

The Group registered net cash used of approximately S\$3.3 million in operating activities in FY2020, as compared to net cash generated from operating activities of approximately S\$4.9 million in FY2019. This was due mainly to:

- (i) Decrease in trade and other payables of approximately S\$8.4 million; and
- (ii) Increase in inventories of approximately S\$4.9 million.

This was partially offset by decrease in contract assets of approximately S\$7.0 million.

Net cash generated from investing activities was S\$6.8 million in FY2020 as compared to net cash used of S\$8.2 million in FY2019. This was due to maturity of structured deposits.

The net cash used in financing activities in current year was approximately S\$6.0 million as compared to S\$5.4 million in prior year. This was due mainly to higher drawdown of term loans, short-term revolving credits and trust receipts in FY2019 which was partially offset by purchase of treasury shares in FY2019.

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In view of the above, overall net decrease in cash was approximately S\$2.5 million in FY2020 as compared to net decrease of approximately S\$8.7 million in FY2019.

**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. Commentary on the significant trends and the 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.**

Challenges have intensified, particularly with the COVID-19 pandemic. This has caused multiple disruptions to the supply chain, timely execution of projects and slowdown in economic activities. Our engine distribution business has been affected as our committed orders are affected by suppliers' delay and also customers' deferment in taking their deliveries due to project delays. Likewise, our project business is facing the same issues as the lock down and the post circuit breaker measures have affected the execution of the projects with job site constraints, suppliers' delay and the availability of manpower.

In light of the challenging environment, the Group's priority is to ensure that there is sufficient liquidity to sustain its operations and to ride through this crisis. The Group will also continue to step up its efforts to improve its operational efficiency and cost control, and prepare the Group for future opportunities.

**11. Dividend**

**a) Current financial period reported on?  
Any dividend declared for the current financial period reported on?**

No.

**b) Corresponding period of the immediately preceding financial period  
Any dividend declared for the corresponding period of the immediately preceding financial period?**

No.

**c) Date payable:**

Not applicable.

**d) Books Closure Date:**

Not applicable.



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

The Board does not recommend any payment of dividends as the Group has not been profitable for FY2020. The Board wishes to conserve cash so as to ensure sufficiency of funds for its daily business and operational needs as well as to capitalize on any potential business growth and expansion opportunities that might arise in the near future.

**13. Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the issuer's most recent audited financial statements, with comparative information for the immediate preceding year.**

FY2020 (in S\$'000)	Distribution	After-sales	Projects	Segments Total	Others	Elimination	Total
<b>Continuing operations</b>							
External revenue	21,292	9,146	23,526	<b>53,964</b>	-	-	<b>53,964</b>
Inter-segment revenue	4,506	2,845	-	<b>7,351</b>	2,215	(9,566)	-
Total revenue	<b>25,798</b>	<b>11,991</b>	<b>23,526</b>	<b>61,315</b>	<b>2,215</b>	<b>(9,566)</b>	<b>53,964</b>
Interest income	-	-	1	<b>1</b>	98	(1)	<b>98</b>
Dividend income	-	-	-	-	20	-	<b>20</b>
Gain on disposal of property, plant and equipment	-	-	3	<b>3</b>	-	-	<b>3</b>
Interest expense	(38)	(52)	(420)	<b>(510)</b>	(1,189)	(32)	<b>(1,731)</b>
Depreciation	(32)	(78)	(268)	<b>(378)</b>	(3,115)	-	<b>(3,493)</b>
Impairment loss on club membership	(3)	(7)	-	<b>(10)</b>	(26)	-	<b>(36)</b>
Impairment loss of goodwill	-	-	(887)	<b>(887)</b>	-	-	<b>(887)</b>
Impairment loss of intangible assets	(12)	(26)	-	<b>(38)</b>	(94)	-	<b>(132)</b>
Impairment loss on cost of investment	-	-	-	-	(7,404)	7,404	-
Other non-cash expenses	(768)	(278)	(1,260)	<b>(2,306)</b>	(263)	-	<b>(2,569)</b>
Reportable segmental profit/(loss) before tax	1,527	8	(1,977)	<b>(442)</b>	(14,501)	6,644	<b>(8,299)</b>
<b>Discontinued operation</b>							
Loss on disposal of a subsidiary, net of tax							<b>(2,219)</b>
Loss from discontinued operation – net of tax							<b>(1,125)</b>
Results from discontinued operation, net of tax							<b>(3,344)</b>
Income tax expense							<b>(32)</b>
Loss for the year							<b>(11,675)</b>
Reportable segment assets	22,242	12,272	44,620	<b>79,134</b>	72,009	(20,194)	<b>130,949</b>
Capital Expenditure	-	5	126	<b>131</b>	517	-	<b>648</b>
Reportable segment liabilities	6,923	5,663	25,293	<b>37,879</b>	56,737	(12,023)	<b>82,593</b>

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FY2019 (in S\$'000) (Restated)	Distribution	After-sales	Projects	Segments Total	Others	Elimination	Total
<b><u>Continuing operations</u></b>							
External revenue	27,202	7,406	32,538	<b>67,146</b>	-	-	<b>67,146</b>
Inter-segment revenue	3,358	1,822	247	<b>5,427</b>	2,179	(7,606)	-
Total revenue	<b>30,560</b>	<b>9,228</b>	<b>32,785</b>	<b>72,573</b>	2,179	(7,606)	<b>67,146</b>
Interest income	1	1	2	<b>4</b>	260	(6)	<b>258</b>
Dividend income	-	-	-	-	1,247	(1,222)	<b>25</b>
Gain on disposal of property, plant and equipment	-	3	58	<b>61</b>	-	(3)	<b>58</b>
Interest expense	(43)	(58)	(302)	<b>(403)</b>	(1,214)	(40)	<b>(1,657)</b>
Depreciation	(85)	(160)	(272)	<b>(517)</b>	(4,135)	5	<b>(4,647)</b>
Impairment loss on cost of investment	-	-	-	-	(7,639)	7,639	-
Other non-cash expenses	(60)	(13)	(50)	<b>(123)</b>	(149)	-	<b>(272)</b>
Reportable segmental profit/(loss) before tax	5,877	543	1,042	<b>7,462</b>	(13,296)	4,808	<b>(1,026)</b>
<b><u>Discontinued operation</u></b>							
Loss from discontinued operation, net of tax							<b>(2,869)</b>
Income tax expense							<b>(341)</b>
Loss for the year							<b>(4,236)</b>
Reportable segment assets	17,977	9,567	50,664	<b>78,208</b>	90,340	(16,303)	<b>152,245</b>
Capital Expenditure	136	39	209	<b>384</b>	94	(3)	<b>475</b>
Reportable segment liabilities	13,359	6,845	28,092	<b>48,296</b>	62,570	(16,356)	<b>94,510</b>

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

	FY2020 S\$'000	FY2019 S\$'000 (Restated)	Change %
Sales for first half year	29,348	24,647	19.1
Operating loss after tax for first half year attributable to shareholders			
- Continuing operations	(2,753)	(1,750)	57.3
- Discontinued operation	(2,774)	(88)	NM
	(5,527)	(1,838)	NM
Sales for second half year	24,616	42,499	(42.1)
Operating loss/(profit) after tax for second half year attributable to shareholders			
- Continuing operations	(5,408)	401	NM
- Discontinued operation	-	(1,901)	NM
	(5,408)	(1,500)	NM

*Note:*

*NM denotes not meaningful where there is no comparative or the fluctuation is more than 100%*

**15. If the Group has obtained a general mandate from shareholders for interested person transactions (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 Group has not sought a general mandate for interested person transaction(s) from the shareholders.

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

No dividend has been declared/recommended for current financial year and previous financial year reported on.

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**17. Report of persons occupying managerial positions who are related to a director, CEO or substantial shareholder.**

<b>Name</b>	<b>Age</b>	<b>Family relationship with any director, chief executive officer and/or substantial shareholder</b>	<b>Current position and duties and the year the position was first held</b>	<b>Details of changes in duties and position held, if any, during the year</b>
Tan Fuyuan	36	Nephew of Mr. Tan Tin Yeow (Chairman & Managing Director) and Ms. Tan Guat Lian (Executive Director – Human Resource & Administration)	Responsible for managing the Product Support Sales, Parts Department.  Year when position was first held: 2017	Nil

**18. Confirmation pursuant to Rule 720(1) of the listing manual.**

The Company hereby confirms that it has procured undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7.

**BY ORDER OF THE BOARD**  
**Mr. Tan Tin Yeow**  
**Chairman and Managing Director**  
27 July 2020