

NEW WAVE HOLDINGS LTD.

Unaudited Half Year Financial Statement and Dividend Announcement for the Period Ended 30/09/2017

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"), for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst. The Sponsor has not 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 accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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PART 1 - 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

	Group Half year ended 30 September		Increase/ (Decrease) %
	2017 S\$'000	2016 S\$'000	
Revenue	7,939	9,040	(12.2)
Cost of sales	(6,314)	(7,384)	(14.5)
Gross profit	1,625	1,656	(1.9)
Other income	2,657	99	2583.8
Distribution costs	(189)	(220)	(14.1)
Administrative expenses	(1,582)	(1,661)	(4.8)
Other expenses	(187)	(427)	(56.2)
Finance costs	(68)	(57)	19.3
Profit/(Loss) before income tax	2,256	(610)	NM
Income tax expense	(80)	(25)	220.0
Profit/(Loss) for the financial period attributable to owners of the parent	2,176	(635)	NM
Other comprehensive income for the financial period, net of tax:			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation	115	(304)	NM
Total comprehensive income for the financial period, attributable to owners of the parent	2,291	(939)	NM

NM = Not Meaningful

1(a)(ii) Notes to consolidated statement of comprehensive income

	Group Half year ended 30 September		Increase/ (Decrease) %
	2017 S\$'000	2016 S\$'000	
Profit/(Loss) before income tax is arrived at:			
After charging:			
Allowance for impairment of trade receivables	1	-	NM
Amortisation of intangible asset	76	76	-
Change in fair value of investment properties	2,505	-	NM
Depreciation of property, plant and equipment	105	128	(18.0)
Interest expense	68	57	19.3
Foreign exchange loss, net	-	223	NM
Plant and equipment written off	5	-	NM
and crediting:			
Foreign exchange gain, net	63	-	NM
Gain on disposal of plant and equipment	16	-	NM
Interest income	15	10	50.0
Rental income	31	31	-
Write back of allowance for impairment of trade receivables no longer required	1	-	NM

NM = 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	
	As at 30/09/2017 S\$'000	As at 31/03/2017 S\$'000	As at 30/09/2017 S\$'000	As at 31/03/2017 S\$'000
Non-current assets				
Property, plant and equipment	2,604	2,569	-	-
Investment properties	5,320	2,815	-	-
Intangible assets	891	967	-	-
Investments in subsidiaries	-	-	19,838	19,838
Deferred tax asset	72	72	-	-
	<u>8,887</u>	<u>6,423</u>	<u>19,838</u>	<u>19,838</u>
Current assets				
Inventories	8,480	6,719	-	-
Trade and other receivables	4,125	4,203	5,312	5,819
Prepayments	79	98	13	11
Income tax recoverable	87	124	-	-
Cash and cash equivalents	5,782	6,069	1,813	1,787
	<u>18,553</u>	<u>17,213</u>	<u>7,138</u>	<u>7,617</u>
Less:-				
Current liabilities				
Trade and other payables	2,161	2,309	2,903	2,940
Interest-bearing liabilities	3,728	2,113	-	-
Current income tax payable	18	-	-	-
	<u>5,907</u>	<u>4,422</u>	<u>2,903</u>	<u>2,940</u>
Net current assets	<u>12,646</u>	<u>12,791</u>	<u>4,235</u>	<u>4,677</u>
Non-current liabilities				
Interest-bearing liabilities	1,043	1,002	-	-
Deferred tax liabilities	75	88	-	-
	<u>1,118</u>	<u>1,090</u>	<u>-</u>	<u>-</u>
Net assets	<u>20,415</u>	<u>18,124</u>	<u>24,073</u>	<u>24,515</u>
Capital and reserves				
Share capital	26,088	26,088	26,088	26,088
Asset revaluation reserve	315	315	-	-
Share-based payment reserve	31	31	31	31
Foreign currency translation reserve	(1,525)	(1,640)	-	-
Accumulated losses	<u>(4,494)</u>	<u>(6,670)</u>	<u>(2,046)</u>	<u>(1,604)</u>
Equity attributable to owners of the parent	<u>20,415</u>	<u>18,124</u>	<u>24,073</u>	<u>24,515</u>

1(b)(ii) Aggregate amount of group's borrowings and debt securities**Amount repayable in one year or less, or on demand**

As at 30/09/2017		As at 31/03/2017	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
73	3,655	59	2,054

Amount repayable after one year

As at 30/09/2017		As at 31/03/2017	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
1,043	-	1,002	-

Details of any collateral

Amounts due to finance lease creditors (included in interest-bearing liabilities) are secured by plant and equipment acquired under finance lease contracts.

Term loan (included in interest-bearing liabilities) to finance the purchase of the Malaysian factory is secured by a legal charge against the property as well as a corporate guarantee provided by the Company.

Trust receipts of the subsidiaries (included in interest-bearing liabilities) are secured by corporate guarantees provided by the Company.

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	
	Half year ended 30 September	
	2017	2016
	S\$'000	S\$'000
Operating activities		
Profit/(Loss) before income tax	2,256	(610)
Adjustments for:-		
Allowance for impairment of trade receivables	1	-
Amortisation of intangible assets	76	76
Change in fair value of investment properties	(2,505)	-
Depreciation of property, plant and equipment	105	128
Gain on disposal of plant and equipment	(16)	-
Interest expense	68	57
Interest income	(15)	(10)
Plant and equipment written off	5	-
Write back of allowance for impairment of trade receivables no longer required	(1)	-
Operating cash flows before working capital changes	(26)	(359)
Working capital changes:-		
Inventories	(1,693)	1,923
Trade and other receivables	114	1,303
Trade and other payables	(162)	2
Prepayments	19	105
Cash (used in)/from operations	(1,748)	2,974
Interest received	15	10
Interest paid	(68)	(57)
Income taxes paid, net	(36)	(67)
Net cash (used in)/from operating activities	(1,837)	2,860
Investing activities		
Proceeds from disposal of plant and equipment	18	-
Purchase of plant and equipment (Note B)	(40)	(156)
Net cash used in investing activities	(22)	(156)
Financing activities		
Proceeds from trust receipts	4,829	2,514
Repayments of trust receipts	(3,236)	(2,770)
Repayments of finance lease obligations	(22)	(26)
Repayments of term loan	(21)	(18)
Net cash from/(used in) financing activities	1,550	(300)
Net change in cash and cash equivalents	(309)	2,404
Cash and cash equivalents at the beginning of the financial period	6,069	3,181
Effect of currency translation on cash and cash equivalents	22	(51)
Cash and cash equivalents at the end of the financial period (Note A)	5,782	5,534

Note A:

Cash and cash equivalents comprised:

	As at 30/09/2017 S\$'000	As at 30/09/2016 S\$'000
Fixed deposits with banks	2,126	2,107
Cash and bank balances	<u>3,656</u>	<u>3,427</u>
	<u>5,782</u>	<u>5,534</u>

Note B:

Additions to property, plant and equipment comprised:

	As at 30/09/2017 S\$'000	As at 30/09/2016 S\$'000
Additions to property, plant and equipment	122	236
Acquired under finance lease agreements	<u>(82)</u>	<u>(80)</u>
	<u>40</u>	<u>156</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

	Equity attributable to owners of the parent					
	Share capital S\$'000	Asset revaluation reserve S\$'000	Share-based payment reserve S\$'000	Foreign currency translation reserve S\$'000	Accumulated (losses)/ profits S\$'000	Total S\$'000
The Group						
Balance at 1 April 2017	26,088	315	31	(1,640)	(6,670)	18,124
Profit for the financial period	-	-	-	-	2,176	2,176
Other comprehensive income for the financial period						
Exchange differences on translating foreign operations	-	-	-	115	-	115
Total comprehensive income for the financial period	-	-	-	115	2,176	2,291
Balance at 30 September 2017	26,088	315	31	(1,525)	(4,494)	20,415
Balance at 1 April 2016	26,088	315	31	(1,148)	(5,517)	19,769
Loss for the financial period	-	-	-	-	(635)	(635)
Other comprehensive income for the financial period						
Exchange differences on translating foreign operations	-	-	-	(304)	-	(304)
Total comprehensive income for the financial period	-	-	-	(304)	(635)	(939)
Balance at 30 September 2016	26,088	315	31	(1,452)	(6,152)	18,830

The Company	Share capital S\$'000	Share-based payment reserve S\$'000	Accumulated losses S\$'000	Total S\$'000
Balance at 1 April 2017	26,088	31	(1,604)	24,515
Loss for the financial period, representing total comprehensive income for the financial period	-	-	(442)	(442)
Balance at 30 September 2017	26,088	31	(2,046)	24,073
Balance at 1 April 2016	26,088	31	(825)	25,294
Loss for the financial period, representing total comprehensive income for the financial period	-	-	(458)	(458)
Balance at 30 September 2016	26,088	31	(1,283)	24,836

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.

The share capital of the Company was S\$26,088,313 comprising 1,607,469,695 shares, as at 30 September 2017 and 31 March 2017. There was no change in the Company's share capital from 31 March 2017 up to 30 September 2017.

There were no outstanding convertible securities, treasury shares or subsidiary holdings as at 30 September 2017 and 30 September 2016.

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.

The total number of issued shares as at 30 September 2017 and 31 March 2017 was 1,607,469,695 shares.

The Company did not have treasury shares as at 30 September 2017 and 31 March 2017.

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 as 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 as there are no 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.

Pursuant to the requirements of Rule 25 of the Singapore Code on Take-overs and Mergers, the figures have been reviewed by the Company's auditors in accordance with Singapore Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

There is no qualification or emphasis of matter in the auditors' review report. The review report of the Independent Auditor is enclosed in Annexure I.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied.

Save as disclosed in paragraph 5 below, the accounting policies and methods of computation applied by the Group are consistent with those used in its most recently audited financial statements for the financial year ended 31 March 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 or revised Singapore Financial Reporting Standards ("FRS") and Interpretations to FRS ("INT FRS") that are relevant to its operations and effective in the financial periods beginning on or after 1 April 2017. The adoption of these new or revised FRS and INT FRS where relevant has no material impact on the Group's accounting policies and/or the financial statements for the current financial period reported on.

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.

	Group	
	Half year ended	
	30/09/2017	30/09/2016
Profit/(Loss) attributable to owners of the parent (SGD'000)	2,176	(635)
Profit/(Loss) per ordinary share after deducting any provision for preference dividends:-		
(a) Based on the weighted average number of ordinary shares in issue (SGD cents)	0.14	(0.04)
(b) On a fully diluted basis (SGD cents)	0.14	(0.04)

Earnings/(loss) per ordinary share for the financial periods ended 30 September 2017 and 30 September 2016 in Item 6(a) is computed based on the profit/(loss) attributable to the owners of the parent divided by the actual number of ordinary shares in issue of 1,607,469,695.

Earnings/(loss) per ordinary share on a fully diluted basis for the financial periods ended 30 September 2017 and 30 September 2016 in Item 6(b) is the same as the basic earnings/(loss) per ordinary share because the Company did not have any potentially dilutive ordinary shares during and as at the end of the said financial periods.

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.**

	Group		Company	
	As at 30/09/2017	As at 31/03/2017	As at 30/09/2017	As at 31/03/2017
Net asset value per ordinary share based on issued share capital (SGD cents)	1.27	1.13	1.50	1.53

Net asset value per ordinary share of the Group and the Company are computed based on the net assets of the Group and the Company respectively, divided by the number of issued ordinary shares of 1,607,469,695 shares as at 30 September 2017 and 31 March 2017.

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, asset or liabilities of the group during the current financial period reported on.**

Review of the Financial Performance of the Group – Six months ended 30 September 2017 (“1H2018”) vs. Six months ended 30 September 2016 (“1H2017”)

Turnover

The Group continued to experience weak demand for its products. Group revenue decreased by 12.2% from S\$9.04 million in 1H2017 to S\$7.94 million in 1H2018.

Sales of the aluminium products distribution division improved in both its Singapore and Malaysia markets. Sales growth in the Malaysia market would have been higher if it had not been affected by the downward movement of the Ringgit against the Singapore dollar.

However, overall sales were affected by the decrease in sales in the PRC market of 46.8% due mainly to delays encountered in certain projects orders. The decrease in sales was further aggravated by the planned reduction of sales to the PRC stockists as the Group consolidated its inventory portfolio.

The lackluster performance from the components distribution division likewise contributed to the decrease in sales.

Profit Before Income Tax

Gross profit decreased marginally by 1.9% from S\$1.66 million in 1H2017 to S\$1.63 million in 1H2018. Gross margins however improved from 18.3% in 1H2017 to 20.5% in 1H2018. The improvement was mainly from the aluminium products distribution division as the division continued to work on improving its inventory portfolio.

Other income increased from S\$0.10 million in 1H2017 to S\$2.66 million in 1H2018, due mainly to fair value gain on investment properties of S\$2.50 million. In addition, an exchange gain of S\$0.06 million was recorded in 1H2018 whereas an exchange loss of S\$0.22 million was recorded in 1H2017.

With the exception of finance costs, all other categories of expenses decreased due partly to decreased sales and partly to concerted efforts made to reduce spending.

Distribution costs decreased by 14.1% from S\$0.22 million in 1H2017 to S\$0.19 million in 1H2018 due mainly to lower freight costs and lower entertainment expenses in line with lower sales.

Administrative expenses decreased slightly by 4.8% from S\$1.67 million in 1H2017 to S\$1.58 million in 1H2018 due mainly to lower staff costs.

Other expenses decreased by 56.2% from S\$0.43 million in 1H2017 to S\$0.19 million in 1H2018. Included in other expenses in 1H2017 was an exchange loss of S\$0.22 million, whereas there was an exchange gain of \$0.06 million in 1H2018 recorded under other income. Depreciation expense also decreased 18.0% from S\$0.13 million in 1H2017 to S\$0.10 million in 1H2018. Various items of plant and equipment were fully depreciated in the past financial year and this reduction of charges more than offset depreciation of new assets.

Finance costs, which comprised mainly interest charges for trust receipts and a term loan, increased from S\$0.06 million to S\$0.07 million due to increased usage of trust receipts as more purchases were made during 1H2018.

As a result of the above, the Group recorded a profit before income tax of S\$2.26 million in 1H2018, as compared to a loss before income tax of S\$0.61 million in 1H2017.

Assets and Liabilities

Property, plant and equipment increased from S\$2.57 million as at the start of 1H2018 to S\$2.60 million as at the end of 1H2018. Additions to property, plant and equipment totalled S\$0.12 million of which S\$0.11 million were for purchase of lorries and a van for the aluminium products distribution division. Depreciation charges for 1H2018 amounted to S\$0.10 million. Included under property, plant and equipment is an owner-occupied property at Jalan Besar Plaza with a net book value of S\$0.66 million as at 30 September 2017. Based on the valuation report from an independent professional valuer, the market value of the owner-occupied property at Jalan Besar Plaza as at 30 September 2017 is S\$4.70 million. No adjustment has been made to the net book value of the aforementioned property in the Group's consolidated financial statements as at 30 September 2017, which is in line with the Group's accounting policies. Please refer to the next paragraph on investment properties for further details on the valuations of the Group's Jalan Besar Plaza properties.

Investment properties, all of which are situated within Jalan Besar Plaza, increased by S\$2.50 million to S\$5.32 million as at the end of 1H2018 due to an increase in valuation amounts based on the valuation reports from an independent professional valuer. For the valuation of the

investment properties and the owner-occupied property mentioned in the foregoing paragraph, the valuer has adopted the Comparable Sales Method where a comparison and analysis is made with recent transactions of similar properties, preferably in the vicinity. Taking into consideration the prevailing economic conditions affecting the property market, appropriate adjustments are made for differences in location, age, tenure, area, design and layout, condition, standard of finishes, date of transaction, among others. The valuer has indicated his awareness that Jalan Besar Plaza is in the process of an Enbloc exercise. However, the valuer has not taken the potential Enbloc sale into consideration in his valuations. The Group notes that the closing date for the ongoing tender for the Enbloc exercise is on 10 November 2017.

Intangible assets decreased through an amortisation charge of S\$0.08 million to S\$0.89 million as at the end of 1H2018.

Inventories increased from S\$6.72 million as at 31 March 2017 to S\$8.48 million as at 30 September 2017 due to increased purchases in line with the Group's marketing plan to expand its market coverage.

Trade and other receivables decreased from S\$4.20 million as at 31 March 2017 to S\$4.12 million as at 30 September 2017 due mainly to decrease in trade receivables in tandem with decreased sales.

Trade and other payables decreased from S\$2.31 million as at 31 March 2017 to S\$2.16 million as at the end of 30 September 2017. Trade payables increased from S\$1.35 million as at 31 March 2017 to S\$1.51 million as at 30 September 2017 due to increased purchases. This increase was however offset by a decrease in other payables from S\$0.96 million as at 31 March 2017 to S\$0.65 million as at 30 September 2017 as accrued fees and charges outstanding as at 31 March 2017 were settled during this half year period.

Current interest-bearing liabilities which comprised mainly trust receipts owing to banks increased from S\$2.11 million as at 31 March 2017 to S\$3.73 million as at 30 September 2017 as more purchases were made in line with inventory policies, and the bulk of these purchases were financed through trust receipts.

Non-current interest-bearing liabilities comprised mainly a term loan owing to a bank and the non-current portion of finance leases. The borrowings increased from S\$1.00 million as at 31 March 2017 to S\$1.04 million as at 30 September 2017 due mainly to S\$0.08 million new finance leases incurred during the period offset with the reduction through instalment payments of the term loan and the finance leases.

The Group had a positive working capital of S\$12.65 million as at the end of 1H2018.

Cash Flow and Working Capital

Cash and cash equivalents decreased from S\$6.07 million as at 31 March 2017 to S\$5.78 million as at 30 September 2017.

Net cash used in operating activities amounted to S\$1.84 million and resulted mainly from working capital changes from the increase in inventories and decrease in trade and other payables of S\$1.69 million and S\$0.16 million respectively. Inventories were increased in line with planned increase of the range of products while other payables decreased as various fees and expenses accrued as at 31 March 2017 were settled during 1H2018.

Net cash used in investing activities amounted to S\$0.02 million. Additions to plant and equipment that were paid in cash totaled S\$0.04 million, but this amount was offset by proceeds from disposal of used plant and equipment of S\$0.02 million.

Net cash generated from financing activities amounted to S\$1.55 million. The proceeds from fresh trust receipts amounted to S\$4.83 million and these were used mainly towards settlement of matured trust receipts which amounted to S\$3.24 million, and for instalment payments of bank term loan and finance leases.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable as no forecast or prospect statement has been disclosed previously 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.

With a more balanced inventory portfolio, the Group targets to strengthen its customer base and expand its market coverage through, amongst others, organic growth, acquisitions and/or joint ventures with relevant parties, which may be funded through the Group's internal resources, bank borrowings and/or issuance of new shares in the Company.

We will continue to optimize our inventory portfolio and manage operational efficiency in view of the uncertainty over the general economic outlook.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None.

(c) Date payable

Not Applicable.

(d) 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 1H2018.

13. Requirement under Rule 705(5) of the SGX-ST Listing Manual Section B: Rules of Catalyst

The Board of Directors of the Company hereby confirms 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 unaudited half year financial results for 1H2018 false or misleading in any material aspect.

14. 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 does not have a general mandate for interested person transactions. There was no interested person transaction with a value of S\$100,000 or more during 1H2018.

15. Update on Use of Placement Proceeds

On 21 December 2015, the Company issued 150 million shares by way of a private placement and the net proceeds after deducting share issue expenses amounted to approximately S\$1.34 million. The Company has not as yet utilised the net proceeds. The full amount has been placed as term deposits with a bank.

16. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the form set out in Appendix 7H) under Rule 720(1) of the Catalyst Rules

The Company confirms that it has procured undertakings from all its directors and executive officers (in the form set out in Appendix 7H) under Rule 720(1).

17. The Singapore Code on Take-overs and Mergers

As announced by the Company on 20 October 2017, Oversea-Chinese Banking Corporation Limited had, for and on behalf of JK Global Assets Pte. Ltd. (the "**Offeror**"), on 19 October 2017 released an announcement (the "**Offer Announcement**") that the Offeror intends to make a voluntary conditional cash offer (the "**Offer**") for all the issued and paid up ordinary shares in the capital of the Company ("**Shares**"), including all Shares owned, controlled or agreed to be acquired by any party acting or deemed to be acting in concert with the Offeror in connection with the Offer.

In view of the above, this announcement has been reported on in accordance with Rule 25 of the Singapore Code on Take-overs and Mergers with the following Annexures:

Annexure I – Report dated 8 November 2017 from BDO LLP, Public Accountants and Chartered Accountants of Singapore ("Independent Auditor of the Company") on their review of the consolidated interim financial information for the half year period ended 30 September 2017.

Annexure II – Report dated 8 November 2017 from Provenance Capital Pte Ltd, the Independent Financial Adviser to the Directors of the Company who are considered independent for the purpose of making a recommendation to the shareholders of the Company in respect of the Offer, on their review of the unaudited consolidated financial statement for the half year period ended 30 September 2017.

BY ORDER OF THE BOARD

Ong Kian Soon
Chief Executive Officer
8 November 2017