



GS HOLDINGS LIMITED

(Incorporated in Singapore on 19 September 2014)
(Company Registration Number: 201427862D)

**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT
FOR THE SIX-MONTH ENDED 30 JUNE 2017**

This announcement has been prepared by GS Holdings Limited (the "**Company**") and its contents have been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "**Sponsor**") for compliance with the Singapore Exchange Securities Trading Limited ("**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 SGX-ST 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 persons for the Sponsor are Mr Alvin Soh, Head of Catalist Operations, Senior Vice President, and Mr Lan Kang Ming, Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) 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.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | Group 1H FY2017 S\$'000 | Group 1H FY2016 S\$'000 | Increase/ (Decrease) % |
|---|--------------------------------------|--------------------------------------|------------------------------|
| Revenue | 4,820 | 4,394 | 10% |
| Cost of sales | (5,299) | (4,017) | 32% |
| Gross (Loss) / Profit | (479) | 377 | N.M. |
| Other income | 553 | 2,006 | (72%) |
| Administrative expenses | (1,708) | (1,749) | (2%) |
| Finance costs | (202) | (234) | (14%) |
| (Loss) / Profit before tax for the period | (1,836) | 400 | N.M. |
| Income tax credits/(expense) | 11 | (51) | N.M. |
| (Loss) / Profit for the period, net of tax | (1,825) | 349 | N.M. |
| (Loss) / Profit attributable to: | | | |
| Equity holders of the Company | (1,806) | 367 | N.M. |
| Non-controlling interests | (19) | (18) | 6% |
| | (1,825) | 349 | |

1(a)(ii) Notes to consolidated statements of profit or loss and other comprehensive income.

| | Group 1H FY2017 S\$'000 | Group 1H FY2016 S\$'000 | Increase/ (Decrease) % |
|---|--------------------------------------|--------------------------------------|------------------------------|
| (Loss) / Profit for the period include the following (charges)/credits: | | | |
| Fair value gain on investment properties | – | 405 | (100%) |
| Government grants | 251 | 299 | (16%) |
| Finance expenses | (202) | (234) | (14%) |
| Depreciation of property, plant and equipment | (756) | (449) | 68% |
| Rental expense | (311) | (326) | (5%) |
| Personnel expenses | (3,806) | (3,273) | 16% |
| Property, plant and equipment written off | – | (4) | (100%) |
| Loss on disposal of property, plant and equipment | – | (43) | (100%) |
| Subcontractor expenses | (250) | (22) | 1,036% |
| Income tax credits/(expense) | 11 | (51) | N.M. |

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.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | Group As at <u>30 June 2017</u> S\$'000 | Group As at <u>31 Dec 2016</u> S\$'000 | Company As at <u>30 June 2017</u> S\$'000 | Company As at <u>31 Dec 2016</u> S\$'000 |
|---|---|--|---|--|
| ASSETS | | | | |
| Non-current assets | | | | |
| Property, plant and equipment | 11,774 | 12,262 | —* | —* |
| Investment properties | 4,791 | 4,791 | — | — |
| Investments in subsidiaries | — | — | 13,071 | 13,071 |
| | <u>16,565</u> | <u>17,053</u> | <u>13,071</u> | <u>13,071</u> |
| Current assets | | | | |
| Inventories | 19 | 117 | — | — |
| Trade and other receivables | 3,671 | 3,335 | 3,682 | 2,855 |
| Tax recoverable | 12 | 7 | — | — |
| Cash and bank balances | 1,242 | 1,065 | 756 | 230 |
| | <u>4,944</u> | <u>4,524</u> | <u>4,438</u> | <u>3,085</u> |
| Total assets | <u>21,509</u> | <u>21,577</u> | <u>17,509</u> | <u>16,156</u> |
| EQUITY | | | | |
| Equity attributable to owners of the Company | | | | |
| Share capital | 11,498 | 11,498 | 11,498 | 11,498 |
| Assets revaluation reserve | 2,919 | 2,919 | — | — |
| Accumulated losses | (3,200) | (1,394) | (535) | (528) |
| Merger Reserve | (6,071) | (6,071) | — | — |
| Equity attributable to equity holders of the Company | <u>5,146</u> | <u>6,952</u> | <u>10,963</u> | <u>10,970</u> |
| Non-controlling interests | <u>(12)</u> | <u>7</u> | <u>—</u> | <u>—</u> |
| Total equity | <u>5,134</u> | <u>6,959</u> | <u>10,963</u> | <u>10,970</u> |
| LIABILITIES | | | | |
| Non-current liabilities | | | | |
| Loans and borrowings | 8,325 | 8,350 | — | — |
| | <u>8,325</u> | <u>8,350</u> | <u>—</u> | <u>—</u> |
| Current Liabilities | | | | |
| Trade and other payables | 4,060 | 2,421 | 6,546 | 5,186 |
| Loans and borrowings | 3,990 | 3,847 | — | — |
| | <u>8,050</u> | <u>6,268</u> | <u>6,546</u> | <u>5,186</u> |
| Total liabilities | <u>16,375</u> | <u>14,618</u> | <u>6,546</u> | <u>5,186</u> |
| Total equity and liabilities | <u>21,509</u> | <u>21,577</u> | <u>17,509</u> | <u>16,156</u> |

*amount below 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**

| As at 30 June 2017(S\$'000) | | As at 31 Dec 2016 (S\$'000) | |
|-----------------------------|-----------|-----------------------------|-----------|
| Secured | Unsecured | Secured | Unsecured |
| 3,990 | nil | 3,847 | nil |

Amount repayable after one year

| As at 30 June 2017(S\$'000) | | As at 31 Dec 2016 (S\$'000) | |
|-----------------------------|-----------|-----------------------------|-----------|
| Secured | Unsecured | Secured | Unsecured |
| 8,325 | nil | 8,350 | nil |

Details of collateral

Secured bank loans amounting to S\$10,818,000 (31 December 2016: S\$11,606,000) are secured and/or guaranteed by one or several collateral(s) including: (i) a legal mortgage over our Group's property at 16A Sungei Kadut Way and/or 7 Mandai Link and/or 8 Loyang Way 4, (ii) corporate guarantees by our Company, and (iii) legal mortgages over certain of Mr. Pang Pok's personal properties.

Finance lease liabilities amounting to S\$1,497,000 (31 December 2016: S\$591,000) are secured by the rights to the Group's motor vehicles and machinery.

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

COMBINED STATEMENT OF CASH FLOWS

| | Group 1H FY2017 S\$'000 | Group 1H FY2016 S\$'000 |
|--|--------------------------------------|--------------------------------------|
| Cash flows from operating activities | | |
| (Loss) / Profit before tax from continuing operations | (1,836) | 400 |
| Adjustments for: | | |
| Depreciation | 756 | 449 |
| Interest expense | 202 | 234 |
| Property, plant and equipment written off | – | 4 |
| Loss on disposal of property, plant and equipment | – | 43 |
| Fair value gain on investment properties | – | (405) |
| Operating cash flow before working capital changes | <u>(878)</u> | <u>725</u> |
| Changes in working capital: | | |
| Inventories | 98 | – |
| Receivables | (336) | (911) |
| Payables | (361) | (109) |
| Cash flows used in operations | <u>(1,477)</u> | <u>(295)</u> |
| Income tax refund/(paid) | 6 | (40) |
| Net cash used in operating activities | <u>(1,471)</u> | <u>(335)</u> |
| Cash flow from investing activities | | |
| Purchases of property, plant and equipment | (268) | (2,844) |
| Proceeds from non-controlling parties | – | 45 |
| Proceeds from disposal of property, plant and equipment | – | 13 |
| Net cash used in investing activities | <u>(268)</u> | <u>(2,786)</u> |
| Cash flow from financing activities | | |
| Repayment of obligations under finance lease | (160) | (148) |
| Proceeds from finance lease | 1,066 | 24 |
| Proceeds from loans and borrowings | – | 600 |
| Repayment of loans and borrowings | (788) | (950) |
| Net proceeds from issuance of ordinary shares | – | 7,794 |
| Loan from director | 2,000 | – |
| Interest expenses | (202) | (234) |
| Net cash generated from financing activities | <u>1,916</u> | <u>7,086</u> |
| Net increase in cash and cash equivalents | 177 | 3,965 |
| Cash and cash equivalents at beginning of the period | 1,065 | 1,026 |
| Cash and cash equivalents at end of the period (Note A) | <u><u>1,242</u></u> | <u><u>4,991</u></u> |

1(c)(ii) Note A:

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

| | Group 1H FY2017 S\$'000 | Group 1H FY2016 S\$'000 |
|---|--------------------------------------|--------------------------------------|
| Cash at bank and on hand | 1,242 | 4,991 |
| Short-term bank deposits | – | 55 |
| Cash and cash equivalents per Group statement of financial position | 1,242 | 5,046 |
| Less: Deposits placed with banks as security | – | (55) |
| Cash and cash equivalents per consolidated cash flow statement | 1,242 | 4,991 |

1(d)(i) A statement (for the issuer and group) showing either (a) all changes in equity or (b) 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.

STATEMENTS OF CHANGES IN EQUITY

Group

| | Share capital S\$'000 | Asset Revaluation Reserve S\$'000 | (Accumulated Losses) / Retained Earnings S\$'000 | Merger Reserve S\$'000 | Total attributable to owners of the Company S\$'000 | Non- controlling interest S\$'000 | Total equity S\$'000 |
|-----------------------------------|--------------------------|---|--|------------------------------|--|--|----------------------------|
| At 1 January 2017 | 11,498 | 2,919 | (1,394) | (6,071) | 6,952 | 7 | 6,959 |
| Loss for the period | – | – | (1,806) | – | (1,806) | (19) | (1,825) |
| At 30 June 2017 | 11,498 | 2,919 | (3,200) | (6,071) | 5,146 | (12) | 5,134 |
| At 1 January 2016 | 3,704 | 2,919 | 519 | (6,071) | 1,071 | – | 1,071 |
| Loss for the period | – | – | 367 | – | 367 | (18) | 349 |
| Issuance of ordinary shares | 8,280 | – | – | – | 8,280 | – | 8,280 |
| Incorporation of subsidiary | – | – | – | – | – | 45 | 45 |
| Capitalisation of IPO expenses | (486) | – | – | – | (486) | – | (486) |
| At 30 June 2016 | 11,498 | 2,919 | 886 | (6,071) | 9,232 | 27 | 9,259 |

STATEMENTS OF CHANGES IN EQUITY (Cont'd)

Company

| | Share capital S\$'000 | Accumulated Losses S\$'000 | Total S\$'000 |
|--------------------------------|----------------------------------|---|--------------------------|
| At 1 January 2017 | 11,498 | (528) | 10,970 |
| Profit for the period | – | (7) | (7) |
| At 30 June 2017 | 11,498 | (535) | 10,963 |
| | | | |
| At 1 January 2016 | 3,704 | (1,316) | 2,388 |
| Profit for the period | – | 787 | 787 |
| Issuance of ordinary shares | 8,280 | – | 8,280 |
| Capitalisation of IPO expenses | (486) | – | (486) |
| At 30 June 2016 | 11,498 | (529) | 10,969 |

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.

| Issued and fully paid ordinary shares | No. of shares ('000) | Share capital (\$'000) |
|--|-----------------------------|-------------------------------|
| As at 30 June 2017 and 31 December 2016 | 132,000 | 11,498 |

There are no outstanding convertibles as at 30 June 2017 and 30 June 2016.

The Company did not have any treasury shares and subsidiary holdings as at 30 June 2017 and 30 June 2016.

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 and 31 Dec 2016 |
|--|---|
| Total number of issued shares (excluding treasury shares) | 132,000,000 |

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. There are no treasury shares held by the Company 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 by the auditors of the Company.

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

Not applicable.

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

The financial results for the financial year under review have been prepared using the same accounting policies and methods of computation as presented in the Group's most recently audited financial statements for the financial year ended 31 December 2016.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted all the new and revised FRS and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for the current financial period. 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/revised FRS and INT FRS did not have any material effect on the financial results or position of the Group and the Company.

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

| | Group | |
|---|------------------|------------------|
| | <u>1H FY2017</u> | <u>1H FY2016</u> |
| (Loss) / Profit attributable to owners of the Company (S\$'000) | (1,806) | 367 |
| Weighted average number of ordinary shares ('000) | 132,000 | 132,000 |
| Basic and diluted (loss)/earnings per share (cents) | (1.37) | 0.28 |

The basic and diluted (loss)/earnings per share are the same as there were no dilutive ordinary shares in issue as at 30 June 2017 and 30 June 2016.

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

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

| | Group As at 30-June-17 | Group As at 31-Dec-16 | Company As at 30-June-17 | Company As at 31-Dec-16 |
|--|-------------------------------------|------------------------------------|---------------------------------------|--------------------------------------|
| Net asset value (S\$'000) | 5,146 | 6,952 | 10,963 | 10,970 |
| Number of ordinary shares ('000) | 132,000 | 132,000 | 132,000 | 132,000 |
| Net asset value per ordinary share (cents) | 3.9 | 5.3 | 8.3 | 8.3 |

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.

REVIEW OF THE GROUP'S PERFORMANCE

The following review of the performance of the Group is in relation to the six months ended 30 June 2017 ("1H FY2017") as compared to the six months ended 30 June 2016 ("1H FY2016").

Revenue

Our revenue increased by approximately S\$426,000 or 10% mainly due to additional contracts secured from coffee shops.

Cost of sales and gross profits

Our cost of sales increased by approximately S\$1.3 million or 32%, from S\$4.0 million in 1H FY2016 to S\$5.3 million in 1H FY2017 mainly due to (i) an increase in salary and foreign worker levy of S\$828,000 as there was an overall increase in foreign workers hired. Both are as a result of the continuous tight labour market; (ii) an increase in overhead cost of \$379,000 such as subcontractor expenses, transportation and utilities; (iii) an increase in depreciation expenses of approximately S\$135,000. The aforementioned was mainly due to the new facility set up at 8 Loyang Way 4 in March 2016.

Due to the foregoing, we incurred a gross loss of S\$480,000 in 1H FY2017 as compared to a gross profit of S\$400,000 in 1H FY2016.

REVIEW OF THE GROUP'S PERFORMANCE (Cont'd)

Other income

Other income decreased by approximately S\$1.4 million, or 72% mainly attributable to the absence of fair value gain on investment properties of \$405,000 and S\$1.0 million forgiven by our Executive Chairman and Chief Executive Officer, Mr. Pang Pok recognised in 1H FY2016.

Administrative expenses

Our administrative expenses decreased by approximately S\$42,000 mainly due to (i) a decrease in salaries and related expenses of S\$78,000 arising from an overall decrease in senior executive headcount; (ii) absence of IPO expenses of approximately of S\$133,000 recognised in 1H FY2016; and (iii) partially offset by an increase in depreciation [of the office fixtures and fittings in the new Loyang facility] of approximately S\$171,000.

Finance Cost

Our finance costs decreased by approximately S\$32,000, or 14% mainly due to lower borrowings as a result of loan repayment, and partially offset by the new finance lease with lower interest rate.

REVIEW OF THE GROUP'S FINANCIAL POSITION

The following review of the financial position of the Group is in relation to 30 June 2017 as compared to 31 December 2016.

Non-current assets

Property, plant and equipment decreased by S\$488,000 was mainly due to the depreciation in property, plant and equipment of S\$756,000 and offset by the additions of dishwashing equipment amounting to S\$268,000 for the expansion of the Group's dishware washing operations.

Current assets

Trade and other receivables increased by S\$336,000 as a result of an increase in trade receivables which is in line with higher revenues.

The decrease in Inventories of S\$98,000 was mainly due to sales of crockeries to coffee shops.

Non-current liabilities

Non-current loans and borrowings decreased by S\$25,000, or 0.3% was mainly due to progressive repayment loans of S\$764,000 and partially offset by the new finance lease of S\$739,000 for financing of machineries and motor vehicle. The non-current portion of our loans and borrowings as at 30 June 2017 bore interest rates ranging from 2.4% to 9.6% per annum.

REVIEW OF THE GROUP'S FINANCIAL POSITION (Cont'd)

Current liabilities

Trade and other payables increased by S\$1.6 million, or 68% as at 30 June 2017. This was mainly attributable to (i) an increase in trade payables of S\$65,000 which is in line with the increase in cost of sales; and (ii) an increase in other payables by S\$1.6 million as a result of loan received from a director of S\$2 million and partially offset by repayment to other payables of S\$425,000.

Current loans and borrowings increased by S\$143,000, or 4% due to new finance lease of S\$327,000 obtained for financing of machineries and motor vehicle and partially offset by progressive repayment of loans of S\$184,000. This current portion of our loans and borrowings as at 30 June 2017 bore interest rates ranging from 2.4% to 9.6% per annum.

Negative working capital

The Group has a negative working capital of approximately S\$3.1 million as at 30 June 2017. According to the management's cash flow projections which include capital raising exercise plans, the Group is able to generate sufficient cash flows from its operations to meet its current and future obligations in the next 12 months.

As at 30 June 2017, our Executive Chairman and Chief Executive Officer, Mr. Pang Pok has loaned to the Group an aggregate amount of S\$2.0 million. Mr. Pang Pok is also planning to provide additional S\$1.0 million financial support to the Group to fund its operations for the half year ending 31 December 2017. For more information on the said loans and repayment terms, please refer to the Company's circular dated 11 April 2017.

On the basis as aforesaid, the Board is of the view that the Group will be able to meet its short-term obligations as and when they fall due.

REVIEW OF THE GROUP'S CASH FLOW STATEMENT

Net Cash Used in Operating Activities

In 1H FY2017, we recorded net cash used in operating activities of S\$1.48 million, which comprised operating cash flows before changes in working capital of S\$878,000, net working capital outflow of S\$1.47 million, and net tax refund of approximately S\$6,000.

The working capital outflow was mainly due to an increase in trade and other receivables of S\$336,000 and a decrease in trade and other payables of S\$361,000.

Net Cash Used in Investing Activities

In 1H FY2017, we recorded a net cash used in investing activities of S\$268,000 which was mainly due to the additions of dishwashing equipment for the expansion of the Group's dishware washing operations.

Net Cash Generated from Financing Activities

In 1H FY2017, we recorded a net cash inflow from financing activities of approximately S\$1.9 million. This was mainly due to (i) loan from director of S\$2 million and proceeds from finance lease of S\$1.1 million, partially offset by repayment of bank borrowings and finance lease amounting to S\$948,000.

Overall, the cash and cash equivalent of the Group has increased by S\$177,000 from S\$1.07 million as at 31 December 2016 to S\$1.24 million as at 30 June 2017.

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

No forecast or prospect statement was disclosed to shareholders previously.

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 previously announced on 16 December 2016, the Group has signed a lease agreement with Changi Airport Group (Singapore) Pte Ltd (“**CAG**”) on 16 December 2016 to lease the Centralised Dishwashing Facility (“**CDF**”) premise on a 5-year tenure, which carries an additional 5-year option. With this CDF, the Group will be able to provide F&B tenants and businesses located in Singapore Changi Airport Terminals 1, 2, 3 and the soon-to-be completed Terminal 4 and Jewel with on-site dishwashing services. The operations of the CAG facility is expected to commence by December 2017.

With an anticipated tightness in the labour market for dishwashing staff and the Government's continuous effort to reduce domestic companies' reliance on foreign workers, we continue to see a favourable shift in demand for our services. The Group is of the opinion that any further increase in business volume will continue to reap economies of scale.

The Group will also further implement the cost-control measures and improving work flow processes, manpower utilisation and information technology applications to increase productivity, efficiency and lower operating costs.

The Group will continue to expand into new market segment such as hospitality industry to achieve sustainable growth so as to deliver greater value for both our customers and shareholders.

11. Dividend

If a decision regarding dividend has been made:-

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

No dividend has been declared for 1H FY2017.

(b) Amount per share (cents) and previous corresponding period (cents).

Not applicable. No dividend has been declared for 1H FY2016.

(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 Transfer receive 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 1H FY2017.

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.

| Name of Interested Person | Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) | Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) |
|---------------------------|---|---|
| | S\$'000 | S\$'000 |
| Hao Kou Wei Pte Ltd | 300 ⁽¹⁾ | 702 |

Notes:

(1) Relates to the rental paid/payable by Hao Kou Wei Pte Ltd pursuant to the lease agreement dated 1 December 2014.

The Group had on 28 April 2017 obtained a general mandate from its shareholders for IPTs. For details, please refer to the Company's circular dated 11 April 2017.

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

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

15. Confirmation pursuant to Rule 705(5) of the Catalist Rules

The Board of Directors of the Company hereby confirms that to the best of their knowledge, nothing has come to their attention which may render the unaudited financial statements of the Company and the Group for the six months ended 30 June 2017 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Pang Pok

Executive Chairman and Chief Executive Officer

11 August 2017

Kenneth Foo Sek Kuan

Chief Financial Officer