

OLIVE TREE ESTATES LIMITED



(Incorporated in Singapore on 30 July 2007)
(Registration Number: 200713878D)

UNAUDITED FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2019

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

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.

	2 nd quarter ended			Half-year ended		
	30-06-19	30-06-18	Increase / (Decrease)	30-06-19	30-06-18	Increase / (Decrease)
	S\$'000	S\$'000		S\$'000	S\$'000	
	Unaudited	Unaudited	%	Unaudited	Unaudited	%
Revenue	298	276	8.0%	597	544	9.7%
Cost of sales	-	-	N.M.	-	-	N.M.
Gross profit	298	276	8.0%	597	544	9.7%
Selling and distribution expenses	-	-	N.M.	-	-	N.M.
Administrative expenses	(535)	(517)	3.5%	(1,017)	(1,050)	(3.1%)
Finance expenses	(112)	(117)	(4.3%)	(218)	(282)	(22.7%)
Other income	17	27	(37.0%)	40	162	(75.3%)
Loss before income tax	(332)	(331)	0.3%	(598)	(626)	(4.5%)
Income tax expense	(9)	-	N.M.	(9)	-	N.M.
Total comprehensive loss representing net loss attributable to equity holders of the Company	<u>(341)</u>	<u>(331)</u>	3.0%	<u>(607)</u>	<u>(626)</u>	(3.0%)
Loss per share attributable to equity holders of the Company						
- Basic and diluted (Cents)	<u>(0.50)</u>	<u>(0.48)</u>	4.2%	<u>(0.88)</u>	<u>(0.91)</u>	(3.3%)

N.M. – Not Meaningful

(a)(ii) Notes to Consolidated Statement of Comprehensive Income

The Group's loss before tax is determined after charging/ (crediting) the following:

	2 nd quarter ended			Half-year ended		
	30-06-19	30-06-18	Change	30-06-19	30-06-18	Change
	S\$'000	S\$'000		S\$'000	S\$'000	
	Unaudited	Unaudited	%	Unaudited	Unaudited	%
Depreciation	151	151	N.M.	302	302	N.M.
Interest expense	112	117	(4.3%)	217	232	(6.5%)
Interest income	(9)	-	N.M.	(9)	-	N.M.

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

	Group		Company	
	30-06-19	31-12-18	30-06-19	31-12-18
	S\$'000	S\$'000	S\$'000	S\$'000
	Unaudited	Audited	Unaudited	Audited
ASSETS				
Current Assets				
Cash and bank balances	2,403	7,021	837	776
Trade and other receivables	362	506	280	114
Development properties	3,761	3,761	-	-
	6,526	11,288	1,117	890
Non-current Assets				
Trade and other receivables	-	-	-	264
Investment in subsidiaries	-	-	20,219	20,219
Investment properties	11,261	11,563	-	-
Investments	4,814	-	4,814	-
Property, plant and equipment	6	6	6	6
	16,081	11,569	20,039	20,489
Total Assets	22,606	22,857	26,156	21,379
LIABILITIES				
Current Liabilities				
Trade and other payables	1,297	848	817	14,206
Borrowings	3,325	3,325	-	-
Current income tax liabilities	27	119	-	-
	4,649	4,292	817	14,206
Non-current Liabilities				
Borrowings	8,520	8,520	-	-
	8,520	8,520	-	-
Total liabilities	13,169	12,812	817	14,206
NET ASSETS	9,438	10,045	25,339	7,173
EQUITY				
Share capital	7,946	7,946	56,342	56,342
Treasury shares	-	-	(23)	(23)
Reverse acquisition reserve	(10,597)	(10,597)	-	-
Retained profits / (accumulated losses)	12,089	12,696	(30,980)	(49,146)
TOTAL EQUITY	9,438	10,045	25,339	7,173

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 2019		As at 31 December 2018	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
3,325	-	3,325	-

Amount repayable after one year

As at 30 June 2019		As at 31 December 2018	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
8,520	-	8,520	-

Details of any collateral

The loans and borrowings are secured by the following:

1. First legal mortgage over property at 1 Commonwealth Lane #01-07 / #01-08 / #01-09 / #01-10 / #01-11 / #01-12 / #01-13 / #01-14 / #01-15 / #01-17 / #01-18 / #01-19 / #01-20, Singapore 149544.
2. First Legal Mortgage over property at 421 Tagore Industrial Ave #01-02 / #01-09 / #01-10 / #01-12, Singapore 787805
3. First legal charge over rental proceeds account and operating account maintained with the bank.
4. First legal charge over debt service reserve account and operating account maintained with the bank.
5. Legal assignment of all rights, titles and interests in the contract, insurance, bonds, and sales proceeds in respect of the property.
6. Legal assignment of rental proceeds and rental deposits derived from the Property tenancy and all rights, titles and interests in the contract, insurance, bonds and 3-year rental support with respect to the borrower's (WBH Investment Pte Ltd) owned units at 1 Commonwealth Lane (at S\$6 psf provided by the Company's controlling shareholder).
7. Corporate guarantee from Olive Tree Estates Limited for 100% of the facilities.

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

	2nd quarter ended		For the half-year ended	
	30-06-19	30-06-18	30-06-19	30-06-18
	S\$'000	S\$'000	S\$'000	S\$'000
	Unaudited	Unaudited	Unaudited	Unaudited
Cash flows from operating activities				
Net loss	(341)	(331)	(607)	(626)
Adjustments for:				
Depreciation	151	151	302	302
Interest expense	112	117	217	232
Income tax expense	9	-	9	-
Interest income	(9)	-	(9)	-
	(78)	(63)	(88)	(92)
Changes in working capital				
Trade and other receivables	266	(38)	144	(55)
Development properties	-	-	-	(45)
Trade and other payables	(38)	(287)	449	(1,902)
	150	(388)	505	(2,094)
Cash (used in)/generated from operations				
Interest received	9	-	9	-
Income tax paid	(41)	(222)	(101)	(259)
Net cash provided by/(used in) operating activities	118	(610)	413	(2,353)
Cash flows from investing activities				
Payment of deferred cash consideration to vendors	-	-	-	(15,178)
Investments in Vietnam property projects	(4,814)	-	(4,814)	-
Purchase of property, plant and equipment	-	-	-	(6)
Net cash used in investing activities	(4,814)	-	(4,814)	(15,184)
Cash flows from financing activities				
Interest paid	(112)	(117)	(217)	(232)
Net cash used in financing activities	(112)	(117)	(217)	(232)
Net (decrease)/ increase in cash and bank balances	(4,808)	(727)	(4,618)	(17,769)
Cash and bank balances at beginning of financial period	7,211	8,678	7,021	25,720
Cash and bank balances at end of financial period	2,403	7,951	2,403	7,951

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 2019	Share capital S\$'000	Reverse acquisition reserve S\$'000	Retained profits S\$'000	Total equity S\$'000
As at 1 January 2019	7,946	(10,597)	12,696	10,045
Total comprehensive loss for the period	-	-	(266)	(266)
As at 31 March 2019	7,946	(10,597)	12,430	9,779
Total comprehensive loss for the period	-	-	(341)	(341)
As at 30 June 2019	7,946	(10,597)	12,089	9,438

Group 2018				
As at 1 January 2018	7,946	(10,597)	13,211	10,560
Total comprehensive loss for the period	-	-	(295)	(295)
As at 31 March 2018	7,946	(10,597)	12,916	10,265
Total comprehensive loss for the period	-	-	(331)	(331)
As at 30 June 2018	7,946	(10,597)	12,585	9,934

	Share capital S\$'000	Treasury shares S\$'000	Accumulated losses S\$'000	Total equity S\$'000
Company 2019				
As at 1 January 2019	56,342	(23)	(49,146)	7,173
Total comprehensive loss for the period	-	-	(133)	(133)
As at 31 March 2019	56,342	(23)	(49,279)	7,040
Total comprehensive income for the period	-	-	18,299	18,299
As at 30 June 2019	56,342	(23)	(30,980)	25,339

Company 2018				
As at 1 January 2018	56,342	(23)	(48,705)	7,614
Total comprehensive loss for the period	-	-	(126)	(126)
As at 31 March 2018	56,342	(23)	(48,831)	7,488
Total comprehensive loss for the period	-	-	(171)	(171)
As at 30 June 2018	56,342	(23)	(49,002)	7,317

- 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, as well as the number of shares held as treasury shares, 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.**

	Number of shares	Issued and paid-up share capital S\$
Total issued share capital excluding treasury shares as at 30 June 2019 and 31 December 2018	68,847,711	56,342,018

The Company has no outstanding convertibles 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 are 2,500 shares held as treasury shares by the Company 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 and no subsidiary holdings 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.

- 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 2019	As at 31 December 2018
Total number of issued shares excluding treasury shares	68,847,711	68,847,711

- 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.**

There are no sales, transfers, cancellation and/or use of treasury shares as at 30 June 2019.

- 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 subsidiary holdings during and as at 30 June 2019.

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

The figures have not been audited nor reviewed by the Company's independent auditor.

- 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 had consistently applied the same accounting policies and methods of computation in the Group's financial statements for the current financial period as those applied for the most recently audited consolidated financial statements for the financial year ended 31 December 2018.

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.**

Not applicable.

6. **Loss 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.**

	2 nd quarter ended		For the half-year ended	
	30/06/2019	30/06/2018	30/06/2019	30/06/2018
	Unaudited	Unaudited	Unaudited	Unaudited
Net loss attributable to equity holders of the Company (S\$'000)	(341)	(331)	(607)	(626)
Weighted average number of ordinary shares in issue	68,847,711	68,847,711	68,847,711	68,847,711
Basic and diluted loss per share ("LPS") (Cents)	(0.50)	(0.48)	(0.88)	(0.91)

Note:

For the 2nd quarter and half-year ended 30 June 2019 and 30 June 2018, the basic and diluted loss per share of the Group were the same as there were no potential dilutive ordinary shares outstanding as at 30 June 2019 and 30 June 2018.

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")

	Group		Company	
	30-Jun-19	31-Dec-18	30-Jun-19	31-Dec-18
NAV per ordinary share ⁽¹⁾ (Cents)	13.71	14.59	36.81	10.42

Note:

- (1) NAV per ordinary share as at 30 June 2019 and 31 December 2018 was calculated based on the number of ordinary shares excluding treasury shares as at the end of the financial year. As at 30 June 2019, the number of ordinary shares (excluding treasury shares) was 68,847,711 (As at 31 December 2018: 68,847,711).

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:-**
- **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**
 - **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 income statement of the Group for the 3-month ended 30 June 2019 ("2Q2019") as compared to the 3-month ended 30 June 2018 (2Q2018") and for the half-year ended 30 June 2019 ("HY2019") as compared to the half-year ended 30 June 2018 ("HY2018").

Revenue

The Group's revenue for 2Q2019 increased by \$22,000 or 8.0% to \$298,000 from \$276,000 in 2Q2018 in the absence of sales of development properties in 2Q2019 and 2Q2018. The revenue for 2Q2019 and 2Q2018 arises solely from the rental income from our property investment holding segment.

The Group's revenue for HY2019 increased by \$53,000 or 9.7% from \$544,000 in HY2018 as compared to \$597,000 in HY2019. The increase is primarily due to the slight increase in rental rates for some of our units from our property investment holding segment with the renewal of rental in HY2019 as compared to HY2018. There were no sales of development properties for both HY2019 and HY2018.

Cost of sales, gross profit

There were no cost of sales for 2Q2019 or 2Q2018 as there were no sales in our property development segment.

There were also no cost of sales for HY2019 or HY2018 as there were no sales in our property development segment.

The Group's gross profit for 2Q2019 increased by \$22,000 or 8.0% from \$276,000 in 2Q2019 to \$298,000 in 2Q2019. The increase is primarily due to full rental of all units in our property investment holding segment.

The Group's gross profit for HY2019 increased by \$53,000 or 9.7% from \$544,000 in HY2018 to \$597,000 in HY2019. Similarly, the increase is primarily due to full rental of all units in our property investment holding segment.

Other income

The Group's other income for 2Q2019 decreased by \$10,000 to \$17,000 from \$27,000 in 2Q2018. The actual rental rate achieved was higher than the threshold for rental support. As a result there was no rental support income for 2Q2019 and HY2019 from the Company's controlling shareholder pursuant to the rental support agreement for 3 years from the date of the reverse takeover in December 2017. The other income for 2Q2019 comprises of interest income of \$9,000 and currency gain of \$8,000.

The Group's other income for HY2019 decreased by \$122,000 to \$40,000 from \$162,000 in HY2018. Other income of \$40,000 for HY2019 relates to interest income of \$9,000, reversal of long outstanding payables of \$23,000 and currency gain of \$8,000. Other income for HY2018 amounting \$162,000 comprises:

- Rental support income from the Company's controlling shareholder pursuant to the rental support agreement for 3 years from the date of the reverse takeover in December 2017 amounting to \$58,000.

- Discounts received from various professional parties amounting to \$25,000.
- Reversal of development costs over-provided amounting to \$45,000.
- Forfeiture of rental deposit amounting to \$27,000 and miscellaneous income of \$6,000.

General and administrative expenses

Administrative expenses increased by \$18,000 from \$517,000 in 2Q2018 to \$535,000 in 2Q2019. The increase arose mainly from staff cost of \$21,000 due to the increase in headcounts, offset by reduction in Management Corporation Strata Title ("MCST") charges and property taxes amounting to \$3,000 as the Group held lesser units of development properties during 2Q2019.

Administrative expenses decreased by \$33,000 from \$1.05 million in HY2018 to \$1.02 million in HY2019. The decrease arose mainly from reduction in compliance related costs amounting to \$43,000, legal and professional costs amounting to \$25,000, transport and travelling costs amounting to \$6,000 and MCST and property taxes amounting to \$8,000, offset by increase in staff cost of \$46,000 due to the increase in headcounts.

Finance expenses

Finance expenses decreased by \$5,000 from \$117,000 in 2Q2018 to \$112,000 in 2Q2019. The decrease arose mainly from reduction in interest expenses of \$5,000 due to partial repayment of the term loan following the sale of the development property in the 2nd half of FY2018.

Finance expenses decreased by \$64,000 from \$282,000 in 2Q2018 to \$218,000 in 2Q2019. The decrease arose mainly from reduction in interest expenses of \$15,000 and the absence of bank charges amounting to \$49,000, which was incurred in HY2018 for the drawdown of the term loan.

Loss before income tax

In 2Q2019, the Group recorded a loss before income tax of \$332,000, as compared to a loss before income tax of \$331,000 in 2Q2018. The slightly higher loss before income tax for 2Q2019 arises primarily from the higher administrative expenses in 2Q2019.

In HY2019, the Group recorded a loss before income tax of \$598,000, as compared to a loss before income tax of \$626,000 in HY2018. The lower loss before income tax for HY2019 was due to the combination of a higher revenue and lower administrative and financial expenses in HY2019.

Income tax expense

There was no income tax expense in 2Q2018 as compared to \$9,000 in 2Q2019 in relation to under-provision of current income tax for FY2018.

There was no income tax expense in HY2018 as compared to \$9,000 in HY2019 in relation to under-provision of current income tax for FY2018.

Loss after tax

As a result of the above, the Group recorded a net loss of \$341,000 in 2Q2019 as compared to a net loss of \$331,000 in 2Q2018.

As a result of the above, the Group recorded a net loss of \$607,000 in HY2019 as compared to a net loss of \$626,000 in HY2018.

Review of financial position of the Group as at 30 June 2019

Current assets

As at 30 June 2019, our total current assets consisted mainly of cash and cash equivalent, trade and other receivables, and development properties.

Trade and other receivables decreased by \$144,000 from \$506,000 as at 31 December 2018 to \$362,000 as at 30 June 2019. This was due to the decrease in trade receivables amounting to \$153,000, offset by an increase in prepayments and deposits amounting to \$9,000

There is no change in development properties held for sale as at 31 December 2018 and HY2019.

Non-current assets

Non-current assets refer to investment properties, property, plant and equipment and investments. Investment properties decreased from \$11.6 million as at 31 December 2018 to \$11.3 million as at 30 June 2019 due to depreciation charged for the period. There were no change in property, plant and equipment comprising computer and software as at 31 December 2018 and 30 June 2019. Investments amounting to \$4.8 million as at 30 June 2019 relate to our investments in Vietnam projects whereby we had invested in various property development projects via different entities.

Current liabilities

Current liabilities comprised trade and other payables, borrowings, and current income tax liabilities.

Trade and other payables increased to \$1.3 million as at 30 June 2019 from \$848,000 as at 31 December 2018. The increase of \$449,000 was primarily due to sponsorship amounting to \$665,000, offset by decreases in GST output tax amounting to \$159,000, other payables amounting to \$19,000 and accruals amounting to \$38,000. The sponsorship was made by an unrelated company to support the social impact initiatives of the Group.

Borrowings as at 30 June 2019 remained the same as at 31 December 2018 at \$3.3 million.

Current income tax liabilities decreased by \$92,000 from \$119,000 as at 31 December 2018 to \$27,000 as at 30 June 2019 due to payment of tax during the period.

Non-current liabilities

Non-current liabilities comprise bank borrowings amounting to \$8.5 million as at 30 June 2019 and 31 December 2018.

Total shareholders' equity

Total shareholders' equity as at 30 June 2019 amounted to \$9.4 million and comprised mainly share capital of \$7.9 million, reverse acquisition reserve with a debit balance of \$10.6 million and retained profit of \$12.1 million.

Share capital remained the same at \$7.9 million for 31 December 2018 and 30 June 2019.

The reverse acquisition reserve with a debit balance of \$10.6 million arose from the reverse acquisition in December 2017, and remained the same for 31 December 2018 and 30 June 2019.

Retained profits reduced by \$0.6 million from \$12.7 million as at 31 December 2018 to \$12.1 million as at 30 June 2019 due to the net loss for the period.

Review of cash flow statement for 2Q2019 and HY2019

For 2Q2019, the Group's net cash inflow from operating activities amounted to \$118,000 arising mainly from changes in working capital of \$228,000, offset by payment of income tax of \$41,000, interest received of \$9,000 and adjusted operating loss of \$78,000.

For 2Q2019, the Group's net cash outflow from financing activities amounted to \$112,000 arising from interest paid for bank borrowings.

For 2Q2019, the Group's net cash outflow from investing activities amounted to \$4.8 million arising from investment in Vietnam property development projects.

For 2Q2019, the Group had a net cash outflow of \$4.8 million.

For HY2019, the Group's net cash inflow from operating activities amounted to \$413,000 arising mainly from changes in working capital of \$593,000, offset by payment of income tax of \$101,000, interest received of \$9,000 and adjusted operating loss of \$88,000.

For HY2019, the Group's net cash outflow from financing activities amounted to \$217,000 arising from interest paid for bank borrowings.

For HY2019, the Group's net cash outflow from investing activities amounted to \$4.8 million arising from investment in Vietnam property development projects.

For HY2019, the Group had a net cash outflow of \$4.6 million.

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.

The global macroeconomic environment remains increasingly cautious and is likely to be uncertain as a result of the re-escalation of trade tensions between the US and China. Concerns over Brexit and regional socio-political concerns also weigh on sentiment.

Even so, population growth, rapid urbanisation and steadily growing affluence in emerging markets are expected to support demand for residential real estate in general. Despite the trend of government intervention in the form of property cooling measures and restrictions on speculation, there is still underlying demand for affordable and quality residential property from both end-user buyers and investors, particularly in Vietnam.

The Company will remain nimble and continues to actively assess opportunities originated by our stakeholders and network of business associates to principally offer affordable housing solutions in emerging markets which transform lives and deliver positive impact to local communities. To this end, the Company continues to source potential development projects in countries such as Vietnam, Indonesia, Cambodia and Thailand to add to its project development pipeline.

The Company is also seeking to expand its business by entering into joint ventures and/or strategic alliances with reputable and like-minded local partners and specialists whose competencies and unique skill sets are able to enhance the Company's ability to be a positive force for change through the provision of affordable quality housing. This will be the bedrock of our social impact solution which embeds localized, customized and contextualized community development elements, social services and amenities.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No

(b) Corresponding Period of the Immediately Preceding Financial Year

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

No.

(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 has been declared or recommended for the 2nd quarter and half-year ended 30 June 2019.

13. Interested person transactions

There were no interested person transactions of more than S\$100,000 entered for 2Q2019 and HY2019 and 2Q2018 and HY2018. The Group is not required to have a general mandate from shareholders for IPTs under Rule 920(1)(a)(ii).

14. Negative assurance confirmation on interim financial results under SGX Listing Rule 705(5) of the Listing Manual

We, Daniel Ee Hock Huat and Daniel Long Chee Tim, being two Directors of Olive Tree Estates Limited hereby confirm on behalf of the Directors of the Company that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the 2nd quarter and half-year ended 30 June 2019 to be false or misleading in any material respect.

15. Confirmation pursuant to Rule 720(1) of the Catalist Listing Manual

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7H) pursuant to Rule 720(1) of the Catalist Listing Manual.

BY ORDER OF THE BOARD
Olive Tree Estates Limited

Daniel Cuthbert Ee Hock Huat
Non-Executive Independent Chairman

Daniel Long Chee Tim
Chief Executive Officer and Executive Director

13 August 2019

This announcement has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes 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 details of the contact person for the Sponsor are: -

Name: Mr. Mah How Soon (Registered Professional, RHT Capital Pte. Ltd.)
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