



TYE SOON LIMITED

Company Registration No. 195700114W

Half Year Financial Statements and Dividend Announcement For The Period Ended 30 June 2019

PART 1 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.

Consolidated Income Statement	30 June 2019 \$'000	30 June 2018 \$'000	Increase/ (Decrease) %
Revenue	108,930	104,870	3.9
Other income	207	341	(39.3)
Changes in inventories of finished goods	867	(1,814)	(147.8)
Cost of purchases	(88,301)	(81,723)	8.0
Staff costs	(11,128)	(11,579)	(3.9)
Depreciation expenses*	(2,377)	(327)	626.9
Other operating expenses	(6,778)	(8,679)	(21.9)
Finance costs#	(1,660)	(1,321)	25.7
Loss before tax	(240)	(232)	3.4
Tax expense	(221)	(288)	(23.3)
Loss for the period	(461)	(520)	(11.3)
(Loss)/profit attributable to:			
Owners of the Company	(488)	(554)	(11.9)
Non-controlling interests	27	34	(20.6)
Loss for the period	(461)	(520)	(11.3)

* Depreciation expenses for 1H19 include depreciation charge for right-of-use assets following the adoption of SFRS(I) 16 *Leases* on 1 January 2019.

Finance costs for 1H19 include interest expense on lease liabilities following the adoption of SFRS(I) 16 *Leases* on 1 January 2019.

Consolidated Statement of Comprehensive Income	30 June 2019 \$'000	30 June 2018 \$'000	Increase/ (Decrease) %
Loss for the period	(461)	(520)	(11.3)
Other comprehensive income:			
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences of net assets/liabilities of foreign branch, subsidiaries and associate	(747)	(221)	238.0
Other comprehensive income for the period, net of tax	(747)	(221)	238.0
Total comprehensive income for the period	(1,208)	(741)	63.0
Total comprehensive income attributable to:			
Owners of the Company	(1,235)	(781)	58.1
Non-controlling interests	27	40	(32.5)
Total comprehensive income for the period	(1,208)	(741)	63.0

1(a)(ii) The following items (with appropriate breakdown 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:-

	30 June 2019 \$'000	30 June 2018 \$'000	Increase/ (Decrease) %
Analysis of operating expenses:			
Operating lease expenses	(799)	(2,623)	(69.5)
Transportation expenses	(1,634)	(1,951)	(16.2)
Impairment losses on trade receivables and bad debts written off	-	(105)	(100.0)
Allowance for inventory obsolescence	(208)	(100)	108.0
Foreign exchange loss	(468)	-	nm
Others	(3,669)	(3,900)	(5.9)
	(6,778)	(8,679)	(21.9)

	30 June 2019 \$'000	30 June 2018 \$'000	Increase/ (Decrease) %
Analysis of other income:			
Rental income	1	2	(50.0)
Foreign exchange gain	-	225	(100.0)
Bad debt recovered	2	3	(33.3)
Reversal of impairment losses on trade receivables	157	-	nm
Gain on sale of plant and equipment	3	27	(88.9)
Finance income	14	13	7.7
Others	30	71	(57.7)
	207	341	(39.3)

nm denotes 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 30 June 2019 \$'000	Group 31 Dec 2018 \$'000	Company 30 June 2019 \$'000	Company 31 Dec 2018 \$'000
Assets				
Plant and equipment	1,407	1,610	473	542
Right-of-use assets	6,645	-	2,490	-
Goodwill on consolidation	95	96	-	-
Subsidiaries	-	-	24,647	25,175
Associate	197	198	163	162
Other investment	815	815	815	815
Deferred tax assets	1,109	1,096	-	-
Loan receivables	-	-	-	-
Non-current assets	10,268	3,815	28,588	26,694
Current tax assets	305	326	-	-
Inventories	103,465	102,599	37,622	33,467
Trade and other receivables	35,117	35,251	53,354	55,824
Cash and cash equivalents	12,767	14,705	5,201	6,116
Current assets	151,654	152,881	96,177	95,407
Total assets	161,922	156,696	124,765	122,101
Equity				
Share capital	38,057	38,057	38,057	38,057
Reserves	13,504	14,739	2,237	3,984
Equity attributable to owners of the Company	51,561	52,796	40,294	42,041
Non-controlling interests	374	347	-	-
Total equity	51,935	53,143	40,294	42,041
Liabilities				
Loans and borrowings	21	38	-	-
Employee benefits	877	712	-	-
Deferred tax liabilities	35	33	-	-
Lease liabilities	3,320	-	1,182	-
Non-current liabilities	4,253	783	1,182	-
Loans and borrowings	78,506	79,111	71,201	67,890
Trade and other payables	22,526	22,455	9,597	11,111
Contract liabilities	1,217	1,073	1,185	1,059
Current tax liabilities	114	131	-	-
Lease liabilities	3,371	-	1,306	-
Current liabilities	105,734	102,770	83,289	80,060
Total liabilities	109,987	103,553	84,471	80,060
Total equity and liabilities	161,922	156,696	124,765	122,101

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:-

(A) the amount repayable in one year or less, or on demand;

As at 30/6/2019		As at 31/12/2018	
Secured	Unsecured	Secured	Unsecured
\$'000 29	\$'000 78,477	\$'000 28	\$'000 79,083

(B) the amount repayable after one year;

As at 30/6/2019		As at 31/12/2018	
Secured	Unsecured	Secured	Unsecured
\$'000 21	\$'000 -	\$'000 38	\$'000 -

(C) whether the amounts are secured or unsecured; and

As disclosed in (A) and (B) above.

(D) details of any collaterals.

Nil.

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 30 June 2019 \$'000	Group 30 June 2018 \$'000
Cash flows from operating activities		
Loss before tax	(240)	(232)
Adjustments for :		
Depreciation of plant and equipment and right-of-use assets	2,377	327
Gain on sale of plant and equipment	(3)	(27)
(Reversal of)/impairment losses on trade receivables	(157)	105
Allowance for inventory obsolescence	208	100
Finance income	(14)	(13)
Finance costs	1,660	1,321
Unrealised foreign exchange gain	(130)	(214)
	3,701	1,367
Changes in working capital		
Changes in inventories	(1,690)	1,530
Changes in trade and other receivables	130	(4,023)
Changes in trade and other payables	269	(880)
Changes in contract liabilities	144	761

Changes in bills payable and trust receipts	1,960	2,921
Cash from operating activities	4,514	1,676
Tax paid	(243)	(586)
Interest paid	(818)	(542)
Net cash from operating activities	3,453	548
Cash flows from investing activities		
Interest received	14	13
Proceeds from sale of plant and equipment	3	32
Acquisition of plant and equipment	(73)	(137)
Net cash used in investing activities	(56)	(92)
Cash flows from financing activities		
Payment of finance lease liabilities	(16)	(18)
Proceeds from borrowings	6,039	3,782
Repayment of borrowings	(8,329)	(5,684)
Payment of lease liabilities	(1,995)	-
Interest paid	(899)	(800)
Dividends paid	-	(500)
Net cash used in financing activities	(5,200)	(3,220)
Net decrease in cash and cash equivalents	(1,803)	(2,764)
Cash and cash equivalents at the beginning of period	14,705	15,391
Effect of exchange rate changes on the balance of cash held in foreign currencies	(135)	(57)
Cash and cash equivalents at the end of period	12,767	12,570

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Share capital \$'000	Other capital reserves \$'000	Fair value reserve \$'000	Translation reserve \$'000	Retained earnings \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
At 1 January 2018, as previously stated	38,057	3,501	(105)	(5,493)	19,819	55,779	322	56,101
Adjustment on initial application of SFRS(I) 9 (net of tax)	-	-	-	-	(197)	(197)	-	(197)
Adjusted balance at 1 January 2018	38,057	3,501	(105)	(5,493)	19,622	55,582	322	55,904
Total comprehensive income for the period								
(Loss)/ profit for the period	-	-	-	-	(554)	(554)	34	(520)
Other comprehensive income								
Foreign currency translation differences of net assets/liabilities of foreign branch, subsidiaries and associate	-	-	-	(227)	-	(227)	6	(221)
Total other comprehensive income	-	-	-	(227)	-	(227)	6	(221)
Total comprehensive income for the period	-	-	-	(227)	(554)	(781)	40	(741)

Transactions with owners, recognised directly in equity								
Contributions by and distributions to owners								
Final tax exempt (one-tier) dividend of 0.573 cents per share paid in respect of the year ended 31 December 2017	-	-	-	-	(500)	(500)	-	(500)
Total contributions by and distributions to owners of the Company	-	-	-	-	(500)	(500)	-	(500)
At 30 June 2018	38,057	3,501	(105)	(5,720)	18,568	54,301	362	54,663
At 1 January 2019	38,057	3,501	(105)	(6,622)	17,965	52,796	347	53,143
Total comprehensive income for the period								
(Loss)/profit for the period	-	-	-	-	(488)	(488)	27	(461)
Other comprehensive income								
Foreign currency translation differences of net assets/liabilities of foreign branch, subsidiaries and associate	-	-	-	(747)	-	(747)	-	(747)
Total other comprehensive income	-	-	-	(747)	-	(747)	-	(747)
Total comprehensive income for the period	-	-	-	(747)	(488)	(1,235)	27	(1,208)
At 30 June 2019	38,057	3,501	(105)	(7,369)	17,477	51,561	374	51,935

Company	Share capital \$'000	Fair value reserve \$'000	Translation reserve \$'000	Retained earnings \$'000	Total \$'000
At 1 January 2018, as previously stated	38,057	(105)	690	3,390	42,032
Adjustment on initial application of SFRS(I) 9 (net of tax)	-	-	-	(339)	(339)
Adjusted balance at 1 January 2018	38,057	(105)	690	3,051	41,693
Total comprehensive income for the period					
Loss for the period	-	-	-	(1,664)	(1,664)
Other comprehensive income					
Foreign currency translation differences of net assets/liabilities of foreign branch	-	-	(28)	-	(28)
Total other comprehensive income	-	-	(28)	-	(28)
Total comprehensive income for the period	-	-	(28)	(1,664)	(1,692)
Transactions with owners, recognised directly in equity					
Contributions by and distributions to owners					
Final tax exempt (one-tier) dividend of 0.573 cents per share paid in respect of the year ended 31 December 2017	-	-	-	(500)	(500)
Total contributions by and distributions to owners of the Company	-	-	-	(500)	(500)
At 30 June 2018	38,057	(105)	662	887	39,501

At 1 January 2019	38,057	(105)	659	3,430	42,041
Total comprehensive income for the period					
Loss for the period	-	-	-	(1,757)	(1,757)
Other comprehensive income					
Foreign currency translation differences of net assets/liabilities of foreign branch	-	-	10	-	10
Total other comprehensive income	-	-	10	-	10
Total comprehensive income for the period	-	-	10	(1,757)	(1,747)
At 30 June 2019	38,057	(105)	669	1,673	40,294

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.

Not applicable.

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 immediate preceding year.

	Number of ordinary Shares	Share Capital \$'000
As at 31 Dec 2018	87,265,029	38,057
As at 30 June 2019	87,265,029	38,057

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.

Not applicable.

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.

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.

Except as disclosed in item 5 below, the Group had applied the same accounting policies and methods of computation in the financial statements for the current financial period as those applied in the Group's most recently audited financial statements for the 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 applied the following SFRS(I)s, interpretations of SFRS(I) and requirement of SFRS(I) which are mandatorily effective from 1 January 2019:

- SFRS(I) 16 Leases
- SFRS(I) INT 23 Uncertainty over Income Tax Treatments
- Amendments to SFRS(I) 3 and SFRS(I) 11 Previously Held Interest in a Joint Operation
- Amendments to SFRS(I) 9 Prepayment Features with Negative Compensation
- Amendments to SFRS(I) 1-12 Income tax consequences of payments on financial instruments classified as equity
- Amendments to SFRS(I) 1-19 Plan Amendment, Curtailment or Settlement
- Amendments to SFRS(I) 1-23 Borrowing Costs Eligible for Capitalisation
- Amendments to SFRS(I) 1-28 Long-Term Interests in Associates and Joint Ventures

Except for SFRS(I) 16, the adoption of the above standards did not have any significant impact on the financial statements.

SFRS(I) 16

As a lessee, the Group had adopted SFRS(I) 16 using the modified retrospective approach. Therefore, the cumulative effect of adopting SFRS(I) 16 will be recognised as an adjustment to the opening balance of accumulative profits at 1 January 2019, with no restatement of comparative information. The Group had applied the practical expedient to grandfather the definition of a lease on transition and the practical expedient to recognise ROU assets equal to its lease liabilities as at 1 January 2019. Please refer to pages 10 and 11 for further details on the effect of SFRS(I) 16.

6. Earning 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 ordinary share for the period based on loss attributable to shareholders	30 June 2019	30 June 2018
(a) Based on the weighted average number of ordinary shares in issue; and	(0.56) cents	(0.64) cents
(b) On a fully diluted basis	(0.56) cents	(0.64) cents

Basic earnings per share for the period ended 30 June 2019 was computed based on net loss attributable to shareholders of \$488,000 (30 June 2018: \$554,000) and weighted average number of ordinary shares of 87,265,029 (30 June 2018: 87,265,029).

Diluted earnings per share for the period ended 30 June 2019 was computed based on net loss attributable to shareholders of \$488,000 (30 June 2018: \$554,000) and number of ordinary shares of 87,265,029 (30 June 2018: 87,265,029).

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 30 June 2019	Group 31 December 2018	Company 30 June 2019	Company 31 December 2018
Net asset value per ordinary share based on issued share capital	59.1 cents	60.5 cents	46.2 cents	48.2 cents

Net asset value per ordinary share as at 30 June 2019 was computed after deducting non-controlling interest and based on existing ordinary shares of 87,265,029 (31 December 2018: 87,265,029).

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 Performance

Turnover increased by 3.9% during the period to \$108.9 million.

Continuing on from last year, the Group was able to leverage on its geographically diversified customer base and its large portfolio of brands to positive effect. Augmented by the effect of a lower base in 1Q18, turnover for the export-based business in Singapore increased noticeably by 15.7% in 1H19.

The increased strength of the SGD during the period meant that revenues generated from the Group's larger overseas operations were each moderated when translated and reported in SGD, the Group's reporting currency. The business in Malaysia picked up pace and enjoyed market share improvements in several product areas. Turnover increased by 9.3% in MYR terms but by a moderated 6.7% in SGD terms. In South Korea, the Group continued to adopt a more selective growth course with a de-emphasis on certain lower-margin product lines. As a result, the business in South Korea nudged lower by 1.7% in KRW terms but declined by 5.2% in SGD terms. The AUD continued to depreciate noticeably against the SGD, with the business showing a decline of 9% in SGD terms instead of 3.4% in AUD terms.

Total margins nudged up slightly by \$0.1 million as a lower gross margin rate largely negated the increase in total margins arising from the higher level of turnover.

Emphases on various cost control measures continued during the period resulting in an overall reduction in operating expenses by \$0.9 million with staff costs lower by \$0.5 million. Corresponding to the moderating effect explained above of the depreciation of the MYR, KRW and AUD against the SGD on the Group's turnover, the same currency depreciation had a moderating effect on operating costs incurred in Malaysia, South Korea and Australia when translated and recorded in SGD.

Finance costs increased by \$0.3 million to \$1.7 million.

Largely a result of the increase in Group turnover and the reduction in costs explained above, profit from operations before foreign exchange gain/loss improved noticeably from a loss of \$0.46 million in 1H18 to a profit of \$0.23 million in 1H19.

Foreign exchange losses, largely unrealized, recorded in 1H19 amounted to \$0.47 million.

As a result, loss before tax went from \$0.23 million in 1H18 to \$0.24 million in 1H19. The respective figures after tax were \$0.52 million and \$0.46 million.

After accounting for foreign currency translation differences of net assets at overseas subsidiaries and branch, total comprehensive income amounted to a negative \$1.2 million.

Notes on Changes Relating to the Implementation of SFRS(I) 16 Leases

The new accounting standard on leases came into effect on 1 January 2019. Implementing this new standard has largely led to various changes in the composition of the Group's operating expenses (in the Group's case, comprising staff costs, depreciation expenses and other operating expenses shown on the face of the Consolidated Income Statement).

The main effect of the new standard on leases on the composition of the Group's operating expenses can be summarized as follows:

- i) Operating lease expenses decreased by \$1.8 million.
- ii) Transportation costs decreased by \$0.3 million.

- iii) Depreciation increased by \$2.0 million.
- iv) Finance costs increased by \$0.1 million.

Balance Sheet Review

Right-of-use assets, valued at \$6.6 million, appeared for the first time on the Group's published balance sheet as at 30 June 2019 as the new accounting standard on leases, SFRS(I) 16, became effective on 1 January 2019. These assets consisted of operating lease rentals of operational premises, office equipment and vehicles.

Group inventory level remained steady at 7.1 months as at 30 June 2019 compared with the level as at 31 December 2018. Inventory level nudged up slightly in absolute terms by 0.8% or \$0.9 million.

Group receivable level remained steady at 1.8 months as at 30 June 2019 compared with the level as at 31 December 2018. Receivable level nudged down slightly in absolute terms by 0.4% or \$0.1 million.

Lease liabilities as at 30 June 2019 were valued at \$3.3 million non-current and at \$3.4 million current. These balances reflect the accounting treatment prescribed by the new accounting standard on leases, SFRS(I) 16, which became effective on 1 January 2019. Please also refer to the commentary on Right-of-use assets above.

Loans and borrowings decreased by \$0.6 million, from \$79.1 million as at 31 December 2018 to \$78.5 million as at 30 June 2019.

Group payable level remained steady at \$22.5 million as at 30 June 2019 compared with the level as at 31 December 2018.

Cash balances decreased by \$1.9 million, from \$14.7 million as at 31 December 2018 to \$12.8 million as at 30 June 2019.

The Group's Current Ratio was at 1.43 times as at 30 June 2019, compared with 1.49 times as at 31 December 2018. For comparison purposes, the current ratio would have been at 1.48 times as at 30 June 2019 if the current portion of the lease liabilities recorded under the new SFRS(I) 16 had been excluded.

The Group's net gearing level was at 1.28 times as at 30 June 2019 in comparison with 1.21 times as at 31 December 2018.

Cash Flow Statement Review

Cash generated from operations before accounting for changes in working capital amounted to \$3.7 million for the half year ended 30 June 2019. After accounting for changes in working capital, cash flows generated from operating activities amounted to \$4.5 million. Cash flows generated from operating activities after accounting for tax and net interest paid amounted to \$3.5 million. Net cash used for investing activities amounted to \$0.1 million. Net cash used in financing activities amounted to \$5.2 million. Cash balances as at 30 June 2019 amounted to \$12.8 million.

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

In the announcement dated 27 February 2019, it was stated that “The Group is looking to make a recovery in 2019, in performance as well as business level.” The Company subsequently made an announcement on 2 August 2019 to provide an update on trading, performance and profit. It was disclosed that the Group was expecting to report an improvement in profit from operations but due to a largely unrealised foreign exchange loss, was expecting to report a small loss before tax for the half-year ended 30 June 2019. Fuller details relating to the performance and results for the period is set out in the section on Review of Performance above.

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 relied on two strong points last year to power ahead from a low point in 1Q18. First, the Group’s distribution network consisting of its own overseas operations and its global external customer base. Second, the Group’s large portfolio of brands. The Group will continue to leverage on these twin strengths to navigate forward.

Despite some hedging, the Group recorded foreign exchange losses, largely unrealised, amounting to \$0.47 million in 1H19. Foreign exchange gains/losses were thus a factor in 1H19. This will likely continue to be a feature moving forward. Such gains/losses emanate largely from the Group’s intercompany balances between the Company and its subsidiaries in Malaysia, South Korea and Australia reflecting the relative size of operations in these markets. Whilst such exposures to foreign exchange rate variations can be minimized or even eliminated through hedging, many such hedging products and instruments have either become increasingly costly due to increased market volatility or constrained by prevailing regulations. The Group will continue to explore available options to manage such variations.

The Group will focus on improving operational results. As the Group’s operational results is being rebuilt, the relatively modest size of the operational results in each reporting period in the near term would invariably be impacted by the gyrations of foreign exchange gains/losses.

11. If a decision regarding dividend has been made:-
- (a) Whether an interim/final ordinary dividend has been declared (recommended); and
- No.
- (b) (i) Amounts per share.
- Not applicable.

(b) (ii) Previous corresponding period

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.

Not applicable.

(d) The date the dividend is payable

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) 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 and the reason(s) for the decision.

No dividend has been declared during the period reported on. In considering whether to recommend a dividend, the Board takes into account various factors including profitability, cash flow requirements, business outlook and the prevailing general economic/market conditions. The Board has decided not to recommend a dividend on prudent grounds.

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 Group has not obtained IPT mandate.

14. Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results)

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results of the Group and the Company for the six-month period ended 30 June 2019 to be false or misleading in any material respects.

On behalf of the Board

Ong Hock Siang
Director

Ong Huat Yew, Peter
Director

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company has procured signed undertakings from all of its directors and executive officers based on Appendix 7.7 of the SGX-ST Listing Manual.

BY ORDER OF THE BOARD

Evelyn Wee Kim Lin
Company Secretary
7 August 2019