

Unaudited First Half Financial Statement for the Period Ended 30 June 2020

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PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF-YEAR RESULTS
1(a)(i) A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Note	Group 6 months ended		Increase / (Decrease)
		30-Jun-2020 (Unaudited)	30-Jun-2019 (Unaudited) Restated*	
		S\$	S\$	%
Revenue		-	-	N/M
Cost of sales		-	-	N/M
Gross profit		-	-	N/M
Other operating income	1(a)(ii)	428,677	109,044	293.12
Other expense		-	-	N/M
Distribution and selling expenses		-	-	N/M
Administrative expenses	8a	(581,176)	(877,030)	(33.73)
Finance costs		(7,016)	-	N/M
Loss before income tax		(159,515)	(767,986)	(79.23)
Income tax		(3,923)	-	
Loss for the period		(163,438)	(767,986)	(78.72)
Loss for the Period		(163,438)	(767,986)	(78.72)
Other comprehensive income				
<u>Items that may be re-classified subsequently to profit or loss</u>				
Exchange differences on translation of foreign operations, representing other comprehensive income, net of tax		519,916	(106,878)	N/M
Total comprehensive profit / (loss) for the period		356,478	(874,864)	(140.75)

*Restated for comparison purpose. Please refer to explanation in 8(a).

Note: N/M – Not meaningful

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

	Group 6 months ended		
	30-Jun-2020 (Unaudited)	30-Jun-2019 (Unaudited) Restated*	Increase / (Decrease)
	S\$	S\$	%
Loss for the year attributable to:			
Owners of Company	(109,500)	(724,521)	(84.89)
Non-controlling interest	(53,938)	(43,465)	N/M
	<u>(163,438)</u>	<u>(767,986)</u>	(78.72)
Total comprehensive profit / (loss) attributable to:			
Owners of Company	8,144	(1,103,029)	(100.74)
Non-controlling interest	348,334	228,165	52.67
	<u>356,478</u>	<u>(874,864)</u>	(140.75)

*Restated for comparison purpose. Please refer to explanation in 8(a).

1(a)(ii) Notes to the statement of comprehensive income (for the group).

	Group 6 months ended			
	30-Jun-2020 (Unaudited)	30-Jun-2019 (Unaudited) Restated*	Increase / (Decrease)	Note
	S\$	S\$	%	
Other operating income:				
Foreign exchange (gain)/loss, net	(364,852)	(109,044)	234.59	(i)
Grant income	(60,958)	-	N/M	(ii)
Interest income	(2,867)	-	N/M	(iii)
Administrative expenses:				
Depreciation of property, plant and equipment	7,300	7,554	(3.36)	(iv)
Depreciation of right of use asset	12,564	-	N/M	(iv)

*Restated for comparison purpose. Please refer to explanation in 8(a).

Notes:

- (i) Foreign exchange gain arising from loans to non-controlling interest for the Vietnam developments.
- (ii) During first half of FY2020, the Group received various grant support ("grant income") from the Singapore Government as part of the support relief scheme measure for business disruption arising from the COVID-19 pandemic.
- (iii) Interest income derived from fixed deposit placed with the bank for the first half of FY2020.
- (iv) The depreciation of property, plant and equipment were mainly attributable to equipment for workstations used in corporate office. The overall increased for the 6 months ended 30 June 2020 was due to the inclusion of depreciation on right of use asset. Please refer to para 8(a) for the explanation on Administrative Expenses.

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	
		30-Jun-2020 (Unaudited) S\$	31-Dec-2019 (Audited) S\$	30-Jun-2020 (Unaudited) S\$	31-Dec-2019 (Audited) S\$
<u>ASSETS</u>	Note				
NON-CURRENT ASSETS					
Other receivables and prepayments		8,069,542	6,705,193	-	-
Subsidiaries		-	-	752	752
Property, plant and equipment	8b(ii)	42,033,795	32,874,288	17,307	24,607
Right-of-use assets		1,826,886	1,748,982	8,376	20,939
Deferred Tax Asset		467,739	467,739	-	-
		52,397,962	41,796,202	26,435	46,298
CURRENT ASSETS					
Cash and cash equivalents		3,558,596	2,845,778	76,319	137,484
Other receivables and prepayments	8b(iii)	8,825,384	8,575,451	20,324,398	19,612,163
		12,383,980	11,421,229	20,400,717	19,749,647
Asset classified as held for sale	8b(i)	3,037,483	3,037,483		
TOTAL ASSETS		67,819,425	56,254,914	20,427,152	19,795,945
<u>EQUITY AND LIABILITIES</u>					
CAPITAL AND RESERVES					
Share Capital		52,411,370	52,411,370	52,411,370	52,411,370
Statutory Reserve		119,135	119,135	-	-
Translation Reserve		(537,503)	(655,298)	-	-
Accumulated Losses		(33,881,828)	(33,772,328)	(36,456,556)	(36,587,188)
		18,111,174	18,102,879	15,954,814	15,824,182
Other reserves		(3,376,847)	(3,376,847)	-	-
Non-Controlling Interest		12,291,053	11,942,870	-	-
Total Equity		27,025,380	26,668,902	15,954,814	15,824,182
NON-CURRENT LIABILITIES					
Other payables		15,504	15,018	-	-
Bank term loan	1b(ii) / 8b(iv)	28,037,499	18,230,597	-	-
		28,053,003	18,245,615	-	-
CURRENT LIABILITIES					
Other payables	8b(v)	12,733,254	11,320,920	4,464,550	3,952,286
Lease liabilities		7,788	19,477	7,788	19,477
		12,741,042	11,340,397	4,472,338	3,971,763
TOTAL EQUITY AND LIABILITIES		67,819,425	56,254,914	20,427,152	19,795,945

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

(A) Amount repayable in one year or less, or on demand

Not Applicable

(B) Amount repayable after one year

As at 30-Jun-2020 (Unaudited)		As at 31-Dec-2019 (Audited)	
Secured	Unsecured	Secured	Unsecured
28,037,499	Nil	18,320,597	Nil

(C) Details of any collateral

As at 30 June 2020, the Company's ongoing joint venture development projects in Vietnam, Regis Bay Vietnam Investment Joint Stock Company and Hoi An Pearl Joint Stock Company, each has one (1) loan for its development located in Da Nang and Hoi An, from financial institution in Singapore and Vietnam respectively. The financings are secured by using both lands as collateral and corporate guarantees from the Group and Vietnam partners. Repayment of loans will commence only after the completion of the respective developments.

- 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.

	Group 6 months ended	
	30-Jun-2020 (Unaudited) S\$	30-Jun-2019 (Unaudited) S\$ Restated*
Loss before income tax	(159,515)	(767,986)
Adjustments for :		
Foreign exchange, net	(66,561)	102,475
Depreciation of right of use asset	12,560	-
Depreciation of property, plant and equipment	7,300	7,554
Operating cash flow before movement in working capital	(206,216)	(657,957)
Other receivables	(850,133)	(533,164)
Trade payables	-	(9,482)
Other payables	1,209,853	(800,295)
Cash used in operations	359,720	(1,342,941)
Tax paid	(3,923)	-
Net cash generated / (used in) operating activities	149,581	(2,000,898)
Investing Activities		
Acquisition of property, plant and equipment	(9,179,367)	(13,274,981)
Prepayment for acquisition of property, plant and equipment	(764,149)	760,178
Net cash used in investing activities	(9,943,516)	(12,514,803)
Financing Activities		
Loan from non-controlling shareholders	-	14,037
Loan from shareholder	200,000	-
Repayment of loan from director	-	(500,000)
Proceeds from bank loans	9,806,902	10,015,858
Repayment of lease liabilities	(20,065)	-
Contributions from non-controlling interests for acquisition of assets	-	8,013,488
Net cash from financing activities	9,986,837	17,543,383
Net increase / (decrease) in cash and cash equivalents	192,902	3,027,682
Cash and cash equivalents at beginning of the period	2,845,778	999,790
Net effect of exchange rate changes on cash and cash equivalents	519,916	(564,409)
Cash and cash equivalents at end of the period	3,558,596	3,463,063

*Restated for comparison purpose

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

GROUP	Share capital	Statutory reserve	Translation reserve	Accumulated losses	Attributable to owners of the company	Other reserves	Non-controlling interest	Total
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
Balance at 1 January 2019	52,411,370	119,135	(603,148)	(32,909,299)	19,018,058	(3,376,847)	10,435,318	26,076,529
Total comprehensive loss for the period :								
Profit / (Loss) for the period	-	-	-	(724,521)	(724,521)	-	7,592,072	6,867,551
Other comprehensive income for the period	-	-	(47,868)	-	(47,868)	-	-	(47,868)
Total	52,411,370	119,135	(651,016)	(33,633,820)	18,245,669	(3,376,847)	18,027,390	32,896,212
Balance at 30 June 2019	52,411,370	119,135	(651,016)	(33,633,820)	18,245,669	(3,376,847)	18,027,390	32,896,212
Total comprehensive loss for the period :								
Profit / Loss for the period	-	-	-	(138,508)	(138,508)	-	(7,564,861)	(7,703,369)
Other comprehensive loss	-	-	(4,282)	-	(4,282)	-	(141,765)	(146,047)
Transaction with owners, recognised in equity:								
Increase in share capital of subsidiaries by non-controlling shareholders	-	-	-	-	-	-	1,622,106	1,622,106
Total	52,411,370	119,135	(655,298)	(33,772,328)	18,102,879	(3,376,847)	11,942,870	26,668,902
Balance at 31 December 2019	52,411,370	119,135	(655,298)	(33,772,328)	18,102,879	(3,376,847)	11,942,870	26,668,902
Total comprehensive loss for the period :								
Profit / (Loss) for the period	-	-	-	(109,500)	(109,500)	-	(53,938)	(163,438)
Other comprehensive income for the period	-	-	117,795	-	117,795	-	402,121	519,916
Total	52,411,370	119,135	(537,503)	(33,881,828)	18,111,174	(3,376,847)	12,291,053	27,025,380
Balance at 30 June 2020	52,411,370	119,135	(537,503)	(33,881,828)	18,111,174	(3,376,847)	12,291,053	27,025,380

- 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. (cont'd)

COMPANY	Share capital	Accumulated losses	Total
	S\$	S\$	S\$
Balance at 1 January 2019	52,411,370	(34,676,743)	17,734,627
Loss for the period, representing total comprehensive loss for the period	-	(1,011,283)	(1,011,283)
Total	52,411,370	(35,688,026)	16,723,344
Balance at 30 June 2019	52,411,370	(35,688,026)	16,723,344
Loss for the period, representing total comprehensive loss for the period	-	(899,162)	(899,162)
Total	52,411,370	(36,587,188)	15,824,182
Balance at 31 December 2019	52,411,370	(36,587,188)	15,824,182
Loss for the period, representing total comprehensive loss for the period	-	130,632	130,632
Balance at 30 June 2020	52,411,370	(36,456,556)	15,954,814

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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 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.

Employee Share Option Scheme (the "New Scheme")

With reference to the annual report of the Company that was announced on 15 April 2020 for the financial year ended 31 December 2019 ("FY2019") (page 44 under Directors' statement: Share options and Warrants), the New Scheme that was previously approved by shareholders at an extraordinary general meeting on 30 April 2015 had lapsed at the end of FY2017 and there are no options of the New Scheme that was granted as at 31 December 2019.

For the period from 1 January 2020 to 30 June 2020, there were no changes in the Company's issued and paid-up share capital. There were no new options of New Scheme granted between 1 January 2020 and 30 June 2020, no outstanding convertibles and treasury shares as at 30 June 2020 and 30 June 2019.

- 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.

	Group		Company	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
No. of Issued share capital	1,950,619,331	1,950,619,331	1,950,619,331	1,950,619,331

There are no treasury shares as of 30 June 2020 and as of 31 December 2019.

- 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 as there were no treasury shares.

- 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.**

There were no sales, transfers, cancellation and/or use of subsidiary holdings 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.**

These 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.

- 3A. **Where the latest financial statements are subject to an adverse opinion, qualification of opinion or disclaimer of opinion: -**

- (a) **Updates on efforts taken to resolve each outstanding audit issue**
 (b) **Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

This is not required for any audit issue that is a material uncertainty relating to going concern

Not applicable as the Groups latest audited financial statements for the financial year ended 31 December 2019 that was announced on SGXNET on 15 April 2020 were not subject to an adverse opinion, qualification of opinion or disclaimer of opinion.

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 of this announcement, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial period reported on, which is consistent with those applied in the audited financial statements for the financial year ended 31 December 2019.

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 applied the same accounting policies and methods of computation in the preparation of financial statements for the current financial period reported on as those used in the most recently audited financial statements for the financial year ended 31 December 2019, including the adoption of the Singapore Financial Reporting Standards (International) ("SFRS(I)") and Interpretation of SFRS(I) that are mandatory for financial years beginning on or after 1 January 2019. There are no changes in the accounting policies and method of computation during the reporting period.

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:**

- (a) **based on the weighted average number of ordinary shares on issue; and**
 (b) **on a fully diluted basis (detailing any adjustments made to the earnings)**

	Group 6 months ended	
	30-Jun-20	30-Jun-19
	S\$	S\$
	(Unaudited)	(Unaudited)
Attributable to owners of the Company:		
- Loss for the period	(109,500)	(724,521)
Basic	No. of shares	No. of shares
Weighted average number of ordinary shares	1,950,619,331	1,950,619,331
	(in cents)	(in cents)
Attributable to owners of the Company:		
- Loss per share for the period	(0.01)	(0.04)

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		Company	
	30 June 2020 (Unaudited)	31 Dec 2019 (Audited)	30 June 2020 (Unaudited)	31 Dec 2019 (Audited)
No of Issued share capital at the end of the period	1,950,619,331	1,950,619,331	1,950,619,331	1,950,619,331
Net asset value (S\$)	18,111,174	18,102,879	15,954,814	15,824,182
Net asset value per share (in cents)	0.93	0.93	0.82	0.81

Note: Net asset value represent net of total assets less total liabilities and non-controlling interest.

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**

Review of Statement of Comprehensive Income in relation to the period 30 June 2020 ("1H2020") compared to restated 30 June 2019 ("1H2019")

The Group's present activities include both the developments of a Hotel in Da Nang and a Resort in Hoi An in Vietnam. During 1H2020, the progress of the construction for both developments were at a slower pace due to the impact of COVID-19.

Revenue and Cost of Sales

For 1H2020, the Group has no recurring revenue and no cost of sales incurred as the construction for both developments has yet to been completed as of the end of the current financial reporting period.

Administrative Expenses

Administrative expenses generally are incurred for the Group's overheads and operation expenses for the reporting period. During 1H2019, the administrative expenses included expense items such as professional charges, application fees amounting to approximately S\$0.37 million (VND6,451,875,000) which was incurred for its development in Vietnam. These expenses were capitalized to property, plant and equipment in the yearend audit for FY2019. For comparison purposes, the unaudited figures in this announcement for 1H2019 has been restated to reflect the effect, assuming the capitalization take place during the period.

Apart from the above impact, during 2H2019, the Group announced the cessations of one Executive Director and Executive Officer respectively, which resulted in contributing (approximately S\$0.21 million) to an overall lower administrative expense of S\$0.58 million in 1H2020 as compared to S\$0.88 million during 1H2019.

- 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 Statement of Financial Position in relation to 30 June 2020 ("1H2020") compared to 31 December 2019 ("FY2019")

- (i) **Assets classified as held for sale**

During FY2019, the Company had announced that its wholly owned subsidiary of the Company, ADV S3, had entered into a termination agreement with the Joint Venture partners ("**JV partners**"). As the investment was in a form of a loan with the JV partners, the loan was classified as assets held for sale which amounted to approximately S\$3.04 million (1H2019: S\$3.04 million) in 1H2020. As the procedure to repatriate the funds are still in progress, it was worsened by the COVID-19 situation in Vietnam, hence, the Company had to continue to classify it as such. Nevertheless, the Company had obtained the approval in the 2nd half of FY2020 and are currently in the process of remitting the money back. The financial effects will be realized and reflected in the full year results for the financial year ending 31 December 2020.

For 1H2020, the Group's Net Asset Value ("**NAV**") position remains at approximately S\$27.03 million as compared to S\$26.67 million at end of FY2019. Material movements within the position are as follows:

Total Assets

The overall increase in Total Assets from an aggregate amount of approximately S\$56.25 million in FY2019 to S\$67.82 million in 1H2020 is largely attributable to the followings:

- (ii) *Increase in Property, Plant and Equipment*
Property, plant and equipment ("PPE") increased to an aggregate amount of approximately S\$42.03 million (FY2019: S\$32.87 million) due to its developments in Vietnam. As of 30 June 2020, the Group has two (2) development projects, located in Da Nang and in Hoi An. During 1H2020, development works continued to progress at a slower rate despite the lockdown in Vietnam amid the COVID-19 pandemic.
- (iii) *Increase in Other receivables and prepayments*
Other receivables and prepayments increased to an aggregate amount of approximately S\$8.83 million (FY2019: S\$8.58 million) due to addition of prepayments and revaluation on receivables in foreign currency transactions.
- Total Liabilities*
The overall increase in Total Liabilities from an aggregate amount of approximately S\$29.59 million in FY2019 to S\$40.79 million in 1H2020 is largely attributable to the followings:
- (iv) *Increase in Bank term loan*
Despite the pandemic and lockdown in Vietnam during the first half of FY2020, constructions were still allowed to continue, but in a slower pace due to safety measurements. The developments continue to make progressive drawn down from the bank during the construction phase where it increased from S\$18.23 million at end of FY2019 to S\$28.04 million by 1H2020.
- (v) *Increase in Other payables*
The increase in other payables (current liabilities) is mainly attributable to a partial deposit amounting to approximately S\$1.33 million (VND23 billion), placed with one of the Group's subsidiaries in Vietnam for the transmission of obtaining approval from Vietnam relevant authority to remit the funds back to Singapore. Please see table below for breakdown:

	30 June 2020 S\$ (Unaudited)	31 Dec 2019 S\$ (Audited)
Other payables (Non-current)	15,504	15,018
Other payables and accruals (Current)	12,733,254	11,320,920
Total	12,748,758	11,335,938

During 1H2020, the Group has also obtained a further loan from its controlling shareholder amounting to S\$200,000.

Review of Statement of Cash Flows in relation to 30 June 2020 ("1H2020") compared to restated 30 June 2019 ("1H2019")

The Group generated a net cash inflow of approximately S\$0.27 million (1H2019: outflow (S\$2.38 million) from operating activities for 1H2020.

The overall cash and cash equivalents position in 1H2020 remains at an adequate level, at an aggregate amount of approximately S\$3.56 million (1H2019: \$3.46 million) for the Group's operation as our ongoing developments in Vietnam are financed via loan facilities provided by the banks.

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.

Impact of COVID-19 on the property developments in Vietnam

The completion of the construction works for the Group's Hotel and its Resort projects in Vietnam that were originally scheduled to be completed by the second half of 2020 were delayed arising from the impacts of the COVID-19 pandemic.

As part of the Vietnamese Government's effort to stem the spread of COVID-19, it imposed a suspension of entry of all foreigners from 22 March 2020 until further notice. Construction works for both projects had continued during the COVID-19 period until recently, with reference to the respective official decrees issued by The People's Committee of Da Nang (5027/UBND-VHXH) and The People's Committee of Hoi An (2141/UBND) dated 30 July 2020 and 31 July 2020 respectively, where both of the Group's hospitality assets are based in, all construction works were ordered to be halted.

The Group has decided to postpone the opening of both the hotels until further notice, depending on the evolvement of the COVID-19 situation and the changes (if any) to Vietnam's travel restrictions on foreigners. The Joint Venture company has also made an unanimous decision to stop the construction and procurement of the hotel fitting out as mandated by the official decrees. With the current climate the group is also exploring the option to dispose of the hospitality assets in Vietnam.

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 (cont.)**

Commodities Trading Business

In light of the above, the Group is actively exploring alternative business opportunities, apart from its existing business and hospitality developments in Vietnam. Reference to the Company's announcement dated 26 June 2020 "Response to shareholders queries prior AGM" on restarting the operations in its subsidiary, Northern Cardinal Commodities Pte Ltd (formerly known as Adventus Resources Pte Ltd), it intends to focus on commodities trading business in the meantime. The Board is still in deliberation on the type of commodities business, having to consider (including but not limited to) the feasibility and risks involved.

Considering the aforementioned developments and uncertainties, the Group expects its financial performance for the financial year ending 31 December 2020 to be affected as construction progress were slowed down and currently halted. At this point, the extent of the financial impact cannot be ascertained as it is dependent on the pace of recovery in lieu of the COVID-19 situation. The Group will continue to adopt a conservative cautious approach keeping a close watch on the developments of the COVID-19 situation and will seek to realize business opportunities as and when they arise.

Nonetheless, the Company will make further announcements via SGXNET as and when there are material developments to keep shareholders updated.

11. **Dividend**

If a decision regarding dividend has been made:-

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

No dividend was proposed for declaration for the current financial period ended 30 June 2020.

- (b) **Amount per share (cents) and previous corresponding period (cents)**

No dividend was declared for the corresponding period.

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

Not applicable.

- (d) **The date on which Registrable Transfers received by the Company (up to 5:00 pm) 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 and the reason(s) for the decision.**

No dividend for the financial period ended 30 June 2020 is recommended or declared as the Group is in loss-making position for the financial period reported.

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

The Group has not obtained a general mandate from shareholders for IPTs.

14. **Directors' confirmation pursuant to Rule 705(5) of Section B: Rules of Catalyst of the SGX-ST Listing Manual**

We 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 financial results for the six months period ended 30 June 2020, to be false or misleading in any material aspect, having considered that, including but not limited to, all material information has been assessed to ensure the reliability of the financial results, and the financial statements provide a fair and balanced view of any material factors that have affected the Company's business conditions and financial position, including the impact of COVID-19.

16. **Confirmation that the issuer has procured undertakings from all its directors and executive officers pursuant to Rule 720(1).**

The Group confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7H under Rule 720(1) of the Catalyst Rule.

BY ORDER OF THE BOARD

Teh Chong Seng
Executive Chairman
14 August 2020