

## HALF YEAR FINANCIAL STATEMENT ANNOUNCEMENT

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

The Board of Directors of AA Group Holdings Ltd. (the “**Company**”) is pleased to announce the consolidated results of the Company and its subsidiaries (the “**Group**”) for the half year ended 30 June (“**HY**”) 2017.

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

	Group		% change + / (-)
	HY2017 S\$ '000	HY2016 S\$ '000	
Revenue	12,828	7,889	62.61%
Cost of sales	(8,952)	(6,681)	33.99%
Gross profit	3,876	1,208	220.86%
Other operating income	35,658	197	18000.51%
Administrative expenses	(3,803)	(1,166)	226.16%
Other operating expenses	(1,827)	(278)	557.19%
Operating profit/(loss)	33,904	(39)	87033.33%
Finance income	-	-	n.m.
Finance costs	(259)	(245)	5.71%
Profit/(loss) before income tax	33,645	(284)	11946.83%
Income tax	247	(40)	717.5%
Net income/(loss) for the period attributable to equity holders of the Company	33,892	(324)	10560.49%
Other comprehensive income	28	89	-68.51%
Total comprehensive income/(loss) for the period attributable to equity holders of the Company	33,920	(235)	14534.04%

**n.m. – not meaningful**

**1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the consolidated statement of comprehensive income or in the notes to the consolidated statement of comprehensive income the current financial period reported on and the corresponding period of the immediately preceding financial year:**

Profit before income tax is determined after charging / (crediting) the following:

	Group		% change + / (-)
	HY2017 S\$ '000	HY2016 S\$ '000	
Cost of inventories sold	8,952	6,681	33.99%
Depreciation of property, plant and equipment	882	820	7.56%
Depreciation of investment property	538	-	n.m.
Impairment of property, plant and equipment	1,863	-	n.m.
Amortisation of prepaid land lease payments	5	5	n.m.
Amortisation of intangible asset	165	-	n.m.
Directors' remuneration	503	379	32.72%
(Gain)/loss on foreign exchange	(53)	276	-119.20%
Negative goodwill	(35,345)	-	n.m.
Loss on disposal of property, plant and equipment	20	-	n.m.
Staff costs	1,352	1,082	24.95%

**1(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	
	As at 30 June 2017 S\$ '000	As at 31 Dec 2016 S\$ '000	As at 30 June 2017 S\$ '000	As at 31 Dec 2016 S\$ '000
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, plant and equipment	14,986	14,550	-	-
Investment property	62,662	-	-	-
Prepaid land lease payments	420	423	-	-
Goodwill	685	685	-	-
Intangible asset	2,309	-	-	-
Investment in subsidiaries	-	-	36,065	11,065
	81,062	15,658	36,065	11,065
<b>Current Assets</b>				
Inventories	2,886	3,518	-	-
Trade receivables	6,459	6,045	-	-
Other receivables and other current assets	3,349	1,118	3,676	21
Fixed deposits pledged	514	511	-	-
Cash and bank balance	4,168	10,750	551	9,410
	17,376	21,942	4,227	9,431
<b>Total Assets</b>	98,438	37,600	40,292	20,496
<b>EQUITY AND LIABILITIES</b>				
<b>Equity attributable to members of the Company</b>				
Share capital	25,270	22,143	25,270	22,143
Reserves	31,228	(2,692)	(3,666)	(2,892)
	56,498	19,451	21,604	19,251

Cont'd

	Group		Company	
	As at 30 June 2017	As at 31 Dec 2016	As at 30 June 2017	As at 31 Dec 2016
	S\$ '000	S\$ '000	S\$ '000	S\$ '000
<b>Non-Current Liabilities</b>				
Term loans	2,510	660	-	-
Hire purchase creditors	1,813	1,429	-	-
Bond payable	7,000	-	7,000	-
Deferred taxation	13,095	1,929	-	-
	24,418	4,018	7,000	-
<b>Current Liabilities</b>				
Trade payables	6,040	5,169	-	-
Other payables and accruals	3,511	3,130	11,688	1,245
Due to a director (non-trade)	186	264	-	-
Hire purchase creditors	1,658	1,196	-	-
Term loans	853	76	-	-
Bills payables to banks	3,768	3,930	-	-
Bank overdrafts	565	366	-	-
Taxation	941	-	-	-
	17,522	14,131	11,688	1,245
<b>Total Liabilities</b>	41,940	18,149	18,688	1,245
<b>Total Equity and Liabilities</b>	98,438	37,600	40,292	20,496

(b)(ii) In relation to the aggregate amount of the Group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:

The amount repayable in one year or less, or on demand

	As at 30 June 2017		As at 31 Dec 2016	
	Secured	Unsecured	Secured	Unsecured
	S\$ '000	S\$ '000	S\$ '000	S\$ '000
Bills payable to banks and bank overdrafts	4,333	-	4,296	-
Term loans	853	-	76	-
Hire purchase creditors	1,658	-	1,196	-

The amount repayable after one year

	As at 30 June 2017		As at 31 Dec 2016	
	Secured	Unsecured	Secured	Unsecured
	S\$ '000	S\$ '000	S\$ '000	S\$ '000
Term loans	2,510	-	660	-
Hire purchase creditors	1,813	-	1,429	-

#### Details of any collaterals

All of the Group's bank facilities were secured through a pledge of assets (including plant and machinery, motor vehicles, fixed deposits, and charges over the properties known as Lot 147, Lot 148 and Lot 149, Jalan PKNK 3/1, Kawasan Perusahaan Sungai Petani, 08000 Sungai Petani, Kedah, Malaysia) by the Group, corporate guarantee by the Company and joint and several personal guarantees provided by our Group's Executive Chairman, Jaimes Hsieh, and Managing Director, Julie Feng from the Malaysia subsidiary Allied Advantage Sdn. Bhd.

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

	<b>Group</b>	
	<b>HY2017</b>	<b>HY2016</b>
	<b>S\$ '000</b>	<b>S\$ '000</b>
Cash flows from operating activities:		
Profit/(loss) before income tax	33,645	(284)
Adjustments for:		
Depreciation of property, plant and equipment	882	820
Depreciation of investment property	538	-
Amortisation of prepaid land lease payments	5	5
Amortisation of intangible assets	165	-
Impairment of property, plant and equipment	1,863	-
Loss on disposal of property, plant and equipment	20	-
Unrealised gain on foreign exchange	(53)	(23)
Negative goodwill	(35,345)	-
Interest expense	252	239
Operating cash flow before working capital changes	1,972	757
Changes in working capital:		
Inventories	641	(524)
Trade and other receivables	(1,773)	(281)
Trade and other payables	(1,573)	(329)
Cash used in operating activities	(733)	(377)
Interest paid	(252)	(239)
Income tax paid	-	(3)
Income tax refund	6	-
Net cash used in operating activities	(979)	(619)
Cash flows from investing activities:		
Purchase of property, plant and equipment <sup>(a)</sup>	(1,823)	(1,735)
Proceeds from disposal of property, plant and equipment	44	-
Acquisition of subsidiary	(5,873)	-
Net cash used in investing activities	(7,652)	(1,735)
Cash flows from financing activities:		
Loan from shareholders	-	1,430
Due (from)/to a director	(48)	153
Decrease in bills payables	(179)	(407)
Repayment of hire purchase creditors (net)	(773)	349
Repayment of term loans	(278)	(36)
Issue of shares from exercise of warrants	3,127	-
Net cash generated from financing activities	1,849	1,489
Net decrease in cash and cash equivalents	(6,782)	(865)
Cash and cash equivalents at the beginning of period	10,384	1,258
Effects of exchange rate changes on balance of cash held in foreign currencies	1	14
Cash and cash equivalents at the end of period <sup>(b)</sup>	3,603	407

(a) During the financial period under review, certain property, plant and equipment were acquired by means of hire purchases which amounted to approximately S\$1,597,000 (2016: S\$1,167,000). Other property, plant and equipment amounting to S\$1,823,000 (2016: S\$1,735,000) were acquired by cash payment.

(b) For the purpose of consolidating the statement of cash flows, the cash and cash equivalents at the end of the corresponding period of the immediately preceding financial year comprise the following:

	<b>Group</b>	
	<b>As at</b>	<b>As at</b>
	<b>30 June</b>	<b>30 June</b>
	<b>2017</b>	<b>2016</b>
	<b>S\$ '000</b>	<b>S\$ '000</b>
Cash and bank balances	4,168	898
(Less) Bank overdrafts	(565)	(491)
	3,603	407

**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**

	<b>Share Capital</b>	<b>Merger Reserve</b>	<b>Translation Reserve</b>	<b>Retained Earnings</b>	<b>Total Equity</b>
	<b>S\$ '000</b>	<b>S\$ '000</b>	<b>S\$ '000</b>	<b>S\$ '000</b>	<b>S\$ '000</b>
Balance as at 1 January 2016	12,516	(6,478)	(4,434)	9,720	11,324
Net loss for the period	-	-	-	(324)	(324)
Other comprehensive income for the period	-	-	89	-	89
Total comprehensive income for the period	-	-	89	(324)	(235)
Balance as at 30 June 2016	12,516	(6,478)	(4,345)	9,396	11,089
	<b>Share Capital</b>	<b>Merger Reserve</b>	<b>Translation Reserve</b>	<b>Retained Earnings</b>	<b>Total Equity</b>
	<b>S\$ '000</b>	<b>S\$ '000</b>	<b>S\$ '000</b>	<b>S\$ '000</b>	<b>S\$ '000</b>
Balance as at 1 January 2017	22,143	(6,478)	(4,717)	8,503	19,451
Exercise of warrants	3,127	-	-	-	3,127
Net profit for the period	-	-	-	33,892	33,892
Other comprehensive income for the period	-	-	28	-	28
Total comprehensive income for the period	-	-	28	33,892	33,920
Balance as at 30 June 2017	25,270	(6,478)	(4,689)	42,395	56,498

## Company

	Share Capital S\$ '000	Accumulated Losses S\$ '000	Total Equity S\$ '000
Balance as at 1 January 2016	12,516	(2,170)	10,346
Net loss for the period	-	(265)	(265)
Other comprehensive loss for the period	-	-	-
Total comprehensive loss for the period	-	(265)	(265)
Balance as at 30 June 2016	12,516	(2,435)	10,081

	Share Capital S\$ '000	Accumulated Losses S\$ '000	Total Equity S\$ '000
Balance as at 1 January 2017	22,143	(2,892)	19,251
Exercise of warrants	3,127	-	3,127
Net loss for the period	-	(774)	(774)
Other comprehensive loss for the period	-	-	-
Total comprehensive loss for the period	-	(774)	(774)
Balance as at 30 June 2017	25,270	(3,666)	21,604

**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**

### Changes in share capital during the financial period

	As at 30 June 2017	As at 30 June 2016
As at beginning of the period	1,059,038,211	96,276,201
Issue of shares from exercise of warrants	260,598,750	-
As at end of the period	1,319,636,961	96,276,201

On 23 December 2016, the Company issued 962,762,010 new ordinary shares in the capital of the Company at \$0.01 each and 962,762,010 free detachable warrants ("Rights cum Warrants Issue") on the basis of ten (10) Rights Shares for every one (1) existing share held. Each warrant carries the right to subscribe for one new ordinary share in the capital of the Company at an exercise price of \$0.012.

As at 30 June 2017, 260,598,750 warrants were exercised at \$0.012 each pursuant to the Rights cum Warrants Issue. There were outstanding warrants of 702,163,260 (2016: Nil) for conversion into ordinary shares.

As at 30 June 2017 and 30 June 2016, the Company did not have any treasury shares. As at 30 June 2016, the Company did not have any outstanding convertibles that may be converted into shares.

**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 30 June 2017	As at 31 December 2016
Total number of issued shares (excluding treasury shares)	1,319,636,961	1,059,038,211

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

Not applicable as the Company does not have any treasury shares.

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

The figures 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 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 paragraph 5 below, the Group has applied the same accounting policies and methods of computation adopted in the Group's financial statements for the current reporting period as compared with the audited financial statements of the Group 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**

Adoption of new or revised Financial Reporting Standards ("FRS") which are relevant to the Group and mandatory for the financial period beginning on or after 1 January 2017 are as follows:-

The Group has adopted all the new and revised FRS and interpretation of FRS that are relevant and effective for annual periods beginning 1 January 2017.

The adoption of these new/revised FRS and interpretation of FRS does not have a significant financial impact on the financial performance or financial position of the Group and of the Company. They did however give rise to additional disclosure including, in some cases, revision to accounting policies.

**6. Earnings/(Loss) per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

	Group HY2017	HY2016
Profit/(loss) per share (S\$ cents)		
- Basic <sup>(1)</sup>	2.57	(0.34)
- Diluted <sup>(2)</sup>	1.89	(0.34)

**Notes:**

- (1) Profit/(loss) per share was computed based on the weighted average number of issued shares in issue, being 1,319,636,961 (2016: 96,276,201) ordinary shares.

- (2) For the purpose of calculating the diluted profit/(loss) per share, the weighted average number of ordinary shares in issue is adjusted to take into account the dilutive effect arising from the dilutive warrants with the potential ordinary shares weighted for the period outstanding.

**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 period reported on and (b) immediately preceding financial year**

	<-----Group----->		<-----Company----->	
	As at 30 June 2017	As at 31 December 2016	As at 30 June 2017	As at 31 December 2016
Net asset value per share based on existing issued capital (excluding treasury shares) as at the end of the respective financial periods (S\$ cents) <sup>(1)</sup>	4.28	1.84	1.64	1.82

**Note:**

- (1) NAV per share were computed based on the issued share capital of 1,319,636,961 ordinary shares as at 30 June 2017 and 1,059,038,211 ordinary shares as at 31 December 2016.

**8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on**

(a) The Group's revenue for HY2017 increased by approximately S\$4.94 million or 62.61% as compared to HY2016. The increase in revenue was mainly attributable to the Group's speaker products of approximately S\$1.94 million and contribution of leasing revenue by the new subsidiary, Engineering Manufacturing Services (S) Pte. Ltd. ("EMS"), of approximately S\$3.13 million. These increases were offset by lower contribution from the construction business of approximately S\$0.14 million.

(b) Cost of sales for HY2017 increased by S\$2.27 million or 33.99%, as compared to HY2016 and this is mainly attributable to manufacturing cost, specifically in raw material cost.

(c) The Group's other operating income for HY2017 increased by approximately S\$35.46 million or 18000.51% as compared to HY2016, mainly due to negative goodwill of approximately S\$35.34 million arising from the acquisition of a EMS during FY2017. The resulting negative goodwill or gain on a bargain purchase is based on the provisional amounts of assets and liabilities (the "Provisional Amounts") recognised at the date of acquisition and the Group may adjust the Provisional Amounts for the acquisition of EMS not exceeding one year from the acquisition date.

(d) The Group's administrative expenses and other operating expenses increased by approximately S\$4.51 million or 386.56% approximately as compared to HY2016. This is mainly due to impairment of property, plant and equipment by approximately S\$1.86 million and contribution of expenses by newly acquired subsidiary by approximately S\$2.19 million especially depreciation and amortisation (S\$0.70 million), property tax (S\$0.2 million) and consultancy fee (S\$0.39 million). The impairment arising from the Group's property, plant and equipment is in relation to certain plant and equipment for the manufacturing operations of speaker parts of which were assessed to be obsolete and no longer in use for production. The recoverable amount was assessed based on the value in use using the market price of scrap by weight (kg).

(e) The Group's finance costs increased by approximately S\$0.01 million or 5.71% as compared to HY2016, mainly due to increase of hire purchases.

(f) The Group recorded higher profit before income tax for HY2017 by approximately S\$33.9 million or 11946.83%, mainly due to the recognition of negative goodwill arising from the acquisition of subsidiary during the period.

(g) The Group's income tax expenses for HY2017 amounted to approximately S\$0.13 million pertaining to estimated tax payable for the period and S\$0.37 million on reversal of deferred tax liabilities arising from timing difference between depreciation and tax capital allowances.



(h) As at 30 June 2017, the net book value of the Group's property, plant and equipment, investment property and prepaid land lease payments was approximately S\$78.06 million. The foregoing constituted approximately 79.31% of the Group's total assets as at 30 June 2017.

Intangible asset was recognised in relation to a contractual rental agreement entered arising from the acquisition of the subsidiary.

(i) As at 30 June 2017, the current assets of the Group amounted to approximately S\$17.38 million, representing approximately 17.65% of the Group's total assets.

As at 30 June 2017, the Group's inventories amounted to approximately S\$2.89 million and constituted approximately 16.61% of the Group's total current assets. The Group's inventories comprised mainly of raw materials and semi-finished products of approximately S\$2.15 million and finished goods of approximately S\$0.74 million.

As at 30 June 2017, the Group's trade receivables amounted to approximately S\$6.46 million and other receivables amounted to approximately S\$3.35 million, representing approximately 37.17% and 19.27% respectively of the Group's total current assets. The increase in trade receivables during HY2017 were mainly due to the increase of revenue during the financial period. Included in other receivables is an amount of S\$2.0 million loan made to a third party (the "Loan") during the current financial period. The Loan is a 12-month revolving loan and bears an interest of 8% per annum. Other current assets were mainly attributable to advance payments made and deposits made for purchase of property, plant and equipment amounting to S\$ 0.5 million S\$0.72 million respectively.

The Group's cash and bank balances comprising cash on hand and cash at financial institutions amounted to approximately S\$4.17 million as at 30 June 2017.

As at 30 June 2017, fixed deposits of the Group amounting to approximately S\$0.51 million were pledged to banks as collateral for notes payable.

(j) As at 30 June 2017, the total current liabilities of the Group amounted to approximately S\$17.52 million, representing approximately 41.78% of the Group's total liabilities.

The increase in the Group's trade payables from approximately S\$5.12 million as at 31 December 2016 to approximately S\$6.04 million as at 30 June 2017 was mainly due to the purchase of raw materials for speaker parts.

Short-term borrowings of the Group, including hire purchase payables, amounted to approximately S\$6.28 million as at 30 June 2017 and represented approximately 35.84% of the Group's total current liabilities. These borrowings were used mainly for the Group's working capital purposes.

As at 30 June 2017, long-term borrowings of the Group amounted to S\$11.32 million, representing 45.67% of the Groups' non-current liabilities. Included in the borrowings is the 3 year redeemable bond payable to previous owner for the acquisition of the subsidiary amounting to S\$7 million.

(k) The Group's shareholders' equity as at 30 June 2017 was approximately S\$56.50 million.

(l) In HY2017, the Group's operating cash flow before working capital changes was approximately S\$1.97 million and net cash used in operating activities was approximately S\$0.98 million. This was mainly due to an increase in trade payable, and a decrease in trade and other receivables.

(m) The Group's net cash used in investing activities in HY2017 amounted to approximately S\$7.65 million. This was mainly attributable to the acquisition of subsidiary during the period and purchase of machinery and factory equipment for production purposes.

(n) The Group's net cash generated from financing activities in HY2017 amounted to approximately S\$1.85 million. This was mainly attributable to the proceeds from the exercise of warrants and repayment of term loans and hire purchase creditors and decrease in bill payables.

(o) On 23 December 2016, the Company issued 962,762,010 new ordinary shares in the capital of the Company at \$0.01 each and 962,762,010 free detachable warrants ("Rights cum Warrants Issue") on the basis of ten (10) Rights Shares for every one (1) existing share held. Each warrant carries the right to subscribe for one new ordinary share in the capital of the Company at an exercise price of \$0.012.

As at 30 June 2017, the utilisation of the net proceeds raised from the Rights cum Warrants Issue is as follows:

<b>Intended use</b>	<b>Percentage allocated</b>	<b>Amount utilised (S\$'000)</b>	<b>Balance (S\$'000)</b>
For business expansion and financing business ventures through acquisitions and/or strategic investments	80-95	S\$8,214 (86%)	NIL
Working capital purposes	5-20	S\$1,326 (14%)	NIL
<b>Total</b>	<b>100</b>	<b>S\$9,540 (100%)</b>	<b>NIL</b>

As at 30 June 2017, 260,598,750 Warrants have been exercised and the Company has raised net proceeds of approximately S\$3,127,185. The Company has applied the proceeds of approximately S\$2,357,000 as follows:

<b>Intended use</b>	<b>Amount utilised (S\$'000)</b>
For business expansion through the setting up of a subsidiary and the intended businesses of such subsidiary	S\$2,000 (85%)
Working capital purposes	S\$357 (15%)
<b>Total</b>	<b>S\$2,357 (100%)</b>

The remaining net proceeds is S\$770,185. This is consistent with the intended use as disclosed in the Previous Announcements and the Offer Information Statement dated 29 November 2016.

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

Not applicable, there was no forecast or prospect statement previously disclosed to shareholders.

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

In light of the uncertain global and regional economic environments, as well as stiff competition from other players in the respective industries, the management of the Group maintains a cautious outlook and expects the business environment to remain highly challenging for the next 12 months.

In addition, the Group expects its revenue contribution from speaker parts to slow down in the coming months due to the concentration on the deployment of new technology to improve the productivity, capability and efficiency with the new automatic and high-tech machineries. The automated machineries are scheduled to be fully utilised in production by 2H 2017. The Group also expects a consistent flow of revenue contribution from the newly acquired subsidiary for the next 12 months, mainly arising from contracted leasing income.

In view of the current economic environment, the Group has aimed to diversify its business to venture into different industries. Thus, the Group has entered into separate agreements to acquire W&P Precast Pte. Ltd. and W&P Corporation Pte. Ltd.. The principal activities of W&P Precast Pte. Ltd. are the manufacturing of articles of concrete, cement and plaster, and those relating to general contractors while the principal activities of W&P Corporation Pte. Ltd. are the supply and manufacture of ready-mix concrete, precast component and related products.

The Group will continue to look for the right opportunities to diversify its businesses and revenue streams. This could happen through further acquisitions, investments or the starting of new businesses. It is important that the Group stays diversified so that it will be able to ride any potential storm that comes its way.

#### **11. Dividend**

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

Any dividend declared for the current financial period reported on?

None.

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

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

None.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

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

No dividend has been declared or recommended in respect of HY2017.

**13. Summary of Interested Person Transactions for HY2017**

There was no interested person transaction which is S\$100,000 and above during the period under review. The Group has not obtained a general mandate from shareholders in respect of any interested person transactions.

**14. Undertakings pursuant to Rule 720(1)**

The Company has procured undertakings from all its directors and executive officers in the format set out in Appendix 7H.

**15. Negative Assurance Confirmation by Directors Pursuant to SGX Listing Rule 705(5)**

We, Hsieh Kuo-Chuan and Yau Woon Foong being the two directors of the Company, do hereby confirm on behalf of the board of directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited interim financial statements of the Group for the half year ended 30 June 2017 (comprising the comprehensive income statement, balance sheet, cash flow statement and statement of changes in equity, together with the accompanying notes) presented in this announcement to be false or misleading in any material respect. A signed confirmation copy is kept in record.

On behalf of the Board,

Hsieh Kuo-Chuan  
Executive Chairman

Yau Woon Foong  
Executive Director

**BY ORDER OF THE BOARD**

Hsieh Kuo-Chuan  
Executive Chairman  
14 August 2017

sponsor, Stamford Corporate Services 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.

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