
Unaudited Financial Statements and Dividend Announcement for the Half-Year Ended 30 June 2019

The Board of Directors of 3Cenergy Limited (the “Company”) is pleased to announce the unaudited consolidated results for the half-year ended 30 June 2019. The figures presented in this announcement have not been audited or reviewed by the auditors of the Company.

This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, CIMB Bank Berhad, Singapore Branch (the “Sponsor”) in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalyst. This announcement has not been examined or approved by the SGX-ST. 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 contact person for the Sponsor is Mr Eric Wong (Director, Investment Banking), CIMB Bank Berhad, Singapore Branch, 50 Raffles Place #09-01 Singapore Land Tower, Singapore 048623, telephone (65) 6337 5115.

Part I – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

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.

	Note	FOR THE 6 MONTHS ENDED		
		(Unaudited)	(Unaudited)	Increase /
		30 Jun 2019	30 Jun 2018	(decrease)
		S\$'000	S\$'000	%
Revenue		61	122	(50.0)%
Cost of services rendered and goods sold		(156)	(274)	(43.1)%
Gross loss		(95)	(152)	(37.5)%
Other operating income	1	129	103	25.2 %
Sales and distribution expenses		(5)	(6)	(16.7)%
General and administrative expenses		(1,106)	(934)	18.4 %
Finance costs	2	(1,496)	(3)	49,766.7 %
Loss before tax	3	(2,573)	(992)	159.4 %
Income tax expense	4	(10)	-	N.M.
Loss for the period		(2,583)	(992)	160.4 %
Other comprehensive (loss) income				
Items that may be reclassified subsequently to profit & loss				
- Exchange differences on translation of financial statements of foreign subsidiaries		(338)	2,071	N.M.
Other comprehensive (loss) income for the period, net of tax		(338)	2,071	N.M.
Total comprehensive (loss) income for the period		(2,921)	1,079	N.M.
Attributable to:				
Owners of the Company		(2,583)	(992)	160.4 %
Loss for the period		(2,583)	(992)	160.4 %
Attributable to:				
Owners of the Company		(2,921)	1,079	N.M.
Total comprehensive (loss) income for the period		(2,921)	1,079	N.M.
Loss per share attributable to the owners of the Company (cents per share)				
Basic		(0.08)	(0.05)	60.0 %
Diluted		(0.08)	(0.05)	60.0 %
Loss per share (cents per share)				
Basic		(0.08)	(0.05)	60.0 %
Diluted		(0.08)	(0.05)	60.0 %

Notes:

N.M. – Not meaningful

1(a)(ii) Breakdown and explanatory notes to the consolidated statement of comprehensive income.

Note 1 Other income comprised the following:

	FOR THE 6 MONTHS ENDED		
	(Unaudited) 30 Jun 2019	(Unaudited) 30 Jun 2018	Increase / (decrease)
	S\$'000	S\$'000	%
Interest income	120	35	242.9 %
Negative goodwill	-	47	N.M.
Miscellaneous income	9	21	(57.1)%
	129	103	25.2 %

Notes: N.M. – Not meaningful

Note 2 Finance costs comprised the following:

	FOR THE 6 MONTHS ENDED		
	(Unaudited) 30 Jun 2019	(Unaudited) 30 Jun 2018	Increase / (decrease)
	S\$'000	S\$'000	%
Interest on lease liabilities	1	3	(66.7)%
Loan interest expense	1,495	-	N.M.
	1,496	3	49,766.7 %

Note 3 Loss before tax is stated after charging the following:

	FOR THE 6 MONTHS ENDED		
	(Unaudited) 30 Jun 2019	(Unaudited) 30 Jun 2018	Increase / (decrease)
	S\$'000	S\$'000	%
After charging:			
Staff costs (including directors' remuneration)	126	244	(48.4)%
Depreciation of plant and equipment	24	65	(63.1)%
Amortisation of other intangible assets	35	34	2.9 %
Directors fees	70	70	- %
Rental of premises	68	67	1.5 %
Net foreign exchange loss	234	-	N.M.
Professional fees	6	106	(94.3)%

Note 4 Income tax comprised the following:

	FOR THE 6 MONTHS ENDED		
	(Unaudited) 30 Jun 2019	(Unaudited) 30 Jun 2018	Increase / (decrease)
	S\$'000	S\$'000	%
Current income tax expense	6	-	N.M.
Deferred tax expense	4	-	N.M.
	10	-	N.M.

Notes: N.M. – 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.

	Group		Company	
	30 Jun 2019	31 Dec 2018	30 Jun 2019	31 Dec 2018
	S\$'000	S\$'000	S\$'000	S\$'000
Assets				
Non-current assets				
Property, plant and equipment	56	72	8	14
Land held for property development	123,458	124,531	-	-
Deferred tax assets	-	3	-	-
Other intangible assets	171	206	-	-
Investments in subsidiaries	-	-	40,208	40,208
	123,685	124,812	40,216	40,222
Current assets				
Trade receivables	13	19	-	-
Other receivables and deposits	163	211	21	69
Prepayments	26	40	25	40
Amount due from subsidiaries	-	-	26,276	17,805
Tax recoverable	21	19	-	-
Cash and cash equivalents	13,988	22,967	12,504	21,115
Pledged fixed deposit	46	45	-	-
	14,257	23,301	38,826	39,029
Total assets	137,942	148,113	79,042	79,251
Equity and liabilities				
Current liabilities				
Trade payables	24	42	1	1
Other payables and accruals	504	679	272	262
Contract liabilities	275	222	-	-
Amount due to subsidiaries	-	-	786	793
Lease liabilities	8	-	1	-
Finance lease liabilities	-	17	-	10
Bank borrowings	31,033	31,318	-	-
Income tax payable	-	-	-	-
	31,844	32,278	1,060	1,066
Non-current liabilities				
Lease liabilities	17	-	7	-
Finance lease liabilities	-	14	-	-
Bank borrowings	25,095	31,915	-	-
Deferred tax liabilities	1	-	-	-
	25,113	31,929	7	-
Total liabilities	56,957	64,207	1,067	1,066
Net assets	80,985	83,906	77,975	78,185
Equity attributable to owners of the Company				
Share capital	143,292	143,292	177,822	177,822
Accumulated losses and other reserves	(62,307)	(59,386)	(99,847)	(99,637)
Net equity	80,985	83,906	77,975	78,185
Total equity and liabilities	137,942	148,113	79,042	79,251

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 Jun 2019		As at 31 Dec 2018	
Secured	Unsecured	Secured	Unsecured
<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
31,041	-	31,335	-

Amount repayable after one year

As at 30 Jun 2019		As at 31 Dec 2018	
Secured	Unsecured	Secured	Unsecured
<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
25,112	-	31,929	-

The Group's borrowings mainly consist of bank borrowings and lease liabilities.

The bank borrowings are solely attributable to the term loans and revolving facilities recorded in 3C Marina Park Sdn. Bhd. ("3C Marina") which owns the legal and beneficial title to several parcels of undeveloped lands in Puteri Harbour, Johor Bahru, Malaysia (the "CN Lands").

3C Marina has a non-current term loan facilities of RM77 million (S\$25.09 million) from Public Bank Berhad ("PBB"). These term loans are secured by a charge over the lands and a general debenture that created a fixed and floating charge over the assets of 3C Marina. The short term bank borrowings of RM95 million (S\$31.03 million) which is also from 3C Marina comprises of term loans and several revolving facilities from PBB. The revolving credit facilities are secured by a charge over the lands and a second general debenture that created a fixed and floating charge over the assets of 3C Marina.

The lease liabilities related to purchase of motor vehicles and office equipment leasing for the Group's operations. The lease for the motor vehicle is payable in 84 monthly installments with effect from November 2014. The lease for the office equipment is payable in 60 monthly installments with effect from April 2019.

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	
	(Unaudited) 30 Jun 2019 S\$'000	(Unaudited) 30 Jun 2018 S\$'000
Cash flows from operating activities		
Loss before taxation	(2,573)	(992)
Adjustments for:		
Depreciation of plant and equipment	24	65
Amortisation of intangible assets	34	34
Interest income	(120)	(35)
Interest expense	1,496	3
Negative goodwill	-	(47)
Unrealised exchange differences	152	25
Operating cash flows before changes in working capital	(987)	(947)
Decrease in receivables	69	14
Increase in contract liabilities	53	3
Decrease in payables	(265)	(808)
Cost recovery on land held for property development	-	316
Cash used in operations	(1,130)	(1,422)
Interest received	120	35
Interest paid	(1,425)	(1,603)
Income tax paid	(9)	(14)
Net cash used in operating activities	(2,444)	(3,004)
Cash flows from investing activities		
Cash inflow from acquisition of a subsidiary	-	12
Net cash from investing activities	-	12
Cash flows from financing activities		
Principal elements of lease payments	(6)	(44)
Repayment of bank borrowings	(6,529)	(6,753)
Proceeds on issue of shares	-	33,738
Net cash (used in) / from financing activities	(6,535)	26,941
Net (decrease) / increase in cash and cash equivalents	(8,979)	23,949
Cash and cash equivalents at beginning of the period	22,967	8,080
Cash and cash equivalents at end of the period	13,988	32,029

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.

	Attributable to owners of the Company			
	Share capital	Translation reserve	Accumulated losses	Total equity
	\$'000	\$'000	\$'000	\$'000
Group				
Balance at 1 January 2018	109,554	(788)	(20,492)	88,274
Issuance of shares	33,738	-	-	33,738
Loss for the period	-	-	(992)	(992)
Other comprehensive income for the period, net of tax	-	2,071	-	2,071
Total comprehensive income for the period	-	2,071	(992)	1,079
Balance at 30 June 2018	143,292	1,283	(21,484)	123,091
Balance at 1 January 2019	143,292	(95)	(59,291)	83,906
Loss for the period	-	-	(2,583)	(2,583)
Other comprehensive loss for the period, net of tax	-	(338)	-	(338)
Total comprehensive loss for the period	-	(338)	(2,583)	(2,921)
Balance at 30 June 2019	143,292	(433)	(61,874)	80,985

	Attributable to owners of the Company			
	Share capital	Translation reserve	Accumulated losses	Total equity
	\$'000	\$'000	\$'000	\$'000
Company				
Balance at 1 January 2018	144,084	-	(52,946)	91,138
Issuance of shares	33,738	-	-	33,738
Profit for the period representing				
Total comprehensive income for the period	-	-	(712)	(712)
Balance at 30 June 2018	177,822	-	(53,658)	124,164
Balance at 1 January 2019	177,822	-	(99,637)	78,185
Loss for the period representing				
Total comprehensive loss for the period	-	-	(210)	(210)
Balance at 30 June 2019	177,822	-	(99,847)	77,975

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.

(A) Share Capital

There has been no change in the Company's share capital for the six-month period ended 30 June 2019.

(B) Convertibles and treasury shares

The Company has 989,372,086 outstanding Warrants as at 30 June 2019 (30 June 2018: 989,372,086) representing approximately 32% of the total number of issued ordinary shares of the Company (excluding treasury shares). Each Warrant carries the right to subscribe for one new ordinary share in the capital of the Company at an exercise price of S\$0.078 for each new ordinary share and is exercisable during a three year period from the date of issue.

As at 30 June 2018 and 30 June 2019, the Company did not hold any treasury shares and there were no subsidiary holdings.

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.

Company	
As at 30-June-19	As at 31-Dec-18
Total number of issued shares (excluding treasury shares)	3,067,053,978
	3,067,053,978

The Company has no treasury shares as at 30 June 2018, 31 December 2018 and 30 June 2019.

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.

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

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 any subsidiary holdings during and 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.

The figures have not been audited or reviewed by the Company’s auditor.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of 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 paragraph 5 below, the Group had consistently applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial period reported as in the audited 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.

The Group has adopted Singapore Financial Reporting Standards (“SFRS(I)”) 16 Leases which came into effect on 1 January 2019.

SFRS(I) 16 introduces changes to lessee accounting where all leases (except for exemption under short term leases and leases of low value asset) are recognised in the statement of financial position as lease liabilities with the corresponding recognition of the right-of-use (“ROU”) assets. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged.

The Group does not have significant operating leases. The application of this SFRS(I) 16 does not have a significant impact to the Group’s financial statements.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group	
	(Unaudited) 30-Jun-19	(Unaudited) 30-Jun-18
Loss per share (in cents):-		
(a) Basic loss based on the weighted average number of ordinary shares on issue	(0.08)	(0.05)
(b) On fully diluted basis	(0.08)	(0.05)
Weighted average number of shares used in computation of basic earnings per share	3,067,053,978	1,899,869,547

Basic loss per ordinary share is computed by dividing the net loss attributable to the equity holders in each financial period by the weighted average number of ordinary shares in issue during the respective financial period.

The basic and fully diluted loss per share for the current financial period were the same as the outstanding Warrants have no dilutive effect because the market price of ordinary shares is lower than the exercise price (ie they are ‘out of the money’). There was no dilutive ordinary share in existence for the previous financial period.

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 period reported on; and (b) immediately preceding financial year.**

	Group		Company	
	(Unaudited) 30-Jun-19	(Audited) 31-Dec-18	(Unaudited) 30-Jun-19	(Audited) 31-Dec-18
Net asset value ("NAV") per ordinary share based on issued share capital (in cents)	2.64	2.74	2.54	2.55
Number of Issued shares	3,067,053,978	3,067,053,978	3,067,053,978	3,067,053,978

The NAV per ordinary share for the Group and the Company as at 30 June 2019 and 31 December 2018 were calculated based on the respective NAV for the Group and the Company divided by the number of issued shares as at the respective balance sheet date.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

INCOME STATEMENT

Overview

The Group's loss, net of tax had increased from S\$0.99 million in the six months financial period ended 30 June 2018 ("HY2018") to S\$2.58 million in the six months financial period ended 30 June 2019 ("HY2019") mainly due to increase in finance costs by S\$1.49 million in HY2019 as compared to HY2018.

Revenue

The Group's revenue mainly derived from project management services rendered by Orientis Solutions Sdn Bhd ("OSSB") and it has decreased by approximately S\$61,000 or 50% from S\$122,000 in HY2018 to S\$61,000 in HY2019. The decrease was mainly due to lower revenue recognition from one of the project management contract in HY2019 as compared to HY2018. OSSB provides architectural design, project financial feasibility assessment, engineering expertise and construction management services.

Gross loss

In HY2019, the Group's gross loss decreased by approximately S\$57,000 or 37.5% from S\$152,000 in HY2018 to S\$95,000 million in HY2019. It is mainly attributable to cost reduction measures i.e. headcounts reduction taken by the Group during the financial period.

Other operating income

Other operating income comprised mainly interest income. Other income has increased by approximately S\$26,000 or 25.2% from S\$103,000 in HY2018 to S\$129,000 in HY2019. The increase was mainly due to the increase in interest income by S\$85,000, which was partially offset by the absence of negative goodwill of S\$47,000 that was recognised in HY2018.

General and administrative expenses (“G&A Expenses”)

G&A Expenses comprised mainly salaries and related costs, professional fees, rental expenses, subscription fees, printing and stationery and land related costs. The G&A Expenses increased by approximately S\$0.17 million or 18.4% from S\$0.93 million in HY2018 to S\$1.10 million in HY2019 mainly due to the land related costs, i.e. quit rent and assessment of approximately S\$378,000 being expensed off in HY2019 and foreign exchange loss of S\$234,000 recorded in HY2019. The increase in G&A Expenses was mitigated by the decrease in staff costs, corporate exercise expenses and depreciation expenses by approximately S\$118,000, S\$258,000 and S\$41,000 respectively.

Finance Costs

Finance costs comprised mainly loan interest expense. Interest expense has increased significantly by approximately S\$1.49 million or more than 100% from S\$3,000 in HY2018 to S\$1.50 million in HY2019 mainly due to expensed off loan interest expense directly attributable to CN Lands. The capitalisation of loan interest expense ceased because of the activities related to development have been suspended.

BALANCE SHEET

Property, plant and equipment decreased by S\$16,000 from S\$72,000 as at 31 December 2018 to S\$56,000 as at 30 June 2019. The decrease was mainly due to depreciation of non-current assets of the Group.

Land held for property development of S\$123.46 million as at 30 June 2019 relates to the land cost for the three parcels of undeveloped lands owned by 3C Marina. Land held for property development will be transferred to property development when development activities commence and are expected to be complete within the Group’s normal operating cycle. The movement in land held for property development is due to different exchange rate used in translation as at closing date.

Other intangible assets decreased by approximately S\$35,000 from S\$206,000 million as at 31 December 2018 to S\$171,000 as at 30 June 2019 due to amortisation of assets during the financial period.

Other receivables and deposits decreased by approximately S\$48,000 from S\$211,000 million as at 31 December 2018 to S\$163,000 as at 30 June 2019 due to interest receivables as at 31 December 2018 have been received during the financial period.

Cash and cash equivalents decreased by approximately S\$8.98 million mainly due payments made for term loans instalments and working capital purposes.

Other payables and accruals decreased by approximately S\$175,000 from S\$679,000 as at 31 December 2018 to S\$504,000 as at 30 June 2019, mainly due to decrease in loan interest accrual as at 30 June 2019.

Contract liabilities increased by S\$53,000 from S\$222,000 as at 31 December 2018 to S\$275,000 as at 30 June 2019. The increase was mainly due to the increase in progress billings recognised during the six-month period ended 30 June 2019 for OSSB.

The current and non-current bank borrowings of the Group amounted to S\$6.13 million and S\$63.23 million as at 30 June 2019 and 31 December 2018 respectively. The bank borrowings reduced by S\$7.1 million because of repayments made during the financial period.

The Group reported a negative working capital of S\$17.59 million as at 30 June 2019 as compared to S\$8.98 million as at 31 December 2018. Cash balance outstanding as at 30 June 2019 stood at approximately S\$14.03 million.

CASH FLOW STATEMENT

Net cash used in operating activities in HY2019 was approximately S\$2.44 million, mainly due to an operating cash outflow of approximately S\$0.99 million before changes in working capital, decrease in payables of S\$265,000 and interest paid of S\$1.43 million. This was partially offset by interest income received of S\$120,000 and receipt from receivables of S\$69,000 during the financial period.

Net cash used in financing activities amounted to S\$6.54 million in HY2019 comprised mainly repayment of bank borrowings and lease payments of S\$6.53 million and S\$6,000 respectively.

The Group recorded a net decrease in cash and cash equivalents of approximately S\$8.98 million in HY2019.

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 Group continues to expect the Johor property market conditions to remain weak and challenging. The Group will pursue new business opportunities for property development as and when they arise.

The remaining unutilised proceeds from the Rights Issue which recorded as cash and cash equivalents in the book is expected to be utilised by end 2019 for the partial repayment of Term Loans and working capital in accordance with the intended use as disclosed in the Offer Information Statement. The Group will be exploring options for additional funds in the second half of the year to repay bank borrowings and working capital beyond 2019.

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) 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 or recommended, a statement to that effect.

No dividend has been declared or recommended for HY2019.

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 had obtained a general mandate from shareholders for IPT which was approved at the Company’s annual general meeting on 25 April 2019.

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under Shareholders’ general mandate pursuant to Rule 920 of the Catalist Rules)	Aggregate value of all interested person transactions conducted under Shareholders’ general mandate pursuant to Rule 920 of the Catalist Rules (excluding transactions less than S\$100,000)
	S\$	S\$
Publiq Development Group Sdn Bhd Project Consultancy Services & recovery of incidentals	-	98,992

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

The Board of Directors of 3Cenergy Limited hereby confirms that the undertakings under Rule 720 (1) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, have been obtained from all the directors and executive officers as required in the format set out in Appendix 7H.

15. Negative confirmation pursuant to Rule 705(5).

The Board of Directors (the “Board”) of the Company hereby confirm that to the best of its knowledge, nothing has come to the attention of the Board which may render the unaudited financial results for the half year ended 30 June 2019 for the Company and the Group set out above to be false or misleading in any material aspect.

16. Update on the use of Rights Issue proceeds

Intended use of proceeds	Amount Allocated S\$'000	Amount utilised S\$'000	Balance S\$'000
Expenses incurred in relation to Rights Issue ⁽¹⁾	300	(258)	42
Partial repayment of Term Loans	20,718	(15,092)	5,626
General working capital ⁽²⁾	10,484	(4,986)	5,498
Total	31,502	(20,336)	11,166

Notes:

- (1) Expenses incurred in relation to the Rights Issue relate to Professional Fees and Listing Fees.
- (2) General working capital includes directors’ fees, salary related expenses, payment to supplier, expenses incurred in connection with the Land Development and other operating costs.

The use of proceeds from the Rights Issue as disclosed above is in accordance with the intended uses as disclosed in the Offer Information Statement.

The Board will continue to provide periodic announcements on the utilisation of the balance of the proceeds from the Rights Issue as and when the proceeds are materially disbursed and provide a status report on such use in its annual report and its half yearly and full-year financial statements.

BY ORDER OF THE BOARD

Chung Chee Khuen
Group Managing Director and Chief Executive Officer
Date: 8 August 2019