

ACROMEK LIMITED

(incorporated in the Republic of Singapore)
(Company Registration Number: 2015440003M)



UNAUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016

This announcement has been prepared by ACROMEK Limited (the “Company”) and its contents have been reviewed by the Company’s Sponsor, SAC Capital Private Limited (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 Tan Pei Woon (Telephone no.: (65) 65323829) at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542.

Background

ACROMEK Limited (together with its subsidiary, the “Group”) was listed on Catalist of the SGX-ST on 18 April 2016, pursuant to an initial public offering (the “IPO”) exercise. The Group is a Singapore-based specialist engineering services provider in the field of controlled environments. It currently serves mainly the healthcare, biomedical science, research and academia, and electronics sectors.

The Company was incorporated in Singapore on 22 December 2015 under the Singapore Companies Act as a private company limited by shares, under the name ACROMEK Pte. Ltd. The Company was incorporated pursuant to the restructuring exercise (the “Restructuring Exercise”) as disclosed in the Company’s offer document dated 6 April 2016 (the “Offer Document”). The Company was converted into a public limited company on 16 March 2016 and its name was changed to ACROMEK Limited. Please refer to the Offer Document for further details on the Restructuring Exercise.

For the purpose of this announcement, the financial results of the Group for financial year ended 30 September 2016 and its comparative figures for the financial year ended 30 September 2015 have been prepared on the assumption that the Group’s structure had been in place since 1 October 2014.

PART I: INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

1(a)(i) A statement of comprehensive income (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		Inc/(Dec) %
	Financial Year Ended 30 Sep		
	2016 S\$'000	2015 S\$'000	
Revenue	43,502	35,377	23
Cost of sales	(38,375)	(27,909)	38
Gross profit	<u>5,127</u>	<u>7,468</u>	(31)
Other operating income	170	171	-
	<u>5,297</u>	<u>7,639</u>	(31)
Administrative expenses	(4,774)	(3,338)	43
Other operating expenses	(349)	(321)	10
IPO expenses	(716)	-	N.M.
Finance costs	(7)	(19)	(63)
(Loss)/Profit before income tax	(547)	3,961	N.M
Income tax expenses	(30)	(580)	(95)
(Loss)/Profit for the year, representing total comprehensive income for the year	<u>(577)</u>	<u>3,381</u>	N.M
(Loss)/Profit attributable to: Owners of the Company	<u>(577)</u>	<u>3,381</u>	N.M
Total comprehensive (loss)/income attributable to: Owners of the Company	<u>(577)</u>	<u>3,381</u>	N.M

N.M : not meaningful

1(a)(ii) Notes to the statement of comprehensive income

	Group	
	Financial Year Ended 30 Sep	
	2016	2015
	S\$'000	S\$'000
Profit for the financial year is arrived at after (charging)/crediting the following:		
Depreciation of plant and equipment	(119)	(153)
(Loss)/Gain on disposal of plant and equipment	(7)	5
Interest income	33	20
Foreign exchange loss (Net)	<u>(3)</u>	<u>(12)</u>

1(b)(i) A statement of financial position (for the issuer and the group), together with a comparative statement as at the end of the immediately preceding financial year

	Group		Company	
	30 Sep 2016 S\$'000	30 Sep 2015 S\$'000	30 Sep 2016 S\$'000	30 Sep 2015 ⁽¹⁾ S\$'000
ASSETS				
Non-current assets				
Investment in subsidiaries	-	-	6,218	-
Plant and equipment	324	150	-	-
Total non-current assets	324	150	6,218	-
Current assets				
Trade receivables	7,792	5,614	-	-
Other receivables, deposits and prepayment	102	125	39	-
Amount due from contract customers	4,325	6,467	-	-
Amount due from subsidiary	-	-	3,194	-
Loan to subsidiary	-	-	1,800	-
Cash and bank balances ⁽²⁾	9,142	8,915	2,152	-
Total current assets	21,361	21,121	7,185	-
Total assets	21,685	21,271	13,403	-
LIABILITIES AND EQUITY				
Current liabilities				
Trade and other payables	9,147	11,188	205	-
Bill payables	586	389	-	-
Amount due to contract customers	1,039	945	-	-
Amount due to subsidiary	-	-	1,404	-
Income tax payable	98	720	30	-
Finance leases	-	11	-	-
Total current liabilities	10,870	13,253	1,639	-
Net current assets	10,491	7,868	5,546	-
Net assets	10,815	8,018	11,764	-
Equity attributable to the owners of the Company				
Share capital	11,753	1,500	11,753	-
Merger reserve	(4,718)	-	-	-
Retained earnings	3,780	6,518	11	-
Total equity	10,815	8,018	11,764	-
Total liabilities and equity	21,685	21,271	13,403	-

Notes:

(1) There are no comparative figures at 30 Sep 2015 as the Company was incorporated on 22 Dec 2015.

(2) The amount stated includes fixed deposits of S\$3,027,000 (30 September 2015: S\$2,521,000) pledged as collaterals for banking facilities.

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures at the end of the immediately preceding financial year

	30 Sep 2016		30 Sep 2015	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on demand	586	-	399	-
Amount repayable after one year	-	-	-	-
Total borrowings	<u>586</u>	<u>-</u>	<u>399</u>	<u>-</u>

Details of collateral

Bill payables of S\$586,000 (30 September 2015: S\$389,000) is secured by fixed deposits pledged with banks.

Finance leases of S\$10,000 as at 30 September 2015 is secured on the equipment leased.

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	
	Financial Year Ended 30 Sep	
	2016 S\$'000	2015 S\$'000
Operating activities		
(Loss)/Profit before income tax	(547)	3,961
Adjustments for:		
Depreciation of plant and equipment	119	153
Reversal of allowance for doubtful trade receivables	-	(62)
IPO expenses	716	-
Interest income	(33)	(20)
Interest expense	7	18
Loss/(Gain) on disposal of plant and equipment	7	(5)
	<u>269</u>	<u>4,045</u>
Operating cash flows before movements in working capital		
<i>Movements in working capital</i>		
Trade receivables	(2,183)	(3,651)
Other receivables, deposits and prepayments	27	(52)
Amount due from (to) contract customers (net)	2,236	(4,048)
Trade and other payables	(2,037)	5,711
Bill payables	197	147
Cash generated (used in)/from operations	(1,491)	2,152
Interest paid	(7)	(19)
Income taxes paid	(652)	(399)
Net cash (used in)/from operating activities	<u>(2,150)</u>	<u>1,734</u>
Investing activities		
Purchase of plant and equipment	(300)	(140)
Proceeds on disposal of plant and equipment	-	7
Interest received	28	20
Net cash used in investing activities	<u>(272)</u>	<u>(113)</u>
Financing activities		
Proceeds from issuance of shares pursuant to IPO	5,940	
Dividends paid	(2,161)	(1,650)
Increase in fixed deposits pledged	(506)	(6)
Repayment of borrowings	(10)	(20)
Payment for IPO expenses	(1,120)	-
Net cash from/(used in) financing activities	<u>2,143</u>	<u>(1,676)</u>
Net increase/(decrease) in cash and cash equivalents	(279)	(55)
Cash and cash equivalents at beginning of year	<u>6,394</u>	<u>6,449</u>
Cash and cash equivalents at end of year ⁽¹⁾	<u>6,115</u>	<u>6,394</u>

Notes:

(1) The amount stated excludes fixed deposits of S\$3,027,000 (30 Sep 2015: S\$2,521,000) pledged as collaterals for banking facilities.

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

	Attributable to Owners of the Company			
	Share capital S\$'000	Merger reserve S\$'000	Retained earnings S\$'000	Total S\$'000
Balance as at 1 October 2015	1,500	-	6,518	8,018
Loss for the financial year, representing total comprehensive loss	-	-	(577)	(577)
Dividends:	-	-	-	-
- Paid to previous shareholders of subsidiary before IPO	-	-	(1,800)	(1,800)
- Paid to shareholders after IPO	-	-	(361)	(361)
Adjustments pursuant to the Restructuring Exercise	(1,500)	(4,718)	-	(6,218)
Issuance of new shares pursuant to the Restructuring Exercise	6,218	-	-	6,218
Issuance of new shares pursuant to the IPO	5,535	-	-	5,535
Balance as at 30 September 2016	11,753	(4,718)	3,780	10,815
Balance as at 1 October 2014	1,500	-	4,787	6,287
Profit for the financial year, representing total comprehensive income	-	-	3,381	3,381
Dividends	-	-	(1,650)	(1,650)
Balance as at 30 September 2015	1,500	-	6,518	8,018

Company⁽¹⁾

	Share capital	Retained Earnings	Total
	S\$'000	S\$'000	S\$'000
Balance as at 22 December 2015 ⁽²⁾	-	-	-
Issuance of new shares pursuant to the Restructuring Exercise	6,218	-	6,218
Issuance pursuant to the IPO	5,535		5,535
Profit for the financial year, representing total comprehensive income	-	372	372
Dividends	-	(361)	(361)
<hr/>			
Balance as at 30 September 2016	11,753	11	11,764

Notes:

- (1) There are no comparative figures for the Company as the Company was incorporated during the current financial year
- (2) Date of incorporation of the Company

- 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 also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.**

The Company issued 27,000,000 ordinary shares pursuant to IPO of the Company on 18 April 2016. As at 30 September 2016, the issued and paid up capital of the Company was 120,270,645 ordinary shares.

The details of the changes in the share capital of the Company from 31 March 2016 up to 30 September 2016 are as follows:-

	Number of shares	Issued and paid-up share capital (S\$)
As at 31 March 2016	93,270,645	6,218,043
As at 18 April 2016, after IPO	120,270,645	11,752,743
As at 30 September 2016	120,270,645	11,752,743

There were no outstanding convertibles and treasury shares as at 30 September 2016. There were no comparative figures as at 30 September 2015 as the Company was incorporated on 22 December 2015.

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.

The total number of issued ordinary shares as at 30 September 2016 is 120,270,645. The Company did not have any treasury shares as at 30 September 2016. There are no comparative figures as at 30 September 2015 as the Company was incorporated on 22 December 2015.

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

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

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 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.

The Group has consistently applied the same accounting policies and methods of computation for the current financial year compared to the most recently audited annual financial statements for the financial year ended 30 September 2015.

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.

Not applicable.

6. Earnings 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:

	Group	
	30-Sep-2016	30-Sep-2015
(Loss)/Profit attributable to owners of the Company (S\$'000)	<u>(577)</u>	<u>3,381</u>
Weighted average number of ordinary shares	<u>105,476,124</u>	<u>93,270,645</u>
Earnings per share (basic and diluted)(cents)	<u>(0.55)</u>	<u>3.63</u>

The calculation of the basic and dilutive earnings per share of the Group for the year ended 30 September 2016 is based on the number of shares issued after the Restructuring Exercise and the issue of new shares of 27,000,000 on 18 April 2016 pursuant to the IPO. The calculation of the basic and dilutive earnings per share of the Group for the year ended 30 September 2015 is based on the number of shares issued after the Restructuring Exercise.

The basic and dilutive earnings per share is the same as there were no potentially dilutive ordinary shares in issue.

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-Sep-2016	30-Sep-2015	30-Sep-2016	30-Sep-2015 ⁽¹⁾
Net Asset Value per share (cents)	<u>8.99</u>	<u>6.67</u>	<u>9.78</u>	<u>-</u>
Net Asset Value (S\$'000)	<u>10,815</u>	<u>8,018</u>	<u>11,764</u>	<u>-</u>
Number of ordinary shares used	<u>120,270,645</u>	<u>93,270,645</u>	<u>120,270,645</u>	<u>-</u>

For comparative purposes, the calculation of the net asset value per share of the Group for the year ended 30 September 2016 is based on the number of shares issued as at 30 September 2016. The calculation of the net asset value per share of the Group for the year ended 30 September 2015 is based on the number of shares issued after the Restructuring Exercise.

Notes:

⁽¹⁾ There are no comparative figures as at 30 September 2015 as the Company was incorporated on 22 December 2015.

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 GROUP RESULTS

Revenue for the financial year ended 30 September 2016 ("FY2016") increased by 23% or S\$8.1 million to S\$43.5 million as compared to S\$35.4 million for the corresponding financial year ended 30 September 2015 ("FY2015"), mainly contributed by the Engineering, Procurement and Construction business segment. The increase in revenue was due to increased business activities on execution of the Group's major projects, which stemmed from a strong order book.

The increase in costs of sales of 38% from S\$27.9 million in FY2015 to S\$38.4 million in FY2016 was more than proportionate to the increase in revenue due to additional costs incurred in a few of the Group's major projects in the second half of FY2016 due to unanticipated requirements from customers and scope changes. Whilst the Group has submitted the related variation orders and is in discussion with its customers, the Group has not recognised these variation orders as revenue before the issues are resolved.

In addition, the Group was faced with execution difficulties and complexity on two of its healthcare projects where the projects' adjacent critical facilities were running at full scale operations. This has hampered productivity and the resultant escalation of costs.

On the whole, poorer manpower productivity has also impacted our project costs as manpower was increased in the second half of FY2016 to prepare for the expected increase in tender activities. These tenders were delayed, in part due to the slowing economic growth in Singapore and the uncertainty in the global economy.

The Group has since taken active steps in this interim period to rationalise its costs and streamline its processes so as to achieve cost and operational optimisation. The Group has also drawn lessons learnt from such untimely and congruent events and will endeavour to ensure that such situations do not recur.

Accordingly, gross profit decreased by S\$2.3 million or 31% from S\$7.5 million in FY2015 to S\$5.2 million in FY2016. Gross margins dipped from 21% for FY2015 to 12% for FY2016 correspondingly, amid a tight foreign labour market and keen competition as the Group continues to manage its costs.

Other operating income remained stable. Administrative expenses increased by S\$1.5 million or 43% from S\$3.3 million in FY2015 to S\$4.8 million in FY2016, mainly due to increase in staff strength to support the increase in business activities and increase in recurring expenses such as compliance and professional expenses as a result of the Company's listing

status. Other operating expenses remained relatively stable. The substantial decrease in income tax expenses is in line with the loss reported for FY2016. The decrease in the Group's finance cost was due to the repayment of finance lease.

Despite the challenges mentioned above, the Group would have still reported a net profit attributable to shareholders of S\$0.1 million, if not for the recognition of the one-off IPO expenses of \$716,000 in the income statement.

REVIEW OF GROUP'S FINANCIAL POSITION

Current assets as at the end of FY2016 remained relatively stable as compared to the end of FY2015, mainly due to the increase in trade receivables and offset by a decrease in amount due from contract customers. Trade receivables increased due to slower collections. Movements in amount due from contract customers relate to contract accounting and are due to timing differences in revenue recognition and billings to customers.

Current liabilities as at the end of FY2016 decreased by 18% or S\$2.4 million as compared to the end of FY2015, mainly due to the decrease in trade and other payables. Trade and other payables declined in FY2016 due to significant billings by the Group's suppliers and sub-contractors at the end of FY2015 and timing differences of settlement of supplier invoices at year end.

Cash and bank balances as at the end of FY2016 remained relatively stable as compared to the end of FY2015. Bill payables increased by 50% or S\$0.2 million due to increase in amounts of trust receipts undertaken.

REVIEW OF GROUP'S CASH FLOWS

Overall, the Group's cash and cash equivalents decreased by 4% or S\$0.3 million for FY2016.

Cash used in operating activities amounted to S\$2.2 million, on the back of slower collections of its trade debts. Cash outflows from its operating activities was offset by the cash inflows from financing activities, mainly due to net proceeds from IPO of S\$4.8 million offset by dividends paid of S\$2.2 million.

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 forecast or prospect statement was previously made to shareholders.

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 continues to see activities in the sectors that it serves, particularly the healthcare, biomedical, research and academia sectors, albeit at a slower pace. The Group sees opportunities in the healthcare sector in the long term, buoyed by the Government's major

plans to increase infrastructure spending through building new hospitals and medical facilities and refurbishing existing ones so as to cater to Singapore's ageing population. Likewise, the biomedical, research and academia sectors is expected to grow on the back of the Government's initiatives to encourage and facilitate research and development activities.

Against this backdrop, the Group continues to actively develop its business through direct negotiations and bidding for projects, underpinned by a strong balance sheet and an established track record.

The Group is optimistic about its recently announced acquisition of Golden Harvest Engineering Pte Ltd ("Golden Harvest"). In line with the Group's strategy to acquire new businesses which are synergistic with its existing businesses, the acquisition presents an opportunity for the Group to expand its network of customers and its service offering. We believe that with Golden Harvest's expertise and track record, we will be able to expand and grow our recurring income base through the provision of maintenance services to serve larger scale facilities through the synergising and forming of a stronger and more equipped team. Recurring based revenues augments well and adds stability to our largely project-based business.

However, Singapore and the region is currently experiencing slower economic growth. Accordingly, competition is expected to remain keen. In view of these factors, the Group may face continued pressures on its margins. The Group is actively taking steps to streamline its processes and manage its costs amid a tight foreign labour market so as to achieve cost and operational optimisation.

At the date of this announcement, the order book of the Group stands at approximately S\$32 million.

11. Dividend:

(a) Any dividend declared for the current financial period reported on?

Not applicable.

(b) Corresponding period of the immediately preceding financial year

Not applicable.

(c) Date payable

Not applicable

(d) Book closure date

Not applicable.

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

No dividend has been declared or recommended for the financial year ended 30 September 2016.

- 13. If the Group has obtained a general mandate from shareholders for interested person transactions (“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 a shareholders’ mandate for interested person transactions.

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

- 15. Updates on use of IPO proceeds**

	Amount allocated	Amount utilised	Balance of net proceeds as at at the date of this announcement
	S\$ million	S\$ million	S\$ million
Expansion through acquisitions, and/or strategic alliances and venture into new geographical markets	1.00	-	1.00
Working capital to expand business operations through securing more projects and projects of a larger scale	3.50	3.50 ⁽¹⁾	-
Net proceeds from IPO	<u>4.50</u>	<u>3.50</u>	<u>1.00</u>

Notes:

⁽¹⁾ Utilised for settlement of supplier invoices for our projects

PART II INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

16. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

For management purposes, the Group is organised into two operating segments:

- (1) Engineering, Procurement and Construction ("EPC") segment
- (2) Maintenance segment

The EPC segment provides engineering, procurement and construction services, specialising in architectural, mechanical, electrical and process works within controlled environment.

The Maintenance segment provides maintenance and repair services for facilities and equipment of controlled environments and their supporting infrastructure.

Business segment

	Segment Information - S\$'000					
	FY 2016			FY 2015		
	EPC	Maintenance	Consolidated Total	EPC	Maintenance	Consolidated Total
Revenue from external customers	41,577	1,925	43,502	33,465	1,912	35,377
Cost of sales	(36,964)	(1,411)	(38,375)	(26,482)	(1,427)	(27,909)
Gross Profit	4,613	514	5,127	6,983	485	7,468
Segment results			(454)			4,113
Depreciation expense			(119)			(153)
Interest income			33			20
Finance costs			(7)			(19)
(Loss)/Profit before tax			(547)			3,961
Taxation			(30)			(580)
Profit for the year			(577)			3,381

Geographical segments

The Group's activities are located in Singapore. The geographical locations of the Group's customers and assets are in Singapore. Accordingly, there are no geographical segments presented.

17. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments

Approximately 95% of the Group's revenue for FY2016 and FY2015 is contributed by its EPC business segment. Revenue from the EPC business segment increased due to increased business activities on execution of the Group's major projects, which stemmed from a strong order book. Revenue from the Maintenance business segment remained stable.

Material changes in earnings from the EPC business segment is explained in Note 8. There are no material changes in the Maintenance business segment earnings.

18. A breakdown of sales as follows:

(All figures in S\$'000)

		Group		
		FY2016	FY2015	Change %
(a)	Sales reported for first half year	23,231	8,103	>100%
(b)	Operating profit after tax reported for first half year	1,606	500	>100%
(c)	Sales reported for second half year	20,271	27,274	(26%)
(d)	Operating (loss)/profit after tax reported for second half year	(2,183)	2,881	NM

19. A breakdown of the total annual dividend (in dollar value) for issuer's latest full year and its latest full year as follows:

Total Annual Dividend

(All figures in S\$'000)

Ordinary
Preference
Total

	FY2016	FY2015
Ordinary	2,161 ⁽¹⁾	1,650 ⁽²⁾
Preference	-	-
Total	2,161	1,650

Notes:

(1) S\$361,000 in respect of the interim dividend was paid to shareholders after IPO on 20 July 2016. S\$1,800,000 was paid to previous shareholders of subsidiary before IPO

(2) Amount was paid to previous shareholders of subsidiary in FY2015, which is before IPO

- 20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

We confirm that none of the persons occupying managerial positions in the Group is a relative of a director or chief executive officer or substantial shareholder of the Company.

On behalf of the Board of Directors

Lim Say Chin
Executive Chairman and Managing Director
28 November 2016

Chew Chee Keong
Executive Director