Annex C

Company's Clarifications

The Company refers to the matters raised by Mr Tan Chade Phang and Mr Koh Boon Chiao (the "**Former IDs**") in Annex A and Annex B respectively. The Company does not intend to respond to each and every point raised by the Former IDs but wishes to clarify as follows:

1. The Company wishes to add to the chronology of material events for the period commencing 22 March 2021 and ending on 15 September 2021, being the date of resignation of the Former IDs:

Date	Event(s)
22 March 2021 (Monday)	Appointment date of Mr Tan Chade Phang ("**Mr Tan**") as Independent Director of the Company and Chairman of the Remuneration Committee.
29 March 2021 (Monday)	Appointment date of Mr Koh Boon Chiao ("**Mr Koh**") as Independent Director of the Company and Chairman of the Nominating Committee.
22 June 2021 (Tuesday)	Appointment date of Mr Yeo Choon Tat ("**Mr Yeo**") as Independent Director and Chairman of Audit Committee.
8 July 2021 (Thursday)	A Zoom meeting was held and Mr Yeo noted that the Former IDs have never requested to be briefed on the Group's financial performance and business outlook for the next 6 months. Mr Yeo mentioned to the Former IDs that he has requested to be briefed by Management on the same and thought that it may be beneficial for the Former IDs to join in such briefing.
15 July 2021 (Thursday)	An Audit Committee ("**AC**") meeting was subsequently convened for Management to formally brief the AC on the Group's current financial performance and business outlook for the next 6 months. Prior to the AC meeting, Management circulated the cashflow projections from July 2021 to December 2021, balance sheet as at 31 May 2021, and profit and loss of May 2021. In the AC Meeting, Management also briefed the AC on the terms of a potential investment which has been identified by Management and has presented a draft term sheet on the same ("**DTS**"). It was noted that the DTS was intended by the investor for parties to sign by 31 July 2021. After deliberation, the AC authorized Management to continue to speak to the interested investor and to negotiate on the commercial terms of the proposed investment.
29 July 2021 (Thursday)	Ms Patricia Tien ("**Ms Tien**") informed the Board that the potential investor has agreed to the Company's request for an extension of time to sign the DTS latest by 31 August 2021.
6 August 2021 (Friday)	Mr Tan requested from Management to provide the following financial information of the Company on a monthly basis from July 2021 onwards: (a) profit and loss, and cash flow; (b) rental payables balance and ageing (by shop units); (c) ageing AR and AP (include rental); (d) loan balances; and (e) inventory levels. Mr Tan also requested for the latest draft of the term sheet relating to the proposed investment to be provided to the Board.

Date	Event(s)
10 August 2021 (Tuesday, the next working day after the National Day Public Holiday)	Ms Tien informed the Board that the terms of the investment are the ones as set out in the DTS and that there was no revised term sheet to circulate. With regards to Mr Tan's request for Management to provide monthly updates, Ms Tien responded that the finance team of the Company is lean and that the Group only had one finance manager at the point in time. Nevertheless, Ms Tien provided the following information to Mr Tan: (a) management accounts of May 2021 were provided before the AC meeting on 15 July 2021; (b) cashflow projections from July 2021 to December 2021 were provided before the AC meeting on 15 July 2021; (c) rental payables as at 31 May 2021; (d) trade receivables and trade payables as at 31 May 2021; (e) loan balances; and (f) inventory balances as at 31 May 2021. Ms Tien informed the Board that time is required to provide the financial information requested by Mr Tan and confirmed that the finance team will work on June and July 2021 management accounts once the more pressing tasks at hand were dealt with.
1 September 2021 (Wednesday)	Management informed the Board that the investor had communicated that he would be able to revert with the finalized terms of proposed investment within the week.
8 September 2021 (Wednesday)	Management received a signed letter of intent (the "**LOI**") from the potential investor's lawyers setting out the terms of the proposed investment. Upon receipt, Management reviewed the terms of the LOI in consultation with its lawyers and concluded that the terms of the LOI are beneficial to the Company on the whole.
9 September 2021 (Thursday)	Ms Tien forwarded the LOI to the Board (including the Former IDs). To facilitate the Board's review of the LOI, Ms Tien summarised the salient terms and key dates stipulated in the LOI, as well as the reasons for Management's view that the terms of the LOI are beneficial. In particular, Ms Tien highlighted that the deadline for accepting the LOI is 15 September 2021 (the "**Acceptance Deadline**") and requested the Board to provide their comments by 12.00 pm on 13 September 2021.
10 September 2021 (Friday)	The Former IDs each issued a series of queries to Management in connection with the LOI.
11 September 2021 (Saturday)	Mr Yeo also issued several queries to Management in connection with the LOI and indicated to request for an extension of time to execute the LOI.
13 September 2021 (Monday)	At or around 9.40 am, Ms Tien responded to the queries raised by the Board with the relevant supporting documents in separate emails. Ms Tien also indicated that Management will seek the Investor's permission to extend the LOI Acceptance Deadline. At or around 9.47 am, Ms Tien also provided the Board with the latest available management accounts of the Company, being that of June 2021 and the updated cash flow projections for September to December 2021.

Date	Event(s)
14 September 2021 (Tuesday)	Mr Yeo confirmed that he had no further queries based on the responses provided by Management on 13 September 2021. In Ms Tien's acknowledgement of Mr Yeo's confirmation, she took the opportunity to follow-up with the Former IDs if they had any further comments or queries following her responses ("**1st Follow-up Email**").
15 September 2021 (Wednesday)	As the Company had not received any further feedback from the Former IDs following Ms Tien's email of 13 September 2021 and 1st Follow-up Email, Ms Tien sent a second follow-up email at or around 4.50 pm to ask the Board if they had any further comments on the LOI and requested for a response by 6.00 pm in view of the Acceptance Deadline ("**2nd Follow-up Email**"). Ms Tien indicated that if the Directors do not respond to the 2nd Follow-up Email by 6.00 pm, she would have to operate on the belief that they have no further comments to the LOI in view of the looming Acceptance Deadline. Mr Yeo reaffirmed at or around 5.16 pm that he had no further comments. The Former IDs did not respond by 6.00 pm. At or around 6.30 pm, Mr Tan, instead, tendered his resignation as an independent director of the Company by way of an email. Mr Koh similarly tendered his resignation as an independent director of the Company by way of an email at or around 6.50 pm.

2. The Company also wishes to emphasize that Management never had any intention of withholding financial information from Board. Management had, on several occasions, explained that the finance team is lean with significant backlogs to clear and daily routine matters to deal with. The Former IDs have acknowledged the difficulties faced by the finance team.

3. Management wishes to stress that prior to the appointment of Mr Yeo, the Former IDs had never requested for any management accounts or financial information.

4. Notwithstanding the aforesaid, the Company wishes to highlight that Management had, on the request of the Directors, provided management accounts and cashflow projections to the Board in a timely manner. In any case and as set out in the chronology of events above, the available management accounts of the Company then, being that of June 2021 and the updated cashflow projections for September to December 2021 were provided to the Board on the morning of 13 September 2021, 2 days before the deadline for the execution of LOI.

5. Management also wishes to state for the record that the Company's latest management accounts, being that of July 2021 were made available to the Board on 17 September 2021.

6. In addition, Management had been forthcoming in its response to the Former IDs' queries and provided the financial information as and when they are available and had provided financial information (e.g. profit and loss, and balance sheet for May 2021 and cashflow projections for July 2021 to December 2021) as early as July 2021 in preparation of the AC meeting held on 15 July 2021.

7. With regards to the Former IDs' assertion that they were not given sufficient time to consider the LOI despite 2 follow-up emails, Management wishes to clarify that it had requested for the Board to revert by 6.00 pm on the same day because it wanted to be in a position to at least know that the Board is, in-principle, supportive of the LOI before approaching the investor to ask for an extension. This is because the aforesaid request was not the first extension of time sought by the Company, and it would be imprudent to assume that a further extension of time would invariably be granted just because such a request was made.

8. Further, given that Management had responded to the queries raised by the Former IDs on 10 September 2021 by the morning of 13 September 2021 and did not receive any further comments thereafter despite 2 follow-up emails on 14 September and 15 September 2021, Management had operated on the belief that the queries raised by the Former IDs had been adequately addressed. Otherwise, and if the Former IDs had further questions or concerns over the LOI, the Former IDs could have, in the interim, sent a holding email or reached out to Management.

9. As a matter of fact, the Company did not accept the LOI on 15 September 2021.

Mr Yeo also wishes to clarify that as an Independent Director of the Company, he is obligated to act in the best interests of the Company by reviewing the LOI based on the then information available to the Board. Management did provide the Board with the necessary cashflow projections and recommendations on the terms of the proposed investment after discussion with the Company's lawyers. Based on Mr Yeo's assessment on the then available information provided to the Board, he was of the view that the transactions contemplated in the LOI is beneficial to the Company as there is a clear interest on the part of the investor to inject fresh funds into the Company so as to bolster and grow the existing business and operations of the Group. It is Mr Yeo's firm belief that for an entity in financial difficulties such as the Company, any potential investment must be given serious consideration, thought and deliberation in a timely manner. It was for that very reason that Mr Yeo had been very prompt in responding to Management's requests and timeline.

For the avoidance of doubt, it shall not be construed as an admission of any point in Annex A or Annex B raised by the Former IDs which the Company has not specifically responded to.