

UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE HALF YEAR ENDED 30 JUNE 2017

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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 (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	The Group		Change %
	S\$'000		
	HY 2017	HY 2016	
Revenue	6,728	7,629	(11.8)
Other income	103	131	(21.4)
Other gains and losses	117	132	(11.4)
Cost of inventories	(3,945)	(4,739)	(16.8)
Depreciation	(160)	(112)	42.9
Employee compensation	(1,328)	(1,217)	9.1
Finance expense	(32)	(39)	(17.9)
Freight and transportation expense	(201)	(220)	(8.6)
Installation expense	(247)	(204)	21.1
Other operating expenses	(1,160)	(1,400)	(17.1)
Total expenses	(7,073)	(7,931)	(10.8)
Loss before income tax	(125)	(39)	220.5
Income tax expense	-	(20)	(100.0)
Net loss	(125)	(59)	111.9
Loss attributable to equity holders	(125)	(59)	111.9
Other comprehensive loss			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation – losses	(72)	-	NM
Other comprehensive loss, net of tax	(72)	-	NM
Total comprehensive loss	(197)	(59)	233.9
Total comprehensive loss attributable to equity holders	(197)	(59)	233.9

NM – Not Meaningful

1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year:

	The Group		
	HY 2017	HY 2016	Change
	S\$'000	S\$'000	%
<u>Other income</u>			
Finance income	21	42	(50.0)
Government grant	14	14	-
Rental income from investment property	35	23	52.2
Sundry income	33	52	(36.5)
	103	131	(21.4)
<u>Other gains and losses</u>			
Gain on disposal of property, plant and equipment	-	7	(100.0)
Property, plant and equipment written-off	-	(3)	(100.0)
Currency exchange gains – net	117	128	(8.6)
	117	132	(11.4)
<u>Loss before tax</u>			
<i>This is arrived at after charging in the Other Operating Expenses:</i>			
Allowance for impairment of trade receivables - net	(13)	86	(115.1)
Bad debts written off/(recovered)	15	(16)	(193.8)
Inventories written off	76	-	NM
Rental expense on operating lease	442	427	3.5
Repair and maintenance	155	189	(18.0)

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.

BALANCE SHEETS

ASSETS

Current assets

Cash and bank balances

Trade and other receivables

Inventories

Non-current assets

Investment in joint venture

Investments in subsidiary corporations

Investment property

Property, plant and equipment

Total assets

LIABILITIES

Current liabilities

Trade and other payables

Current income tax liabilities

Borrowings - trust receipts

Deferred income

Non-current liability

Deferred income tax liabilities

Total liabilities

NET ASSETS

EQUITY

Capital and reserves attributable to equity holders of the Company

Share capital

Currency translation reserve

Retained profits/(accumulated losses)

Total equity

Note

A

B

Group		Company	
30 June 17 S\$'000	31 Dec 16 S\$'000	30 June 17 S\$'000	31 Dec 16 S\$'000
5,751	6,192	1,289	1,462
4,998	5,400	1,209	1,177
5,018	4,569	-	-
15,767	16,161	2,498	2,639
359	359	-	-
-	-	3,500	3,500
2,967	3,000	-	-
810	818	-	-
4,136	4,177	3,500	3,500
19,903	20,338	5,998	6,139
1,675	1,890	75	89
1	9	-	-
1,994	2,031	-	-
52	29	-	-
3,722	3,959	75	89
-	1	-	-
3,722	3,960	75	89
16,181	16,378	5,923	6,050
6,365	6,365	6,365	6,365
(72)	-	-	-
9,888	10,013	(442)	(315)
16,181	16,378	5,923	6,050

Note A: Cash and bank balances

Cash at bank
Fixed deposit
Cash on hand

Group		Company	
30 June 17 S\$'000	31 Dec 16 S\$'000	30 June 17 S\$'000	31 Dec 16 S\$'000
2,242	1,892	1,289	462
3,506	4,300	-	1,000
3	*	*	*
5,751	6,192	1,289	1,462

* Denotes amount less than S\$1,000

Note B: Trade and other payables

Trade payables
Other payables
- non- related parties
- joint venture
Amount due to director
Accruals for operating expenses
Advance rental income received
Goods and services tax payable

Group		Company	
30 June 17 S\$'000	31 Dec 16 S\$'000	30 June 17 S\$'000	31 Dec 16 S\$'000
1,182	864	-	-
86	49	72	29
182	358	-	-
6	-	-	-
103	443	3	60
6	6	-	-
110	170	-	-
1,675	1,890	75	89

1(b)(ii) In relation to the aggregate amount of group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year.

Amount repayable in one year or less, or on demand

As at 30 June 2017		As at 31 Dec 2016	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
1,994*	-	2,031*	-

***Trust receipts**

Details of any collateral

The Group issued corporate guarantees of S\$7.13 million to secure the existing borrowings.

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

CONSOLIDATED STATEMENT OF CASH FLOWS

Cash flows from operating activities:

Net loss	(125)	(59)
Adjustments for:		
Income tax expense	-	20
Depreciation of property, plant and equipment	127	90
Depreciation of investment property	33	22
Gain on disposal of property, plant and equipment	-	(7)
Property, plant and equipment written-off	-	3
Interest income	(21)	(42)
Finance expense	32	39
Unrealised currency translation losses	(72)	-
Operating cash flows before movements in working capital	(26)	66

Change in working capital:

Inventories	(449)	(792)
Trade and other receivables	397	1,858
Trade and other payables	(215)	(749)
Deferred income	23	(9)
Cash (used in)/provided by operations	(270)	374
Income tax paid	(9)	(61)
Net cash (used in)/ provided by operating activities	(279)	313

Cash flows from investing activities:

Additions to property, plant and equipment	(119)	(710)
Additions to investment property	-	(478)
Interest received	26	31
Proceeds from disposal of property, plant and equipment	-	8
Net cash used in investing activities	(93)	(1,149)

Cash flows from financing activities:

Proceeds from borrowings	3,026	3,797
Repayment of borrowings	(3,063)	(4,513)
Interest paid	(32)	(39)
Dividends paid to equity holders of the Company	-	(257)
Fixed deposits with maturity more than three months	394	1,000
Net cash provided by/ (used in) financing activities	325	(12)

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

CONSOLIDATED STATEMENT OF CASH FLOWS

Net decreased in cash and cash equivalents

Cash and cash equivalents:

Beginning of financial period

End of financial period

HY 2017	HY 2016
S\$'000	S\$'000
(47)	(848)
2,292	3,858
2,245	3,010

For the purpose of presenting the consolidated statement of cash flows, cash and bank balances comprise the following:

Cash and bank balances

Less: Fixed deposits with maturity more than three months

Cash and cash equivalents per consolidated statement of cash flows

HY 2017	HY 2016
S\$'000	S\$'000
5,751	5,510
(3,506)	(2,500)
2,245	3,010

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.

The Group	Share Capital	Currency Translation Reserve	Retained Profits	Total
	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2017	6,365	-	10,013	16,378
Total comprehensive loss for the period	-	-	(125)	(125)
<u>Other comprehensive loss, net of tax</u>				
Currency translation differences arising from consolidation – losses	-	(72)	-	(72)
At 30 June 2017	6,365	(72)	9,888	16,181
At 1 January 2016	6,365	-	10,688	17,053
Dividend paid	-	-	(257)	(257)
Total comprehensive loss for the period	-	-	(59)	(59)
At 30 June 2016	6,365	-	10,372	16,737

The Company	Share Capital	Retained Profits/ (Accumulated Losses)	Total
	S\$'000	S\$'000	S\$'000
At 1 January 2017	6,365	(315)	6,050
Total comprehensive loss for the period	-	(127)	(127)
At 30 June 2017	6,365	(442)	5,923
At 1 January 2016	6,365	8	6,373
Dividend paid	-	(257)	(257)
Total comprehensive income for the period	-	138	138
At 30 June 2016	6,365	(111)	6,254

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 purposes 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.

Ordinary shares of the Company	Number of shares	Share capital S\$
	78,000,000	6,364,807
As at 30 June 2017 and 31 December 2016		

The Company did not have any outstanding options, convertible, treasury shares and subsidiary holdings as at 30 June 2017 and 31 December 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 Company's total number of issued and paid up share capital as at 30 June 2017 was 78,000,000 ordinary shares (31 December 2016: 78,000,000 ordinary shares).

There were no treasury shares as at the end of the current financial period and as at the end of the immediately preceding financial year.

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.

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.

There were no sales, transfers, cancellation and/or use of subsidiary holdings as at 30 June 2017.

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

The figures have not been audited or reviewed by the auditors of the Company.

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

Not applicable.

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

Save as disclosed in Section 5 below, the Group has applied the same accounting policies and methods of computation in the Group's financial statements for the current financial period compared to the audited financial statements for the financial year ended 31 December 2016 except for the adoption of the new and revised Financial Reporting Standards which became effective for the financial period beginning on or after 1 January 2017. The adoption of these new and revised accounting standards did not give rise to any significant impact on the financial statements for the financial year ending 31 December 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 all new and revised Singapore Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for the financial period on or after 1 January 2017, where applicable. The adoption of these new and revised standards from the effective date is not expected to result in any material adjustments to the financial statements of the Group for the current financial reporting period.

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.

Earnings per share ("EPS")	The Group	
	HY 2017	HY 2016
Loss for the period attributable to equity holders of the company (\$'000)	(125)	(59)
Weighted average number of ordinary shares outstanding for basic and diluted earnings per share ('000)	78,000	78,000
Basic and diluted EPS shares (cents) ⁽¹⁾	(0.16)	(0.08)

⁽¹⁾ The basic and diluted EPS were the same as the Company and the Group did not have any potentially dilutive instruments for the respective financial periods.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued share 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") per ordinary share	Group		Company	
	30 June 17	31 Dec 16	30 June 17	31 Dec 16
NAV (S\$'000)	16,181	16,378	5,923	6,050
Number of ordinary shares	78,000,000	78,000,000	78,000,000	78,000,000
Net asset value per ordinary share based on issued share capital (cents)	20.74	21.00	7.59	7.76

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

REVIEW OF FINANCIAL PERFORMANCE

Revenue

Our revenue decreased by approximately S\$0.9 million or 11.8% from S\$7.6 million in HY 2016 to S\$6.7 million in HY 2017. The breakdown of revenue is as follows:

Revenue	The Group		
	HY 2017 S\$'000	HY 2016 S\$'000	Changes %
Distribution Sales	3,690	4,598	(19.7)
Contract Sales	2,961	3,031	(2.3)
Property Management	77	-	100.0
	6,728	7,629	(11.8)

The decrease in Distribution Sales and Contract Sales of approximately S\$0.9 million and S\$70,000 respectively were mainly attributable to a slowdown in Singapore's private sector construction activities and uncertainty in global economy which resulted in lower demand for carpets from distributors.

The increase in property management revenue however helped to cushion the impact of the decrease in overall revenue. The Company's wholly - owned indirect subsidiary, Beijing Zhuoyue Tiancheng Business Management Co. Ltd ("Zhuoyue Tiancheng") has signed a RMB2 million (approximately S\$0.4 million) consultancy agreement with Huangshan Lilang Holiday Resort in Huangshan City. The consultancy fee is recognised over the duration of the agreement.

Other income

The decrease in other income mainly resulted from decrease in finance income and sundry income.

Finance income relates to the interest earned from the fixed deposit placed with a financial institution.

Decrease in sundry income attributable to Wage Credit received from Central Provident Fund Board in HY 2017 has reduced by S\$25,000 as compared to HY 2016.

Increase in rental income from investment property was due to the reason that the investment property was leased to a non-related party with effect from March 2016.

Other gains and losses

The foreign currency exchange translation gain result from the fluctuations of the other currencies against Singapore dollar. The foreign exchange gains decreased by S\$11,000 or 8.6%, from approximately S\$128,000 in HY 2016 to S\$117,000 in HY 2017.

Cost of inventories

Cost of inventories decreased by S\$0.8 million or 16.8% from S\$4.7 million in HY 2016 to S\$3.9 million in HY 2017. This was mainly due to lesser orders from Distribution and Contract Sales customer.

Depreciation

The increase in depreciation expense by S\$48,000 from S\$112,000 in HY 2016 to S\$160,000 in HY 2017 was due to acquisition of computer, forklift and CCTV system during the period.

Employee compensation

Employee cost has increased by S\$0.1 million or 9.1% as compared to HY 2016 due to hiring of additional staffs in Singapore and the Company's wholly - owned indirect subsidiary - Zhuoyue Tiancheng.

Finance expense

Finance expense decreased by S\$7,000 or 17.9% mainly due to lesser utilisation of trust receipts facility with a financial institution in HY 2017 as compared to HY 2016.

Freight and transportation expense

There was a decrease in the freight and transportation expense by S\$19,000 or 8.6% mainly due to the reduction in sales.

Installation expense

The increase in installation expense by S\$43,000 or 21.1% was due to higher installation charges for the new product, Luxury Vinyl Tiles ("LVT").

Other operating expenses

The decrease in other operating expenses of approximately S\$0.2 million or 17.1% was mainly due to the following:

- (i) one-off additional Goods and Services Tax ("GST") amounted to S\$68,000 paid to Inland Revenue Authority Singapore ("IRAS") for FY2013 and FY2014 after assessment in HY 2016 but none in HY 2017;
- (ii) allowance for impairment of trade receivables - net of S\$86,000 in HY 2016 while HY 2017 recorded a net recovery of allowance for impairment of trade receivables of S\$13,000;
- (iii) additional professional fees incurred for preparation, review and printing of Circular and Extraordinary General Meeting held for diversification of business of S\$36,000 in HY 2016 and none in HY 2017;

Other operating expenses (continued)

- (iv) printing, stationery and postage charges reduced by S\$28,000 mainly due to lesser carpet folder printed for HY 2017 as compared to HY 2016;
- (v) repair and maintenance reduced by S\$34,000 mainly due to one-off expenses of S\$26,000 for designer's fee for office renovation and cabling work at temporary office during renovation in HY 2016;
- (vi) job compensation penalty of S\$25,000 in HY 2016 but none in HY 2017; and
- (vii) cash donation to temple of S\$20,000 in HY 2016 but none in HY 2017.

The decrease in other operating expenses had been off-set with the increase in the following:

- (i) inventories written off of S\$76,000 for loose items that discontinued for selling in line with the weak global market sentiment; and
- (ii) bad debts written off of S\$15,000 for HY 2017 while HY 2016 recorded a bad debts recovery of S\$16,000.

Income tax expense

The decrease in the income tax expense was in line with the increase in the loss before income tax in HY 2017 as compared to HY 2016.

Loss after tax

Loss after tax increased by approximately S\$66,000 or 111.9% in HY 2017 as compared to HY 2016 mainly due to decrease in revenue.

Total comprehensive loss

Total comprehensive loss increased by S\$138,000 or 233.9% in HY 2017 as compared to HY 2016 mainly due to losses arising from translating the financial statements of a foreign operation-Zhuoyue Tiancheng of S\$72,000 and loss after tax of S\$66,000.

REVIEW OF FINANCIAL POSITION

Current assets

The Group's current assets decreased by approximately S\$0.4 million or 2.4% mainly due to the decrease in cash and cash equivalents and trade and other receivables of approximately S\$0.4 million each which was offset with the increase in inventories of S\$0.4 million. Decrease in trade and other receivables was mainly due to reduction in revenue. Increase in inventories was due to purchase of new products - Luxury Vinyl Tiles and new range of SMJ carpet tiles.

Non-current assets

The Group's non-current assets decreased by approximately S\$41,000 or 1.0% mainly due to depreciation of property, plant and equipment and investment property.

REVIEW OF FINANCIAL POSITION (continued)

Current liabilities

The decrease in current liabilities of approximately S\$0.2 million or 6.0% was due to the reduction in trade and other payables and borrowings (trust receipts) of approximately S\$0.2 million and S\$37,000 respectively. The reductions were due to reduction in purchases.

Working capital

The Group had a positive working capital of S\$12.0 million as at 30 June 2017 as compared to S\$12.2 million as at 31 December 2016.

Shareholders' equity

The Group's shareholders' equity decreased by approximately 1.2% due to total comprehensive loss of S\$197,000 during the period under review.

REVIEW OF CASH POSITION

Cash flows used in operating activities of the Group amounted to S\$0.3 million for HY 2017 as compared to net cash provided by operating activities of S\$0.3 million in HY 2016 representing a decrease of S\$0.6 million. In HY 2017, the cash flow used in operating activities of S\$0.3 million was mainly contributed by the addition in inventories of S\$0.4 million, decrease in trade and other payables of S\$0.2 million, offset by the decrease in trade and other receivables of S\$0.4 million. As explained above, the decrease in trade and receivables, and trade and other payables were mainly due to the decrease in revenue and purchases respectively.

Net cash used in investing activities were mainly due to the acquisition of property, plant and equipment of S\$0.1 million.

Net cash provided by financing activities of approximately S\$0.3 million was mainly due to the realisation of S\$0.3 million of fixed deposit with maturity of more than three months to cash equivalents.

Overall, the Group recorded a net cash decrease of approximately S\$47,000 as compared to the net decrease of approximately S\$0.8 million in the corresponding period.

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

The current results are in line with the commentary in paragraph 10 of the Full Year 2016 Results Announcement dated 27 February 2017.

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 adopt a cautious view on the outlook of Singapore's private sector construction industry. Operating environment in the Singapore carpet industry continues to be challenging as the demand for carpet is expected to remain weak amidst uncertainties in the economic environment and a dearth of activities in the private residential and commercial sectors. While we have expanded our dealer team in the Export Market, the Group anticipates that Export Market conditions will remain competitive in most of our key markets in FY2017 due to the market weakness and competitive pricing pressures in the regional countries.

Bracing itself for the headwind ahead, the Group has been actively seeking new growth opportunity to increase its revenue stream. The Group has successfully secured two consultancy projects for its Property Investment and Management Division. The Group will continue to focus and grow this business division so as to deliver greater shareholder value. At the same time, the Group will continue to actively re-define its business strategies, and continue to explore measures to optimise the utilisation of its resources efficiently.

11. If a decision regarding dividend has been made:-

(a) Whether an interim (final) dividend has been declared (recommended); and

None.

(b) (i) Amount per share in cents

Not applicable.

(ii) Previous corresponding period in cents

Not applicable.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared or recommended for the half year ended 30 June 2017.

13. If the Group has obtained a general mandate from shareholders for interested persons transactions ("IPT") 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 has not obtained a general mandate from shareholders for IPT.

14. Use of IPO Proceeds

The Company received the gross IPO proceeds of \$3.92 million and the utilisation of the IPO proceeds as at the date of this announcement is as follows:

Use of IPO proceeds	Amount allocated S\$'000	Amount utilised S\$'000	Amount unused S\$'000
Business expansion through acquisitions, joint ventures and/or strategic alliances	1,500	(177)	1,323
Improving inventory management system and logistics support ⁽¹⁾	340	(340)	-
Marketing and business development	250	(175)	75
General working capital ⁽²⁾	329	(329)	-
IPO expenses borne by the Company	1,501	(1,501)	-
	3,920	(2,522)	1,398

Notes:

(1) Out of S\$340,000 allocated for improving inventory management system and logistics support, S\$112,774 has been utilised to purchase a new delivery truck, S\$71,235 has been utilised to purchase two new forklifts and S\$155,991 has been utilised to purchase SAP inventory cum accounting system.

(2) The breakdown of the use of the IPO proceeds on general working capital is as follows:

	S\$
Professional fees	182,765
Directors' fees	74,999
Compliance/Listing fees	6,873
Administrative expenses	27,497
Other operating expenses	36,866
Total	<u>329,000</u>

The Company will make periodic announcements on the use of the proceeds as and when the funds are materially disbursed. The IPO proceeds are placed in short-term deposits with financial institutions and/or used to invest in short term money market instruments, as our Directors may deem appropriate.

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

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

16. Negative confirmation by Directors.

We, Rena Ho Pei Yuen and Nellie Ho Wan Jing, being two Directors of the Company, do hereby confirm on behalf of the Board of Directors of the Company ("the Board") that, to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited financial statements for the half year ended 30 June 2017 to be false or misleading in any material aspect.

On behalf of the Board

Rena Ho Pei Yuen
Executive Director and CEO

Nellie Ho Wan Jing
Executive Director and Deputy CEO
2 August 2017

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