

APPROVAL FOR EXTENSION OF TIME TO COMPLY WITH LISTING RULE 705(1) IN RESPECT OF ANNOUNCING THE FY2019 FINANCIAL STATEMENTS AND LISTING RULE 707(1) IN RESPECT OF HOLDING THE ANNUAL GENERAL MEETING FOR FY2019

The Company refers to its announcement dated 12 February 2020 (the “**Previous Announcement**”) in relation to its application to the SGX-ST for extensions of time to comply with the requirements under Listing Rule 705(1) to announce its full year financial statements for FY2019 and Listing Rule 707(1) to hold its AGM for FY2019 (the “**Waiver Application**”).

Unless defined otherwise, all capitalised terms used but not defined herein shall have the meanings ascribed to them in the Previous Announcement.

Extension of time to announce full year financial statements for FY2019

1. The Board wishes to announce that the SGX-ST had on 19 February 2020 informed the Company that it has granted an extension of time of one (1) month until 31 March 2020 for the Company to comply with Listing Rule 705(1) in relation to the requirement for it to announce its full year financial statements for FY2019 (the “**Results Announcement Waiver**”), subject to the following conditions (the “**Results Announcement Waiver Conditions**”):
 - (a) the Company announcing the Results Announcement Waiver granted, the reasons for seeking the Results Announcement Waiver, the conditions as required under Listing Rule 107 and if the Results Announcement Waiver Conditions have been satisfied. If the Results Announcement Waiver Conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met.
2. The Results Announcement Waiver will not be effective if any of the Results Announcement Waiver Conditions have not been fulfilled.
3. This announcement seeks to satisfy the Results Announcement Waiver Conditions.

Extension of time to hold AGM for FY2019

4. The Board also wishes to announce that the SGX-ST had on 18 February 2020 informed the Company that it has granted an extension of time of two (2) months until 29 June 2020 for the Company to comply with Listing Rule 707(1) in relation to the requirement for it to hold its AGM for FY2019 (the “**AGM Waiver**”, together with the Results Announcement Waiver, the “**Waivers**”), subject to the following conditions (the “**AGM Waiver Conditions**”):
 - (a) the Company announcing the AGM Waiver granted, the reasons for seeking the AGM Waiver, the conditions as required under Listing Rule 107 and if the AGM Waiver conditions have been satisfied. If the AGM Waiver conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met;
 - (b) submission of a written confirmation from the Company that it is not aware of any information that will have a material bearing on investors’ decision which has yet to be announced by the Company;
 - (c) the Company convening the AGM for FY2019 by 29 June 2020;
 - (d) the Company has fulfilled the criteria as set out in the SGX-ST’s regulatory announcement dated 7 February 2020 (the “**Criteria**”); and
 - (e) the AGM Waiver is/will not be in contravention of any laws and regulations governing the Company

and its constitution of the Company.

5. The AGM Waiver will not be effective if any of the AGM Waiver Conditions have not been fulfilled.
6. The indicative timeline to convene the Company's AGM for FY2019 is as follows:
 - (i) the expected date on which the unaudited full year financial statements for FY2019 would be available is 31 March 2020, assuming that the Company's application to the SGX-ST for an extension of time to announce its full year financial statements for FY2019 would be approved, and that the authorities would not take further measures that would prolong the mandatory closure of the Company's offices and factories;
 - (ii) the expected date on which the Company's auditors would be able to complete their audit of the FY2019 financial statements is 29 May 2020; and
 - (iii) the expected date on which the AGM will be held is 26 June 2020.
7. This announcement seeks to satisfy the condition in paragraph 4(a) above. The written confirmation in paragraph 4(b) will be submitted by the Company to the SGX-ST. Updates on the condition in paragraph 4(c) would be announced in due course. In respect of the condition in paragraph 4(d), the Company confirms that it has fulfilled the Criteria set out in the SGX-ST's regulatory announcement dated 7 February 2020 which informed issuers that they would be granted an extension of time of up to two (2) months to hold their AGM in view of the 2019 Novel Coronavirus outbreak if they fulfil the following Criteria:
 - (i) their financial year-end is 31 December 2019;
 - (ii) their principal place of business is in the PRC or they have business with significant operations in the PRC;
 - (iii) their statutory audits for FY2019 were affected due to the travel restrictions and/ or other measures imposed by the authorities in response to the 2019 Novel Coronavirus; and
 - (iv) approval of a similar application for extension of time by the Accounting and Corporate Regulatory Authority ("ACRA").

Reasons for seeking the Waivers

8. The reasons for the Waiver Application, which were set out in the Previous Announcement, are as follows:
 - (i) with the outbreak of the 2019 Novel Coronavirus in the PRC, the PRC government has implemented several emergency precautions to control human traffic in the PRC. Additionally, the local government in Shaoxing city, Zhejiang province, PRC has issued a directive mandating, *inter alia*, that the Company only resume operations after the Lunar New Year public holidays after 17 February 2020; and
 - (ii) the Group's principal place of business, including its offices and factories are based in Shaoxing city, Zhejiang province, PRC. Several key personnel from the finance department of the Company had travelled out of Shaoxing city over the Chinese Lunar New Year. Pursuant to emergency precautions implemented throughout the PRC, these employees are now restricted from travelling back to the Company's office in Shaoxing city. Additionally, upon their return to Shaoxing city, these employees, who do not have remote access to the Company's financial data, would be required to be quarantined for a 14 day period. Employees within Shaoxing city are also restricted from moving between residential areas and the Company's factories due to the emergency precautions. Due to the shortage of manpower, the Company foresees that it will require an extension of time to review the accounts, liaise with its auditors and seek approval from the Board before it can finalise the FY2019 financial results.
9. In relation to paragraph 8(i) above, the Board would like to update shareholders that as of now, the Company's operations in Shaoxing city have not resumed due to the ongoing 2019 Novel Coronavirus situation.

10. To the best of the Board's knowledge and belief, the Waivers are and will not be in contravention of any laws and regulations governing the Company and its constitution. As disclosed in the Previous Announcement, the Company had submitted an application to ACRA on 12 February 2020 for extensions of time to hold its AGM for FY2019 and file its annual returns under Section 175 and Section 197 of the Companies Act.

BY ORDER OF THE BOARD

Xiao Ziliang
Executive Director/ Chief Executive Officer
19 February 2020