1. I was appointed to the Board of the Company as an Independent, non-executive director on 22 March 2021.

2. Prior to my appointment, I was aware, from the Company's announcements, that it needed to either restructure its loan with UOB and/or obtain fresh investments. As such, from the time of my appointment, I paid close attention to the Company's financial position as well as its efforts to procure investors.

3. I am aware the Management was actively sourcing and thereafter negotiating with potential investors. In or about July 2021, the Board was informed that the Company was pursuing a potential investor. The negotiations were conducted by the Company's management, and had provided periodic updates to the Board. I commend the Management's efforts in this regard.

4. However, from cash projections provided by the Company to the Board, it was apparent that the Company required fresh fund injections by September 2021.

5. As such, in order for the Board to closely monitor the Company's financial position, in or about early August 2021, I requested that the Management provide monthly financial updates to the Board to keep the directors updated on the financial position of the Company; I requested that we be given July 2021's financials. I was informed that as a result of operational limitations within the Company's finance team, they were only able to provide the Company's management accounts (Balance Sheet and P&L Statement) as at May 2021, and would be able provide the June and July 2021 "*when they are ready*". In the meantime, we were provided with information such as the rental payables, trade receivables and payables and inventory balance, all as at 31 May 2021. We were also provided with the outstanding loan balance with UOB as at 31 July 2021.

6. Whilst I acknowledge and empathise with the Company's operational constraints, I am of the the view that the Board must be given timely and accurate information on the Company's financials, in order for them to properly discharge their functions. I reiterated my requests for

the Company's latest updated financials, including via my emails dated 22 August, 3 September 2021.

7. The Letter of Intent from the Investor dated 8 September 2021 was sent to us via an email from Ms Patricia Tien on 9 September 2021 (time stamped at 5:20 p.m.). The email summarised the key terms of the proposed investment, and requested that we provide a response by 12 noon on 13 September 2021.

8. I raised some queries on the contents of the Term Sheet via an email dated 10 September 2021 (time stamped at 6:48 p.m.), and reiterated my request for the Company's latest financials. I informed the Company that, as directors, we need to be appraised of the Company's current financial position. We need to be able to consider whether, based on the terms of the proposed investment as well as the timing of the cash injections/loans: (a) in the shorter term, would be sufficient for the Company to meet its current liabilities; and (b) in any case, would enable the, the Company to be meaningfully restructured/ rehabilitated. By an email from Ms Patricia Tien dated 13 September 2021 (time stamped at 9:50 am), she responded to my queries on the Term Sheet. She also reiterated that the Company's finance team's operational difficulties led to delay in providing the accounts to the Board. By a separate email from Ms Patricia Tien on 13 September 2021 (time-stamped 9:48 am), the Board was provided with the June 2021 Management Accounts (Balance Sheet and P&L Statement) and the cash flow projections (September to December 2021).

9. Separately, the Board was informed that, as a condition precedent to the Investor's Investment, the Company must appoint a Singapore-resident executive director. Given that SGX had yet to approve Ms Patricia Tien's appointment as an executive director of the Company (SGX has requested further information from the Nominating Committee), Mr C.T. Yeo suggested that the Company request the Investor grant an extension of time to consider and accept the deal. In an email from Ms Patricia Tien of 13 September 2021 (time-stamped 9:45 am), she confirmed to the Board that the Company will seek an extension of time for the acceptance the Term Sheet in the event SGX's approval for her appointment as an ED is not

obtained in time. In Ms Tien's email dated 14 September 2021 (time-stamped 1:26 pm), she again confirmed that an extension of time for Term Sheet acceptance will be sought.

10. However, by an email on 15 September 2021 (time-stamped 4:47 p.m.), Ms Patricia Tien proposed to inform the Investor that the Company would accept the Term Sheet pending SGX's approval of her appointment as an executive director. She went on to state that she would assume that the directors agree with her proposal to accept the Terms Sheet, if she did not hear from us by 6 p.m on the same day.

11. As I explained above, I had repeatedly requested the Company's latest financials, so that I can make informed decisions in the discharge of my duties as its independent director in a timely fashion. As a result of its operational difficulties, I was only provided with the Company's Management Accounts in the morning of 13 September 2021, and required time to consider whether the terms proposed in the Term Sheet were sufficient and/or practical, given the Company's financial position. The Board was also informed that the Company would be requesting an extension of time from the Investor to accept the Term Sheet.

12. However, I was required by the Company to take a decision within a little more than 1 hour on 15 September 2021. I found that I was not in a position to take an informed decision on the Term Sheet, an important decision which would determine the Company's well-being and the interests of all stakeholders involved. In the circumstances, I decided to step down as an independent director of the Company.

13. Having said that, as I stated in the Cessation Notice dated 16 Sep 2021, the Company's inability to provide timely monthly updates on the Company's financials is a result of operational challenges arising from high turnover of its finance team.