

FUJI OFFSET PLATES MANUFACTURING LTD

Unaudited Half-Year Financial Statement And Related Announcement

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) 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

	Note	S\$'000 30.06.20	S\$'000 30.06.19	% Increase/ (Decrease)
Revenue		1,927	2,291	(16)
Cost of sales		(1,338)	(1,409)	(5)
Gross profit		<u>589</u>	<u>882</u>	(33)
Other operating income	1	546	270	>100
Distribution expenses		(122)	(134)	(9)
Administrative expenses		(932)	(973)	(4)
Other operating expenses		-	(43)	NM
Results from operating activities		<u>81</u>	<u>2</u>	>100
Finance income	2	85	96	(11)
Finance expense	2	(5)	(4)	25
Net finance income		<u>80</u>	<u>92</u>	(13)
Share of results of associate (net of tax)	3	<u>373</u>	<u>665</u>	(44)
Profit before tax	4	<u>534</u>	<u>759</u>	(30)
Income tax expense		(34)	(67)	(49)
Profit for the period		<u>500</u>	<u>692</u>	(28)
Other comprehensive income				
Foreign currency translation loss		(249)	(213)	17
Prior years' amortisation		-	165	NM
Other comprehensive income for the period, net of tax		<u>(249)</u>	<u>(48)</u>	>100
Total comprehensive income for the period		<u>251</u>	<u>644</u>	(61)
Profit for the period attributable to:				
Owners of the Company		518	623	(17)
Non-controlling interests		(18)	69	NM
Profit for the period		<u>500</u>	<u>692</u>	(28)
Total comprehensive income attributable to:				
Owners of the Company		304	604	(50)
Non-controlling interests		(53)	40	NM
Total comprehensive income for the period		<u>251</u>	<u>644</u>	(61)

NM denotes not meaningful

Notes:

	S\$'000	S\$'000	%
	30.06.20	30.06.19	Increase/ (Decrease)
(1) Other operating income includes:			
Gain on disposal of property, plant and equipment	-	1	NM
Income from sales of scrap	1	2	(50)
Foreign exchange gain (net)	236	-	NM
Fair value changes on loan	1A 259	232	12
Others	50	35	43
	<u>546</u>	<u>270</u>	>100

(1A) Notional fair value adjustment due to adjustment on loans to Star City Property Development Co., Ltd (“**Star City**”) on effective interest rate basis. This has been reclassified from Discount adjustment on loan under Finance Income in 1H2019 reporting.

	S\$'000	S\$'000	%
	30.06.20	30.06.19	Increase/ (Decrease)
(2) Finance income/(expense) includes:			
Interest income from banks	30	27	11
Other interest income	55	69	(20)
Finance income	<u>85</u>	<u>96</u>	(11)
Interest on lease liabilities	(5)	(4)	25
Finance expense	<u>(5)</u>	<u>(4)</u>	25
Net finance income	<u>80</u>	<u>92</u>	(13)

(3) Share of results of IPark Development Sdn Bhd (“**IPark**”).

(4) The following items have also been included in arriving at profit before taxation:

	S\$'000	S\$'000	%
	30.06.20	30.06.19	Increase/ (Decrease)
Depreciation charge	290	314	(8)
Amortisation charge	8	12	(33)
Foreign exchange (gain)/loss (net)	(236)	43	NM
Bad debt recovered	-	(2)	NM

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

	Note	Group		Company	
		S\$'000 30.06.20	S\$'000 31.12.19	S\$'000 30.06.20	S\$'000 31.12.19
Non-current assets					
Property, plant and equipment	1	3,286	3,303	1	1
Intangible assets	2	21	29	-	-
Investment properties	3	1,835	1,864	-	-
Subsidiaries		-	-	7,809	7,809
Right-of-use assets	4	995	1,092	490	544
Investment in associate	5	8,897	8,623	-	-
Long-term loan due from associate	6	3,596	3,580	-	-
Other investment	7	1,355	1,311	1,355	1,311
Other receivable	8	5,503	5,071	5,503	5,071
		<u>25,488</u>	<u>24,873</u>	<u>15,158</u>	<u>14,736</u>
Current assets					
Inventories	9	717	524	-	-
Trade receivables	10	1,095	1,479	-	-
Amounts due from a subsidiary		-	-	1,243	1,183
Other receivables	11	339	665	2	2
Prepayments	12	64	44	-	1
Tax recoverable	13	80	12	-	-
Cash and cash equivalents		5,141	4,475	203	108
		<u>7,436</u>	<u>7,199</u>	<u>1,448</u>	<u>1,294</u>
Total assets		<u>32,924</u>	<u>32,072</u>	<u>16,606</u>	<u>16,030</u>
Equity					
Share capital		14,807	14,807	14,807	14,807
Reserves		12,099	11,795	(549)	(606)
Equity attributable to owners of the Company		<u>26,906</u>	<u>26,602</u>	<u>14,258</u>	<u>14,201</u>
Non-controlling interests		3,138	3,191	-	-
Total equity		<u>30,044</u>	<u>29,793</u>	<u>14,258</u>	<u>14,201</u>
Non-current liabilities					
Loans and borrowings		127	144	127	144
Deferred tax liabilities		962	965	-	-
		<u>1,089</u>	<u>1,109</u>	<u>127</u>	<u>144</u>
Current liabilities					
Trade and other payables	14	679	818	156	278
Loans and borrowings		67	116	64	93
Provision		42	36	19	14
Current tax payable		3	-	-	-
Amount due to a subsidiary		-	-	982	1,100
Amount due to Director/substantial shareholder		1,000	200	1,000	200
		<u>1,791</u>	<u>1,170</u>	<u>2,221</u>	<u>1,685</u>
Total liabilities		<u>2,880</u>	<u>2,279</u>	<u>2,348</u>	<u>1,829</u>
Total equity and liabilities		<u>32,924</u>	<u>32,072</u>	<u>16,606</u>	<u>16,030</u>

Notes:

- (1) Property, plant and equipment were lower mainly due to depreciation for the period coupled with exchange rate fluctuations between the Malaysian Ringgit (“**RM**”) against the Singapore dollar (“**S\$**”).
- (2) Intangible assets pertain to computer software assets in a subsidiary.
- (3) Investment properties were lower mainly due to depreciation and amortisation for the period coupled with exchange rate fluctuations between RM against the S\$.
- (4) Right-of-use assets were lower mainly due to depreciation and amortisation for the period coupled with exchange rate fluctuations between RM against the S\$.
- (5) Investment in associate was higher by about S\$0.27 million mainly due to share of results in IPark, partially offset by exchange rate fluctuations between RM against the S\$.
- (6) Long-term loan due from associate was higher by about S\$0.02 million mainly due to accrued interest, partially offset by exchange rate fluctuations between RM and the S\$.
- (7) Other investment, pertaining to the Group’s 10% share of equity interest in Star City, was higher by about S\$0.04 million mainly due to exchange rate fluctuations between the US dollar (“**USD**”) against the S\$.
- (8) Other receivable, in respect of the Group’s share of loan to Star City, was higher by about S\$0.43 million mainly due to fair value changes of the loan coupled with exchange rate fluctuations between US\$ against the S\$.
- (9) Inventories were higher by about S\$0.19 million mainly due to purchases of seamless steel pipes in 1Q2020 coupled with lower sales for the period.
- (10) Trade receivables were lower by about S\$0.38 million mainly due to lower sales of printing cylinders in 2Q2020 as compared with 4Q2019. Barring unforeseen circumstances, the Group does not foresee any issue with the collectibility of these outstanding receivables.
- (11) Other receivables were lower by about S\$0.33 million mainly due to deposits paid for the purchase of plant and machinery at year-end 2019.
- (12) Prepayments were higher by about S\$0.02 million mainly due to prepayments of insurance premium on plant and machinery.
- (13) Tax recoverable were higher at about S\$0.07 million mainly due to overpayment of taxes for the current year.
- (14) Trade and other payables (comprising trade payable of approximately S\$0.12 million and other payables of approximately S\$0.56 million as at 30 June 2020), were lower by about S\$0.14 million due to a decrease in of other payables of S\$0.15 million, which was marginally offset by an increase in trade payables of S\$0.01 million. The decrease in other trade payables was mainly due to payments in 1H2020 for expense accruals outstanding at year-end 2019.

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

Amount repayable in one year or less, or on demand

As at 30/06/2020		As at 31/12/2019	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
67	1,000	116	200

Amount repayable after one year

As at 30/06/2020		As at 31/12/2019	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
127	-	144	-

Details of any collateral

The collateral in respect of secured borrowings is by way of legal charges over certain property, plant and equipment held under hire purchase arrangements.

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

	S\$'000 30.06.20	S\$'000 30.06.19
Operating activities		
Profit before tax	534	759
Adjustments for:		
Depreciation of property, plant and equipment	181	232
Depreciation of investment properties	21	24
Depreciation of right-of-use assets	88	58
Gain on disposal of property, plant and equipment	-	(1)
Amortisation of intangible assets	8	12
Share of results of associate	(373)	(665)
Interest expense	5	4
Interest income	(85)	(96)
Fair value changes on loan	(259)	(232)
Foreign exchange (gain)/loss, net	(218)	58
Operating cash flow before changes in working capital	(98)	153
Changes in working capital:		
Inventories	(201)	(85)
Trade receivables	375	(82)
Related parties balances	2	-
Other receivables, deposits and prepayments	301	(284)
Trade and other payables	(130)	(307)
Cash from/(used in) operations	249	(605)
Income taxes (paid)/refunded	(99)	221
Interest received	30	27
Cash flows from/(used in) operating activities	180	(357)
Investing activities		
Purchase of property, plant and equipment	(186)	(26)
Acquisition of intangible assets	-	(8)
Proceeds from disposal of property, plant and equipment	-	1
Cash flows used in investing activities	(186)	(33)

Financing activities

Payment of lease liabilities	(71)	(48)
Loan from Director/substantial shareholder	800	-
Dividends paid to owners of the Company	-	(150)
Cash flows from/(used in) financing activities	729	(198)

Net increase/(decrease) in cash and cash equivalents 723 (588)

Cash and cash equivalents at beginning of the year	4,475	4,771
Effect of exchange rate changes on balances held in foreign currency	(57)	(37)
Cash and cash equivalents at end of the period	5,141	4,146

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

The Group	Share capital	Foreign currency translation reserve	Fair value adjustment reserve	Retained earnings	Total	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2020	14,807	254	(713)	12,254	26,602	3,191	29,793
Profit net of tax for the period	-	-	-	518	518	(18)	500
Other comprehensive income	-	-	-	-	-	-	-
Foreign currency translation	-	(214)	-	-	(214)	(35)	(249)
Total comprehensive income for the period	-	(214)	-	518	304	(53)	251
At 30 June 2020	14,807	40	(713)	12,772	26,906	3,138	30,044
At 1 January 2019 (restated)	14,807	315	354	10,980	26,456	3,069	29,525
Profit net of tax for the period	-	-	-	623	623	69	692
Other comprehensive income	-	-	-	-	-	-	-
Foreign currency translation	-	(184)	-	-	(184)	(29)	(213)
Adjustment for prior years' amortisation	-	-	-	165	165	-	165
Total comprehensive income for the period	-	(184)	-	788	604	40	644
Dividends	-	-	-	(150)	(150)	-	(150)
At 30 June 2019	14,807	131	354	11,618	26,910	3,109	30,019

The Company

	Share capital	Fair value adjustment reserve	Retained earnings	Total
	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2020	14,807	(713)	107	14,201
Profit net of tax, represents total comprehensive income for the period	-	-	57	57
At 30 June 2020	14,807	(713)	164	14,258
At 1 January 2019 (restated)	14,807	354	(441)	14,720
Loss net of tax, represents total comprehensive income for the period	-	-	(208)	(208)
Dividends	-	-	(150)	(150)
At 30 June 2019	14,807	354	(799)	14,362

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

There were no changes to the Company's share capital since the end of the previous period reported on. There were no outstanding convertibles and the Company did not hold any treasury shares and subsidiary holdings as at 30 June 2019 and 30 June 2020 respectively.

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	30.06.20	31.12.19
Total number of issued shares excluding treasury shares	49,912,500	49,912,500

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

Not applicable. The Company does not have any treasury shares as at 30 June 2020.

1(d)(v) A statement showing all sales, transfers, disposal, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on

Not applicable. The Company does not have any subsidiary holdings as at 30 June 2020.

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

The figures have not been audited or reviewed by external auditor.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable

3(A). Where the latest financial statements are subject to an adverse opinion, qualified or disclaimer of opinion:

(i) Updates on the efforts taken to resolved each outstanding audit issue.

(ii) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

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 paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as compared to the most recent audited financial statements for the financial year ended 31 December 2019.

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 and Company have adopted the new and revised Singapore Financial Reporting Standards (International) ("**SFRS(I)s**"), and Interpretations of SFRS(I) ("**SFRS(I) INTs**") that are effective for the financial year beginning on or after 1 January 2020. The adoption of these SFRS(I)s and SFRS(I) INTs do not have any significant impact on the financial statements of the Group and Company.

6. Earnings per ordinary share 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

Group	30.06.20	30.06.19
Based on weighted average number of ordinary shares in issue (cents)	1.04	1.25
Based on a fully diluted basis (cents)	1.04	1.25

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	
	30.06.20	31.12.19	30.06.20	31.12.19
Net Asset Value per ordinary share (cents)	53.91	53.30	28.57	28.45

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

Revenue

Total Group revenue amounted to S\$1.93 million for 1H2020 as compared with S\$2.29 million for 1H2019, a drop of S\$0.36 million or about 16%, mainly due to lower sales of printing cylinders in Malaysia primarily on account of the ongoing COVID-19 situation and Movement Control Order restrictions in Malaysia.

Costs

Due to lower revenue, cost of sales also decreased by about 5% or S\$0.07 million, from S\$1.41 million for 1H2019 to S\$1.34 million for 1H2020. However, the decrease was lower compared with the decrease in revenue due to higher routine maintenance of plant and machinery and fixed manufacturing costs.

Gross profit

As a result of the lower revenue and costs of sales, gross profit for the period decreased from S\$0.88 million for 1H2019 to S\$0.59 million for 1H2020, a decrease of S\$0.29 million or about 33%. Consequently, gross profit margin declined from 38.5% for 1H2019 to 30.6% for 1H2020.

Operating Expenses

In line with the lower revenue, distribution expenses also decreased by about 9%, from S\$0.13 million for 1H2019 to S\$0.12 million for 1H2020. Administrative expenses also declined from S\$0.97 million for 1H2019 to S\$0.93 million for 1H2020, representing a decline of about 4% or S\$0.04 million, mainly due to non-recurring expenses incurred for the rental of an investment property in 1H2019.

Depreciation charge was lower at about S\$0.29 million for 1H2020 as compared with S\$0.31 million for 1H2019 as some plant and machinery assets have been fully depreciated.

Other Operating Income/Expenses

For 1H2020, other operating income was significantly higher at S\$0.55 million as compared with S\$0.27 million for 1H2019, an increase of S\$0.28 million, mainly due to net foreign exchange gain from the Company's US\$ loan to Star City as a result of the stronger US\$ against the S\$ and higher notional fair value adjustment.

There are no Other operating expenses incurred for 1H2020 as compared with 1H2019. Other operating expenses for 1H2019 comprise net foreign exchange loss from the loan to Star City – the result of the weaker US\$ against the S\$ over the period.

Operating Profit

On the basis of the above factors, therefore, the Group recorded an operating profit of S\$0.08 million for 1H2020 as compared with about breakeven for 1H2019, an improvement of S\$0.08 million in operating performance over the two financial periods. The improvement was attributable to the following factors:

- 1) Net foreign exchange gain of S\$0.28 million mainly from the investment in property development companies business segment on account of the stronger US\$ against the S\$,
- 2) Higher net contribution from investment holding business segment of S\$0.08 million,
- 3) Adjustments and eliminations of S\$0.01 million, including unallocated corporate expenses, less
- 4) Lower contribution from printing cylinders business segment of S\$0.29 million.

Net finance income decreased from S\$0.09 million for 1H2019 to S\$0.08 million for 1H2020 mainly due to lower accrued interest on long-term loan due from associate.

Share of results of associate (net of tax) amounted to a gain of S\$0.37 million for 1H2020, based on percentage-of-completion method, as compared with S\$0.67 million for 1H2019.

Income tax expense was lower at S\$0.03 million for 1H2020 as compared with S\$0.07 million for 1H2019 mainly due to lower taxable profits.

Based on the above factors, the Group recorded a profit after tax of S\$0.50 million for 1H2020 as compared with S\$0.69 million for 1H2019.

Cash Flow

For 1H2020, the Group recorded cash flow from operating activities of S\$0.18 million after accounting for positive changes in working capital of S\$0.35 million, partially offset by operating cash outflow of S\$0.10 million and payment of income tax of S\$0.10 million.

Cash flows used in investing activities amounting to S\$0.19 million for 1H2020 were mainly for the purchase of property, plant and equipment.

Cash flows from financing activities of S\$0.73 million comprise a loan from a Director/substantial shareholder, partially offset by payment of lease liabilities.

As a result of the above factors, cash and cash equivalents increased by about S\$0.72 million during 1H2020 and the Group's cash and cash equivalents stood at S\$5.14 million as at 30 June 2020.

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

Not Applicable

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 Board of Directors is of the opinion that the outlook for the next 12 months for printing cylinders business segment will continue to remain challenging in light of the continuing COVID-19 situation and its impact on the economies of both Malaysia and Singapore. The outlook for the Group's investment in property development companies business segment will also depend on how the COVID-19 situation evolves and the impact this has on the regional economies.

Property sales launch for IPark were ongoing since October 2016 (Parcels 1 and 2) and 2H2019 (Parcel 3). To date, under Parcel 1, 5 out of 10 factory units are sold while 4 are rented out. Under Parcel 2, 23 out of 41 units are sold, 11 are rented out while 3 are booked. Under Parcel 3, 1 out of 36 is sold while 1 is rented out.

On 17 July 2020, the Group received its share (20%) of a first dividend payment of RM1.0 million (approximately S\$0.33 million) from IPark.

With regard to Star City, there were no new developments as Directors and Management of Star City continue to proactively endeavour to sell the company's property assets.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None

(c) Date payable

Not Applicable

(d) Record date

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 or recommended for the financial six months period ended 30 June 2020. Given the challenging outlook for the next 12 months in light of the continuing COVID-19 situation, the Company will review its financial position at the end of the financial year.

13. Interested Person Transactions (January – June 2020)

Note Rule 920(1)(a)(ii) – An issuer must announce the aggregate value of transactions conducted pursuant to the general mandate for interested person transactions for the financial periods which it is required to report on pursuant to Rule 705.

The Group has renewed its general mandate for Interested Party Transaction at the recent annual general meeting held on 26 June 2020.

Name of Interested Person	Nature of Relationship	Aggregate value of all interested person transactions 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 during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
Adrian Teo Kee Tiong	<p>Brother of Teo Kee Bock and Teo Kee Chong, Directors and substantial shareholders of the Company, and son of Mdm Ang Kim Ton, substantial shareholder of the Company.</p> <p>Fuji Printing Cylinders Pte Ltd (FPC), a wholly-owned subsidiary of the Group</p> <p>Fuji Roto Gravure Sdn Bhd (FRG), where FPC owns 65% and Adrian Teo owns 35%. Mr Adrian Teo is also a director of FRG.</p> <p>IPT transaction Supply of printing cylinders by FRG to FPC</p> <p>Provision of technical services by the Group to FRG</p> <p>Lease of premises by Fujiplates Manufacturing Sdn Bhd to FRG</p>	Nil	S\$184,103

In November 2019, the Company entered into a loan agreement with Mr David Teo Kee Bock, Executive Chairman and Director and controlling shareholder of the Company pursuant to which Mr Teo agrees to grant an unsecured interest-free loan of S\$200,000 to the Company, repayable by February 2020.

In February 2020, the Company entered into another loan agreement with Mr Teo pursuant to which Mr Teo agrees to grant an unsecured loan of \$1,000,000 to the Company at an interest rate of 2% per annum for a term of one year with effect from 25 February 2020 to 24 February 2021. The loan is partly to pay the earlier loan of S\$200,000 from Mr Teo.

14. Negative Assurance on Interim Financial Statements

Confirmation by the Board Pursuant to Catalyst Rule 705(5).

The Board of Directors hereby confirm that, to the best of its knowledge, nothing has come to its attention which may render the financial results of the Group and the Company for the first half-year ended 30 June 2020 to be false or misleading in any material aspect.

On behalf of the Board of Directors:

Name of Director: Teo Kee Bock
Designation: Chairman

Name of Director: Teo Kee Chong
Designation: Managing Director

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 undertakings from all of its directors and executive officers as set out in Appendix 7H under Rule 720(1).

BY ORDER OF THE BOARD

Kiar Lee Noi
Company Secretary

6 August 2020

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("Sponsor"), Asian Corporate Advisors Pte. Ltd., in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited ("Exchange") Listing Manual Section B: Rules of Catalyst for compliance with the relevant rules of the Exchange. The Company's Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.

This announcement has not been examined or approved by the Exchange and the Exchange 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 Foo Quee Yin
Telephone number: 6221 0271*