

**Half Year Financial Statement And Dividend Announcement for the Period Ended 30/06/2018**
**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

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

	Group		
	6 Mths Ended 30-Jun-2018 S\$'000	6 Mths Ended 30-Jun-2017 S\$'000	Increase / (Decrease) %
<b>Revenue</b>	25,226	27,281	(7.53)
Cost of sales	(22,338)	(24,831)	(10.04)
Gross Profit	<u>2,888</u>	<u>2,450</u>	17.88
Other operating income	223	48	364.58
Selling and distribution expenses	(1,606)	(1,742)	(7.81)
General and administrative expenses	(3,711)	(4,507)	(17.66)
Other operating expenses	-	(14)	(100.00)
Finance income	<u>30</u>	<u>215</u>	(86.05)
Finance expenses	<u>(547)</u>	<u>(379)</u>	44.33
Finance expenses, net	<u>(517)</u>	<u>(164)</u>	215.24
<b>Loss before tax</b>	(2,723)	(3,929)	(30.69)
Income tax	<u>(80)</u>	<u>(41)</u>	95.12
<b>Loss after tax</b>	<u>(2,803)</u>	<u>(3,970)</u>	(29.40)
<b>Other comprehensive income :</b>			
Currency translation difference	<u>(391)</u>	<u>(5,363)</u>	(92.71)
Other comprehensive income, net of tax	<u>(391)</u>	<u>(5,363)</u>	(92.71)
<b>Total comprehensive income</b>	<u>(3,194)</u>	<u>(9,333)</u>	(65.78)
<b>Loss attributable to:</b>			
Owners of the parent	(1,947)	(2,923)	(33.39)
Non-controlling interests	<u>(856)</u>	<u>(1,047)</u>	(18.24)
	<u>(2,803)</u>	<u>(3,970)</u>	(29.40)
<b>Total comprehensive income attributable to:</b>			
Owners of the parent	(2,382)	(3,356)	(29.02)
Non-controlling interests	<u>(812)</u>	<u>(5,977)</u>	(86.41)
	<u>(3,194)</u>	<u>(9,333)</u>	(65.78)

N.M. - Not meaningful

Other notes :

Profit / (loss) from operations is arrived at after charging / (crediting) the following.

	Group		Increase / (Decrease)
	6 Mths Ended 30-Jun-2018 S\$'000	6 Mths Ended 30-Jun-2017 S\$'000	%
Depreciation of property, plant and equipment	870	926	(6.05)
Amortisation of land use rights	39	35	11.43
Amortisation of intangible assets	12	15	(20.00)
Cost of inventories sold	20,707	23,620	(12.33)
Write back of provision of trade receivables	(65)	-	N.M.
Research and development	1	23	(95.65)
Foreign exchange (gain) / loss	(105)	364	N.M.
Gain on disposal of property, plant and equipment	(18)	-	N.M.
Interest expense	547	379	44.33
Interest income	(30)	(215)	(86.05)

*N.M. - Not meaningful*

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

	Group		Company	
	Jun-2018 S\$'000	Dec-2017 S\$'000	Jun-2018 S\$'000	Dec-2017 S\$'000
<b>Non-Current Assets</b>				
Property, plant and equipment	14,240	14,335	181	206
Land use right	770	806	-	-
Intangible assets	164	14	-	-
Investment in subsidiaries	-	-	13,055	13,055
Investment properties	-	36	-	-
Trade and notes receivables	1,548	1,216	987	1,188
<b>Current Assets</b>				
Inventories	12,347	11,657	29	33
Trade and notes receivables	18,409	17,717	2,146	2,115
Other receivables	708	868	1,204	1,500
Advance to suppliers	4,401	3,795	-	-
Prepayment	88	424	28	22
Tax recoverable	12	-	-	-
Fixed deposits	2,440	2,723	905	900
Cash at bank and at hand	6,337	8,895	181	237
	44,742	46,079	4,493	4,807
<b>Current Liabilities</b>				
Trade payables	8,704	7,215	-	5
Bills payable to banks	513	175	-	-
Other payables and accruals	6,041	6,914	783	639
Advances from customers	1,287	93	-	-
Tax payable	-	250	-	-
Finance lease liabilities	11	15	-	5
Short term loan	8,999	8,930	-	-
Deferred tax liabilities	422	208	-	-
	25,977	23,800	783	649
<b>Net Current Assets</b>	18,765	22,279	3,710	4,158
<b>Non-Current Liabilities</b>				
Finance lease liabilities	21	26	-	-
	21	26	-	-
<b>Net Assets</b>	35,466	38,660	17,933	18,607
<b>Equity</b>				
Share capital	23,406	23,406	23,406	23,406
Capital reserve	294	294	-	-
General reserve	4,369	4,369	-	-
Enterprise expansion fund	4,369	4,369	-	-
Translation reserve	(515)	(79)	-	-
Retained losses	(6,235)	(4,288)	(5,473)	(4,799)
	25,688	28,071	17,933	18,607
Non-controlling interests	9,778	10,589	-	-
<b>Total Equity</b>	35,466	38,660	17,933	18,607

**1(b)(ii) Aggregate amount of group's borrowings and debt securities.****Amount repayable in one year or less, or on demand**

As at 30/06/2018		As at 31/12/2017	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
9,171	352	8,532	588

**Amount repayable after one year**

As at 30/06/2018		As at 31/12/2017	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
21	-	26	-

**Details of any collateral****Secured borrowings**

As at 30 June 2018, our Group's borrowings are secured by the following:

- i) Short-term loan of approximately S\$9,160k (31 December 2017: S\$8,517k) granted to the subsidiaries of the company used mainly as working capital and for financing of purchases made in the ordinary course of business;
- ii) Finance lease obligations of approximately S\$32k (31 December 2017: S\$41k) secured by the underlying assets acquired with a net book value of approximately S\$27k as of 30 June 2018 (31 December 2017: S\$49k).

**Unsecured borrowings**

- i) S\$352k (31 December 2017: S\$588k) unsecured term loan being a drawdown of the Group's credit facility.

1(c)

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

Note	6 Mths Ended Jun-2018 S\$'000	6 Mths Ended Jun-2017 S\$'000
<b>Cash flow from operating activities</b>		
<b>Net loss before taxation</b>	(2,723)	(3,929)
<b>Adjustments for:</b>		
Depreciation of property, plant and equipment	870	926
Amortisation of land use rights	39	35
Amortisation of intangible assets	12	15
Gain from disposal of property, plant & equipment	(18)	-
Write back of provision of trade receivables	(65)	-
Interest expense	547	379
Interest income	(30)	(215)
Translation adjustments	(549)	195
<b>Operating loss before working capital changes</b>	<u>(1,917)</u>	<u>(2,594)</u>
(Increase) / decrease in inventories	(646)	37
(Increase) / decrease in trade and other receivables	(2,004)	3,906
Increase in advances to suppliers	(612)	(98)
Decrease in prepayment	341	83
Increase / (decrease) in trade and other payables	558	(1,338)
Increase in advances from customers	1,203	44
Increase in tax payables	215	284
<b>Cash (used in) / generated from operations</b>	<u>(2,862)</u>	<u>324</u>
Interest received	30	215
Interest paid	(547)	(379)
Income tax refunded	2	8
<b>Net cash (used in) / generated from operations</b>	<u>(3,377)</u>	<u>168</u>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(716)	(978)
Purchase of intangible assets	(168)	(5)
Proceeds from disposal of property, plant and equipment	23	-
<b>Net cash used in investing activities</b>	<u>(861)</u>	<u>(983)</u>

	<b>6 Mths Ended Jun-2018 S\$'000</b>	<b>6 Mths Ended Jun-2017 S\$'000</b>
<b>Cash flow from financing activities</b>		
Decrease in restricted cash	-	905
Proceeds from loans and borrowings	-	3,044
Repayment of loans and borrowings	(236)	-
Repayment of finance lease obligations	(9)	(11)
Decrease in note receivables from banks	1,265	1,615
Increase / (decrease) in bill payables to banks	338	(2,491)
<b>Net cash generated from financing activities</b>	<u>1,358</u>	<u>3,062</u>
<b>Net (decrease) / increase in cash &amp; cash equivalents</b>	<b>(2,880)</b>	<b>2,247</b>
Effect of exchange rate changes on cash and cash equivalents	39	(162)
<b>Cash and cash equivalents at beginning of financial period</b>	<b>11,618</b>	<b>7,129</b>
<b>Cash and cash equivalents at end of financial period</b>	<b>A</b> <u><u>8,777</u></u>	<u><u>9,214</u></u>

**Note A: Cash and cash equivalents**

Cash and cash equivalents consists of bank balances and fixed deposits

Cash and cash equivalents included in consolidated statement of cash flows comprise the following balance sheet amounts:

	<b>6 Mths Ended Jun-2018 S\$'000</b>	<b>6 Mths Ended Jun-2017 S\$'000</b>
Cash and bank balances	6,337	5,274
Fixed deposits	2,440	3,940
	<u><u>8,777</u></u>	<u><u>9,214</u></u>

\*As at 30 June 2018, there was no cash at bank held by the Group (30 June 2017: Nil) was used to pledge as collateral for the short term loan and issuance of commercial bills.

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.**

	Attributable to owners of parent						Sub-total	Non-controlling interests	Total
	Share capital	Capital reserve	General reserve	Enterprise expansion fund	Translation reserve	Retained losses			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
<b>Group</b>									
<b>As at 01-January-2017</b>	23,406	294	4,369	4,369	-	5,340	37,778	20,488	58,266
Loss for the year	-	-	-	-	-	(2,923)	(2,923)	(1,047)	(3,970)
Other comprehensive expense for the year	-	-	-	-	(433)	-	(433)	(4,930)	(5,363)
Total comprehensive expenses for the year	-	-	-	-	(433)	(2,923)	(3,356)	(5,977)	(9,333)
<b>As at 30-June-2017</b>	<b>23,406</b>	<b>294</b>	<b>4,369</b>	<b>4,369</b>	<b>(433)</b>	<b>2,417</b>	<b>34,422</b>	<b>14,511</b>	<b>48,933</b>
<b>As at 01-January-2018</b>	23,406	294	4,369	4,369	(79)	(4,288)	28,071	10,589	38,660
Loss for the year	-	-	-	-	-	(1,947)	(1,947)	(856)	(2,803)
Other comprehensive expenses for the year	-	-	-	-	(436)	-	(436)	45	(391)
Total comprehensive expenses for the year	-	-	-	-	(436)	(1,947)	(2,383)	(811)	(3,194)
<b>As at 30-June-2018</b>	<b>23,406</b>	<b>294</b>	<b>4,369</b>	<b>4,369</b>	<b>(515)</b>	<b>(6,235)</b>	<b>25,688</b>	<b>9,778</b>	<b>35,466</b>
<b>Company</b>									
<b>As at 01-January-2017</b>	23,406	-	-	-	-	(3,615)	19,791	-	19,791
Loss for the year	-	-	-	-	-	(1,020)	(1,020)	-	(1,020)
<b>As at 30-June-2017</b>	<b>23,406</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,635)</b>	<b>18,771</b>	<b>-</b>	<b>18,771</b>
<b>As at 01-January-2018</b>	23,406	-	-	-	-	(4,799)	18,607	-	18,607
Loss for the year	-	-	-	-	-	(674)	(674)	-	(674)
<b>As at 30-June-2018</b>	<b>23,406</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5,473)</b>	<b>17,933</b>	<b>-</b>	<b>17,933</b>

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There were no change in the Company's share capital for the six-month period ended 30 June 2018. There were no outstanding convertibles, treasury shares or subsidiary holdings held by the Company as at 30 June 2018 and 30 June 2017.

**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.**

There were no treasury shares as at 30 June 2018, share capital of the Company comprises 267,392,320 ordinary shares (31 December 2017 : 267,392,320).

**1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable. The Company does not have any treasury shares as at 30 June 2018.

**1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable as the Company did not hold any subsidiary holdings as at 31 December 2017 and 30 June 2018.

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

The figures have not been audited or reviewed by the Company's auditors.

**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.**

Except as disclosed in item 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial reporting period as those applied in the preparation of the audited financial statements for the financial year ended 31 December 2017.

**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.**

Singapore listed companies are required to apply a new financial reporting framework - Singapore Financial Reporting Framework (International) ("SFRS(I)") that is identical to the International Financial Reporting Standards with effect from 1 January 2018. The Group has adopted SFRS(I) on 1 January 2018, including Interpretations of SFRS(I). The adoption of these new / revised SFRS(I) and interpretations of SFRS(I) did not result in significant change to the Group's accounting policies and did not have a material impact on the Group's results for 2018.

**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.**

**Loss per share** based on profit attributable to shareholders:

	<b><u>6 Mths Ended</u></b> <b>30-Jun-2018</b> <b>Cents</b>	<b><u>6 Mths Ended</u></b> <b>30-Jun-2017</b> <b>Cents</b>
(a) Based on weighted average number of ordinary shares	(0.73)	(1.09)
(b) Based on a fully diluted basis	(0.73)	(1.09)
Weighted average number of ordinary shares in issue	267,392,320	267,392,320

Loss per share was calculated based on 267,392,320 ordinary shares in issue for both half-year ended June 2018 and half-year ended June 2017.



**Net asset value (for the issuer and group) per ordinary share based on the total number of shares excluding treasury shares of the issuer at the end of the:-**

- (a) current financial period reported on; and  
(b) immediately preceding financial year.**

	<b>Group</b>		<b>Company</b>	
	<b>Cents</b>		<b>Cents</b>	
	<b>30/06/2018</b>	<b>31/12/2017</b>	<b>30/06/2018</b>	<b>31/12/2017</b>
<b>Net asset value per ordinary share</b> based on total number of issued shares excluding treasury shares at the end of the respective period	9.61	10.50	6.71	6.96

Net asset value per share as of 30 June 2018 was computed based on 267,392,320 ordinary shares (31 December 2017 : 267,392,320 ordinary shares).

**A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

### **Review of financial performance**

#### **Revenue**

The Group recorded a total revenue of S\$25.2m for the half year ended 30 June 2018 ("**HY2018**"), a drop of S\$2.1m or 7.6% in comparison to S\$27.3m for the corresponding period ended 30 June 2017 ("**HY2017**"). The reduction in sales during the period is a result of a drop in production. The gas-burning heaters that were completed during the second phase, had completed the testing stage only in April this year, which resulted production to decrease as compared to HY2017.

Currently, we are still going through the learning cycle of optimising the efficiency of the new heaters, our production capacity will increase gradually.

#### **Gross Profit**

Though there was drop in both revenue and cost of sales in HY2018, however the decline in revenue is less than proportionate decline in the overall cost of sales which mainly attributed to the decrease in cost of raw materials. As a result, gross profit margin has increased from 9.0% in HY2017 to 11.4% in HY2018.

#### **Net Operating Expenses**

Net operating expenses have decreased by S\$1.1m from S\$6.2m in HY2017 to S\$5.1m in HY2018. The decrease is mainly due to decrease in both general and administrative expenses as well as selling and distribution expenses. The general and administrative expenses recorded a decrease of S\$0.80m or 17.7% whilst the selling and distribution expenses has declined by S\$0.10m or 7.8%. Decrease in general and administrative expenses was mainly due to foreign exchange gain of S\$ 105k generated in HY2018 as compared to a foreign exchange loss of S\$364k incurred in HY2017. As for selling and distribution expenses, the decline was mainly attributed to the decrease in sales commission paid to sales agents, as a result of reduction in sales.

The aforesaid decrease in both expenses was further coupled with an increase in other operating income of S\$0.2m.

#### **Net Financial Expense**

The Group recorded a net financial expense of S\$517k in HY2018, as compared to an amount of S\$164k in HY2017. The increase of S\$353k in net financial expense is mainly due to decrease in financial income of S\$185k, coupled with an increase in financial cost of S\$168k. The increase in financial cost is a result of higher amount of loan being drawn down in HY2018.

#### **Tax**

Taxation is in line with profits made by profitable subsidiaries in China and the increase in tax amount incurred in HY2018, was due to higher profits generated for the period. There is no such tax charge for other entities in the Group due to their unutilised losses carried forward. The losses made by these entities cannot be used to offset the profits generated by the profitable subsidiaries, as they are not assessed by the same tax jurisdiction.

#### **Net Results**

As a result of the above, the Group registered a loss before tax of S\$2.7m for HY2018 as compared to loss before tax of S\$4.0m for HY2017. The loss reduction is the result of better gross profit generated as well as the reduction in expenses. The loss after tax attributable to equity holders of the Company is approximately S\$1.9m in HY2018, as compared to the loss after tax of S\$2.9m recorded in HY2017.

## **Review of financial performance**

The Group's property, plant and equipment ("PPE") including land use rights are at S\$15.1m and S\$15.0m as at 31 December 2017 ("FY2017") and 30 June 2018 ("HY2018") respectively. The reduction in PPE was attributed by depreciation and amortisation charges of S\$0.9m, partially offset by approximately S\$0.8m incurred for capital expenditure in HY2018. The capital expenditure was largely incurred for the purchases of production equipments.

Inventories are at S\$11.7m and S\$12.3m for FY2017 and HY2018 respectively. The increase of S\$0.6m is as a result of increase in production cost, mainly attributed by the increase in cost of raw materials.

Trade and notes receivables has increased from S\$18.9m for FY2017 to S\$20.0m for HY2018, mainly due to increase in selling price charged to customers.

Other receivables has decreased from S\$868k for FY2017 to S\$708k for HY2018.

Cash and cash equivalents for the year decreased from S\$11.6m as at 31 December 2017 to S\$8.8m as at 30 June 2018. The decrease in cash was mainly due to cash used in operation during the reporting period.

Trade payables has increased from S\$7.2m in FY2017 to S\$8.7m in HY2018. The increase in trade payables is as a result of increase in cost of raw materials charged by suppliers.

Other payables and accruals has reduced from S\$6.9m in FY2017 to S\$6.0m in HY2018, this was attributed to the decrease in accrued payroll related expenses.

Term loan has increased slightly from S\$8.9m in FY2017 to S\$9.0m in HY2018.

Overall, Group's equity as at 30 June 2018 was S\$35.5m, a reduction of S\$3.2m or 8.3% from the position as at 31 December 2017.

## **Review of cash flow**

### **Net cash used in operating activities**

In HY2018, the Group generated net cash outflow from operating activities of approximately S\$3.4m, which was a result of operating loss before changes in working capital of S\$1.9m, net working capital outflow of approximately S\$0.9m, net interest expense of S\$0.5m and income tax refunded of S\$2k.

### **Net cash used in investing activities**

In HY2018, the Group's net cash outflow from investing activities amounted to approximately S\$0.9m, which was mainly due to purchases of production equipments as well as customised software application.

### **Net cash generated from financing activities**

In HY2018, the Group's net cash inflow from financing activities amounted to approximately S\$1.4m. This is mainly due to decrease in note receivables from banks of approximately S\$1.3m and an increase in bill payables to bank of S\$0.3m; the inflow of cash was offset by loan repayment of S\$0.2m.

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

There has not been any forecast or prospect statement in relation to the Group's results previously disclosed to shareholders.

## **10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Looking ahead, trade tension between China and United States is causing concern globally. However, we remain positive on the back of a pickup in our business. Barring any unforeseen circumstances, the chemical industry may experience higher prices and a growing demand.

In the face of continuing challenges of ramping up production and securing raw materials, we will remain committed to optimise our operations. In addition, we will continue to forge stronger relationships with our key customers and suppliers.

11 **Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared/(recommended) for the current financial period reported on?

None.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared/(recommended) for the corresponding period of the immediately preceding financial year?

None.

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

Not applicable.

**(d) Date payable**

Not applicable.

**(e) Book closure date**

Not applicable.

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

No dividend has been declared / recommended.

13 **If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company has not obtained an IPT mandate.

During the financial period reported on, there were related parties transactions conducted based on the terms agreed between the parties as follows:

<b>Group</b>	
<b>30/06/2018</b>	<b>30/06/2017</b>
<b>S\$'000</b>	<b>S\$'000</b>
6	6

Fees incurred or paid to a law firm which a director, Mr Wang Dao Fu is a partner

14 **Negative confirmation pursuant to the Rule 705(5).**

The Board of Directors of the Company hereby confirm, to the best of their knowledge, nothing has come to its attention which may render financial results for the half-year ended 30 June 2018 to be false or misleading in any material aspect.

15 **Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).**

The Company confirms that it has procured undertakings from all its directors and executive officers in the format as set out in Appendix 7H of the Catalist Rules, in accordance with Rule 720(1) of Catalist Rules.

**ON BEHALF OF THE BOARD OF DIRECTORS**

Dr Tan Pang Kee  
Chief Executive Officer / Managing Director

Mr Dro Tan Guan Liang  
Executive Director

14 August 2018

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, CIMB Bank Berhad, Singapore Branch (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"), this being the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The SGX-ST and the Sponsor assume no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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