

Unaudited First Half Financial Statement for the Period Ended 30 June 2018

This announcement was prepared by the Company and its contents have been reviewed by the Company's Continuing Sponsor, RHT Capital Pte Ltd ("Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "Exchange"). The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this document including the correctness of any of the statements or opinions made or reports contained in this document.

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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.

	Group 6 months ended		Increase / (Decrease) %
	30-Jun-2018 (Unaudited) S\$	30-Jun-2017 (Unaudited) S\$	
Revenue	-	-	N/M
Cost of sales	-	-	N/M
Gross profit	-	-	
Other operating income	14,010	40,162	(65.12)
Other expense	-	-	N/M
Distribution and selling expenses	-	(5,388)	N/M
Administrative expenses	(957,444)	(1,774,996)	(46.06)
Finance costs	-	(30,987)	N/M
Loss before income tax	(943,434)	(1,771,209)	(46.74)
Loss for the period from Continuing Operations	(943,434)	(1,771,209)	(46.74)
Discontinued Operations			
Loss for the period from Discontinued Operations in FY2017	-	(10,570)	N/M
Loss for the Period	(943,434)	(1,781,779)	(47.05)
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	161,634	-	N/M
Total comprehensive loss for the period attributable to owners of the Company	(781,800)	(1,781,779)	(56.12)

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-2018 (Unaudited) S\$	30-Jun-2017 (Unaudited) S\$	Increase / (Decrease) %
Profit / (Loss) for the year attributable to:			
Owners of Company	(1,111,318)	(1,671,144)	(33.50)
Non-controlling interest	167,884	(110,635)	(251.75)
	<u>(943,434)</u>	<u>(1,781,779)</u>	(47.05)
Total comprehensive profit / (loss) attributable to:			
Owners of Company	(1,066,979)	(1,671,144)	(36.15)
Non-controlling interest	285,179	(110,635)	(357.77)
	<u>(781,800)</u>	<u>(1,781,779)</u>	(56.12)

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

	Group			Note
	6 months ended			
	30-Jun-2018 (Unaudited) S\$	30-Jun-2017 (Unaudited) S\$	Increase / (Decrease) %	
Depreciation of property, plant and equipment	(2,461)	(68,937)	N/M	(i)
Interest / Finance expense	-	(30,987)	N/M	(ii)
Other operating income	14,010	40,162	(65.12)	(iii)

Notes:

- (i) The depreciation in property, plant and equipment were equipment for work stations used in corporate office.
- (ii) There is no interest-bearing loan after the disposal of loss-making subsidiaries.
- (iii) These were mainly operational government grants received in 1H2018.

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.

	Note	Group		Company	
		30-Jun-2018 (Unaudited) S\$	31-Dec-2017 (Audited) S\$	30-Jun-2018 (Unaudited) S\$	31-Dec-2017 (Audited) S\$
ASSETS					
NON-CURRENT ASSETS					
Subsidiaries		-	-	752	752
Property, plant and equipment	8b(i)	13,963,054	12,101,097	38,420	11,368
Deferred Tax Asset		-	173,621	-	-
		13,963,054	12,274,718	39,172	12,120
CURRENT ASSETS					
Trade & other receivables	8b(ii)	7,299,728	389,911	20,483,585	15,591,232
Cash and cash equivalents		717,722	9,938,057	456,916	5,766,145
		8,017,450	10,327,968	20,940,501	21,357,377
Total Current Assets		8,017,450	10,327,968	20,940,501	21,357,377
TOTAL ASSETS		21,980,504	22,602,686	20,979,673	21,369,497
EQUITY AND LIABILITIES					
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		(124,510)	(168,849)	-	-
Accumulated Losses		(32,875,507)	(31,764,189)	(33,796,341)	(33,234,040)
		19,530,488	20,597,467	18,615,029	19,177,330
Non-Controlling Interest		1,776,784	1,491,605	-	-
Total Equity		21,307,272	22,089,072	18,615,029	19,177,330
NON-CURRENT LIABILITIES					
Other payables		93,793	79,338	-	-
		93,793	79,338	-	-
CURRENT LIABILITIES					
Trade & other payables	8b(iii)	579,439	434,276	2,364,644	2,192,167
Total current liabilities		579,439	434,276	2,364,644	2,192,167
TOTAL EQUITY AND LIABILITIES		21,980,504	22,602,686	20,979,673	21,369,497

Note: N/M – Not meaningful

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

Amount repayable in one year or less, or on demand

Not Applicable

- 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-2018 (Unaudited) S\$	30-Jun-2017 (Unaudited) S\$
Profit / (Loss) before income tax	(781,800)	(1,781,779)
Adjustments for :		
Depreciation of property, plant and equipment	2,461	68,937
Interest expense	-	33,035
Operating cash flow before movement in working capital	<u>(779,339)</u>	<u>(1,679,807)</u>
Trade receivables	-	-
Other receivables	(6,908,757)	(6,301,307)
Trade payables	(32,905)	-
Other payables	192,523	21,617
Cash provided by / (used in) operations	<u>(6,749,139)</u>	<u>(6,279,690)</u>
Net cash used in operating activities	<u>(7,528,478)</u>	<u>(7,959,497)</u>
Investing Activities		
Disposal / Sale of Subsidiaries	-	1,400,000
Additional investment in land acquired	(1,691,857)	-
Proceeds from disposal of available-for-sale investment	-	5,533,599
Net cash (used in) / from investing activities	<u>(1,691,857)</u>	<u>6,933,599</u>
Financing Activities		
Interest paid	-	(33,035)
Repayment of bank loan	-	(35,958)
Net cash used in financing activities	<u>-</u>	<u>(68,993)</u>
Net decrease in cash and cash equivalents	(9,220,335)	(1,094,891)
Cash and cash equivalents at beginning of the period	9,938,057	11,831,713
Net effect of exchange rate changes on cash and cash equivalents	-	(230,938)
Cash and cash equivalents at end of the period	<u>717,722</u>	<u>10,505,884</u>

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	Share capital	Statutory reserve	Translation reserve	Share options reserve	Accumulated losses	Attributable to owners of the company	Non-controlling interest	Total
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
Balance at 1 January 2017	52,411,370	119,135	374,602	26,845	(27,518,920)	25,413,032	454,898	25,867,930
Total comprehensive loss for the period :								
Loss for the period	-	-	-	-	(1,671,144)	(1,671,144)	(110,635)	(1,781,779)
Other comprehensive loss for the period	-	-	(230,938)	-	-	(230,938)	-	(230,938)
Total	52,411,370	119,135	143,664	26,845	(29,190,064)	23,510,950	344,263	23,855,213
Balance at 30 June 2017	52,411,370	119,135	143,664	26,845	(29,190,064)	23,510,950	344,263	23,855,213
Total comprehensive loss for the period :								
Loss for the period	-	-	-	-	(2,600,970)	(2,600,970)	(150,604)	(2,751,574)
Other comprehensive loss	-	-	(312,513)	-	-	(312,513)	(118,794)	(431,307)
Transaction with owners, recognised in equity:	-	-	-	-	-	-	1,239,340	1,239,340
Disposal of subsidiaries	-	-	-	-	-	-	(1,000,000)	(1,000,000)
Dividend declared to non-controlling interests	-	-	-	-	-	-	1,177,400	1,177,400
Lapse of share options (Note 27)	-	-	-	(26,845)	26,845	-	-	-
Total	52,411,370	119,135	(168,849)	-	(31,764,189)	20,597,467	1,491,605	22,089,072
Balance at 31 December 2017	52,411,370	119,135	(168,849)	-	(31,764,189)	20,597,467	1,491,605	22,089,072
Total comprehensive loss for the period :								
Profit / (Loss) for the period	-	-	-	-	(1,111,318)	(1,111,318)	167,884	(943,434)
Other comprehensive income for the period	-	-	44,339	-	-	44,339	117,295	161,634
Total	52,411,370	119,135	(124,510)	-	(32,875,507)	19,530,488	1,776,784	21,307,272
Balance at 30 June 2018	52,411,370	119,135	(124,510)	-	(32,875,507)	19,530,488	1,776,784	21,307,272

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	Share options reserve	Accumulated losses	Total
	S\$	S\$	S\$	S\$
Balance at 1 January 2017	52,411,370	26,845	(33,293,519)	19,144,696
Loss for the period, representing total comprehensive loss for the period	-	-	(464,002)	(464,002)
Total	52,411,370	26,845	(33,757,521)	18,680,694
Balance at 30 June 2017	52,411,370	26,845	(33,757,521)	18,680,694
Profit for the period, representing total comprehensive loss for the period	-	-	496,636	496,636
Lapse of share options, representing transaction with owners, recognised directly in equity	-	(26,845)	26,845	-
Total	52,411,370	-	(33,234,040)	19,177,330
Balance at 31 December 2017	52,411,370	-	(33,234,040)	19,177,330
Loss for the period, representing total comprehensive loss for the period	-	-	(562,301)	(562,301)
Balance at 30 June 2018	52,411,370	-	(33,796,341)	18,615,029

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.

Employee Share Option Scheme (the "ESOS")

Reference is made to the annual report of Adventus Holdings Limited for the year ended 31 December 2017 (page 32 under Directors' statement: Share options and Warrants). All outstanding options have lapsed at the end of FY2017 and there is no new options of New Scheme granted between 1 January 2018 and 30 June 2018.

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 2018	31 Dec 2017	30 June 2018	31 Dec 2017
	No of shares	No of shares	No of shares	No of shares
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

- 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.**

Not applicable

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.

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 Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current period as compared with the audited financial statements for the 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 has adopted the new and revised IFRS that are effective for the financial period beginning 1 January 2018. The adoption of the IFRS does not have financial impact on the Group financial position or results.

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-18	30-Jun-17
	S\$	S\$
	(Unaudited)	(Unaudited)
Attributable to owners of the Company:		
- Loss for the period from Continuing Operations	(943,434)	(1,771,209)
- Loss for the period from Discontinued Operations	-	(10,570)
- Total loss for the period	(943,434)	(1,781,779)
Basic	No. of shares	No. of shares
Weighted average number of ordinary shares	1,950,619,331	1,950,619,331
	(in S\$ cents)	(in S\$ cents)
Attributable to owners of the Company:		
- Loss per share from Continuing Operations	(0.05)	(0.09)
- Loss per share from Discontinuing Operations	-	(0.00)
- Total loss per share for the period	(0.05)	(0.09)

As there were no dilutive ordinary shares issued and/or granted, the fully diluted loss per share is the same as the basic loss per share.

7. **Net asset value (for the issuer and group) per ordinary share based on issued share capital 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 2018 (in S\$ cents)	31 Dec 2017 (in S\$ cents)	30 June 2018 (in S\$ cents)	31 Dec 2017 (in S\$ cents)
Net asset value per share based on existing capital issued as at respective period	1.01	1.06	0.95	0.98
	No of shares	No of shares	No of shares	No of shares
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

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**

The Group's present activities include both the development of a 5-Star Hotel in Da Nang and a Resort in Hoi An in Vietnam. Further, the Group has a joint venture for the development of a residential property development in Da Nang.

For 1H2018, the Group has no recurring revenue and no cost of sales.

After cost controls were implemented and following the disposal of loss-making subsidiaries during FY2017, the Group incurred S\$0.96 million in administrative expenses (1H2017: S\$1.77 million) in 1H2018.

- b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Statement of Financial Position

- (i) Property, plant and equipment increased due to property investments in Vietnam.
(ii) Trade and other receivables as at 30 June 2018 comprised the following:

	30-Jun-18 S\$ (Unaudited)	31-Dec-17 S\$ (Audited)
Trade receivables	-	-
Other receivables and prepayments	7,299,728	389,911
Total	7,299,728	389,911

The increase was due to the investments in Vietnam.

- (iii) The decrease in trade payables was mainly attributable to the disposal of subsidiaries whereas the increase in other payables arise from our developing projects in Vietnam.

	30-Jun-18 S\$ (Unaudited)	31-Dec-17 S\$ (Audited)
Trade payables	29,165	62,070
Other payables and accruals	644,067	451,544
Total	673,232	513,614

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: (cont'd)**
- b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on (cont'd)**

Statement of Cash Flows

The net cash used in operating activities in 1H2018 was higher than that of 1H2017 mainly due to further investments and injection of funds for the existing projects in Vietnam.

The net cash of S\$1.69 million used in investing activities during 1H2018 was mainly attributable to addition investment in the land acquired for our Danang Hotel in Vietnam.

There were no cash used in financing activity as the Group no longer has interest-bearing loan with any institution.

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.**

Property development

The construction works for the Group's 5-Star hotel and also its Resort project in Vietnam are both largely proceeding on schedule.

The Group has also recently entered into a joint venture agreement with its Vietnamese Partner (Panthera) for a development of a residential condominium with commercial and retail space in Da Nang.

While there are challenges in undertaking property development in Vietnam, the Group is cautiously optimistic about its property projects in Vietnam given the growth rate in the country. The Group will continue to adopt a conservative approach and will seek to realize business opportunities when they arise.

11. **Dividend**

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No dividend was proposed for declaration for the current financial period ended 30 June 2018.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

No dividend was declared for the corresponding period ended 30 June 2017.

(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 for the financial period ended 30 June 2018 has been recommended or declared.

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. Utilisation of Proceeds

Not Applicable

15. Directors' confirmation

Pursuant to Rule 705(5) of Section B: Rules of Catalist 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 2018, to be false or misleading in any material aspect.

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 Catalist Rule.

Chin Bay Ching
Executive Director & Chairman

BY ORDER OF THE BOARD

Lee Bee Fong
Company Secretary
14 August 2018