



MERCURIUS CAPITAL  
INVESTMENT LIMITED

**MERCURIUS CAPITAL INVESTMENT LIMITED**

(Incorporated in the Republic of Singapore)

(Company Registration No.198200473E)

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**Unaudited Financial Statements Announcement for the Second Quarter and Six-Month  
Financial Period Ended 30 June 2018**

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. ("**Sponsor**"), for compliance with the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalyst. 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.*

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**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.**

	3 Months Ended			Change %	6 Months Ended		
	30/6/2018	30/6/2017	Change %		30/06/2018	30/06/2017	Change %
	S\$'000	S\$'000			S\$'000	S\$'000	
	Unaudited	Unaudited		Unaudited	Unaudited		
<b>Continuing operations</b>							
Revenue	-	-	-	-	-	-	-
Cost of sales	-	-	-	-	-	-	-
Gross profit	-	-	-	-	-	-	-
Other (losses)/income, net	(262)	1,241	NM	41	564	-93	
Administrative expenses	(96)	(181)	-47	(183)	(274)	-33	
Finance costs	(20)	-	NM	(40)	(1)	NM	
<b>(Loss)/profit before income tax</b>	<b>(378)</b>	<b>1,060</b>	<b>NM</b>	<b>(182)</b>	<b>289</b>	<b>-163</b>	
Income tax expenses	-	-	-	-	-	-	-
<b>Net (Loss)/profit for the financial period from continuing operation</b>	<b>(378)</b>	<b>1,060</b>	<b>NM</b>	<b>(182)</b>	<b>289</b>	<b>NM</b>	
<b>Discontinued operations</b>							
<b>Net loss for the financial period from discontinued operations, net of tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(819)</b>	<b>-100</b>	
<b>Total (Loss)/profit for the financial period</b>	<b>(378)</b>	<b>1,060</b>	<b>NM</b>	<b>(182)</b>	<b>(530)</b>	<b>-66</b>	
<b>Other comprehensive (loss)/income:</b>							
Items that may be reclassified subsequently to profit or loss:							
Currency translation differences arising from consolidation - gains/(losses)	5	730	-99	(40)	48	NM	
<b>(loss)/income</b>	<b>(373)</b>	<b>1,790</b>	<b>NM</b>	<b>(222)</b>	<b>(482)</b>	<b>-54</b>	
<b>Total (loss)/profit attributable to:</b>							
Equity holders of the Company-continuing operations	(378)	1,060	NM	(182)	289	NM	
Equity holders of the Company-discontinued operations	-	-	-	-	(819)	-100	
Equity holders of the Company	(378)	1,060	NM	(182)	(530)	-66	
<b>Total comprehensive (loss)/income attributable to:</b>							
Equity holders of the Company-continuing operations	(373)	1,790	NM	(222)	337	NM	
Equity holders of the Company-discontinued operations	-	-	-	-	(819)	-100	
Equity holders of the Company	(373)	1,790	NM	(222)	(482)	-54	

NM = Not Meaningful

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

Profit/(loss) before income tax for the financial period was arrived at after crediting/(charging) the following:

	Continuing Operations			Discontinued Operations		
	3 months ended		Change	3 months ended		Change
	30/06/2018	30/06/2017		30/06/2018	30/06/2017	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
	Re-presented					
Gain on disposal/strike-off of subsidiary corporations	-	1,216	-100	-	-	-
Write back of impairment of trade and other receivables	-	(9)	-100	-	-	-
Bad debts written off	-	-	NM	-	-	-
Depreciation of property, plant and equipment	(1)	(1)	-	-	-	-
Salaries, bonuses and allowances	(20)	(17)	18	-	-	-
Rental expenses on operating lease	(1)	-	NM	-	-	-
Interest expense	(20)	-	NM	-	-	-
Currency translation losses, net	(263)	(154)	NM	-	-	-

	Continuing Operations			Discontinued Operations		
	6 months ended		Change	6 months ended		Change
	30/06/2018	30/06/2017		30/06/2018	30/06/2017	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
	Re-presented			Re-presented		
Gain on disposal/strike-off of subsidiary corporations	-	898	-100	-	-	-
Write back of impairment of trade and other receivables	-	887	-100	-	-	-
Bad debts written off	(4)	(10)	NM	-	-	-
Depreciation of property, plant and equipment	(2)	(2)	-	-	(4)	-100
Salaries, bonuses and allowances	(45)	(42)	7	-	(88)	-100
Rental expenses on operating lease	(2)	-	NM	-	(22)	-100
Interest expense	(40)	-	NM	-	(128)	-100
Currency translation gains/(losses), net	40	(155)	NM	-	(1,795)	-100

NM = 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.**

	<b>Group</b>		<b>Company</b>	
	<b>As at</b>		<b>As at</b>	
	<b>30/06/2018</b>	<b>31/12/2017</b>	<b>30/06/2018</b>	<b>31/12/2017</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	311	499	303	482
Trade and other receivables	59	87	43	62
Income tax recoverable	3	3	-	-
	<u>373</u>	<u>589</u>	<u>346</u>	<u>544</u>
<b>Non-current assets</b>				
Investments in subsidiary corporations	-	-	*	*
Property, plant and equipment	6	8	3	5
	<u>6</u>	<u>8</u>	<u>3</u>	<u>5</u>
<b>TOTAL ASSETS</b>	<u>379</u>	<u>597</u>	<u>349</u>	<u>549</u>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	154	190	87	126
<b>TOTAL LIABILITIES</b>	<u>154</u>	<u>190</u>	<u>87</u>	<u>126</u>
<b>NET ASSETS</b>	<u>225</u>	<u>407</u>	<u>262</u>	<u>423</u>
<b>EQUITY</b>				
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital	133,182	133,182	133,182	133,182
Other reserves	(1,009)	(1,081)	1,103	1,063
Accumulated losses	(131,956)	(131,702)	(134,023)	(133,822)
	<u>217</u>	<u>399</u>	<u>262</u>	<u>423</u>
<b>Non-controlling interests</b>	<u>8</u>	<u>8</u>	<u>-</u>	<u>-</u>
<b>TOTAL EQUITY</b>	<u>225</u>	<u>407</u>	<u>262</u>	<u>423</u>

\* Amount less than S\$1,000.

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

**- Amount repayable in one year or less, or on demand**

**- Amount repayable after one year**

Not applicable, as there is no borrowing during the respective financial periods ended 30 June 2018 and 2017.

**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.**

	<b>6 Months Ended</b>	
	30/06/2018 S\$'000	30/06/2017 S\$'000
<b>Cash flows from operating activities</b>		
Total loss	(182)	(530)
<b>Adjustments for:</b>		
Depreciation of property, plant and equipment	2	6
Write-back on allowance of doubtful debts	-	(887)
Bad debt written off	4	10
Interest expense	40	128
Gain on disposal/strike-off of subsidiary corporations	-	(898)
Unrealised currency translation (gain)/loss	(40)	1,950
<b>Operating cash flows before working capital changes</b>	<b>(176)</b>	<b>(221)</b>
<b>Changes in working capital</b>		
Trade and other receivables	24	(7)
Inventories	-	265
Trade and other payables	(36)	(169)
<b>Cash used in by operations</b>	<b>(188)</b>	<b>(132)</b>
Income tax paid	-	(29)
<b>Net cash used in operating activities</b>	<b>(188)</b>	<b>(161)</b>
<b>Cash flows from investing activities</b>		
Disposal/strike-off of subsidiary corporations, net of cash disposed of	-	(52)
<b>Net cash used in investing activities</b>	<b>-</b>	<b>(52)</b>
<b>Cash flows from financing activities</b>		
Proceeds from convertible loan	-	1,000
Proceeds from borrowings	-	152
Repayment of borrowings	-	(154)
Interest paid	-	(128)
Decrease in bank deposits and bank balances pledged	-	39
<b>Net cash provided by financing activities</b>	<b>-</b>	<b>909</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(188)</b>	<b>696</b>
<b>Cash and cash equivalents</b>		
Cash and cash equivalents at beginning of financial period	499	196
Effects of currency translation on cash and cash equivalents	-	(36)
Cash and cash equivalents at end of financial period	<b>311</b>	<b>856</b>

**1(d)(i) A statement (for the issuer and the 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.**

	Equity attributable to owners of the Company								
	Share capital S\$'000	Statutory surplus reserve S\$'000	Capital reserve S\$'000	Currency translation reserve S\$'000	Equity component of convertible loan S\$'000	Accumulated losses S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total Equity S\$'000
<b>GROUP</b>									
Balance at 31 December 2017 as previously reported	133,182	-	-	(2,144)	1,063	(131,702)	399	8	407
Effect of adopting SFRS(I)	-	-	-	72	-	(72)	-	-	-
Balance at 1 January 2018 - restated	133,182	-	-	(2,072)	1,063	(131,774)	399	8	407
Loss for the financial period	-	-	-	-	-	(182)	(182)	-	(182)
Other comprehensive loss for the financial period	-	-	-	(40)	-	-	(40)	-	(40)
Total comprehensive loss for the financial period	-	-	-	(40)	-	(182)	(222)	-	(222)
Convertible loans - equity component	-	-	-	-	40	-	40	-	40
Balance at 30 June 2018	133,182	-	-	(2,112)	1,103	(131,956)	217	8	225
Balance at 31 December 2016 as previously reported	49,074	1,911	6,992	(72)	-	(58,245)	(340)	(221)	(561)
Effect of adopting SFRS(I)	-	-	-	72	-	(72)	-	-	-
Balance at 1 January 2017 - restated	49,074	1,911	6,992	-	-	(58,317)	(340)	(221)	(561)
Loss for the financial period	-	-	-	-	-	-	-	-	-
Other comprehensive income for the financial year	-	-	-	48	-	(530)	(482)	229	(253)
Total comprehensive loss for the financial period	-	-	-	48	-	(530)	(482)	229	(253)
Derecognised pursuant to disposal of subsidiary corporations	83,658	(1,911)	(6,992)	(2,927)	-	(71,828)	-	-	-
Balance at 30 June 2017	132,732	-	-	(2,879)	-	(130,675)	(822)	8	(814)
<b>COMPANY</b>									
Balance at 1 January 2018	133,182	-	-	-	1,063	(133,822)	423	-	423
Total comprehensive loss for the financial year	-	-	-	-	-	(201)	(201)	-	(201)
Convertible loan - equity component	-	-	-	-	40	-	40	-	40
Balance at 30 June 2018	133,182	-	-	-	1,103	(134,023)	262	-	262
Balance at 1 January 2017	132,732	-	-	-	-	(133,335)	(603)	-	(603)
Issue of shares via placement	-	-	-	-	-	-	-	-	-
Total comprehensive loss for the financial year	-	-	-	-	-	(214)	(214)	-	(214)
Balance at 30 June 2017	132,732	-	-	-	-	(133,549)	(817)	-	(817)

**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.**

	<b>Issued and fully paid-up ordinary shares</b>	<b>Share capital S\$'000</b>
Balance as at 31 March 2018 and 30 June 2018	1,114,008,940	133,182

On 17 March 2017, the Company entered into a convertible loan agreement with two investors whereby the investors provided a redeemable convertible loan of an aggregate principal value of S\$1.0 million (“**Convertible Loan**”) to the Company, which is, together with interest, convertible into up to 10.8 million new ordinary shares in the issued and paid-up share capital of the Company (“**Shares**”). The Company had on 29 March 2018 extended the maturity date of the Convertible Loan to 17 March 2019. Pursuant to the extension, the Convertible Loan (inclusive of interest) may be convertible up to 11.6 million new Shares.

As at 30 June 2018, the Convertible Loan, inclusive of interest, is convertible into up to 11.0 million new Shares (30 June 2017: 10.2 million). Save for this, the Company does not have any other convertible securities.

There were no treasury shares or subsidiary holdings 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.**

The total number of issued shares excluding treasury shares as at 30 June 2018 was 1,114,008,940 (31 December 2017: 1,114,008,940). There were no treasury shares as at 30 June 2018 and 31 December 2017.



**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 did not have any treasury shares during and as at the end of the current financial period reported on.

**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 any subsidiary holdings during and as at the end of the current financial period reported on.

**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 Section 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 of the Group 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.**

The Group had adopted a new financial reporting framework, Singapore Financial Reporting Standards (International) (“**SFRS(I)**”), which are effective for the financial periods beginning on or after 1 January 2018. The adoption of SFRS(I) have no significant financial impact on the Group's financial statements except as described below:-

The Group elected the optional exemption in SFRS(I) to reset its cumulative currency translation reserves for all foreign operation to zero at the date of transition and reclassify the cumulative currency translation reserves of S\$72,000 as at 1 January 2017 to accumulated losses.

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.**

	3 Months Ended		6 Months Ended	
	30-06-2018	30-06-2017	30-06-2018	30-06-2017
Weighted average number of ordinary shares for basic earnings per share	1,114,008,940	1,104,008,940	1,114,008,940	1,104,008,940
Weighted average number of ordinary shares for diluted earnings per share	1,117,700,995	1,107,489,603	1,120,278,618	1,107,489,603
<b>Continuing Operations</b>				
Net profit/(loss) for the financial period/year (S\$'000)	(378)	1,060	(182)	289
Basic earnings/(loss) per share (cents)	(0.03)	0.10	(0.02)	0.03
Diluted earnings/(loss) per share (cents)	(0.03)	0.10	(0.02)	0.03
<b>Discontinued Operations</b>				
Net loss for the financial period/year (S\$'000)	-	-	-	(819)
Basic loss per share (cents)	-	-	-	(0.07)
Diluted loss per share (cents)	-	-	-	(0.07)

For the financial period ended 30 June 2018, the weighted average number of shares for diluted earnings/(loss) per share included the 11.6 million new Shares that may be issued and allotted pursuant to the conversion of the Convertible Loan.

7. **Net asset value (for the issuer and the group) per ordinary share based on issued share capital of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year.**

	Group	
	30/06/2018	31/12/2017
<b>Net Assets Value Per Ordinary Share</b>		
- Based on issued share capital at the end of financial year	0.02 cents	0.04 cents
- Number of existing issued shares at the end of financial year	1,114,008,940	1,114,008,940
<b>Company</b>		
<b>Net Assets Value Per Ordinary Share</b>		
- Based on issued share capital at the end of financial year	0.02 cents	0.04 cents
- Number of existing issued shares at the end of financial year	1,114,008,940	1,114,008,940

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
  - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

(A) **Review of consolidated statement of comprehensive income**

**Revenue and Gross Profit**

Following the completion of the disposal of China Children Fashion Holding Pte Ltd and its subsidiary corporations (the "CCFHPL Group"), the Group did not record any revenue for the second quarter ended 30 June ("2Q") 2018 and the six-month financial period ended 30 June ("1H") 2018. The Group's new business in property development and property investment which was approved by shareholders of the Company on 30 March 2017, is still in early stages and has not generated any revenue for the Group.

**Other Income/Losses**

Net other losses of S\$0.26 million in 2Q2018 relates to accounting adjustment made during the period in respect of foreign exchange difference. Net other income of S\$1.24 million in 2Q2017 mainly relates to a one-off gain from striking off of subsidiary, Friven Eagleton Sourcing Limited, amounting to S\$1.18 million ("One-off Gain").

Net other income of S\$0.04 million in 1H2018 was derived from gain from exchange difference as a result of revaluation of inter-company balances denominated in foreign currencies. Net other income of S\$0.56 million in 1H2017 was mainly due to the One-off Gain, write back of impairment of trade and other receivables of S\$0.88 million, and waiver of other payables of S\$0.13 million, partially offset by loss from disposal of subsidiary and exchange difference amounting to S\$0.28 million and S\$1.32 million respectively.

**Administrative Expenses**

Administrative expenses decreased from S\$0.18 million in 2Q2017 to S\$0.10 million in 2Q2018, and from S\$0.27 million in 1H2017 to S\$0.18 million in 1H2018, mainly due to decrease in professional fees, travelling expenses and related expenses in respect of the Company's annual general meeting.

**Finance Costs**

Finance costs of S\$0.02 million and S\$0.04 million incurred in 2Q2018 and 1H2018, respectively, relate to the interest payable of the Convertible Loan.

### **Net (loss)/profit from continuing operations**

As a result of the above, the Group recorded a net loss after tax of S\$0.38 million and S\$0.18 million in 2Q2018 and 1H2018 respectively, as compared to a net profit of S\$1.06 million and S\$0.29 million in 2Q2017 and 1H2017 respectively.

### **(B) Review of statement of financial position**

#### **Current Assets**

Cash and cash equivalents decreased to S\$0.31 million as at 30 June 2018, from S\$0.50 million as at 31 December 2017. Please refer to the consolidated statement of cash flows on the movement in cash and cash equivalents.

Trade and other receivables decreased to S\$0.06 million as at 30 June 2018 from S\$0.09 million as at 31 December 2017, mainly due to decrease in prepaid expenses, which related to professional and listing fees.

The Group's working capital decreased from S\$0.40 million as at 31 December 2017 to S\$0.22 million as at 30 June 2018.

#### **Non-current Assets**

Non-current assets remained relatively stable at S\$0.01 million as at 30 June 2018 and 31 December 2017.

#### **Current Liabilities**

Trade and other payables decreased by S\$0.04 million, from S\$0.19 million as at 31 December 2017 to S\$0.15 million as at 30 June 2018, mainly due to repayment of operating expenses during the financial period.

#### **Equity**

The Group's equity decreased from S\$0.41 million as at 31 December 2017 to S\$0.22 million as at 30 June 2018, mainly due to increase in accumulated losses.

### **(C) Consolidated statement of cash flows**

Net cash used in operating activities amounted to S\$0.19 million for 1H2018, mainly due to (i) cash outflow before changes in working capital of S\$0.18 million; (ii) decrease in trade and other receivable of S\$0.02 million; and (iii) decrease in trade and other payables of S\$0.04 million.

There was no cash used in or generated from investing activities and the financing activities in 1H2018.

As a whole, the Group had a net cash outflow of S\$0.19 million in 1H2018. The cash and cash equivalents as at 30 June 2018 amounted to S\$0.31 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.**

As mentioned in the Company's Annual Report 2017, the Company had diversified its core business to include property development and property investment (“**New Business**”). Through the joint venture agreement signed with HM Realty Holdings Sdn Bhd to develop a land located at Kempas, Johor Bahru, Malaysia, the Company is currently in the process of converting the Kempas land title from residential use to commercial use. The Board is aware of the prolonged process of conversion, partly due to the Malaysia General Election in May 2018, which affected the approval process from the respective Government agencies. With the new Malaysian government in place, the management will continue to liaise with the respective Government agencies, and the Board will keep shareholders of the Company informed of any updates from time to time where appropriate or required under the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”).

On 13 July 2018, the Company entered into a licensing agreement with Clover Lifestyle Sdn Bhd (“**Clover**”) for a duration of 12 months beginning 1 August 2018 (“**Agreement**”), whereby the Company grants Clover the right to use the Group’s proprietary brands, namely Friven, Allegoria, DS, and Relax at home for the sale of bedding, bed linen and bath products exclusively in Singapore and Malaysia. The Agreement will enable the Company to benefit from Clover’s expertise in branding and marketing, and product development in the lifestyle sectors while the Company focuses its resources on the growth of its existing core business of property investment and property development.

The Board remains cautious of the change in the government of Malaysia and its implementation of new policies affecting the country, however in a micro environment, the Board is optimistic of the New Business and believes that it will allow the Group to have better prospects of profitability and improve shareholders’ value in the long run.

11. **If a decision regarding dividend has been made:**

- (a) **Whether an interim (final) dividend has been declared (recommended); and**

No.

- (b) **Amount of dividend per share of the current reporting financial period and of the previous corresponding period.**

Nil (31 March 2018: Nil).

- (c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

- (d) **The date the dividend is payable**

Not applicable.

- (e) **The date on which Registrable Transfers received by the company (up to 5:00pm) will be registered before entitlements to the dividend are determined.**

Not applicable.

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

No dividend has been declared or recommended for the financial period ended 30 June 2018.

- 13. If the Group has obtained a general mandate from shareholders for interested person transactions (“IPT”) 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.**

No general mandate for IPT has been obtained from shareholders.

- 14. Confirmation by Directors pursuant to Rule 705(5) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited**

The board of directors of the Company confirms that, to the best of their knowledge, nothing has come to their attention that may render the unaudited financial statements for the six months 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 updated format set out in Appendix 7H of the Catalist Rules) under Rule 720(1) of the Catalist Rules.

16. Please disclose the status on the use of proceeds raised from IPO and any offerings pursuant to Chapter 8 and whether the use of proceeds is in accordance with the stated use in the offer document or the announcement of the issuer.

Use of net proceeds from the Convertible Loan as at 31 July 2018

<b>Use of Net Proceeds</b>	<b>Amount allocated</b>	<b>Amount utilised</b>	<b>Balance as at</b>
	<b>(S\$'000)</b>	<b>(S\$'000)</b>	<b>31 July 2018</b>
			<b>(S\$'000)</b>
Working capital*	985	728	257
Total	985	728	257

*\*Working capital included operating expenses such as professional fees, listing fees, staff cost and office expenses.*

The use of the aforementioned net proceeds is in accordance with the intended use as stated in the Company's announcement dated 29 March 2018. The Company will make periodic announcements as and when the balance of the net proceeds is materially disbursed.

**BY ORDER OF THE BOARD**

**Chang Wei Lu**  
**Executive Chairman and Chief Executive Officer**

**3 August 2018**