

NET PACIFIC FINANCIAL HOLDINGS LIMITED

Full Year Financial Statement Announcement for the year ended 31 December 2019

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

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.

	Group		
	FY2019 HK\$'000	FY2018 HK\$'000	% + / (-)
Revenue ⁽¹⁾	3,778	3,724	1
Other income ⁽²⁾	2,755	4,303	(36)
Marketing and distribution costs	(64)	(56)	14
Administrative expenses	(6,555)	(7,338)	(11)
Other expenses ⁽³⁾	(10,321)	(48,349)	NM
Loss before taxation	(10,407)	(47,716)	NM
Income tax credit	-	2,519	NM
Loss for the year and attributable to the equity holders of the company	(10,407)	(45,197)	NM
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
- Changes in fair value of financial assets at fair value through other comprehensive income ("FVOCI"), at nil tax	(959)	1,267	NM
Other comprehensive (loss) / income for the year - net of tax	(959)	1,267	NM
Loss representing comprehensive income for the year and attributable to the equity holders of the company	(11,366)	(43,930)	NM

NM: Not meaningful

Notes to the consolidated income statement

Loss after tax is arrived at after crediting / (charging) the following items:

	Group		
	FY2019 HK\$'000	FY2018 HK\$'000	% + / (-)
<i>(1) Revenue consists of</i>			
Interest income from Financing Business	3,778	3,724	1
<i>(2) Included in other income are:</i>			
Gain on reclassification from available-for-sale financial assets to financial assets at fair value through profit or loss ("FVTPL")	-	4,000	NM
Gain on disposal of financial assets, at FVTPL	2,104	-	NM
Interest income from fixed deposit	193	283	(32)
Other income	458	20	NM
	2,755	4,303	(36)
<i>(3) Included in other expenses are:</i>			
Change in fair value on financial assets, at FVTPL	(637)	(3,000)	NM
Foreign exchange losses	(683)	(10,069)	NM
Finance cost for other receivables	(499)	-	NM
Interest expense on lease liabilities	(15)	-	NM
Allowance for impairment loss of loans and receivables	(8,487)	(35,280)	NM
	(10,321)	(48,349)	NM
Depreciation of plant and equipment	(11)	(12)	(8)
Depreciation of right-of-use assets	(74)	-	NM

NM: Not meaningful

NET PACIFIC FINANCIAL HOLDINGS LIMITED

Full Year Financial Statement Announcement for the year ended 31 December 2019

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	
	As at 31/12/19 HK\$'000	As at 31/12/18 HK\$'000	As at 31/12/19 HK\$'000	As at 31/12/18 HK\$'000
ASSETS				
<u>Non-Current Assets</u>				
Plant and equipment	15	26	15	26
Other receivables	6,501	-	-	-
Right-of-use assets	255	-	255	-
Investment in subsidiaries	-	-	1,069	1,069
Total Non-Current Assets	6,771	26	1,339	1,095
<u>Current Assets</u>				
Loans and advances	55,056	76,466	-	-
Financial assets, at fair value through other comprehensive income ("FVOCI")	1,645	3,829	-	-
Financial assets, at fair value through profit or loss ("FVTPL")	-	11,000	-	-
Other receivables	12,256	4,573	61	74
Amounts due from subsidiaries	-	-	95,125	143,298
Cash and cash equivalents	34,470	27,752	2,557	1,129
Total Current Assets	103,427	123,620	97,743	144,501
Total Assets	110,198	123,646	99,082	145,596
EQUITY AND LIABILITIES				
<u>Capital and Reserves</u>				
Share capital	145,105	145,105	145,105	145,105
Share option reserve	340	340	340	340
Fair value reserves	(54)	1,330	-	-
Accumulated losses	(38,585)	(28,178)	(49,161)	(2,968)
Total Equity	106,806	118,597	96,284	142,477
<u>Non-Current Liabilities</u>				
Lease liabilities	189	-	189	-
Total Non-Current Liabilities	189	-	189	-
<u>Current Liabilities</u>				
Other payables	2,721	4,616	2,499	3,075
Lease liabilities	71	-	71	-
Current tax payable	411	433	39	44
Total Current Liabilities	3,203	5,049	2,609	3,119
Total Liabilities	3,392	5,049	2,798	3,119
Total Equity and Liabilities	110,198	123,646	99,082	145,596

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

As at 31 December 2019		As at 31 December 2018	
Secured	Unsecured	Secured	Unsecured
HK\$'000	HK\$'000	HK\$'000	HK\$'000
<u>Amount repayable in one year or less, or on demand</u>			
-	-	-	-
<u>Amount repayable after one year</u>			
-	-	-	-

Details of any collateral -

Not applicable

NET PACIFIC FINANCIAL HOLDINGS LIMITED

Full Year Financial Statement Announcement for the year ended 31 December 2019

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	
	FY2019 HK\$'000	FY2018 HK\$'000
<u>Cash flows from operating activities:</u>		
Loss before taxation	(10,407)	(47,716)
Adjustments for:		
Depreciation of plant and equipment	11	12
Depreciation of right-of-use assets	74	-
Changes in fair value on financial assets, at FVTPL	637	3,000
Gain on reclassification from available-for-sale financial assets to financial assets, at FVTPL	-	(4,000)
Gain on disposal of financial assets, at FVTPL	(2,104)	-
Finance cost for other receivables	499	-
Interest income	(3,971)	(4,007)
Interest expense on lease liabilities	15	-
Operating loss before changes in working capital changes	(15,246)	(52,711)
Changes in loans and advances	21,410	9,965
Changes in other receivables	(7,643)	31,221
Changes in financial assets, at FVOCI	800	5,500
Changes in other payables	(1,895)	(808)
Cash used in operating activities	(2,574)	(6,833)
Interest income received	3,798	4,161
Dividend income received	-	200
Income tax paid	(22)	(119)
Net cash generated from / (used in) operating activities	1,202	(2,591)
<u>Cash flows from investing activities:</u>		
Acquisition of plant and equipment	-	(31)
Proceeds from disposal of financial assets, at FVTPL	5,600	-
Net cash generated from / (used in) investing activities	5,600	(31)
<u>Cash flows from financing activities:</u>		
Payment of dividends	-	(2,011)
Payment of principal portion of lease liabilities	(69)	-
Interest paid	(15)	-
Net cash used in financing activities	(84)	(2,011)
Increase / (decrease) in cash and cash equivalents	6,718	(4,633)
Cash and cash equivalents at beginning of the financial year	27,752	32,385
Cash and cash equivalents at end of the financial year	34,470	27,752

NET PACIFIC FINANCIAL HOLDINGS LIMITED

Full Year Financial Statement Announcement for the year ended 31 December 2019

- 1(d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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.**

Share Capital

There were no changes in the Company's share capital between 30 June 2019 and 31 December 2019.

Share Options

The number of share options ("**Options**") that are outstanding under the Net Pacific Employee Share Option Scheme are as follows:

Date of grant	Number of Options outstanding / Maximum number of Shares to be issued upon exercise of the Options as at 31 December 2018	Number of Options lapsed / cancelled during FY2019	Maximum number of Shares to be issued upon exercise of the Options outstanding as at 31 December 2019	Exercise price per share	Exercise period
9 May 2011	20,750,000	-	20,750,000	S\$0.035	9/5/2012 to 8/5/2021
Total	20,750,000	-	20,750,000		

Save as disclosed above, the Company did not have any other convertibles or any treasury shares or any subsidiary holdings as at 31 December 2019 and 31 December 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.**

	As at 31/12/19	As at 31/12/18
Total number of issued shares excluding treasury shares	525,630,328	525,630,328

The Company did not have any treasury shares as at 31 December 2019 and 31 December 2018.

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

Not applicable. The Company did not have any treasury shares and there were no sales, transfers, cancellation or use of treasury shares as at 31 December 2019.

- 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. The Company did not have any subsidiary holdings as at 31 December 2019.

NET PACIFIC FINANCIAL HOLDINGS LIMITED

Full Year Financial Statement Announcement for the year ended 31 December 2019

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

The figures have not been audited or reviewed by the Company's auditor.

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

Not applicable.

3A Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion: - (a) Updates on the efforts taken to resolve each outstanding audit issue; and (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed. This is not required for any audit issue that is a material uncertainty relating to going concern.

The basis for the qualified opinion in the annual report for the financial year ended 31 December 2018 was as follows. For details, please refer to Independent Auditors Report for the year ended 31 December 2018 (announced on 3 April 2019).

Accuracy and recoverability of the principal of the loans

Efforts taken to resolve:

Please refer to the Company's announcements dated:

- 14 November 2017 in relation to the conversion of loans into shares of a Partner Company, of which subsequent updates were provided in (i) the unaudited full year results announcement for the financial year ended 31 December 2017, (ii) the unaudited half-year results announcement for the financial period ended 30 June 2018, (iii) the profit guidance announcement dated 12 February 2019, and (iv) the unaudited full year results announcement for the financial year ended 31 December 2018;
- 4 July 2019 in relation to the settlement of loans with two (2) borrowers located in Australia.

(collectively, the "Previous Announcements"). Unless otherwise defined or the context otherwise requires, all capitalised terms shall bear the same meanings as ascribed to them in the Previous Announcements.

The Group had reached settlements with two (2) of the borrowers located in Australia via its intermediary, as announced on 4 July 2019. The Company is in negotiation with the remaining three (3) borrowers located in Australia and will make subsequent announcements to update its shareholders when there are material developments. An allowance for impairment loss of HK\$8.5m in respect of the remaining three (3) Australian loans have been made in FY 2019. The allowance was arrived at based on the latest information available on such loans including the estimated projected value of the underlying developments and the last offer received from the borrowers (still under negotiation). The aggregate outstanding principal amount of these three (3) loans as at the date of this announcement was approximately AUD 4.06 million (equivalent to approximately HKD 25.16 million).

The Board is of the view that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

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 applied the same accounting policies and methods of computation in the preparation of its financial statements for the current reporting period compared with those adopted in the preparation of its audited financial statements for the financial year ended 31 December 2018, except as stated in Paragraph 5 below.

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 the Company adopted the new Singapore Financial Reporting Framework (International) ("SFRS(I)") 16 Leases that is effective for annual periods beginning on or after 1 January 2019. The Group and the Company adopted the modified retrospective approach in accordance with the transitional provisions and the comparative amount for the year prior to first adoption was not restated. All right-of-use ("ROU") assets are measured at the amount equal to the lease liability (adjusted for any prepaid or accrued lease payments) at the date of initial application. Under SFRS(I) 16, qualifying lease payments were no longer taken to other operating expenses but capitalised to the statement of financial position as right-of-use assets and depreciated over the term of the lease. Cash paid for the interest portion of lease liability is presented as part of financing activities, in accordance with the Group's and the Company's accounting policy. As at 31 December 2019, the Group has recognised the ROU assets and lease liabilities of HK\$255,000 and HK\$260,000 respectively. The nature of expenses related to these leases has changed as SFRS(I) 16 replaces the straight-line operating lease expense with depreciation charge for ROU assets and interest expense on lease liabilities.

NET PACIFIC FINANCIAL HOLDINGS LIMITED

Full Year Financial Statement Announcement for the year ended 31 December 2019

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

(Loss) / earnings per ordinary share	Group	
	FY2019	FY2018
- Basic (Hong Kong cents)	(1.98)	(8.60)
- Diluted (Hong Kong cents)	(1.98)	(8.60)

Basic (loss) / earnings per ordinary share in FY2019 was computed based on 525,630,328 shares (FY2018 : 525,630,328 shares) being the weighted average number of ordinary shares in issue during FY2019.

Diluted (loss) / earnings per ordinary share in FY2019 was computed based on 525,630,328 being the weighted average number of ordinary shares in issue during FY2019 (FY2018: 525,630,328 shares). The outstanding Options have no dilutive effect on the loss per ordinary share for FY2019 and FY2018 as they are anti-dilutive.

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 period reported on and (b) immediately preceding financial year

	Group		Company	
	As at 31/12/19	As at 31/12/18	As at 31/12/19	As at 31/12/18
Net asset value per ordinary share (Hong Kong cents)	20.32	22.56	18.32	27.11

Net asset value per ordinary share was computed based on the number of ordinary shares outstanding of 525,630,328 shares as at 31 December 2019 (31 December 2018: 525,630,328).

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 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

Background

The Company and its subsidiaries (the "**Group**") remain focused on its core business in the provision of financing services (the "**Financing Business**") in the People's Republic of China ("**PRC**"), the Hong Kong Special Administrative Region (the "**HKSAR**") and Australia. Under the Financing Business, the Group's business activities are principally the provision of mezzanine loans and investments in companies with good fundamentals and growth potential. The Group also invests in short term financial instruments using cash on hand pending loan disbursement under its Financing Business as and when opportunities arise (the "**Investments**").

Consolidated statement of comprehensive income

Other income in FY2019 included a gain of HK\$2.1 million arising from the disposal of financial assets at fair value through profit or loss ("**FVTPL**"), while other income in FY2018 included a gain of HK\$4.0 million arising from the reclassification of the financial instruments from available-for-sale financial assets to financial assets, at FVTPL.

Total operating expenses of the Group (comprising marketing and distribution costs and administrative expenses) was lower in FY2019 mainly due to lower payroll related expenses in FY2019 partially offset by higher professional fees incurred in the negotiation in relation to the settlement of certain Australian loans with the borrowers.

NET PACIFIC FINANCIAL HOLDINGS LIMITED

Full Year Financial Statement Announcement for the year ended 31 December 2019

Other expenses in FY2019 relates mainly to (a) the allowance for impairment loss of HK\$8.5 million in respect of the outstanding loan principal receivables from two (2) of the remaining loans which are still under negotiation, (b) the foreign exchange loss of HK\$0.7 million arising from the revaluation of the Group's loan portfolio denominated in Australian Dollars ("AUD") as a result of depreciation of AUD against HK\$ in FY2019, and (c) change in fair value of HK\$0.6 million relating to the financial assets, at FVTPL.

The Group's income tax expense was lower in FY2019 due to a write-back of over provision of income tax expenses in prior years, while the income tax credit of HK\$2.5 million in FY2018 included a write-back of over-provision of withholding tax in respect of the interest income from Australian loans in prior years.

As a result of the foregoing, the Group reported a lower loss of HK\$10.4 million in FY2019 as compared to a net loss of HK\$45.2 million in FY2018.

Consolidated statements of financial position

The Group's total loans and advances, mainly to customers in Australia and the PRC, amounted to HK\$55.0 million as at 31 December 2019, all of which are current. The Group's loan portfolio at HK\$55.0 million, mainly denominated in AUD, was lower mainly due to the settlement with certain borrowers through properties and a cash payment, and the allowance for impairment loss of HK\$8.5 million in respect of the outstanding loan principal receivables from two (2) of the remaining borrowers.

The Group's investment in financial assets at fair value through other comprehensive income ("FVOCI") were reflected at a fair value of HK\$1.6 million as at 31 December 2019, based on the valuation provided by an independent valuer. The lower amount as at 31 December 2019 was mainly due to partial redemption of capital in FY2019.

The Group had disposed its investment in financial assets, at FVTPL to an external party in FY2019.

The Group's other receivables, both current and non-current, were higher mainly due to (a) an amount of HK\$9.0 million receivable from the purchaser of the Group's FVTPL, of which HK\$6.5 million is due after one year, and (b) an amount of HK\$7.5 million due from the intermediary for the Group's portfolio in Australia following the settlement with certain borrowers through properties and cash payments.

Other payables and accrued liabilities of the Group were lower mainly due to repayment of amount due to intermediary in FY2019.

Consolidated statements of cash flow

Net cash generated from the operating activities was HK\$1.2 million in FY2019 due mainly to proceeds from repayment by certain borrowers in FY2019.

Net cash generated from investing activities of HK\$5.6 million in FY2019 relates to the partial sales proceeds from disposal of financial assets, at FVTPL in FY2019.

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

Not applicable as there was no forecast or prospect statement previously disclosed to the Company's shareholders.

NET PACIFIC FINANCIAL HOLDINGS LIMITED

Full Year Financial Statement Announcement for the year ended 31 December 2019

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

Although there are signs that the credit market in the PRC is starting to loosen, the HKSAR and the PRC market continues to remain challenging as a result of the US China trade war, Hong Kong protest and more recently the corona epidemic.

The property market in Australia continues to be weak. The Group had reached settlement with two of the borrowers located in the Australia via its intermediary, as announced on 4 July 2019, and will continue on negotiations on recovery for the remaining loans to borrowers located in Australia and make subsequent announcements when there are material developments.

The Directors are mindful of the current market sentiment and have been making effort to ensure that the Group's investment and credit risks are well managed. As the overall global economy continues to be challenging, the Directors will continue to be prudent in deploying capital as well as executing stringent due diligence for new borrowers in 2020.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared (recommended) for the current financial period reported on? **No**

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? **No**

(c) Date payable / (d) Books closure 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 by the board of directors of the Company because the Group is not profitable in the current financial year.

13 If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such

The Company did not obtain any general mandate from its shareholders for interested person transactions ("IPT"). There was no IPT with value of S\$100,000 and more entered into during the financial year.

14 Negative confirmation pursuant to Rule 705(5)

Not applicable to announcement of full year results.

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 has procured signed undertakings from all its directors and executive officers based on Appendix 7H of the SGX-ST Catalist Listing Manual.

NET PACIFIC FINANCIAL HOLDINGS LIMITED

Full Year Financial Statement Announcement for the year ended 31 December 2019

PART II - ADDITIONAL 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

BUSINESS SEGMENTS

	Financing Business		Investments		Consolidated	
	FY2019 HK\$'000	FY2018 HK\$'000	FY2019 HK\$'000	FY2018 HK\$'000	FY2019 HK\$'000	FY2018 HK\$'000
Revenue by segments						
Total revenue by segments	3,778	3,724	-	-	3,778	3,724
External revenue	3,778	3,724	-	-	3,778	3,724
Segment profit / (loss)	(5,257)	(41,153)	-	-	(5,257)	(41,153)
Unallocated expenses					(5,150)	(6,563)
Loss before tax					(10,407)	(47,716)
Income tax credit					-	2,519
Loss for the year					(10,407)	(45,197)

	Financing Business		Investments		Consolidated	
	FY2019 HK\$'000	FY2018 HK\$'000	FY2019 HK\$'000	FY2018 HK\$'000	FY2019 HK\$'000	FY2018 HK\$'000
Segment assets	107,309	122,417	-	-	107,309	122,417
Unallocated assets					2,889	1,229
Consolidated total assets					110,198	123,646
Segment liabilities	594	5,803	-	-	594	1,930
Unallocated liabilities					2,798	3,119
Consolidated total liabilities					3,392	5,049

GEOGRAPHICAL SEGMENTS

The breakdown of the Group's revenue based on the country of incorporation of clients is set out below:

	Singapore		PRC & Hong Kong		British Virgin Islands		Australia		Total	
	FY2019 HK\$'000	FY2018 HK\$'000	FY2019 HK\$'000	FY2018 HK\$'000	FY2019 HK\$'000	FY2018 HK\$'000	FY2019 HK\$'000	FY2018 HK\$'000	FY2019 HK\$'000	FY2018 HK\$'000
Revenue										
External sales	-	-	3,162	2,793	616	931	-	-	3,778	3,724
Non-current assets	270	26	-	-	6,501	-	-	-	6,771	26

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

Please refer to Paragraph 8.

NET PACIFIC FINANCIAL HOLDINGS LIMITED

Full Year Financial Statement Announcement for the year ended 31 December 2019

18 A breakdown of sales

	Group		
	FY2019	FY2018	+ / (-)
	HK\$'000	HK\$'000	%
(a) Sales reported for first half year	1,916	3,517	(46)
(b) Operating loss after tax before deducting non-controlling interests reported for first half year	(1,745)	(5,536)	(68)
(c) Sales reported for second half year	1,862	207	800
(d) Operating loss after tax before deducting non-controlling interests reported for second half year	(8,662)	(39,661)	(78)

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

Total Annual Dividend

	FY2019	FY2018
	HK\$'000	HK\$'000
Ordinary	-	-
Preference	-	-
Total	-	-

No dividend declared or proposed for the current financial year reported on and previous financial year.

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). If there are no such persons, the issuer must make an appropriate negative statement.

There are no such persons occupying a managerial position who is a relative of a director or chief executive officer or substantial shareholder of the Company as at 31 December 2019.

BY ORDER OF THE BOARD

Ong Chor Wei @ Alan Ong
Chief Executive Officer
28 February 2020

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst.

This announcement has not been examined or approved by the SGX-ST. 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 Ms. Gillian Goh, Director, Head of Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and Email: sponsorship@ppcf.com.sg).