

ACCRELIST LTD. (formerly known as WE Holdings Ltd.)
Financial Statement Announcement for the Six Months Ended 30 September 2018

The Board of Directors of Accrelist Ltd. wishes to announce the unaudited results of the Group and Company for the six months period ended 30 September 2018.

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). 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 Mr Shervyn Essex, Registered Professional, RHT Capital Pte. Ltd. at 9 Raffles Place #29-01 Republic Plaza Tower 1, Singapore 048619, telephone (65) 6381 6757.

Part I - INFORMATION REQUIRED FOR ANNOUNCEMENT 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

	Group		
	For the 6 months period ended		
	30-Sep-18	30-Sep-17	Increase /
	S\$'000	S\$'000	(Decrease)
Revenue	88,411	40,014	121%
Cost of sales	(80,990)	(36,741)	120%
Gross profit	7,421	3,273	127%
Other items of income			
Other income	100	773	-87%
	7,521	4,046	86%
Other items of expenses			
Marketing and distribution expenses	(838)	(258)	225%
Administration expenses	(5,871)	(2,490)	136%
Finance costs	(580)	(273)	112%
Other charges	(462)	(4,148)	-89%
Share of profit of associated company	271	326	-17%
Profit/(Loss) from operating activities before tax	41	(2,797)	nm
Income tax expense	(29)	(4)	625%
Profit/(Loss) for the period	12	(2,801)	nm
Other comprehensive income/(loss) :			
Exchange difference on translating foreign operations	1,113	(154)	nm
Share of comprehensive loss of associated company	(106)	(1,005)	-89%
Total comprehensive profit/(loss) for the period	1,019	(3,960)	nm
Profit/(Loss) attributable to:			
Owners of the parent	(629)	(3,085)	-80%
Non-controlling interests	641	284	126%
	12	(2,801)	nm
Total comprehensive income/(loss) attributable to:			
Owners of the parent	378	(4,244)	nm
Non-controlling interests	641	284	126%
	1,019	(3,960)	nm
EBITDA excluding foreign exchange loss	1,952	(2,952)	nm

nm denotes not meaningful.

1(a)(ii) Notes to the Income Statement

The Group's profit/loss before income tax is arrived at after charging/(crediting):

Group			
For the 6 months period ended			
	30-Sep-18	30-Sep-17	Increase /
	S\$'000	S\$'000	(Decrease)
Amortisation of intangible assets	992	(43)	nm
Sale of scrap and other materials	22	-	nm
Depreciation of property, plant and equipment	(146)	(154)	-5%
Fair value loss on a financial asset through profit and loss	-	(467)	-100%
(Loss)/Gain on disposal of property, plant and equipment	(3)	82	nm
Government grants (SEC,TEC)	17	3	467%
Write-back of impairment loss on trade receivables	3	1	200%
Foreign exchange (loss)/gain	(459)	584	nm
Employee compensation	(2,369)	(1,195)	98%
Interest income	46	45	2%
Inventories recognised as an expense in cost of sales	(77,738)	(35,091)	122%
Miscellaneous income	11	47	-77%
Remeasurement loss on deemed disposal of associated company	-	(3,681)	-100%
Supplier discount	-	1	-100%
Directors' fee	(144)	(114)	26%
Director's remuneration	(331)	(344)	-4%
Rental income	1	10	-90%

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			Company		
	30-Sep-18 S\$'000	31-Mar-18 S\$'000	Increase / (Decrease)	30-Sep-18 S\$'000	31-Mar-18 S\$'000	Increase / (Decrease)
ASSETS						
<u>Non-current assets</u>						
Property, plant and equipment	8,352	7,220	16%	12	37	-68%
Intangible assets	16,479	13,649	21%	-	-	nm
Investments in subsidiary corporations	-	-	nm	28,912	28,812	0%
Investments in associated companies	8,854	8,242	7%	-	-	nm
Other assets	20	20	0%	-	20	-100%
Trade and other receivables	396	396	0%	-	896	-100%
Financial assets, at fair value through other comprehensive income	286	286	0%	-	-	nm
Total non-current assets	34,387	29,813	15%	28,924	29,765	-3%
<u>Current assets</u>						
Inventories	18,455	14,977	23%	-	-	nm
Trade and other receivables	29,632	31,222	-5%	14,054	14,826	-5%
Other assets	2,520	972	159%	232	2	nm
Financial assets, at fair value through profit or loss	33	33	0%	-	-	nm
Financial assets, at fair value through other comprehensive income	1,116	1,116	0%	-	-	nm
Cash and cash equivalents	11,221	11,597	-3%	1,802	1,639	10%
Total current assets	62,977	59,917	5%	16,088	16,467	-2%
Total assets	97,364	89,730	9%	45,012	46,232	-3%
EQUITY AND LIABILITIES						
<u>Equity</u>						
Share capital	71,081	71,081	0%	111,772	111,772	0%
Accumulated losses	(34,456)	(33,827)	2%	(74,890)	(73,814)	1%
Other reserves	2,044	1,037	97%	3,213	3,213	0%
	38,669	38,291	1%	40,095	41,171	-3%
Non-controlling interests	14,854	10,713	39%	-	-	nm
Total equity	53,523	49,004	9%	40,095	41,171	-3%
<u>Non-current liabilities</u>						
Deferred tax liabilities	1,424	1,424	0%	-	-	nm
Convertible loan	2,655	2,382	11%	2,655	2,382	11%
Other financial liabilities	1,260	1,260	0%	-	-	nm
Total non-current liabilities	5,339	5,066	5%	2,655	2,382	11%
<u>Current liabilities</u>						
Income tax payable	117	1	nm	-	-	nm
Trade and other payables	31,773	30,607	4%	2,262	2,679	-16%
Other financial liabilities	6,612	5,052	31%	-	-	nm
Total current liabilities	38,502	35,660	8%	2,262	2,679	-16%
Total liabilities	43,841	40,726	8%	4,917	5,061	-3%
Total equity and liabilities	97,364	89,730	9%	45,012	46,232	-3%

nm denotes not meaningful.

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

Amount repayable in one year or less, or on demand

As at 30 September 2018		As at 31 March 2018	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
6,612	-	5,052	-

Amount repayable after one year

As at 30 September 2018		As at 31 March 2018	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
1,260	-	1,260	-

Details of any collateral

All borrowings are denominated in Malaysian Ringgit ("MYR"), United States Dollars ("USD") and Singapore Dollars ("SGD") and are interest bearing. The borrowing is secured by:

- (i) Legal mortgages of leasehold industrial properties of a subsidiary.
- (ii) Corporate guarantee provided by the Company.
- (iii) Group's investment in associated company.

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-Sep-18 S\$'000	30-Sep-17 S\$'000
<u>Cash flows from operating activities</u>		
Profit/(Loss) before tax	41	(3,085)
Adjustments for :-		
Depreciation of property, plant and equipment	146	154
Amortisation of intangible assets	992	43
Remeasurement loss arising from consolidation of Jubilee Industries Holdings Ltd	-	3,681
Fair value loss on a financial asset through profit and loss	-	467
Interest expense	187	21
Share of (loss)/profit of associated companies	(271)	(328)
Net effect of exchange rate changes in consolidating foreign subsidiaries	962	(1,144)
Operating profit/(loss) before working capital changes	2,057	(191)
Changes in working capital, net of effects from acquisition of a subsidiary corporation		
Inventories	(2,172)	(904)
Trade and other receivables	4,186	26,546
Other assets	(139)	(51)
Trade and other payables	(3,691)	(24,152)
Cash generated from operations	241	1,248
Income taxes refunded	26	12
Net cash flows provided by operating activities	267	1,260
<u>Cash flows from investing activities</u>		
Acquisition of a subsidiary corporation, net of cash acquired (Note 2)	234	5,001
Additions to investments in an associated company	(341)	-
Additions of property, plant and equipment	(308)	(43)
Proceeds from disposal of property, plant and equipment	-	279
Net cash flows (used in)/provided by investing activities	(415)	5,237
<u>Cash flows from financing activities</u>		
Drawdown/(Repayment) of borrowings	1,399	(2,728)
Interest paid	(187)	-
Short term bank deposits	(593)	(1,891)
Net cash flows provided by/(used in) financing activities	619	(4,619)
Net increase in cash and cash equivalents	471	1,878
Cash and cash equivalents at beginning of financial period	7,746	3,177
Effects of exchange rate changes on cash and cash equivalents	-	(81)
Cash and cash equivalents at end of financial period (Note 1)	8,217	4,974

Note 1

	Balance as at	
	30-Sep-18 S\$'000	30-Sep-17 S\$'000
Cash and cash equivalents		
- Not restricted in use	8,217	4,974
- Restricted in use	3,004	3,039
Cash and cash equivalents as per statement of financial position	11,221	8,013

Note 2

The Company has not yet completed and finalised its purchase price allocation ("PPA") exercise, whereby the Company will allocate the purchase price into various assets acquired and liabilities assumed from the new businesses. The Group has 12 months from the date of acquisition to finalise the fair value measurement and accounting as allowed under FRS 103 Business Combinations.

At the date of acquisition 31 July 2018, the Group recognised a provisional goodwill of S\$3.8 million based on provisional fair value of assets and liabilities of HonFoong Plastics Industries Pte. Ltd ("HFPL").

	Date of Acquisition S\$'000
<u>Provisional fair value of assets acquired and recognised at the date of acquisition*</u>	
Current assets	4,115
Non-current assets	1,351
Current liabilities	(5,750)
Total identifiable net assets at fair value	(284)
Non-controlling interest	-
	(284)
Consideration transferred for the business	(3,500)
Goodwill on acquisition	(3,784)
Net cash inflow arising from the acquisition	
Cash consideration transferred	-
Cash of the subsidiary corporation acquired included in current assets	234
Net cash inflow on acquisition	234

*The fair value of assets acquired and liabilities recognised on the acquisition of HFPL presented may be subjected to changes upon the completion and finalisation of the PPA exercise.

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>Group</u>	Attributable to Equity Holders of the Group				Total Equity
	Share Capital	Accumulated Losses	Other Reserves	Non-Controlling Interests	
HY 2019	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Beginning of financial period	71,081	(33,827)	1,037	10,713	49,004
Total comprehensive loss for the financial period	-	(629)	1,007	641	1,019
Deemed disposal of non-controlling interest without change of control	-	-	-	3,500	3,500
Closing balance at 30 September 2018	71,081	(34,456)	2,044	14,854	53,523

<u>Group</u>	Attributable to Equity Holders of the Group				Total Equity
	Share Capital	Accumulated Losses	Other Reserves	Non-Controlling Interests	
HY 2018	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Beginning of financial period	70,761	(33,517)	4,121	34	41,399
Total comprehensive loss for the financial period	-	(3,086)	(1,158)	284	(3,960)
Acquisition of a subsidiary corporation	-	-	-	6,410	6,410
Closing balance at 30 September 2017	70,761	(36,603)	2,963	6,728	43,849

<u>Company</u>	Share Capital	Accumulated Losses	Other Reserves	Total Equity
	HY 2019	S\$'000	S\$'000	S\$'000
Beginning of financial period	111,772	(73,814)	3,213	41,171
Total comprehensive loss for the financial period	-	(1,076)	-	(1,076)
Closing balance at 30 September 2018	111,772	(74,890)	3,213	40,095

<u>Company</u>	Share Capital	Accumulated Losses	Total Equity
	HY 2018	S\$'000	S\$'000
Beginning of financial period	111,772	(66,750)	45,022
Total comprehensive loss for the financial period	-	(1,078)	(1,078)
Closing balance at 30 September 2017	111,772	(67,828)	43,944

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, placement shares, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or 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.

Company	
No of Shares '000	Share Capital S\$'000

Issued and fully paid up shares as at 31 March 2018 and 30 September 2018

	5,303,217	111,772
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The Company has no outstanding treasury shares and warrants as at 31 March 2018 and 30 September 2018.

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.

Company	
30-Sep-18	31-Mar-18

Total number of ordinary shares issued ('000)

	5,303,217	5,303,217
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There were no treasury shares as at 31 March 2018 and 30 September 2018.

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury share as at the end of the current financial period reported on.

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

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 standard (e.g. the Review Engagement, SSRE 2400 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited or reviewed by the Company's 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 Note 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial period, which are consistent with those described in the audited financial statements for the financial year ended 31 March 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 adopted Singapore Financial Reporting Standards (International) (SFRS(I)) on 1 April 2018. In adopting SFRS(I), the Group has applied the specific transition requirements in SFRS(I) 1 First-time adoption of Singapore Financial Reporting Standards(International) in preparing the financial information included in this announcement. The Group has also concurrently applied the following SFRS(I)s, interpretations of SFRS(I) and requirements of SFRS(I)s (collectively“new accounting standards”) which are mandatorily effective from 1 April 2018.

SFRS(I):

- SFRS(I)15 Revenue from Contracts with Customers which includes the clarifications to IFRS15 Revenue from Contracts with Customers issued by the IASB in April 2016
- SFRS(I) 9 Financial Instruments which includes the amendments to IFRS 4 insurance contracts – Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts issued by the IASB in September 2016

Requirements in following SFRS(I)s arising from amendments to corresponding IFRSs issued by the IASB in 2016:

- SFRS(I) 2 Share-based Payment arising from the amendments to IFRS2 – Classification+A22 and measurement of share-based payment transactions issued by the IASB in June 2016;
- SFRS(I) 1-40 Investment Property arising from the amendments to IAS 40 – Transfers of investment property issued by the IASB in December 2016;
- SFRS(I) 1 arising from the amendments to IFRS 1 – Deletion of short-term exemptions for first-time adopters issued by the IASB in December 2016;
- SFRS(I)1-28 Investments in Associates and Joint Ventures arising from the amendments to IAS 28 – Measuring an associate or joint venture at fair value issued by the IASB in December 2016; and
- SFRS(I) INT 22 Foreign Currency Transactions and Advance Consideration.

The adoption of the new accounting standards does not have any significant impact on the financial information except for SFRS(I) 15 and SFRS(I) 9.

SFRS(I)16 Leases is effective for annual periods beginning on or after 1 January 2019.

6. Earnings per ordinary share ("EPS") of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	For the 6 months period ended	
	30-Sep-18	30-Sep-17
Loss for the period attributable to equity holders of the company (S\$'000)	(629)	(3,085)
(i) EPS / (LPS) based on the weighted average number of shares (in cents)	(0.01)	(0.06)
(ii) EPS / (LPS) based on a fully diluted basis (in cents)	(0.01)	(0.06)
Weighted average number of ordinary shares applicable to EPS ('000)	5,303,217	5,243,957
Weighted average number of ordinary shares fully diluted basis ('000)	5,303,217	5,243,957

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	Group		Company	
	30-Sep-18	31-Mar-18	30-Sep-18	31-Mar-18
Net asset value per ordinary share based on issued share capital at the end of the financial period / year (in cents)	1.01	0.92	0.76	0.78
No. of shares at the end of the financial period / year ('000)	5,303,217	5,303,217	5,303,217	5,303,217

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, 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

Income Statement

In the six months financial period ended 30 September 2018 ("HY2019"), the Group registered a turnover of S\$88.4 million. This represents an increase of S\$48.4 million as compared to S\$40.0 million for the comparative six months financial period ended 30 September 2017 ("HY2018"). The increase is mainly due to the increase in shareholdings in Jubilee Industries Holdings Ltd ("Jubilee"). This resulted in Jubilee being accounted for as a subsidiary of the Company with effect from 29 June 2017 rather than an associated company. This accounting treatment is a result of converting the convertible loan outstanding to shares in Jubilee. Gross profit for HY2019 increased by S\$4.1 million compared to HY2018 of S\$3.3 million.

Other income was S\$0.1 million for HY2019 as compared to S\$0.8 million in HY2018. The decrease of S\$0.7 million in HY2019 was largely due to loss on currency translation as compared to a gain on currency translation in HY2018.

Operating expenses rose from S\$7.2 million in HY2018 to S\$7.8 million in HY2019. Marketing and distribution expenses increased by 225% from S\$0.3 million in HY2018 to S\$0.8 million in HY2019. Administration expenses increased by 136% from S\$2.5 million in HY2018 to S\$5.9 million in HY2019. This is due to staff cost incurred with Jubilee being a subsidiary corporation of the Company. Finance costs increased from S\$0.3 million in HY2018 to S\$0.6 million in HY2019 and this is in line with the increase of other financial liabilities. Other charges declined from S\$4.1 million in HY2018 to S\$0.5 million in HY2019 mainly due to remeasurement loss arising from consolidation of Jubilee amounting to S\$3.7 million in HY2018.

Balance Sheet

Non-current assets increased by 15% from S\$29.8 million as at 31 March 2018 to S\$34.4 million as at 30 September 2018. The increase is mainly due to the goodwill arising from Jubilee's acquisition of HonFoong Plastics Industries Pte. Ltd ("HFPL").

Current assets as at 30 September 2018 comprise of inventories, trade and other receivables, other assets, financial assets, at fair value through profit and loss, financial assets, at fair value through other comprehensive income, and cash and cash equivalents. Total current assets amounted to S\$63.0 million as at 30 September 2018 as compared to S\$59.9 million as at 31 March 2018. The increase of S\$3.1 million is mainly attributable to the increase in inventories which is aligned to the increase in cost of sales.

Current liabilities as at 30 September 2018 comprise of income tax payable, trade and other payables and other financial liabilities. Total current liabilities amounted to S\$38.5 million as at 30 September 2018 as compared to S\$35.7 million as at 31 March 2018. The increase of S\$2.8 million is mainly due to an increase in trade and other payables and other financial liabilities of S\$1.2 million and S\$1.6 respectively. Trade and other payables increased in line with the increase in inventories and other financial liabilities increased due to the loans incurred from Jubilee's acquisition of HFPL.

Non-current liabilities comprise deferred tax liabilities, convertible loan and other financial liabilities. Total non-current liabilities increased slightly from S\$5.1 million as at 31 March 2018 to S\$5.3 million as at 30 September 2018 due to accrual of interest for the convertible loan.

The Group's working capital increased slightly from S\$24.3 million as at 31 March 2018 to S\$24.5 million as at 30 September 2018.

Cash Flow Statement

Net cash flow generated from operating activities for HY2019 was S\$0.3 million, comprising operating profit before working capital changes of S\$2.1 million and working capital outflow of S\$1.8 million. The working capital outflow was mainly due to the increase in inventories and other assets, and the decrease of trade and other payables of S\$2.2 million, S\$0.1 million and S\$3.7 million respectively. This is offset by the decrease in trade and other receivables of S\$4.2 million. Net cash used in investing activities for HY2019 of S\$0.4 million was mainly due investment in an associated company, EG Industries Sdn Bhd, and acquisition of property, plant and equipment of S\$0.3 million and S\$0.3 million respectively. This is offset by the acquisition of HFPL by Jubilee of a net cash inflow of S\$0.2 million. Cash provided from financing activities was due to uplift of restricted cash of S\$1.4 million offset by repayment of short term deposits and interest paid of S\$0.6 million and S\$0.2 million respectively. The Group recorded a net increase in cash and cash equivalents of S\$0.5 million during HY2019.

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 prospect statement or forecast has been previously disclosed to shareholders.

10. A commentary at the date of the announcement of the 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 noted that the operating environment would be challenging going forward given the current trade war situation. The Group will work and devote its resources to seek new opportunities in new business segments. The Group will remain vigilant on cost, credit and cash management in response to the volatile operating environment as it carries out its expansion strategies.

The Company announced on 23 January 2018 on the proposed acquisition of Refresh Laser Clinic Lot1 Pte. Ltd., Refresh Laser Clinic Tampines Pte. Ltd. (later renamed to Refresh Laser Clinic SPC Pte. Ltd in the Circular dated 2 August 2018), Refresh Laser Clinic Tpy Pte. Ltd., and Refresh Laser Clinic Bedok Pte. Ltd. for a purchase consideration of S\$4 million. This purchase consideration would be paid by the Company by way of cash amounting S\$2 million and an allotment and issuance of new ordinary shares in the capital of the Company for the residual S\$2 million, amounting to 250,000,000 shares at an issue price of S\$0.008 each. With the increasing social acceptance in the Aesthetic Medical Services sector, it should bring in long-term growth for the Company. The Company intends to expand the Aesthetic Medical Services sector via its subsidiary's crowdfunding platform to reach out to potential investors, and this is in line with its expansion strategies. This acquisition was completed and announced on 1 October 2018.

In line with the Company's intention to expand its Corporate Accretion Services, the Company had on 13 April 2018 entered into a non-binding memorandum of understanding with Liaoning Meal Plus Technology Ltd. ("Liaoning Meal Plus") for a proposed acquisition of the latter. Liaoning Meal Plus is in the primary business of developing software and machinery for the food and beverage industry. With such technology, it enables the Company to leverage on the existing capabilities of the Liaoning Meal Plus, its technology and network. There is also a synergy between the Company and the Liaoning Meal Plus as both parties work together indirectly in the provision of equipment and software to other entities within the same industry.

Jubilee had followed course on the expansion strategy of the Group. This is evidenced through its acquisition of HFPL, which was announced on 12 December 2017, where a Sales and Purchased Agreement was signed. The acquisition was for a 70% shareholding in HFPL for a consideration of S\$3.5 million where S\$1.0 million would be paid in cash and the remaining S\$2.5 million through issuance of Jubilee shares. This acquisition was completed on 31 July 2018.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

The Company did not declare / recommend dividends for the current financial period reported on.

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 does not have any IPT mandate. Notwithstanding, the Company had entered into an IPT greater than S\$100,000 on 10 October 2017 with Mr Liu Song, Non-Independent and Non-Executive Director of the Company, for a proposed placement of S\$2,000,000. As at the date of this announcement, the Company is currently in discussion with the relevant parties to move the transaction forward.

14. Confirmation by the Board pursuant to Rule 705(5) of the Listing Manual

The Board of Directors of the Company hereby confirm to the best of their knowledge that nothing has come to their attention which may render the financial statements for the six months ended 30 September 2018 to be false or misleading in any material aspects.

15. Confirmation by the Board pursuant to Rule 720(1) of the Listing Manual

On behalf of the Board of Directors of the Company, we hereby confirm that we have procured all the required undertakings to comply with the Exchange's listing rules from all the Directors and Executive Officers of the Company.

16. Use of proceeds

- (i) As at the date of this announcement, the net proceeds from the issue of FY2015 rights cum warrants of 2,370,630,317 new share of the Company at the issue price S\$0.004 per share had been utilised as follows:

	Balance as at 31 March 2018	Amount utilised	Balance as at 30 September 2018
	S\$ million	S\$ million	S\$ million
Potential acquisition, joint ventures, and/ or strategic alliances	1.00	1.00	-
	1.00	1.00	-

BY ORDER OF THE BOARD

Lee Wei Hsiung
Company Secretary
13 November 2018