



ES GROUP (HOLDINGS) LIMITED

(Company Registration No. 200410497Z)

(Incorporated in the Republic of Singapore)

**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT
FOR THE FINANCIAL PERIOD ENDED 30 JUNE (“HY”) 2018**

This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, ZICO Capital Pte. Ltd. (the “Sponsor”), for compliance with the Singapore Exchange Securities Trading Limited (“SGX-ST”) Listing Manual Section B: Rules of Catalist. 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 contact person for the Sponsor is Ms. Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road, #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.



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PART 1 – INFORMATION REQUIRED FOR HALF YEAR ANNOUNCEMENT

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.

	Group		
	Unaudited HY2018 S\$'000	Unaudited HY2017 S\$'000 (Restated)	Increase/ (Decrease) %
Revenue	13,223	9,622	37.4
Cost of services	<u>(10,203)</u>	<u>(9,084)</u>	12.3
Gross profit	3,020	538	461.3
Other operating income	475	491	(3.3)
Administrative expenses	(2,653)	(2,856)	(7.1)
Other operating expenses	(912)	(1,230)	(25.9)
Finance costs	<u>(189)</u>	<u>(111)</u>	70.3
Loss before income tax	(259)	(3,168)	(91.8)
Income tax expense	<u>-</u>	<u>(14)</u>	(100.0)
Loss for the period	(259)	(3,182)	(91.9)
Other comprehensive income:			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations	<u>21</u>	<u>15</u>	40.0
Total comprehensive income for the period	<u>(238)</u>	<u>(3,167)</u>	(92.5)
Profit / (loss) attributable to:			
Owners of the Company	95	(2,823)	n/m
Non-controlling interests	<u>(354)</u>	<u>(359)</u>	(1.4)
	<u>(259)</u>	<u>(3,182)</u>	(91.9)
Total comprehensive income attributable to:			
Owners of the Company	105	(2,815)	n/m
Non-controlling interests	<u>(343)</u>	<u>(352)</u>	(2.6)
	<u>(238)</u>	<u>(3,167)</u>	(92.5)

n/m: not meaningful

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

Loss for the period is arrived at after charging / (crediting) the following items:

	Group		
	Unaudited HY2018 S\$'000	Unaudited HY2017 S\$'000 (Restated)	Increase/ (Decrease) %
Depreciation of property, plant and equipment	1,169	1,254	(6.8)
Gain on disposal of property, plant and equipment	(11)	(3)	266.7
Interest expense	189	111	70.3
Interest income	(14)	(20)	(30.0)
Net foreign exchange gain	<u>(80)</u>	<u>(45)</u>	77.8



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

	Group		Company	
	Unaudited 30/06/2018 S\$'000	Unaudited 31/12/2017 S\$'000 (Restated)	Unaudited 30/06/2018 S\$'000	Audited 31/12/2017 S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	6,855	8,506	29	42
Trade receivables	17,494	17,680	2	-
Work-in-progress	1,561	1,410	-	-
Other receivables	943	832	17,550	17,761
Inventories	<u>547</u>	<u>619</u>	-	-
Total current assets	<u>27,400</u>	<u>29,047</u>	<u>17,581</u>	<u>17,803</u>
Non-current assets				
Deposits	7	7	-	-
Investments in subsidiaries	-	-	20,158	20,158
Club membership	50	50	-	-
Property, plant and equipment	<u>18,807</u>	<u>19,983</u>	-	-
Total non-current assets	<u>18,864</u>	<u>20,040</u>	<u>20,158</u>	<u>20,158</u>
Total assets	<u>46,264</u>	<u>49,087</u>	<u>37,739</u>	<u>37,961</u>
LIABILITIES AND EQUITY				
Current liabilities				
Bank loans	2,523	4,272	-	-
Trade payables	1,983	1,754	-	-
Other payables	6,386	6,167	10,323	10,642
Finance leases payables	<u>111</u>	<u>111</u>	-	-
Total current liabilities	<u>11,003</u>	<u>12,304</u>	<u>10,323</u>	<u>10,642</u>
Non-current liabilities				
Bank loans	7,136	8,362	-	-
Finance leases payables	<u>947</u>	<u>1,004</u>	-	-
Total non-current liabilities	<u>8,083</u>	<u>9,366</u>	-	-
Capital, reserves and non-controlling interests				
Share capital	23,698	23,698	23,698	23,698
Statutory surplus reserve	412	409	-	-
Retained earnings	21,071	20,979	3,718	3,621
Currency translation reserve	(243)	(253)	-	-
Merger reserve	<u>(18,570)</u>	<u>(18,570)</u>	-	-
Equity attributable to owners of the Company	26,368	26,263	27,416	27,319
Non-controlling interests	<u>810</u>	<u>1,154</u>	-	-
Total equity	<u>27,178</u>	<u>27,417</u>	<u>27,416</u>	<u>27,319</u>
Total liabilities and equity	<u>46,264</u>	<u>49,087</u>	<u>37,739</u>	<u>37,961</u>



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1(b)(ii) Aggregate amount of Group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

Group as at 30/06/2018		Group as at 31/12/2017	
Unaudited		Unaudited (Restated)	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
2,634	-	4,383	-

Amount repayable after one year

Group as at 30/06/2018		Group as at 31/12/2017	
Unaudited		Unaudited (Restated)	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
8,083	-	9,366	-

Details of any collateral

The Group's bank loans are secured by (i) legal mortgage over the Group's leasehold land and property; (ii) a pledge over vessels; and (iii) corporate guarantees by the Company for all the monies owing.

The Group's obligations under finance leases are secured by the leased assets.



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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 HY2018 S\$'000	Unaudited HY2017 S\$'000 (Restated)
Operating activities		
Loss before income tax	(259)	(3,168)
Adjustments for:		
Interest income	(14)	(20)
Interest expense	189	111
Depreciation of property, plant and equipment	1,169	1,254
Gain on disposal of property, plant and equipment	<u>(11)</u>	<u>(3)</u>
Operating cash flows before movements in working capital	1,074	(1,826)
Trade receivables	206	(3,477)
Work-in-progress	(95)	4,684
Other receivables	(110)	182
Inventories	73	21
Trade payables	221	745
Other payables	158	451
Finance lease receivable	<u>-</u>	<u>1,146</u>
Cash generated from operations	1,527	1,926
Interest received	14	20
Income tax paid	<u>-</u>	<u>(14)</u>
Net cash from operating activities	<u>1,541</u>	<u>1,932</u>
Investing activities		
Proceeds from disposal of property, plant and equipment	11	5
Purchases of property, plant and equipment (Note A)	<u>(26)</u>	<u>(1,099)</u>
Net cash used in investing activities	<u>(15)</u>	<u>(1,094)</u>
Financing activities		
Interest paid	(189)	(111)
Proceeds from term loans	-	5,500
Repayment of term loans	(2,975)	(2,745)
Repayment of obligations under finance leases	<u>(58)</u>	<u>(96)</u>
Net cash (used in) / from financing activities	<u>(3,222)</u>	<u>2,548</u>
Net (decrease) / increase in cash and cash equivalents	(1,696)	3,386
Cash and cash equivalents at the beginning of the period	8,406	4,446
Effects of exchange rate changes on the balance of cash held in foreign currencies	<u>45</u>	<u>(76)</u>
Cash and cash equivalents at end of the period (Note B)	<u>6,755</u>	<u>7,756</u>



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Notes to consolidated statement of cash flows

A) Cash payments on purchases of property, plant and equipment:

	HY2018 S\$'000	HY2017 S\$'000 (Restated)
Purchases of property, plant and equipment	26	1,308
Less: Property, plant and equipment acquired under finance lease arrangements	<u>-</u>	<u>(209)</u>
	<u>26</u>	<u>1,099</u>

B) Cash and cash equivalents comprise:

	As at 30/06/2018 S\$'000	As at 30/06/2017 S\$'000 (Restated)
Cash at bank and on hand	3,674	4,281
Fixed deposits	<u>3,181</u>	<u>3,575</u>
Cash and cash equivalents in Statement of Financial Position	6,855	7,856
Fixed deposit pledged	<u>(100)</u>	<u>(100)</u>
Cash and cash equivalents in Statement of Cash Flows	<u>6,755</u>	<u>7,756</u>



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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.

	<u>Share capital</u> S\$'000	<u>Currency translation reserve</u> S\$'000	<u>Merger reserve</u> S\$'000	<u>Statutory surplus reserve</u> S\$'000	<u>Retained earnings</u> S\$'000	<u>Attributable to owners of the Company</u> S\$'000	<u>Non-controlling interests</u> S\$'000	<u>Total</u> S\$'000
Group								
Balance at 1 January 2018 (Restated)	23,698	(253)	(18,570)	409	20,979	26,263	1,154	27,417
Total comprehensive income for the period								
- Profit / (loss) for the period	-	-	-	-	95	95	(354)	(259)
- Other comprehensive income for the period	-	10	-	-	-	10	10	20
Appropriations	-	-	-	3	(3)	-	-	-
Balance at 30 June 2018	<u>23,698</u>	<u>(243)</u>	<u>(18,570)</u>	<u>412</u>	<u>21,071</u>	<u>26,368</u>	<u>810</u>	<u>27,178</u>
Balance at 1 January 2017 (Restated)	23,698	(293)	(18,570)	404	23,565	28,804	2,266	31,070
Total comprehensive income for the period								
- Loss for the period	-	-	-	-	(2,823)	(2,823)	(359)	(3,182)
- Other comprehensive income for the period	-	9	-	-	-	9	6	15
Issue of ordinary shares	-	-	-	-	-	-	35	35
Balance at 30 June 2017 (Restated)	<u>23,698</u>	<u>(284)</u>	<u>(18,570)</u>	<u>404</u>	<u>20,742</u>	<u>25,990</u>	<u>1,948</u>	<u>27,938</u>
	<u>Share capital</u> S\$'000	<u>Retained earnings</u> S\$'000	<u>Total</u> S\$'000					
Company								
Balance at 1 January 2018	23,698	3,621	27,319					
Profit for the period, representing total comprehensive income for the period	-	97	97					
Balance at 30 June 2018	<u>23,698</u>	<u>3,718</u>	<u>27,416</u>					
Balance at 1 January 2017	23,698	487	24,185					
Profit for the period, representing total comprehensive income for the period	-	365	365					
Balance at 30 June 2017	<u>23,698</u>	<u>852</u>	<u>24,550</u>					



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- 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 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.**

	<u>Company</u> No. of ordinary shares	Issued and paid-up share capital S\$
Balance as at 31 December 2017 and 30 June 2018	<u>141,200,000</u>	<u>23,698,348</u>

There have been no changes to the Company's issued and paid-up share capital during HY2018.

As at 30 June 2018 and 30 June 2017, the Company has no outstanding options, convertibles, treasury shares and 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.**

	<u>Company</u>	
	30/06/2018	31/12/2017
Total number of issued shares (excluding treasury shares)	141,200,000	141,200,000

- 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 has no treasury shares.

- 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 the Company has no subsidiary holdings.

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

The figures in this announcement have not been audited or reviewed by the Company's auditors.

- 3 Where the figures have been audited or reviewed, the auditor's 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 paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the Group's unaudited financial results for HY2018 as its most recently audited financial statements for the financial year ended 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 SFRS(I) on 1 January 2018 and has prepared its first set of financial information under SFRS(I) for the financial period ended 30 June 2018. The Group has consistently applied the same accounting policies in its opening SFRS(I) statement of financial position as at 1 January 2017 and throughout the comparable periods presented, as if these policies had always been in effect. In adopting SFRS(I), the Group is required to apply all the specific transition requirements in SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International) and new SFRS(I), amendments to and interpretation of SFRS(I) that are effective from 1 January 2018. The transition to SFRS(I) did not have any significant impact to the Group except as disclosed below:

SFRS(I) 16 Leases

The Group has early adopted SFRS(I) 16 and applied this Standard retrospectively during the financial year. As a result of the adoption of SFRS(I) 16, the existing requirements for a lessee to distinguish between finance leases and operating leases under the FRS 17 Leases are no longer required. This Standard introduces a single accounting model, requiring the lessee to recognise the right-of-use of the underlying lease asset and the future lease payments liabilities in the statements of financial position. As at 1 January 2017, the Group recognised Right-of-Use assets included in the property, plant and equipment amounted to S\$806,266, lease liability included in finance lease payables amounted to S\$934,208 with a decrease in opening retained earnings amounted S\$127,942.

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	
	Unaudited HY2018	Unaudited HY2017 (Restated)
Profit / (loss) per ordinary share for the financial period based on profit / (loss) attributable to owners of the Company ^(a) :-		
(i) Based on the weighted average number of ordinary shares	0.07 cents	(2.00) cents
(ii) On a fully diluted basis	0.07 cents	(2.00) cents
Weighted average number of ordinary shares in issue	141,200,000	141,200,000

a) Profit / (loss) per ordinary share for HY2018 and HY2017 have been computed based on profit / (loss) attributable to owners of the Company divided by the weighted average number of ordinary shares in issue.

In HY2018 and HY2017, the Company did not have any dilutive instruments. Hence, the basic and fully diluted profit / (loss) per ordinary share in both periods under review are the same.

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	
	Unaudited 30/06/2018	Unaudited 31/12/2017 (Restated)	Unaudited 30/06/2018	Audited 31/12/2017
Net asset value per ordinary share based on the number of issued ordinary shares	18.67 cents ^(a)	18.60 cents ^(b)	19.42 cents ^(a)	19.35 cents ^(b)
Number of issued ordinary shares	141,200,000	141,200,000	141,200,000	141,200,000

- a) Net asset value per ordinary share as at 30 June 2018 have been computed based on equity attributable to owners of the Company as at 30 June 2018 divided by the number of issued ordinary shares as at 30 June 2018.
- b) Net asset value per ordinary share as at 31 December 2017 have been computed based on equity attributable to owners of the Company as at 31 December 2017 divided by the number of issued ordinary shares as at 31 December 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, assets or liabilities of the Group during the current financial period reported on.

(a) Review of Financial Performance of the Group

Revenue increased by S\$3.6 million or 37.4% to S\$13.2 million in HY2018 from S\$9.6 million in HY2017, mainly due to the increase in shipyard repair, ship chartering and related activities.

Gross profit increased by S\$2.5 million or 461.3% to S\$3.0 million in HY2018 from S\$0.5 million in HY2017. Gross profit margin increased by 17.2 percentage point to 22.8% in HY2018 from 5.6% in HY2017 mainly due to the Group's cost control measures and contribution from ship chartering and related activities.

Administrative expenses decreased by S\$0.2 million or 7.1% to S\$2.7 million in HY2018 from S\$2.9 million in HY2017 mainly due to the reduction in professional fees, as well as insurance and staff welfare expenses as a result of the Group's cost control measures.

Other operating expenses decreased by S\$0.3 million or 25.9% to S\$0.9 million in HY2018 from S\$1.2 million in HY2017 mainly due to reduction in dormitory and workshop rental and related expenses as a result of the Group's cost control measures.

Finance costs increased by S\$0.1 million or 70.3% to S\$0.2 million in HY2018 from S\$0.1 million mainly due to higher borrowing costs in HY2018, as compared to HY2017.

As a result of the above, the Group's loss for the period was S\$0.3 million in HY2018, as compared to S\$3.2 million in HY2017. Net profit attributable to owners of the



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Company was S\$0.1 million in HY2018 and net loss attributable to owners of the Company was S\$2.8 million in HY2017.

(b) Review of Financial Position of the Group

The Group recorded positive working capital of S\$16.4 million as at 30 June 2018 as compared to S\$16.7 million as at 31 December 2017.

Assets

Current assets

The Group's current assets decreased by S\$1.6 million to S\$27.4 million as at 30 June 2018 from S\$29.0 million as at 31 December 2017 mainly attributable to decreases in the following:

- a) trade receivables of S\$0.2 million due to fewer completed work orders and billings during HY2018;
- b) inventories of S\$0.1 million due to lower holding of consumables; and
- c) cash and cash equivalents of S\$1.6 million as explained in paragraph 8 (c) below.

The above were partially offset by increases in the following:

- a) work-in-progress of S\$0.2 million mainly due to more on-going projects; and
- b) other receivables of S\$0.1 million mainly due to more prepayments relating to operating expenses.

Non-current assets

Non-current assets decreased by S\$1.2 million to S\$18.8 million as at 30 June 2018 from S\$20.0 million as at 31 December 2017 mainly due to depreciation charges in HY2018.

Liabilities

Current liabilities

Current liabilities decreased by S\$1.3 million to S\$11.0 million as at 30 June 2018 from S\$12.3 million as at 31 December 2017. This was mainly attributable to the repayment of bank loans of S\$1.7 million, partially offset by the increase in trade payables and other payables of S\$0.4 million mainly due to higher purchases of consumables and accrual of employees' related expenses for the period.

Non-current liabilities

Non-current liabilities decreased by S\$1.3 million to S\$8.1 million as at 30 June 2018 from S\$9.4 million as at 31 December 2017 due to the repayment of bank loans.

Equity

As a result of the above, total equity of the Group decreased by S\$0.2 million to S\$27.2 million as at 30 June 2018 from S\$27.4 million as at 31 December 2017. The Group's equity attributable to owners of the Company increased by S\$0.1 million to S\$26.4 million as at 30 June 2018 from S\$26.3 million as at 31 December 2017.



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(c) Review of Statement of Cash Flows of the Group

In HY2018, net cash from operating activities amounted to S\$1.5 million, due to operating cash inflows before changes in working capital of S\$1.0 million and cash generated from working capital of S\$0.5 million.

The net cash generated from working capital of S\$0.5 million in HY2018 was mainly due to (i) a decrease in trade receivables of S\$0.2 million; (ii) a decrease in inventories of S\$0.1 million; (iii) an increase in trade payables of S\$0.2 million; and (iv) an increase in other payables of S\$0.2 million, partially offset by (i) a decrease in work-in-progress of S\$0.1 million; and (ii) a decrease in other receivables of S\$0.1 million.

Net cash used in investing activities of S\$15,000 in HY2018 was due to purchases of property, plant and equipment of S\$26,000, partially offset by proceeds from disposal of property, plant and equipment of S\$11,000.

Net cash used in financing activities of S\$3.2 million in HY2018 was due to (i) repayments of bank loans and finance leases payables of S\$3.0 million; and (ii) interest expenses of S\$0.2 million.

As a result of the above, there was a decrease in cash and cash equivalents of S\$1.6 million to S\$6.8 million as at 30 June 2018 from S\$8.4 million as at 31 December 2017.

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

Not applicable. No forecast or prospect statement had been previously disclosed 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 year and the next 12 months.

Barring unforeseen circumstances, the Company remains cautious of the financial performance of the Group for the financial year ending 31 December 2018 in view of the challenging operating conditions of the Group and the slow recovery of the offshore, marine and shipping industry.

The recovery of the offshore, marine and shipping industry has been gradual with low margin jobs. Thus, in order to maintain its competitiveness in the challenging operating conditions, the Group will carry on its efforts in lean cost management. Concurrently, the Group continues to explore opportunities for strategic alliances to generate new revenue sources and enhance shareholders' value.

11 Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

No dividend has been declared or recommended for HY2018.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None.



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

No dividend has been declared/recommended for HY2018.

13 If the Group has obtained a general mandate from shareholders for 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 Company has not obtained a general mandate from shareholders in respect of interested person transactions.

Name of interested person	Aggregate value of all interested person transaction during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	S\$'000	S\$'000
Low Chye Hin ⁽¹⁾ Provision of consultancy services and allowance	103	-
Total	103	-

Note:-

(1) Low Chye Hin, the Group's consultant, is the father of Low Chee Wee (Chief Executive Officer and Chief Operating Officer).

14 Negative confirmation pursuant to Rule 705(5).

We, Low Chee Wee and Eddy Neo Chiang Swee, being two directors of the Company, confirm on behalf of the board of directors of the Company ("**Board**") that, to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited financial results for HY2018 to be false or misleading in any material aspect.

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 confirms that it has procured the required undertakings under Rule 720(1) of the Catalist Rules from all its directors and executive officers in the format set out in Appendix 7H of the Catalist Rules.

ON BEHALF OF THE BOARD OF DIRECTORS

Low Chee Wee
Chief Executive Officer
14 August 2018

Eddy Neo Chiang Swee
Executive Director