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**UNAUDITED HALF-YEAR FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 MARCH 2016**

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*This announcement has been reviewed by the sponsor, CIMB Bank Berhad, Singapore Branch ("Sponsor") for compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist ("Catalist Rules"). The Sponsor has not independently 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 correctness of any of the statements or opinions made or reports contained in this announcement. The contact person for the Sponsor is Ms Tan Cher Ting, Director, Investment Banking, CIMB Bank Berhad, Singapore Branch, at 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, Telephone: +65 6337 5115.*

**1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

On 29 January 2016, GDS Global Limited (the "Company") announced the acquisition of 51% interest in the issued and paid-up share capital of Grimm Industries Pte. Ltd. ("Grimm") for an aggregate purchase consideration of S\$2.04 million. Upon the completion of the acquisition, Grimm became a 51% subsidiary of the Company. For the purpose of this announcement, the financial information of Grimm has been included in the consolidated financial statements of the Company and its subsidiaries (the "Group") with effect from January 2016.

In preparing this announcement, the management of the Company has assessed the fair values of the identifiable assets acquired and the liabilities assumed of Grimm on a provisional basis which are subject to changes. In accordance with FRS 103 *Business Combinations*, the Group is required to perform a purchase price allocation exercise within 12 months after the completion of the acquisition to assess the fair values of the identifiable assets acquired and the liabilities assumed by the Group, and the excess of the consideration transferred over such fair values will be recorded as goodwill in the consolidated statement of financial position of the Group. Goodwill is subject to impairment test annually or more frequently if there are indicators of impairment.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Group		Increase/ (Decrease) %
	Six months ended 31.03.16 S\$'000	31.03.15 S\$'000	
<b>Revenue</b>	11,461	10,516	9.0
Cost of sales	(6,086)	(6,303)	(3.4)
Gross profit	5,375	4,213	27.6
Other operating income	148	214	(30.6)
Marketing and distribution expenses	(306)	(315)	(2.6)
Administrative expenses	(2,971)	(2,745)	8.2
Other operating expenses	(300)	(168)	79.1
Investment revenue	10	8	31.1
Other gains and losses	(143)	211	n.m. <sup>(1)</sup>
Finance costs	(7)	(1)	n.m. <sup>(1)</sup>
<b>Profit before tax</b>	1,806	1,417	27.5
Income tax expense	(276)	(118)	134.9
<b>Profit for the period</b>	1,530	1,299	17.8
<b>Other comprehensive income (loss):</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations	21	(14)	n.m. <sup>(1)</sup>
<b>Other comprehensive income (loss) for the period, net of tax</b>	21	(14)	n.m. <sup>(1)</sup>
<b>Total comprehensive income for the period</b>	1,551	1,285	20.7
<b>Profit (Loss) attributable to:</b>			
Owners of the Company	1,601	1,434	11.6
Non-controlling interests	(71)	(135)	(47.9)
	1,530	1,299	17.8
<b>Total comprehensive income (loss) attributable to:</b>			
Owners of the Company	1,635	1,418	15.3
Non-controlling interests	(84)	(133)	(37.1)
	1,551	1,285	20.7
<b>Basic and diluted earnings per share (cents)</b>	1.43	1.28	11.6

**Note:**

(1) n.m. denotes not meaningful.

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

Profit for the period has been arrived at after crediting (charging):

	<b>Group</b>		
	<b>Six months ended</b>	<b>Six months ended</b>	<b>Increase/</b>
	<b>31.03.16</b>	<b>31.03.15</b>	<b>(Decrease)</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
Other operating income:			
Rental income	10	10	-
Sundry income	138	204	(31.9)
	<u>148</u>	<u>214</u>	<u>(30.6)</u>
Investment revenue:			
Interest income from bank deposits	10	8	31.1
Interest expenses	(7)	(1)	n.m. <sup>(1)</sup>
Depreciation of property, plant and equipment	(226)	(160)	41.0
Amortisation of intangible asset	(47)	(47)	-
Net foreign exchange (losses) gains	(141)	173	n.m. <sup>(1)</sup>
(Loss) Gain on disposal of property, plant and equipment	(2)	38	n.m. <sup>(1)</sup>
Impairment loss recognised on trade receivables	<u>(103)</u>	<u>-</u>	<u>n.m.<sup>(1)</sup></u>

**Note:**

(1) n.m. denotes not meaningful.

- 1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

**Statements of Financial Position**

	<b>Group</b>		<b>Company</b>	
	<b>As at</b>		<b>As at</b>	
	<b>31.03.16</b>	<b>30.09.15</b>	<b>31.03.16</b>	<b>30.09.15</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b><u>ASSETS</u></b>				
<b>Current assets</b>				
Cash and cash equivalents	7,391	8,095	234	684
Pledged bank deposits	1,010	1,000	-	-
Trade and other receivables	9,749	8,706	743	3,501
Inventories	2,074	2,226	-	-
Total current assets	20,224	20,027	977	4,185
<b>Non-current assets</b>				
Property, plant and equipment	2,748	2,550	-	-
Goodwill	1,208	-	-	-
Intangible asset	1,219	1,266	-	-
Pledged bank deposits	125	130	-	-
Subsidiaries	-	-	4,738	2,698
Total non-current assets	5,300	3,946	4,738	2,698
<b>Total assets</b>	<b>25,524</b>	<b>23,973</b>	<b>5,715</b>	<b>6,883</b>
<b><u>LIABILITIES AND EQUITY</u></b>				
<b>Current liabilities</b>				
Bank borrowings	126	131	-	-
Trade and other payables	3,224	3,116	108	212
Current portion of finance leases	55	-	-	-
Income tax payable	376	205	1	3
Total current liabilities	3,781	3,452	109	215
<b>Non-current liabilities</b>				
Bank borrowings	434	517	-	-
Deferred tax liabilities	516	424	-	-
Other payables	-	17	-	-
Total non-current liabilities	950	958	-	-
<b>Total liabilities</b>	<b>4,731</b>	<b>4,410</b>	<b>109</b>	<b>215</b>
<b>Capital, reserves and non-controlling interests</b>				
Share capital	5,245	5,245	5,245	5,245
Reserves	14,370	13,855	361	1,423
Equity attributable to owners of the Company	19,615	19,100	5,606	6,668
Non-controlling interests	1,178	463	-	-
<b>Total equity</b>	<b>20,793</b>	<b>19,563</b>	<b>5,606</b>	<b>6,668</b>
<b>Total liabilities and equity</b>	<b>25,524</b>	<b>23,973</b>	<b>5,715</b>	<b>6,883</b>

- 1(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:

	As at 31.03.16		As at 30.09.15	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Amount repayable in one year or less, or on demand</b>	181	-	131	-
<b>Amount repayable after one year</b>	434	-	517	-

**Details of any collateral**

As at 31 March 2016, secured borrowings comprised:

- Term loans of S\$560,000 (30 September 2015: S\$648,000) which were secured by a pledge of the Group's bank deposits of S\$125,000 (30 September 2015: S\$130,000).
- Finance leases of S\$55,000 (30 September 2015: Nil) which were secured by the lessors' title to the leased motor vehicles.

- 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.

**Consolidated Statement of Cash Flows**

	<b>Group</b>	
	<b>Six months ended</b>	
	<b>31.03.16</b>	<b>31.03.15</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Operating activities</b>		
Profit before income tax	1,806	1,417
Adjustments for:		
Interest income	(10)	(8)
Finance costs	7	1
Depreciation of property, plant and equipment	226	160
Amortisation of intangible asset	47	47
Loss (Gain) on disposal of property, plant and equipment	2	(38)
Operating cash flows before movements in working capital	2,078	1,579
Inventories	264	235
Trade and other receivables	(86)	2,023
Trade and other payables	(89)	(2,379)
Cash generated from operations	2,167	1,458
Income tax paid	(111)	(274)
Net cash from operating activities	2,056	1,184
<b>Investing activities</b>		
Purchase of property, plant and equipment	(323)	(290)
Interest received	10	8
Proceeds from disposal of property, plant and equipment	2	48
Decrease (Increase) in pledged bank deposits	5	(8)
Acquisition of a subsidiary	(1,768)	-
Repayment of loan from a third party	510	-
Net cash used in investing activities	(1,564)	(242)
<b>Financing activities</b>		
Dividends paid	(1,120)	(1,456)
New bank loans raised	-	41
Repayment of obligations under finance leases	(5)	(3)
Interest paid	(7)	(1)
Repayment of bank borrowings	(64)	-
Capital contribution from non-controlling interests in a subsidiary	-	285
Net cash used in financing activities	(1,196)	(1,134)
Net decrease in cash and cash equivalents	(704)	(192)
Cash and cash equivalents at beginning of period	8,095	8,098
Cash and cash equivalents at end of period	7,391	7,906

- 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.

Statements of Changes in Equity

The Group	Share capital S\$'000	Translation reserve S\$'000	Capital reserves S\$'000	Merger reserve S\$'000	Retained earnings S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total S\$'000
<b>Balance at 1 October 2015</b>	5,245	(87)	277	19	13,646	19,100	463	19,563
<b>Total comprehensive income (loss) for the period</b>								
Profit (Loss) for the period	-	-	-	-	1,601	1,601	(71)	1,530
Other comprehensive income (loss) for the period	-	34	-	-	-	34	(13)	21
<b>Total</b>	-	34	-	-	1,601	1,635	(84)	1,551
<b>Transactions with owners, recognised directly in equity</b>								
Dividends	-	-	-	-	(1,120)	(1,120)	-	(1,120)
Non-controlling interests arising from acquisition of a subsidiary	-	-	-	-	-	-	799	799
<b>Total</b>	-	-	-	-	(1,120)	(1,120)	799	(321)
<b>Balance at 31 March 2016</b>	5,245	(53)	277	19	14,127	19,615	1,178	20,793
<b>Balance at 1 October 2014</b>	5,245	(9)	277	19	11,814	17,346	108	17,454
<b>Total comprehensive income (loss) for the period</b>								
Profit (Loss) for the period	-	-	-	-	1,434	1,434	(135)	1,299
Other comprehensive (loss) income for the period	-	(16)	-	-	-	(16)	2	(14)
<b>Total</b>	-	(16)	-	-	1,434	1,418	(133)	1,285
<b>Transactions with owners, recognised directly in equity</b>								
Dividends	-	-	-	-	(1,456)	(1,456)	-	(1,456)
Capital contribution from non-controlling interests in a subsidiary	-	-	-	-	-	-	285	285
<b>Total</b>	-	-	-	-	(1,456)	(1,456)	285	(1,171)
<b>Balance at 31 March 2015</b>	5,245	(25)	277	19	11,792	17,308	260	17,568

<b>The Company</b>	<b>Share capital S\$'000</b>	<b>Retained earnings S\$'000</b>	<b>Total S\$'000</b>
<b>Balance at 1 October 2015</b>	5,245	1,423	6,668
<b>Profit for the period, representing total comprehensive income for the period</b>	-	58	58
<b>Transactions with owners, recognised directly in equity</b>			
Dividends	-	(1,120)	(1,120)
<b>Balance at 31 March 2016</b>	<u>5,245</u>	<u>361</u>	<u>5,606</u>
<b>Balance at 1 October 2014</b>	5,245	2,001	7,246
<b>Profit for the period, representing total comprehensive income for the period</b>	-	46	46
<b>Transactions with owners, recognised directly in equity</b>			
Dividends	-	(1,456)	(1,456)
<b>Balance at 31 March 2015</b>	<u>5,245</u>	<u>591</u>	<u>5,836</u>

- 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.**

There were no changes in the Company's share capital since 30 September 2015 and there were no outstanding convertibles or treasury shares held by the Company as at 31 March 2016 and 31 March 2015.

- 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.**

	<b>No of ordinary shares</b>	
	<b>As at</b>	
	<b>31.03.16</b>	<b>30.09.15</b>
Total number of issued shares excluding treasury shares	<u>112,000,000</u>	<u>112,000,000</u>

There were no treasury shares as at 31 March 2016 and 30 September 2015.

- 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.



- 2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the 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.**

Save as disclosed in section 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial period ended 31 March 2016 as its most recently audited financial statements for the financial year ended 30 September 2015.

- 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.**

In the current financial period ended 31 March 2016, the Group has adopted all the new and revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are relevant to the Group and effective for the financial period beginning on 1 October 2015. The adoption of these new and revised FRS and INT FRS does not result in changes to the Group's accounting policies and has no material effect on the amounts reported for the current or prior periods.

- 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).**

**Earnings per Share ("EPS")**

	<b>Group</b>	
	<b>Six months ended</b>	
	<b>31.03.16</b>	<b>31.03.15</b>
Profit attributable to owners of the Company (S\$'000)	1,601	1,434
Weighted average number of ordinary shares ('000)	112,000	112,000
EPS - Basic and diluted (cents)	<u>1.43</u>	<u>1.28</u>

EPS is calculated based on profit attributable to owners of the Company divided by the weighted average number of ordinary shares in issue.

There were no dilutive equity instruments for the financial periods ended 31 March 2016 and 31 March 2015.

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.**

**Net Asset Value ("NAV")**

	<b>Group</b>		<b>Company</b>	
	<b>As at</b>		<b>As at</b>	
	<b>31.03.16</b>	<b>30.09.15</b>	<b>31.03.16</b>	<b>30.09.15</b>
NAV per ordinary share (cents)	17.51	17.05	5.00	5.95
Number of ordinary shares used in computation of NAV per ordinary share ('000)	<u>112,000</u>	<u>112,000</u>	<u>112,000</u>	<u>112,000</u>

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 Income Statement**

**Revenue**

The Group typically experiences a fluctuation in revenue contribution from its customers from period to period due to the project based nature of its business. Such projects differ in their scope and size and are typically non-recurring.

The Group's revenue for the six months ended 31 March 2016 ("HY2016") was S\$11.46 million with an increase of S\$0.95 million or 9.0% as compared to S\$10.52 million for the corresponding period ended 31 March 2015 ("HY2015"). The increase was due to the increase in (i) sale of door and shutter systems arising from increased demand for such products from the developers of industrial and commercial projects; and (ii) revenue contribution from Grimm during the period.

**Gross profit**

Gross profit increased by S\$1.16 million or 27.6% from S\$4.21 million in HY2015 to S\$5.38 million in HY2016. Correspondingly, gross profit margin increased from 40.1% in HY2015 to 46.9% in HY2016. The higher gross profit margin was mainly attributed to some items of costs in the cost of sales, which were fixed in nature. Accordingly, the higher revenue in HY2016 did not result in a proportional increase in cost of sales and gross profit margin was higher in the period.

**Other operating income**

Other operating income decreased by S\$0.07 million or 30.6% from S\$0.21 million in HY2015 to S\$0.15 million in HY2016. The decrease in other operating income was mainly attributed to the decrease in government grants received in HY2016.

**Marketing and distribution expenses**

Marketing and distribution expenses decreased marginally by S\$8,000 or 2.6% to S\$0.31 million in HY2016.

**Administrative expenses**

Administrative expenses increased by S\$0.23 million or 8.2% from S\$2.75 million in HY2015 to S\$2.97 million in HY2016. The increase in administrative expenses was mainly attributed to the increase in (i) employee compensation of S\$0.17 million due mainly to the increase in headcount; and (ii) depreciation of S\$0.05 million.

**Other operating expenses**

Other operating expenses increased by S\$0.13 million or 79.1% from S\$0.17 million in HY2015 to S\$0.30 million in HY2016. The increase in other operating expenses was mainly attributed to the increase in impairment loss on trade receivables of S\$0.10 million.

**Other gains and losses**

Other gains and losses reversed from net gains of S\$0.21 million in HY2015 to net losses of S\$0.14 million in HY2016 mainly due to the (i) absence of gain on disposal of property, plant and equipment; and (ii) net foreign exchange losses arising from the translation of trade receivables and bank balances denominated in US\$ in HY2016.

**Income tax expense**

Income tax expense increased by S\$0.16 million or 134.9% from S\$0.12 million in HY2015 to S\$0.28 million in HY2016 in line with the higher profit before tax for HY2016.

**Profit for the period**

As a result of the above, profit for the period increased by S\$0.23 million or 17.8% from S\$1.30 million in HY2015 to S\$1.53 million in HY2016.

**Review of the Group's Financial Position**

**Current assets**

Current assets increased by S\$0.20 million from S\$20.03 million as at 30 September 2015 to S\$20.22 million as at 31 March 2016. The increase in current assets was due to the increase in trade and other receivables of S\$1.04 million mainly attributed to the increase in trade receivables as a result of slower repayments from customers during the period.

This was partially offset by the decrease in (i) cash and cash equivalents of S\$0.70 million; and (ii) inventories of S\$0.15 million mainly due to lower balance of raw materials as at 31 March 2016.

**Non-current assets**

Non-current assets increased by S\$1.35 million from S\$3.95 million as at 30 September 2015 to S\$5.30 million as at 31 March 2016. The increase in non-current assets was mainly due to (i) goodwill arising from the acquisition of Grimm of S\$1.21 million; and (ii) an increase in property, plant and equipment of S\$0.20 million due to the purchase of machinery and equipment during the period, partially offset by depreciation and amortisation.

**Current liabilities**

Current liabilities increased by S\$0.33 million from S\$3.45 million as at 30 September 2015 to S\$3.78 million as at 31 March 2016. The increase in current liabilities was mainly due to the increase in (i) trade and other payables of S\$0.11 million mainly attributed to the increase in trade payables; (ii) finance leases of S\$0.05 million; and (iii) income tax payable of S\$0.17 million.

**Non-current liabilities**

Non-current liabilities decreased by S\$8,000 from S\$0.96 million as at 30 September 2015 to S\$0.95 million as at 31 March 2016 due to the decrease in (i) bank borrowings of S\$0.08 million as a result of repayments made during the period; and (ii) other payables of S\$0.02 million. This was partially offset by the increase in deferred tax liabilities of S\$0.09 million.

**Capital, reserves and non-controlling interests**

Total equity increased by S\$1.23 million from S\$19.56 million as at 30 September 2015 to S\$20.79 million as at 31 March 2016 mainly due to the profits earned and changes in non-controlling interests during the period, partially offset by the dividends paid.

**Review of the Group's Cash Flows**

**Net cash from operating activities**

In HY2016, the Group generated net cash of S\$2.08 million from operating activities before changes in working capital. The Group's net working capital inflow amounted to S\$0.09 million and was due to a decrease in inventories of S\$0.26 million, partially offset by (i) an increase in trade and other receivables of S\$0.09 million; and (ii) a decrease in trade and other payables of S\$0.09 million.

After payment of income tax of S\$0.11 million, the net cash from operating activities in HY2016 amounted to S\$2.06 million.

**Net cash used in investing activities**

Net cash used in investing activities amounted to S\$1.56 million and was mainly due to (i) purchase of property, plant and equipment of S\$0.32 million; and (ii) acquisition of a subsidiary of S\$1.77 million. This was partially offset by the repayment of loan from a third party of S\$0.51 million in HY2016.

**Net cash used in financing activities**

Net cash used in financing activities amounted to S\$1.20 million and was mainly due to (i) payment of dividends of S\$1.12 million; and (ii) repayment of bank loans of S\$0.06 million.

**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 has been previously disclosed to shareholders.

**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.**

The factors that may impact the Group are as follows:

- (a) General health of the Singapore economy;
- (b) Level of activities in the commercial and industrial developments in Singapore; and
- (c) Changes in the Singapore government's policies and regulations on the immigration and employment of foreign workers.

Notwithstanding the continued uncertain economic outlook, the Group remains cautiously optimistic that the outlook on the door and shutter solutions industry in Singapore will remain positive in the next 12 months. The Group continues to be on the lookout for new projects to maintain or expand its order book. The Group's order book remains healthy as at 31 March 2016.

The Group also expects increasing constraints in labour supply and manpower costs in Singapore. In this regard, the Group will continue to take appropriate steps and measures to address these issues to maintain its competitiveness.

**11. Dividend**

**(a) Dividend declared (recommended) for the current financial period reported on**

None.

**(b) Dividend declared (recommended) for the corresponding period of the immediately preceding financial year**

None.

**(c) Whether the dividend is before tax, net of tax, or tax exempt**

Not applicable.

**(d) Date payable**

Not applicable.

**(e) Books closure date**

Not applicable.

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

No dividend has been declared or recommended for the financial period ended 31 March 2016.

**13. If the group has obtained a general mandate from shareholders for 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 Company has not obtained a general mandate from shareholders for IPTs.

**14. Use of proceeds**

In accordance with the "Use of Proceeds and Listing Expenses" section of the Company's Offer Document dated 11 April 2013, the proceeds from the IPO after deducting listing expenses ("Net Proceeds") have been utilised as follows:

<b>Use of Net Proceeds</b>	<b>Allocation of Net Proceeds S\$'000</b>	<b>Net Proceeds Utilised as at 31 March 2016 S\$'000</b>	<b>Balance of Net Proceeds as at 31 March 2016 S\$'000</b>
To acquire new machinery and equipment	600	600	-
To fund product development activities	400	271	129
Working capital and general corporate purposes	431	431	-
	<u>1,431</u>	<u>1,302</u>	<u>129</u>
			<b>S\$'000</b>
<b>Breakdown of Working Capital</b>			
Inventories			<u>431</u>

**15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)**

The Company confirms that it has already procured signed undertakings from all its directors and relevant executive officers in the format as set out in Appendix 7H of the Catalist Rules in accordance with Rule 720(1) of the Catalist Rules, as revised by the SGX-ST on 21 January 2016.

**16. Negative confirmation pursuant to Rule 705(5)**

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 which may render the unaudited financial results of the Group for the six months ended 31 March 2016 to be false or misleading in any material respect.

On behalf of the Board

**Wong Lok Yung**  
Chairman and Chief Executive Officer

**Wu Chiaw Ching**  
Lead Independent Director

**BY ORDER OF THE BOARD**  
**Wong Lok Yung**  
Chairman and Chief Executive Officer  
10 May 2016