

OLIVE TREE ESTATES LIMITED



(Incorporated in Singapore on **30 July 2007**)
(Registration Number: **200713878D**)

UNAUDITED FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FOURTH QUARTER AND THE FULL YEAR ENDED 31 DECEMBER 2017

*Olive Tree Estates Limited (the "**Company**") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 29 December 2017 via a reverse take-over ("**RTO**"). The financial adviser for the RTO was RHT Capital Pte Ltd (the "**Sponsor**").*

Background

Olive Tree Estates Limited (the "**Company**" and together with its subsidiaries, the "**Group**"), formerly known as Changjiang Fertilizer Holdings Limited, was formed subsequent to the successful reverse takeover ("**RTO**") by Chiu Teng 8 Pte Ltd ("**CT8**"). Prior to the completion of the RTO, the existing business of Changjiang Fertilizer Holdings Limited was disposed of (the "**Disposal**"). Pursuant to the RTO, the Company acquired 100,000 ordinary shares in the share capital of WBH Investments Pte Ltd ("**WBH**"), representing the entire issued and paid-up capital of WBH (the "**Acquisition**"). The RTO, the Disposal and the Acquisition were completed on 22 December 2017 and the Company changed its name to Olive Tree Estates Limited. Please refer to the Company's circular to shareholders dated 15 November 2017 (the "**Circular**") for further details with respect to the RTO, the Disposal and the Acquisition.

CT8 is principally engaged in the business of property development in Singapore. Following the completion of the RTO, the Company changed the presentation currency for its financial statements from Chinese Renminbi ("**RMB**") to Singapore Dollars ("**S\$**").

Group Level

Following the completion of the RTO, the Company's wholly-owned subsidiary, CT8, is regarded as the accounting acquirer and the Company as the accounting acquiree, for accounting purposes and in accordance with FRS 103. As such, the consolidated financial statements have been prepared and presented as a continuation of CT8.

Accordingly, the consolidated financial statements comprising the consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity and consolidated statement of cash flows for the 12 months ended 31 December 2017 have been presented as a continuation of CT8's financial results and operations, in accordance with the following:

1. the assets and liabilities of the accounting acquirer, CT8, is recognised and measured in the consolidated statement of financial position at its pre-acquisition carrying amount;
2. the assets and liabilities of the accounting acquiree, the Company, are recognised and measured in accordance with their acquisition date fair value;
3. the retained earnings and other equity balances recognised in the consolidated financial statements of the Group are the retained earnings and other equity balances of CT8 immediately before the RTO;
4. the amount recognised in the issued equity interest in the consolidated financial statements of the Group is computed by adding the issued equity of CT8 immediately before the RTO to the fair value of the consideration effectively transferred based on the share price of the Company at the acquisition date. However, the equity structure presented in the consolidated financial statements of the Group (i.e. the number and type of equity instruments issued) shall reflect the equity structure of the Company, including the equity instruments issued by the Company to effect the acquisition; and

5. the comparative figures presented in these consolidated financial statements of the Group are those of financial statements of CT8.

Following the completion of the RTO and the Acquisition, the principal businesses of the Group are those of CT8 and WBH. The consolidated financial statements of the Group, for the acquisition of CT8 have been prepared using the reverse acquisition accounting as set out in FRS 103, but it does not result in the recognition of goodwill, as the Company was deemed a cash company under Rule 1017 of the Catalist Rules on 14 April 2015 and did not meet the definition of a business as set out in FRS 103. Instead, such transaction falls within the scope of FRS 102 "Share-based payments", which requires the shares deemed issued by the legal subsidiary (as consideration for the acquisition of the Company) to be recognised at fair value. Any difference between the consideration sum and the fair value of the Company's identifiable net assets represents a service received by the legal subsidiary, CT8, which is recognised as an expense in the statement of comprehensive income. The acquisition of WBH has been accounted for using the acquisition method in accordance with FRS 103.

Company Level

Reverse acquisition accounting applies only to the consolidated financial statements at the Group level. As such, the investments in CT8 and WBH recorded in the Company's financial statements are accounted for at cost less accumulated impairment losses, if any.

Notes:

- i The Group's consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the financial year ended 31 December 2017 refer to the enlarged group which included the results of CT8 from 1 January 2017 to 31 December 2017 and the result of Olive Tree Estates Limited and WBH from 22 December 2017 to 31 December 2017.
- ii The Group's consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the financial year ended 31 December 2016 refer to the results of CT8 from 1 January 2016 to 31 December 2016.
- iii The Group's consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the fourth quarter ended 31 December 2017 refer to the enlarged group which included the results of CT8 for the period from 1 October 2017 to 31 December 2017, and the results of WBH and Olive Tree Estates Limited from 22 December 2017 to 31 December 2017.
- iv The Group's consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the fourth quarter ended 31 December 2016 refer to the results of CT8 from 1 October 2016 to 31 December 2016.
- v The Group's consolidated statement of financial position as at 31 December 2017 refers to the consolidated statement of financial position of the enlarged group comprising CT8, Olive Tree Estates Limited and WBH.
- vi The Group's consolidated statement of financial position as at 31 December 2016 refers to the consolidated statement of financial position of CT8.
- vii The Company's statement of financial position as at 31 December 2017 and 2016 refer to that of the Company.
- viii The Company's statement of changes in equity for the period ended 31 December 2017 and 2016 refer to that of the Company.

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

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.

	Note	4 th quarter ended		Increase / (Decrease) %	Financial year ended		Increase / (Decrease) %
		31-12-17	31-12-16		31-12-17	31-12-16	
		S\$'000 Unaudited	S\$'000 Unaudited		S\$'000 Unaudited	S\$'000 Audited	
Revenue		4,255	2,978	42.9%	11,777	16,008	-26.4%
Cost of sales		<u>(2,704)</u>	<u>(2,606)</u>	3.8%	<u>(8,347)</u>	<u>(14,007)</u>	-40.4%
Gross profit		1,551	372	317.0%	3,430	2,001	71.4%
Selling and distribution expenses		(121)	(116)	4.3%	(455)	(698)	-34.9%
Administrative expenses		(65)	(31)	110.0%	(128)	(349)	-63.6%
Finance expenses		-	-	NM	-	(203)	-100.0%
Other Income							
- Interest income		-	-	NM	10	-	NM
Other Gain / (loss)							
- Acquisition cost arising from reverse acquisition		(6,155)	-	NM	(6,155)	-	NM
- Bargain purchase		<u>856</u>	-	NM	<u>856</u>	-	NM
Profit / (loss) before income tax		(3,934)	225	-848.4%	(2,442)	751	-425.0%
Income tax expense		(200)	(29)	584.7%	(430)	(98)	338.8%
Total comprehensive income representing net profit / (loss) attributable to equity holders of the Company		(4,134)	196	-2209.1%	(2,872)	653	-539.8%
Earnings / (loss) per share attributable to equity holders of the Company							
- Basic and diluted (Cents)		(41.11)	19.62	-310.0%	(28.56)	65.30	-143.7%

NM – Not Meaningful

(a)(ii) Notes to Consolidated Statement of Comprehensive Income

The Group's profit / (loss) before tax is determined after crediting / (charging) the following:

	4 th quarter ended		Change %	Financial year ended		Change %
	31-12-17	31-12-16		31-12-17	31-12-16	
	S\$'000 Unaudited	S\$'000 Unaudited		S\$'000 Unaudited	S\$'000 Audited	
Interest income	-	-	N.M.	10	-	N.M.
Acquisition costs arising from reverse acquisition	(6,155)	-	N.M.	(6,155)	-	N.M.
Bargain purchase	856	-	N.M.	856	-	N.M.
Interest expense	-	-	N.M.	-	(203)	N.M.

(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31-12-17 S\$'000 Unaudited	31-12-16 S\$'000 Audited	31-12-17 S\$'000 Unaudited	31-12-16 S\$'000 Audited
ASSETS				
Current Assets				
Cash and bank balances	25,720	3,144	10,589	1
Trade and other receivables	370	4,114	4,514	-
Development properties	5,328	13,676	-	-
	<u>31,418</u>	<u>20,934</u>	<u>15,103</u>	<u>1</u>
Non-current Assets				
Investment in subsidiaries	-	-	20,219	-
Investment properties	12,166	-	-	-
	<u>12,166</u>	<u>-</u>	<u>20,219</u>	<u>-</u>
Total Assets	<u>43,584</u>	<u>20,934</u>	<u>35,322</u>	<u>1</u>
LIABILITIES				
Current Liabilities				
Trade and other payables	17,945	1,057	27,708	4,531
Borrowings	600	-	-	-
Provisions	-	249	-	-
Current income tax liabilities	509	2,545	-	-
	<u>19,054</u>	<u>3,851</u>	<u>27,708</u>	<u>4,531</u>
Non-current Liabilities				
Borrowings	13,970	-	-	-
	<u>13,970</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>33,024</u>	<u>3,851</u>	<u>27,708</u>	<u>4,531</u>
NET ASSETS/(LIABILITIES)	<u>10,560</u>	<u>17,083</u>	<u>7,614</u>	<u>(4,530)</u>
EQUITY				
Share capital	7,946	1,000	56,342	44,372
Treasury shares	-	-	(23)	(23)
Reverse acquisition reserve	(10,597)	-	-	-
Retained profits / (accumulated losses)	13,211	16,083	(48,705)	(48,879)
TOTAL EQUITY	<u>10,560</u>	<u>17,083</u>	<u>7,614</u>	<u>(4,530)</u>

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31 December 2017		As at 31 December 2016	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
600	-	-	-

Amount repayable after one year

As at 31 December 2017		As at 31 December 2016	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
13,970	-	-	-

The Group does not have any bank borrowings as at 31 December 2016.

Details of any collateral

The loans and borrowings are secured by the following:

1. First legal mortgage over property at 1 Commonwealth Lane #01-07 / #01-08 / #01-09 / #01-10 / #01-11 / #01-12 / #01-13 / #01-14 / #01-15 / #01-17 / #01-18 / #01-19 / #01-20, Singapore 149544.
2. First Legal Mortgage over property at 421 Tagore Industrial Ave #01-02 / #01-09 / #01-10 / #01-12, Singapore 787805
3. First legal charge over rental proceeds account and operating account maintained with the bank.
4. First legal charge over debt service reserve account ("DSRA") and operating account maintained with the bank.
5. Legal assignment of all rights, titles and interests in the contract, insurance, bonds, and sales proceeds in respect of the property.
6. Legal assignment of rental proceeds and rental deposits derived from the Property tenancy and all rights, titles and interests in the contract, insurance, bonds and 3-year rental support with respect to WBH owned units at 1 Commonwealth Lane (at S\$6 psf provided by the Company's controlling shareholder).
7. Corporate guarantee from Olive Tree Estates Limited for 100% of the facilities

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	4th quarter ended		For the year ended	
	31-12-17 S\$'000 Unaudited	31-12-16 S\$'000 Unaudited	31-12-17 S\$'000 Unaudited	31-12-16 S\$'000 Audited
Cash flows from operating activities				
Net profit / (loss)	(4,134)	196	(2,872)	653
Adjustments for:				
Interest expense	-	-	-	203
Income tax expense / (credit)	200	29	430	98
Interest income	-	-	(10)	-
Acquisition cost arising from reverse acquisition	6,155	-	6,155	-
Bargain purchase	(856)	-	(856)	-
	1,365	225	2,847	954
Changes in working capital				
Trade and other receivables	(370)	(1,034)	4,105	11,453
Development properties	2,705	11,403	8,349	13,866
Provisions	-	(94)	(249)	155
Trade and other payables	119	(4,933)	(843)	(827)
Cash generated from operations	3,819	5,567	14,209	25,601
Interest received	-	-	10	-
Income tax paid	79	(328)	(2,545)	(1,602)
Net cash provided/ (used) by operating activities	3,898	5,239	11,674	23,999
Cash flows from investing activities				
Net cash received from acquisition of subsidiaries corporation	243	-	243	-
Net cash provided/ (used) by investing activities	243	-	243	-
Cash flows from financing activities				
Drawdown of restricted cash	-	-	113	-
Bank borrowings	14,570	-	14,570	(20,000)
Dividends paid	-	(3,000)	-	(5,000)
Repayment of bank borrowings	(4,024)	-	(4,024)	-
Interest paid	-	(204)	-	(204)
Net cash provided/ (used) by financing activities	10,546	(3,204)	10,659	(25,204)
Net increase/ (decrease) in cash and bank balances	14,687	2,035	22,576	(1,205)
Cash and bank balances at beginning of financial period/year	11,033	996	3,144	4,236
Cash and bank balances at end of financial period/year	25,720	3,031	25,720	3,031

Note:

There was a restricted cash of S\$113,000, which the Group was holding on behalf of the MCST which was not included in the cash flow for 2016.

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 2017	Share capital S\$'000	Reverse acquisition reserve S\$'000	Accumulated retained profits / (losses) S\$'000	Total equity S\$'000
As at 1 January 2017	1,000	-	16,083	17,083
Total comprehensive income for the period	-	-	780	780
As at 31 March 2017	1,000	-	16,863	17,863
Total comprehensive income for the period	-	-	550	550
As at 30 June 2017	1,000	-	17,413	18,413
Total comprehensive loss for the period	-	-	(68)	(68)
As at 30 September 2017	1,000	-	17,345	18,345
Total comprehensive loss for the period	-	-	(4,134)	(4,134)
Issuance of shares for the acquisition of subsidiary	2,467	-	-	2,467
Issuance of shares pursuant to the RTO	4,479	(10,597)	-	(6,118)
As at 31 December 2017	7,946	(10,597)	13,211	10,560

Group 2016

As at 1 January 2016	1,000	-	20,431	21,431
Total comprehensive loss for the period	0	-	354	354
As at 31 March 2016	1,000	-	20,785	21,785
Total comprehensive loss for the period	0	-	(185)	(185)
Dividend paid	0	-	(5,000)	(5,000)
As at 30 June 2016	1,000	-	15,600	16,600
Total comprehensive loss for the period	0	-	287	287
As at 30 September 2016	1,000	-	15,887	16,887
Total comprehensive loss for the period	0	-	196	196
As at 31 December 2016	1,000	-	16,083	17,083

Company 2017	Share capital S\$'000	Treasury shares S\$'000	Accumulated losses S\$'000	Total equity S\$'000
As at 1 January 2017	44,372	(23)	(48,879)	(4,530)
Total comprehensive loss for the period	-	-	(161)	(161)
As at 31 March 2017	44,372	(23)	(49,040)	(4,691)
Total comprehensive loss for the period	-	-	(223)	(223)
As at 30 June 2017	44,372	(23)	(49,263)	(4,914)
Total comprehensive loss for the period	-	-	(333)	(333)
As at 30 September 2017	44,372	(23)	(49,596)	(5,247)
Total comprehensive income for the period	-	-	891	891
Issuance of shares pursuant to the RTO and the Acquisition shares issued for settlement of professional fees incurred for the RTO	11,970	-	-	11,970
As at 31 December 2017	56,342	(23)	(48,705)	7,614

Company 2016

As at 1 January 2016	44,372	(23)	(47,398)	(3,049)
Total comprehensive loss for the period	-	-	(123)	(123)
As at 31 March 2016	44,372	(23)	(47,521)	(3,172)
Total comprehensive loss for the period	-	-	(223)	(223)
As at 30 June 2016	44,372	(23)	(47,744)	(3,395)
Total comprehensive loss for the period	-	-	(241)	(241)
As at 30 September 2016	44,372	(23)	(47,985)	(3,636)
Total comprehensive loss for the period	-	-	(894)	(894)
As at 31 December 2016	44,372	(23)	(48,879)	(4,530)

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, as well as the number of shares held as treasury shares, 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.

	Number of shares (pre-consolidation)	Number of shares (post-consolidation)	Issued and paid-up share capital S\$
Total issued share capital excluding treasury shares as at 1 January 2017	359,900,000	8,996,480	44,371,772
Conversion of loan to shares	400,000,000	10,000,000	2,000,000
Payment to professional parties via shares	136,000,000	3,400,000	680,000
Issuance of shares for reverse acquisition	1,364,702,830	34,117,571	6,823,514
Issuance of shares for acquisition of a subsidiary	493,346,422	12,333,660	2,466,732
Total issued share capital excluding treasury shares as at 31 December 2017	2,753,949,252	68,847,711	56,342,018

Save as disclosed above, the Company has no outstanding convertibles 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 are 2,500 shares (pre-consolidation 100,000 shares) held as treasury shares by the Company and no subsidiary holdings 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.

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 December 2017	As at 31 December 2016
Total number of issued shares excluding treasury shares (Pre-Consolidation)	2,753,949,252	359,900,000
Total number of issued shares excluding treasury shares (Post-Consolidation)	68,847,711	8,996,480

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.

There are no sales, transfers, cancellation and/or use of treasury shares as at end of 31 December 2017.

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. The Company did not have subsidiary holdings during and as at the end of the current financial year ended 31 December 2017.

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

The figures have not been audited nor reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

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

The Group had consistently applied the same accounting policies and methods of computation in the Group's financial statement for the current financial period as those applied for the most recently audited consolidated financial statements for the financial year ended 31 December 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.

Not applicable.

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.

	4th quarter ended		For the year ended	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
	Unaudited	Unaudited	Unaudited	Audited
Net profit (loss) attributable to equity holders of the Company (S\$'000)	(4,134)	196	(2,872)	653
Weighted average number of ordinary shares in issue	68,847,711	34,117,571	68,847,711	34,117,571
Basic earnings per share ("EPS") (S\$)	(0.06)	*	(0.04)	0.02
Fully dilutive EPS (S\$)basis	(0.06)	*	(0.04)	0.02

* Less than \$0.01 cents.

Illustrative earnings per share excluding the effects of the RTO and acquisition

	4th quarter ended		For the year ended	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
	Unaudited	Unaudited	Unaudited	Audited
Net profit attributable to equity holders of the Company (S\$'000)	1,165	196	2,427	653
Weighted average number of ordinary shares in issue	68,847,711	34,117,571	68,847,711	34,117,571
Basic earnings per share ("EPS") (S\$)	0.02	0.01	0.04	0.02
Fully dilutive EPS (S\$) ⁽¹⁾	0.02	0.01	0.04	0.02

Note:

- (1) Due to the RTO during the financial year, the comparative earnings per share has been restated and reflects the results of CT8 during the 4th quarter and financial year ended 31 December 2016. The number of ordinary shares issued by the Company for the RTO is deemed to be the weighted average number of ordinary shares for the 4th quarter and financial year ended 31 December 2016.
- (2) The weighted average number of ordinary shares for the 4th quarter and financial year ended 31 December 2017 is calculated using the number of ordinary shares issued by the Company for the RTO, which is the number of shares deemed to be outstanding from the beginning of the financial year, and the number of ordinary shares of the Company outstanding from the RTO date to the end of the financial year.

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	
	31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16
NAV per ordinary share ⁽¹⁾ (Cents)	15.34	189.87	11.06	(50.34)

Note:

- (1) NAV per ordinary share as at 31 December 2017 and 31 December 2016 was calculated based on the number of ordinary shares excluding treasury shares as at the end of the financial year. As at 31 December 2017, the number of ordinary shares (excluding treasury shares) was 68,848,731. (As at 31/12/2016: 8,997,500). The shares were consolidated from 15 December 2017 onwards on the basis of 1 share for every 40 shares held.

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:-**
- 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
 - 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 income statement of the Group for the 3 months ended 31 December 2017 ("4Q2017") as compared to the 3 months ended 31 December 2016 (4Q2016") and for the financial year ended 31 December 2017 ("FY2017") as compared to the financial year ended 31 December 2016 ("FY2016").

Revenue

The Group's revenue for 4Q2017 increased by S\$1.28 million or 42.9% to S\$4.26 million from S\$2.98 million in 4Q2016 mainly due to higher average selling price per square foot and units with larger floor area sold in 4Q2017 as compared to 4Q2016.

The Group's revenue for FY2017 decreased by S\$4.23 million or 26.4% from S\$16.01 million in FY2016 as compared to S\$11.78 million in FY2017. The decrease is primarily due to fewer units sold in FY2017 as compared to FY2016. In FY2017, 6 units amounting to 14,166 square feet were sold, as compared to 11 units with a total square footage of 23,378 square feet sold in FY2016.

Cost of sales, gross profit

The Group's cost of sales for 4Q2017 increased by S\$98,000 or 3.8%, from S\$2.61 million in 4Q2016 to S\$2.70 million in 4Q2017. The increase corresponded to the increase in sales in 4Q2017 as compared to 4Q2016.

The Group's cost of sales for FY2017 decreased by S\$5.66 million or 40.4%, from S\$14.01 million in FY2016 to S\$8.35 million in FY2017. Similarly, the decrease corresponded to the decrease in sales in FY2017 as compared to FY2016.

The Group's gross profit for 4Q2017 increased by S\$1.18 million or 317.0% from S\$0.37 million in 4Q2016 to S\$1.55 million in 4Q2017. The increase is primarily due to units with larger floor area sold and higher average selling price for units sold in 4Q2017 as compared to 4Q2016.

The Group's gross profit for FY2017 increased by S\$1.43 million or 71.4% from S\$2.00 million in FY2016 to S\$3.43 million in FY2017. The increase is primarily due higher average selling price for units sold in FY2017 as compared to FY2016.

Other income

There was no other income in 4Q2017 or 4Q2016.

Other income in FY2017 amounting to S\$10,000 relates to interest income. There was no other income in FY2016.

Selling and distribution expenses

Selling and distribution expenses for 4Q2017 increased by S\$5,000 or 4.3%, from S\$116,000 in 4Q2016 to S\$121,000 in 4Q2017. The increase was due to an increase in sales commission of S\$18,000 and legal conveyancing fees of S\$7,000, offset by a decrease in show flat expenses of S\$20,000.

Selling and distribution expenses for FY2017 decreased by S\$243,000 or 34.9%, from S\$698,000 in FY2016 to S\$455,000 in FY2017. The decrease was due to a decrease in sales commission of S\$278,000, offset by an increase in show flat expenses of S\$22,000 and legal conveyancing fees of S\$13,000.

General and administrative expenses

Administrative expenses for 4Q2017 increased by S\$34,000 or 110.0%, from S\$31,000 in 4Q2016 to S\$65,000 in 4Q2017. The increase was due to an increase in general expenses of S\$50,000, offset by a decrease in property taxes of S\$15,000, as there were fewer units sold.

General and administrative expenses for FY2017 decreased by S\$222,000 or 63.5%, from S\$349,000 in FY2016 to S\$127,000 in FY2017. The decrease was due to a decrease in professional fee of S\$83,000, property tax of S\$45,000, maintenance fund for unsold units of S\$104,000 as the Group sold 6 units during FY2017, offset by an increase in general expenses of S\$10,000.

Finance expenses

There were no finance expenses in 4Q2016 or 4Q2017.

The finance expenses in FY2016 amounting to S\$203,000 relates to interest on shareholders' loan. There were no finance expenses in FY2017, as the shareholders' loans were repaid.

Other gains and losses

The Group recognized a one-time non-operating expense of S\$6.16 million in 4Q2017 and FY2017 in relation to the acquisition cost arising from the reverse acquisition.

The Group also recognized a one-time non-operating gain of S\$856,000 arising from the acquisition of WBH Investments Pte. Ltd.

Loss before income tax

In 4Q2017, the Group had a loss before income tax of S\$3.93 million, as compared to a profit before income tax of S\$225,000 in 4Q2016. The loss before tax for 4Q2017 arises primarily from the one-time non-operating expense of S\$6.16 million arising from the acquisition cost for the reverse acquisition. For illustrative purposes, the profit before tax without taking into account of the non-operating gains or losses for 4Q2017 and 4Q2016 would have been S\$1.37 million and S\$225,000 respectively.

In FY2017, the Group had a loss before income tax of S\$2.44 million, as compared to a profit before income tax of S\$751,000 in FY2016. The loss before tax for FY2017 arises primarily from the one-time non-operating expense of S\$6.16 million arising from the acquisition cost for the reverse acquisition. For illustrative purposes, the profit before income tax without taking into account of the non-operating gains or losses for FY2017 and FY2016 would have been S\$2.86 million and S\$751,000 respectively.

Income tax expense

Income tax expense increased by S\$171,000, for 4Q2017 from S\$29,000 in 4Q2016 to S\$200,000 in 4Q2017 due to higher operating profit in 4Q2017.

Income tax expense increased by S\$332,000, for FY2017 from S\$98,000 in FY2016 to S\$430,000 in FY2017 due to higher operating profit in FY2017.

Profit after tax

As a result of the above, net profit / (loss) decreased by S\$4.33 million from a net profit of S\$196,000 in 4Q2016 to a net loss of S\$4.13 million in 4Q2017. For illustrative purposes, if the non-operating expense of acquisition cost for the reverse acquisition of S\$6.16 million and non-operating income of bargain purchase of S\$856,000 had not been included, the net profit would have been S\$1.17 million for 4Q2017.

As a result of the above, net profit after tax decreased by S\$3.52 million from a profit after tax of S\$653,000 in FY2016 to a loss after tax of S\$2.87 million in FY2017. For illustrative purposes, if the non-operating expense of acquisition cost for the reverse acquisition of S\$6.16 million and

non-operating income of bargain purchase of S\$856,000 had not been included, the profit after tax would have been S\$2.43 million for FY2017.

Review of financial position of the Group as at 31 December 2017

Current assets

As at 31 December 2017, our total current assets consisted mainly of cash and cash equivalent, trade and other receivables, and development properties.

Trade and other receivables decrease by S\$3.74 million from S\$4.11 million as at 31 December 2016 to S\$370,000 as at 31 December 2017. This was due to the decrease in trade receivables amounting to S\$4.00 million, offset by an increase in prepayments and deposits amounting to S\$264,000 arising pursuant to the acquisition of WBH and the inclusion of WBH's investment properties in 1 Commonwealth which are held for rental income.

Development properties held for sale decreased by S\$8.35 million from S\$13.68 million as at 31 December 2016 to S\$5.33 million as at 31 December 2017 due to the sale of development properties during FY2017.

Non-current assets

Non-current assets refers to investment properties of S\$12.17 million as at 31 December 2017 arises from the acquisition of WBH. There was no non-current asset as at 31 December 2016.

Current liabilities

Our current liabilities comprised trade and other payables borrowings, provisions and income tax payable.

Trade and other payables increased to S\$17.95 million as at 31 December 2017 from S\$1.06 million as at 31 December 2016. The increase of S\$16.89 million was primarily due to deferred payment to vendors of CT8 amounting to S\$15.18 million in relation to the reverse acquisition and acquisition of WBH, other payables to professional parties of S\$1.25 million and accruals of S\$0.50 million.

Borrowings increased to S\$0.60 million due to WBH's borrowings after the Acquisition. Provisions decreased by S\$0.25 million due to the settlement of the provision for stamp duty, rebates and maintenance made as at 31 December 2016.

Provision for tax decreased by S\$2.03 million due to payment of tax.

Non-current liabilities

Non-current liabilities comprise bank borrowings amounting to S\$13.97 million as at 31 December 2017. The increase in borrowings will be used to satisfy the deferred payment to vendors arising from the RTO and the Acquisition. There was no non-current liabilities as at 31 December 2016.

Total shareholders' equity

Total shareholders' equity as at 31 December 2017 amounted to S\$10.56 million and comprised mainly share capital of S\$7.95 million, reverse acquisition reserve with a debit balance of S\$10.60 million and retained profit of S\$13.21 million.

Share capital increased by S\$6.95 million from S\$1.0 million as at 31 December 2016 to S\$7.95 million as at 31 December 2017 due to the issuance of new shares to the vendors of CT8 and WBH.

The reverse acquisition reserve of \$10.60 million arose as at 31 December 2017 from the reverse acquisition.

Retained profits reduced by S\$2.87 million from S\$16.08 million as at 31 December 2016 to S\$13.21 million as at 31 December 2017 due to the losses from comprehensive income arising mainly from the acquisition cost for the reverse acquisition amounting to S\$6.16 million offset by bargain purchase of S\$0.86 million for the acquisition of WBH and operating profit of S\$2.43 million.

Review of cash flow statement for FY2017

For 4Q2017, the Group's net cash flow from operating activities amounted to S\$3.90 million arising mainly from the sale of development properties of S\$2.70 million, trade and other payables, S\$118,000, net cost of reverse acquisition and acquisition of WBH of S\$5.3 million offset by operating cash outflow from comprehensive loss of S\$4.13 million and trade and other receivables of S\$0.37 million.

For 4Q2017, the Group's cash inflow from investing activities amounted to S\$243,000 comprises net cash received from reverse takeover.

For 4Q2017, the Group's cash inflow from financing activities amounted to S\$10.55 million bank borrowings amounting to S\$14.57 million, offset by repayment of borrowings of S\$4.02 million.

For 4Q2017, the Group had a net cash inflow of S\$14.69 million.

For FY2017, the Group's net cash flow from operating activities amounted to S\$11.79 million arising mainly from sale of development properties of S\$8.35 million, trade and other receivables of S\$4.10 million, net cost of reverse acquisition and acquisition of WBH of S\$5.3 million offset by operating cash outflow from comprehensive loss of S\$2.44 million and trade and other payables of S\$370,000, provisions of S\$249,000 and tax payment of S\$2.12 million.

For FY2017, the Group's cash inflow from investing activities amounted to S\$243,000 representing net cash received from the RTO.

For FY2017, the Group's cash inflow from financing activities amounted to S\$10.55 million bank borrowings amounting to S\$14.57 million, offset by repayment of borrowings of S\$4.02 million.

For FY2017, the Group had a net cash inflow of S\$22.58 million.

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 macroeconomic environment is improving steadily and the global property market has continued to benefit from a favourable low interest rate environment and abundant liquidity.

Population growth, urbanization and growing affluence in emerging markets is expected to drive demand for residential real estate. Despite the trend of government intervention in the form of property cooling measures, there is still strong underlying demand for affordable and quality residential property from both end-user buyers and investors alike.

The Company will remain nimble and assess opportunities originated by its stakeholders and network of business contacts to principally offer affordable housing solutions in emerging markets which maximize positive impact to local communities. To this end, the Company has been actively sourcing potential development projects in such countries as Vietnam, Thailand, Cambodia, Indonesia and the United Kingdom, amongst others, to add to its project development pipeline.

In addition to growing organically, the Company will also seek to expand its business by entering into joint ventures or strategic alliances with parties and specialists whose competencies and unique skill sets are able to enhance the Company's real estate solutions.

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 Year

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

No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared or recommended for the fourth quarter ended 31 December 2017.

13. Interested person transactions

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 under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Daniel Long Chee Tim ¹	S\$500,000	
Ng Chee Beng ¹	S\$1,500,000	

Note

1. The interested persons transaction were described in detail in the circular to shareholders dated 15 November 2017

14. Confirmation pursuant to Rule 720(1) of the Catalist Listing Manual

The Company confirms that is has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7H) pursuant to Rule 720(1) of the Catalist Listing Manual.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

15. **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

<u>2017 (Unaudited)</u>	<u>Property Development</u>	<u>Property Rental</u>	<u>Others</u>	<u>Total</u>
<u>Revenue</u>				
Total revenue for reportable segments	11,777	-	-	11,777
Consolidated revenue	11,777	-	-	11,777
<u>Profit / (loss)</u>				
Total Profit / (loss) for reportable segments	2,427	-	(5,299)	(2,872)
Unallocated net (expenses)/income	-	-	-	-
Consolidated loss before income tax				(2,872)
<u>Assets</u>				
Total assets for reportable segments	25,718	17,559	35,587	78,864
Elimination of inter-segment assets				(35,279)
Other unallocated assets				
Consolidated total assets				43,585
<u>Liabilities</u>				
Total liabilities for reportable segments	6,207	13,905	27,973	48,085
Elimination of inter-segment liabilities				(15,061)
Consolidated total liabilities				33,024

The Group

<u>2016 (Audited)</u>	<u>Property Development</u>	<u>Property Rental</u>	<u>Others</u>	<u>Total</u>
<u>Revenue</u>				
Total revenue for reportable segments	16,008	-	-	16,008
Elimination of inter-segment revenue				-
Consolidated revenue	16,008	-	-	16,008
<u>Profit / (loss)</u>				
Total Profit / (loss) for reportable segments	653	-	-	653
Unallocated net (expenses)/income				-
Consolidated loss before income tax				653
<u>Assets</u>				
Total assets for reportable segments	20,934	-	-	20,934
Elimination of inter-segment assets				-
Consolidated total assets				20,934
<u>Liabilities</u>				
Total liabilities for reportable segments	3,851	-	-	3,851
Elimination of inter-segment liabilities				-
Consolidated total liabilities				3,851

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

Please refer to note 8 for factors leading to material changes in turnover and earnings by business segments.

17. A breakdown of sales

	Group		
	FY2017	FY2016	Increase/ (decrease)
	S\$'000	S\$'000	%
(a) Sales reported for first half year	7,522	4,280	75.75
(b) Operating loss after tax before deducting minority interests reported for first half year	1,330	169	686.98
(c) Sales reported for second half year	4,255	11,728	(63.72)
(d) Operating loss after tax before deducting minority interests reported for second half year	(4,202)	484	(968.14)

Note: Net loss of S\$4.2 million for the second half of FY2017 was mainly due to the one-off non-operating expenses of acquisition cost for the reverse acquisition amounting to S\$6.2 million.

18. 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) in the format below. 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	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Wong Lien Feng	36	Nephew of Mr. Ng Chee Beng (substantial shareholder)	Chief Operating Officer	Nil

**BY ORDER OF THE BOARD
Olive Tree Estates Limited**

Daniel Cuthbert Ee Hock Huat
Non-Executive Independent Chairman

Daniel Long Chee Tim
Chief Executive Officer and Executive Director

1 March 2018

This announcement has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes 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 details of the contact person for the Sponsor are: -

Name: Mr Mah How Soon (Registered Professional, RHT Capital Pte. Ltd.)
Address: 9 Raffles Place, #29-01 Republic Plaza Tower 1, Singapore 048619
Tel: 6381 6757