
Full Year Financial Statements And Dividend Announcement (Unaudited) For The Year Ended 31 December 2016

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF-YEAR AND FULL-YEAR RESULTS

1(a) A Statement of Comprehensive Income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

The Group

	Twelve Months Ended		
	31-Dec-16 (Unaudited)	31-Dec-15 (Audited)	%
	S\$'000	S\$'000	Increase/ (Decrease)
Revenue	15,125	14,641	3.3
Cost of construction	(10,275)	(9,697)	6.0
Gross profit	4,850	4,944	(1.9)
Other income	207	251	(17.5)
Selling and distribution expenses	(97)	(105)	(7.6)
Administrative expenses	(4,004)	(3,843)	4.2
Other operating expenses	(157)	(36)	336
Finance expenses	-	-	n.m
Profit before income tax	799	1,211	(34.0)
Income tax expense	(64)	(127)	(49.6)
Net profit for the year	735	1,084	(32.2)
Other comprehensive income			
Available-for-sale financial assets			
• Fair value losses	(4)	(18)	(77.8)
Other comprehensive losses for the year, net of tax	(4)	(18)	
Total comprehensive income for the year	731	1,066	(31.4)
Profit attributable to :			
Equity holders of the Company	735	1,084	(32.2)
Total comprehensive income attributable to:			
Equity holders of the Company	731	1,066	(31.4)
Earnings per share (cents)			
Basic	0.40	0.57	
Diluted	0.39	0.55	

Profit before income tax is arrived at after charging / (crediting) the following items:

The Group

	Twelve Months Ended		
	31-Dec-16 (Unaudited)	31-Dec-15 (Audited)	%
	S\$'000	S\$'000	Increase/ (Decrease)
Interest income	(113)	(102)	10.8
Depreciation of property, plant and equipment	55	70	(21.4)
Allowance for impairment of trade receivables	118	-	n.m

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	
	31-Dec-16 (Unaudited) S\$'000	31-Dec-15 (Audited) S\$'000	31-Dec-16 (Unaudited) S\$'000	31-Dec-15 (Audited) S\$'000
ASSETS				
Non-current Assets				
Property, plant and equipment	92	96	-	-
Investments in subsidiary corporations	-	-	27,950	27,950
Available-for-sale financial assets	28	32	-	-
	120	128	27,950	27,950
Current Assets				
Trade and other receivables	5,812	7,758	3	23
Cash and cash equivalents	15,638	14,393	1,839	2,382
	21,450	22,151	1,842	2,405
Total Assets	21,570	22,279	29,792	30,355
LIABILITIES				
Current Liabilities				
Trade and other payables	3,494	4,138	1,035	1,061
Current income tax liabilities	57	111	-	-
	3,551	4,249	1,035	1,061
Total Liabilities	3,551	4,249	1,035	1,061
Net Assets	18,019	18,030	28,757	29,294
EQUITY				
Capital and Reserves Attributable to Equity Holders of the Company				
Share capital	4,449	4,199	40,044	39,794
Treasury shares	(630)	-	(630)	-
Other reserves	(248)	(150)	7	101
Retained profits / (accumulated losses)	14,448	13,981	(10,664)	(10,601)
Total Equity	18,019	18,030	28,757	29,294

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

As at 31 December 2016 and 31 December 2015, the Group does not have any borrowings nor debt securities.

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

Group	Twelve Months Ended	
	31-Dec-16 (Unaudited) S\$'000	31-Dec-15 (Audited) S\$'000
Cash flows from operating activities		
Net profit	735	1,084
Adjustments for:		
Income tax expense	64	127
Depreciation of property, plant and equipment	55	70
Allowance for impairment of trade receivables	118	-
Interest income	(113)	(102)
Operating cash flows before changes in working capital	859	1,179
Change in working capital:		
Trade and other receivables	1,833	(874)
Trade and other payables	(644)	(1,102)
Cash generated from / (used in) operations	2,048	(797)
Income tax paid	(118)	(200)
Net cash generated from / (used in) operating activities	1,930	(997)
Cash flows from investing activities		
Additions of property, plant & equipment	(51)	(30)
Interest received	108	86
Net cash generated from investing activities	57	56
Cash flows from financing activities		
Fixed deposits pledged to banks	(5)	(5)
Issuance of shares upon exercise of share options	166	20
Repayment of finance lease liabilities	-	(12)
Purchase of treasury shares	(630)	-
Dividends paid to equity holders of the company	(278)	(382)
Net cash used in financing activities	(747)	(379)
Net increase / (decrease) in cash and cash equivalents	1,240	(1,320)
Cash and cash equivalents:		
Beginning of financial year	13,691	15,011
End of financial year	14,931	13,691

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following:

The Group	Twelve Months Ended	
	31-Dec-16 (Unaudited) S\$'000	31-Dec-15 (Audited) S\$'000
Short term fixed deposit	7,023	6,964
Cash and bank balances	8,615	7,429
	15,638	14,393
Less: Fixed deposit pledged to banks (Note 1)	(707)	(702)
Cash and cash equivalents per consolidated statement of cash flows	14,931	13,691

Note 1 – Short term fixed deposits are pledged to banks as securities for the banking facilities of Group. The short-term fixed deposits are made for varying periods of between twelve months and eighteen months depending on the immediate cash requirements of the Group, and earn interests at the respective short-term deposit rates.

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 equity holders of the Company				
	Share Capital S\$'000	Treasury Shares S\$'000	Other Reserves S\$'000	Retained Profits S\$'000	Total Equity S\$'000
The Group					
Balance as at 1 January 2016	4,199	-	(150)	13,981	18,030
Total comprehensive income for the year	-	-	(4)	735	731
Purchase of treasury shares	-	(630)	-	-	(630)
Dividend relating to 2015 paid	-	-	-	(278)	(278)
Employee share option reserve – reversal for share options lapsed	-	-	(10)	10	-
Issuance of share on exercise of share options	250	-	(84)	-	166
Balance as at 31 December 2016	4,449	(630)	(248)	14,448	18,019
Balance as at 1 January 2015	4,169	-	(122)	13,279	17,326
Total comprehensive income for the year	-	-	(18)	1,084	1,066
Dividend relating to 2014 paid	-	-	-	(382)	(382)
Issuance of share on exercise of share options	30	-	(10)	-	20
Balance as at 31 December 2015	4,199	-	(150)	13,981	18,030
	Share Capital S\$'000	Treasury Shares S\$'000	Other Reserves S\$'000	(Accumulated Losses) S\$'000	Total Equity S\$'000
The Company					
Balance as at 1 January 2016	39,794	-	101	(10,601)	29,294
Total comprehensive income for the year	-	-	-	205	205
Purchase of treasury shares	-	(630)	-	-	(630)
Dividend relating to 2015 paid	-	-	-	(278)	(278)
Employee share option reserve – reversal for share options lapsed	-	-	(10)	10	-
Issuance of share on exercise of share options	250	-	(84)	-	166
Balance as at 31 December 2016	40,044	(630)	7	(10,664)	28,757
Balance as at 1 January 2015	39,764	-	111	(10,535)	29,340
Total comprehensive income for the year	-	-	-	316	316
Dividend relating to 2014 paid	-	-	-	(382)	(382)
Issuance of share on exercise of share options	30	-	(10)	-	20
Balance as at 31 December 2015	39,794	-	101	(10,601)	29,294

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 also 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 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.

Ordinary Shares

	Number of shares	Share capital
Ordinary shares (excluding treasury shares) as at 31 December 2016	189,423,497	S\$ 39,413,332
Ordinary shares (excluding treasury shares) as at 30 June 2016	185,658,497	S\$ 39,187,432

On 13 December 2016, the Company allotted and issued 3,765,000 new ordinary shares upon the exercise of options under Koyo International Share Option Scheme ("KSOS").

Options

The number of unissued ordinary shares of the Company under share options in relation to KSOS outstanding as at 31 December 2016 are as follows:

Type of employee share options	Date of grant	No. of unissued ordinary shares		Exercise price per share	Exercise period
		Balance as at 1 January 2016	Granted / (Lapsed) / Exercised		
As at 31 December 2016					
2011 Options – KSOS	Dec 2011	4,665,000	(4,165,000)	S\$0.04	15.12.13-14.12.16
2013 Options – KSOS	Jan 2013	400,000	-	S\$0.053	23.01.15-22.01.18
		5,065,000	(4,165,000)		400,000
			(500,000)		400,000
As at 31 December 2015					
2011 Options – KSOS	Dec 2011	5,165,000	(500,000)	S\$0.04	15.12.13-14.12.16
2013 Options – KSOS	Jan 2013	400,000	-	S\$0.053	23.01.15-22.01.18
		5,565,000	(500,000)		400,000
			(500,000)		5,065,000

Save for the above, the Company has 6,300,000 (Nil – 31 December 2015) treasury shares as at 31 December 2016. The Company does not have any other outstanding convertible instruments as at 31 December 2016 and 31 December 2015.

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 immediately preceding year.

	<u>Company</u>	
	31-Dec-16	31-Dec-15
Fully paid ordinary shares (No. of shares)	<u>189,423,497</u>	<u>191,558,497</u>

The Company holds 6,300,000 (Nil – 31 Dec 2015) treasury shares as at 31 December 2016.

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

Not Applicable.

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.

Save as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the financial year ended 31 December 2016 as those used in the most recently for the audited financial statements for the financial year ended 31 December 2015.

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.

On 1 January 2016, the Group adopted the new or amended Singapore Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are mandatory for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRSs did not result in any substantial change to the Group's accounting policies nor has any material impact on the financial statements of the Group for the financial year ended 31 December 2016.

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.

	Twelve Months Ended	
	31-Dec-16 (Unaudited)	31-Dec-15 (Audited)
Earnings per ordinary share of the Group based on weighted average number of ordinary shares in issue:		
(a) Basic (Singapore cents)	0.40	0.57
(b) Fully diluted (Singapore cents)	0.39	0.55
Earnings per share was calculated based on weighted average number of ordinary shares in issue: ('000)		
(a) Basic	186,128	191,214
(b) Fully diluted	186,528	196,279

For the purposes of calculating fully diluted earnings per share, the weighted average number of ordinary shares outstanding (excluding treasury shares which have no voting rights) has been adjusted for the effects of all dilutive potential ordinary shares assuming such shares have been issued at the beginning of the respective financial years. The Company has potentially dilutive ordinary shares of 400,000 and 5,065,000 share options as at 31 December 2016 and 31 December 2015 respectively.

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 reported on; and (b) immediately preceding financial year.

	The Group		The Company	
	31-Dec-16 (Unaudited)	31-Dec-15 (Audited)	31-Dec-16 (Unaudited)	31-Dec-15 (Audited)
Net asset value per ordinary share (Singapore cents/ordinary share)	9.51	9.41	15.18	15.29

The calculation of net asset per ordinary share is based on 189,423,497 and 191,558,497 issued ordinary shares as at 31 December 2016 and 31 December 2015 respectively.

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

Twelve months ended 31 December 2016 ("FY 2016") vs Twelve months ended 31 December 2015 ("FY2015")

1) REVIEW OF RESULTS OF OPERATIONS

i) Revenue

	GROUP					
	Twelve Months Ended 31 Dec					
	2016		2015		Increase/(decrease)	
	S\$'000	%	S\$'000	%	S\$'000	%
Mechanical Engineering	8,768	58.0	7,492	51.2	1,276	17.0
Electrical Engineering	243	1.6	5	n.m	238	n.m
Facilities Management	6,114	40.4	7,144	48.8	(1,030)	(14.4)
Total	15,125	100.0	14,641	100.0	484	3.3

ii) Gross Profit/(Loss)

	GROUP					
	Twelve Months Ended 31 Dec					
	2016		2015		Increase/ (decrease)	
	S\$'000	%	S\$'000	%	S\$'000	%
Mechanical Engineering	3,178	65.5	2,778	56.2	400	14.4
Electrical Engineering	223	4.6	1	n.m	222	n.m
Facilities Management	1,449	29.9	2,165	43.8	(716)	(33.1)
Total	4,850	100.0	4,944	100.0	(94)	(1.9)

iii) Gross Profit/(Loss) Margin

	Increase/ (decrease)		
	2016	2015	%
	%	%	%
Mechanical Engineering	36.2	37.1	(0.9)
Electrical Engineering	91.8	20.0	71.8
Facilities Management	23.7	30.3	(6.6)
Total	32.1	33.8	(1.7)

n.m: not meaningful

The increase in total revenue by 3.3% to S\$15.1 million for the financial year ended 31 December 2016 was mainly attributable to the increase in revenue from mechanical engineering, offset partially by the decrease in revenue from facilities management. Revenue contribution from the mechanical engineering segment increased by approximately S\$1.3 million mainly due to 2 new projects carried out in FY2016 compared to FY2015. Revenue contribution from facilities management segment decreased by 14.4% to approximately S\$6.1 million for FY2016 mainly due to the decrease in the variation orders for maintenance work during the financial year. Revenue from electrical engineering segment has increased as a result of the commencement of a new electrical project.

With the increase in revenue, cost of construction increased by 6.0% to approximately S\$10.3 million for FY2016. Gross profit decreased slightly by 1.9% to approximately S\$4.9 million for FY2016.

Gross profit margin decreased from 33.8% in FY2015 to 32.1% in FY2016. The decrease in gross profit margin of the Company was mainly attributable to the deterioration of gross profit margin of the facilities management segment from 30.3% in FY2015 to 23.7% in FY2016 due to higher labour costs resulting from increased foreign worker levies and lesser variation works in FY2016. Gross profit margin for the electrical engineering segment improved from 20.8% to 91.8% as a result of electrical licensing services with better margins rendered during the financial year.

2) Other Income

Other income decreased by 17.5% from S\$251,000 in FY2015 to S\$207,000 in the current financial year. This is mainly due to an absence of insurance claims amounting to S\$86,400 present in FY2015 pursuant to non-performance of contract terms and partially offset by the increase in the sales of scrap.

3) Selling and Distribution Expenses

Selling and distribution expenses decreased by 7.6% from S\$105,000 in FY2015 to S\$97,000 in the current financial year due to a decrease in travelling expenses and freight & handling charges. Freight & handling charges decreased despite an increase in sale revenues mainly due to lower purchase of materials from abroad.

4) Administrative Expenses

Administrative expenses increased by 4.2% from S\$3.8 million in FY2015 to S\$4.0 million in FY2016. These were mainly due to an increase in insurance, professional fees and rental expenses of worker quarters.

5) Other Operating Expenses

Other operating expenses increased by 336% from S\$36,000 in FY2015 to S\$157,000 in the current financial year, mainly due to an allowance made for impairment of trade receivables of S\$118,000.

6) Income Tax Expense

Income tax expense decreased to S\$64,000 as a result of the decrease in the Group's profit before income tax.

(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 POSITION

Total assets as at 31 December 2016 have decreased as compared to 31 December 2015, and are mainly attributable to the following :-

- 1. Trade and other receivables** decreased by S\$2.0 million from S\$7.8 million as at 31 December 2015 to S\$5.8 million as at 31 December 2016. Trade and other receivables comprise mainly of trade receivables, other receivables and progress claims. The decrease was mainly due to the decrease in progress claims of S\$2.3 million, partially offset by increases in trade receivables of S\$0.3 million. Trade receivables (excluding progress claims) turnover days increased slightly from 56 days to 61 days as at the end of current financial year.
- 2. Cash and cash equivalents** increased by S\$1.2 million or 8.7%, from S\$14.4 million as at 31 December 2015 to S\$15.6 million as at 31 December 2016. This increase was mainly due to an increase in collection of trade and other receivables as highlighted in the cash flow statement.

Total liabilities as at 31 December 2016 have decreased as compared to 31 December 2015, and are mainly attributable to the following :-

- 1. Trade and other payables** decreased by approximately S\$0.6 million or 14.6%, from S\$4.1 million as at 31 December 2015 to S\$3.5 million as at 31 December 2016. The decrease was due to the quicker payment of purchased materials and to subcontractors.

REVIEW OF STATEMENT OF CASH FLOWS

The Group generated positive operating cash flow of about S\$0.9 million from its operations before changes in working capital in FY2016. The net working capital inflow had resulted in a net cash generated from operating activities of S\$1.9 million. This was largely pursuant to a decrease in trade and other receivables of S\$1.8 million, partially offset by a decrease in trade and other payables of S\$0.6 million and income tax payment of S\$ 118,000. The net cash generated from investing activities amounted to S\$57,000, mainly due to interest received, offset by additions of property, plant and equipment. The net cash used in financing activities amounting to S\$0.7 million, which was mainly attributable to the purchase of treasury shares of S\$0.6 million and dividends of S\$0.3 million that was paid during the financial year for dividend declared in respect of FY2015.

As at 31 December 2016, the Group has cash and cash equivalents of S\$14.9 million. This excludes fixed deposit of S\$0.7 million pledged to banks as securities for the banking facilities of the Group.

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

Not applicable. No forecast or prospect statement had been previously disclosed to shareholders for current reporting period.

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.

At the date of this announcement, the Group has approximately S\$31.7 million worth of contracts on hand with completion dates ranging from financial years 2017 to 2021. However, given the current economic climate, the Group expects FY2017 to be challenging. As such, the Group might explore for revenue/profit accretive acquisitions as part of its growth strategies.

11. Dividend

(a) Any dividend declared for the current financial year reported on?

Yes.

The Directors are pleased to recommend a tax exempt one-tier final dividend of S\$0.001 per ordinary share in respect of FY2016 for approval by shareholders at the next annual general meeting to be convened.

Name of dividend	First & Final
Dividend type	Cash
Dividend amount per share	S\$0.001 per ordinary share
Tax rate	Tax-exempt (1-tier)

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

Yes.

Name of dividend	First & Final
Dividend type	Cash
Dividend amount per share	S\$0.0015 per ordinary share
Tax rate	Tax-exempt (1-tier)

- (c) **Date payable**
To be announced at a later date, subject to shareholders' approval being obtained at the AGM.
- (d) **Books closure date**
To be announced at a later date

12. If no dividend has been declared/recommended, a statement to that effect.
Not Applicable.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. 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.

Business Segments
(31 Dec 2016)

	Mechanical Engineering	Electrical Engineering	Facilities Management	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue				
External revenue	8,768	243	6,114	15,125
Segment result	3,178	223	1,449	4,850
Other Income				207
Unallocated expenses				(4,258)
Profit before income tax				799
Income tax expense				(64)
Net Profit for the year				735

Business Segments
(31 Dec 2015)

	Mechanical Engineering	Electrical Engineering	Facilities Management	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue				
External revenue	7,492	5	7,144	14,641
Segment result	2,778	1	2,165	4,944
Other Income				251
Unallocated expenses				(3,984)
Profit before income tax				1,211
Income tax expense				(127)
Net Profit for the year				1,084

Geographically, all the Group's operations are located in Singapore.

14. 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 paragraph 8 above.

15. A breakdown of sales:

The Group	Twelve Months Ended		
	31-Dec-16	31-Dec-15	%
	S\$'000	S\$'000	Increase/ (Decrease)
Sales reported for first half year	7,675	6,515	17.8
Operating profit after income tax before deducting non-controlling interests reported for first half year	257	775	(66.8)
Sales reported for second half year	7,450	8,126	(8.3)
Operating profit after income tax before deducting non-controlling interests reported for second half year	478	309	54.7

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

Total annual dividend proposed	FY2016 ^{*,#} (S\$'000)	FY2015 (S\$'000)
Ordinary shares	189	278
Preference shares	-	-
Total	189	278

* Please refer to Para 11.

Subject to the approval of shareholders of the Company at the forthcoming Annual General Meeting.

17. Interested Person Transactions

There were no Interested Party Transactions that were S\$ 100,000 and above during FY2016 and the Company does not have a general IPT mandate.

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(10) 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
Dalat Kositanon	65	(1) Spouse of Foo Chek Heng, Managing Director and substantial shareholder of Koyo International. (2) Daughter-in-law of Heng Jee Moi who owns 100% of Salix Capital Pte Ltd, a substantial shareholder of Koyo International. (3) Mother of Foo Suay Wei, Executive Director of Koyo International.	Manager/Administration & Human Resources since 1994 for Koyo Engineering S.E. Asia Pte Ltd and since 21 January 2009 for Koyo International Ltd. Oversees the administrative and human resource functions of the Group.	Nil.

19. Confirmation pursuant to Rule 720(1) of the SGX Catalist Rule

Pursuant to Rule 720(1) of the SGX Catalist Rule, the Company has procured undertakings from all its directors and executive officers in the required format.

On behalf of the board of directors



Foo Chek Heng
Managing Director



Foo Suay Wei
Executive Director

BY ORDER OF THE BOARD

Mr. Foo Chek Heng
Managing Director
22 February 2017

This announcement has been prepared by the Company and reviewed by PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

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

The contact person for the Sponsor is Mr. Lance Tan, Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.