



**ASIA VETS HOLDINGS LTD.**  
**(Company Registration No: 201003501R)**

**UNAUDITED HALF YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT  
FOR THE SIX MONTHS ENDED 30 JUNE 2019**

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

*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 Ms. Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road, #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.*

**ASIA VETS HOLDINGS LTD.**  
(Company Registration No: 201003501R)

**PART 1 – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

1(a)(i) 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.

**STATEMENT OF COMPREHENSIVE INCOME**

	<b>Group</b>		<b>Increase / (decrease) %</b>
	<b>1H2019</b>	<b>1H2018<sup>(1)</sup></b>	
	S\$'000	S\$'000	
	(Unaudited)	(Unaudited)	
Revenue	1,853	-	N.M.
Cost of sales	(1,073)	-	N.M.
<b>Gross profit</b>	<b>780</b>	<b>-</b>	<b>N.M.</b>
Other operating income	92	64	44
Administrative expenses	(704)	(310)	127
Other expenses	-	(554)	(100)
Finance costs	(44)	-	N.M.
<b>Profit/(loss) before tax</b>	<b>124</b>	<b>(800)</b>	<b>N.M.</b>
Income tax expense	(9)	-	N.M.
<b>Profit/(loss) for the period, net of tax</b>	<b>115</b>	<b>(800)</b>	<b>N.M.</b>
<b>Other comprehensive income for the period, net of tax</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income attributable to owners of the Company</b>	<b>115</b>	<b>(800)</b>	<b>N.M.</b>
<b>Earnings/(loss) per share (in S\$ cents)</b>			
Basic and diluted	0.08	(0.63)	

*N.M. denotes Not Meaningful*

**Note:**

- (1) For the six-month financial period ended 30 June 2018 (“**1H2018**”), the Company was deemed a cash company under Rule 1017 of the Catalist Rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) upon the completion of the disposal of its subsidiaries on 20 July 2016. Therefore, there was no revenue and cost of sales in 1H2018. On 13 August 2018, the Company completed the acquisition of the entire issued share capital of AVH Animal Ark Pte. Ltd. (“**AVHAA**”) (“**Acquisition**”). Following the Acquisition, the Group generated revenue through AVHAA’s veterinary business for the six-month financial period ended 30 June 2019 (“**1H2019**”).

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

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

	<b>Group</b>		<b>Increase / (decrease)</b>	<b>Note</b>
	<b>1H2019</b>	<b>1H2018</b>		
	S\$'000	S\$'000		
	(Unaudited)	(Unaudited)	%	
Interest income	87	61	43	(a)
Government grants	4	3	33	(b)
Foreign exchange gain/(loss)	-*	-*	N.M.	
Professional fee	(44)	(33)	33	(c)
Depreciation of plant and equipment	(70)	-	N.M.	(d)
Depreciation of right-of-use assets	(127)	-	N.M.	(e)
Key management and employee benefits expense	(886)	(173)	412	(f)
Acquisition-related transaction cost	-	(554)	(100)	(g)
Interest expenses	(44)	-	N.M.	(h)

*N.M. denotes Not Meaningful*

### Notes:

\* Less than S\$500.

- (a) Interest income arose mainly from short-term deposits (for 1H2019) and deposits in an escrow account (for 1H2018). Upon completion of the Acquisition, funds in the escrow account were released to the Company's non-escrow accounts. The increase in interest income was mainly attributable to higher interest rate for short-term deposits in 1H2019, as compared to deposits in the escrow account in 1H2018.
- (b) Government grants which were received under the Wage Credit Scheme and Special Employment Credit Scheme increased slightly in 1H2019 as compared to 1H2018.
- (c) Increase in professional fee was mainly due to additional audit fee and tax agent fee relating to AVHAA.
- (d) Depreciation of plant and equipment relates to plant and equipment in AVHAA. There was no depreciation of plant and equipment in 1H2018 as the Group had no business operations.
- (e) Depreciation of right-of-use ("ROU") assets was due to the adoption of SFRS(I) 16 by the Group in 1H2019.
- (f) Increase in key management and employee benefits expense was mainly due to the increased headcount of the Group as a result of the completion of the Acquisition.
- (g) Acquisition-related transaction cost in 1H2018 mainly comprised professional fee in connection with the Acquisition. According to the FRS103, acquisition-related transaction costs shall be expensed in the periods in which the costs are incurred and the services are rendered. There were no acquisition-related activities in 1H2019.
- (h) Interest expenses related to (i) accretion of interest expenses in relation to deferred consideration payable for the Acquisition; and (ii) interest expenses on repaid lease liabilities arising from ROU assets as a result of the Group's adoption of SFRS(I) 16 in 1H2019.

**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.**

**STATEMENT OF FINANCIAL POSITION**

	<b>Group</b>		<b>Company</b>	
	<b>As at</b>		<b>As at</b>	
	<b>30/6/2019</b>	<b>31/12/2018</b>	<b>30/6/2019</b>	<b>31/12/2018</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>Non-current assets</b>				
Investment in a subsidiary	-	-	3,586	3,586
Plant and equipment	369	436	-	-
Right-of-use assets	450	-	-	-
Goodwill	8,405	8,405	-	-
Amount due from a subsidiary	-	-	5,534	5,681
	<b>9,224</b>	<b>8,841</b>	<b>9,120</b>	<b>9,267</b>
<b>Current assets</b>				
Inventories	103	103	-	-
Trade and other receivables	77	86	22	18
Prepayments	25	53	5	9
Cash and cash equivalents	11,915	11,948	11,652	11,481
	<b>12,120</b>	<b>12,190</b>	<b>11,679</b>	<b>11,508</b>
<b>Total assets</b>	<b>21,344</b>	<b>21,031</b>	<b>20,799</b>	<b>20,775</b>
<b>Current liabilities</b>				
Trade payables	16	104	-	-
Other payables and accruals	228	438	62	157
Lease liabilities arising from right-of-use assets	253	-	-	-
Provision for taxation	9	-	-	-
	<b>506</b>	<b>542</b>	<b>62</b>	<b>157</b>
<b>Net current assets</b>	<b>11,614</b>	<b>11,648</b>	<b>11,617</b>	<b>11,351</b>
<b>Non-current liabilities</b>				
Other payables	1,914	1,879	-	-
Lease liabilities arising from right-of-use assets	199	-	-	-
Deferred tax liabilities	21	21	-	-
	<b>2,134</b>	<b>1,900</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>2,640</b>	<b>2,442</b>	<b>62</b>	<b>157</b>
<b>Net assets</b>	<b>18,704</b>	<b>18,589</b>	<b>20,737</b>	<b>20,618</b>
Share capital	20,777	20,777	20,777	20,777
Capital reserve	228	228	228	228
Revenue reserve	(2,301)	(2,416)	(268)	(387)
<b>Total equity</b>	<b>18,704</b>	<b>18,589</b>	<b>20,737</b>	<b>20,618</b>
<b>Total equity and liabilities</b>	<b>21,344</b>	<b>21,031</b>	<b>20,799</b>	<b>20,775</b>

**1(b)(ii) Aggregate amount of Group's borrowings and debt securities.**

The Group does not hold any borrowings and debt securities as at 30 June 2019 and 31 December 2018.

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.

**STATEMENT OF CASH FLOWS**

	<b>Group</b>	
	<b>1H2019</b> S\$'000 (Unaudited)	<b>1H2018</b> S\$'000 (Unaudited)
<b>Cash flows from operating activities</b>		
<b>Profit/(loss) before tax</b>	124	(800)
Adjustments for:		
Depreciation of plant and equipment	70	-
Depreciation of right-of-use assets	127	-
Interest income	(87)	(61)
Interest expense	44	-
Unrealised exchange (gain)/loss	_(1)	_(1)
<b>Operating cash flows before working capital changes</b>	<b>278</b>	<b>(861)</b>
Decrease in trade and other receivables	12	301
Decrease in inventories	_(1)	-
Decrease in prepayments	28	3
(Decrease)/increase in trade and other payables	(298)	125
<b>Cash generated from/(used in) operations</b>	<b>20</b>	<b>(432)</b>
Interest received	83	61
Income tax paid	_(1)	-
<b>Net cash flows generated from/(used in) operating activities</b>	<b>103</b>	<b>(371)</b>
<b>Cash flows from investing activities</b>		
Purchase of plant and equipment	(3)	-
Proceeds from consideration receivable from disposal of subsidiaries	-	301
Placement of restricted deposits	-	(633)
<b>Net cash flows used in investing activities</b>	<b>(3)</b>	<b>(332)</b>
<b>Cash flows from financing activities</b>		
Repayment of lease liabilities	(133)	-
<b>Net cash flows used in financing activities</b>	<b>(133)</b>	<b>-</b>
Net decrease in cash and cash equivalents	(33)	(703)
Cash and cash equivalents at beginning of the period	11,948	748
Effect of exchange rate changes on cash and cash equivalents	_(1)	_(1)
<b>Cash and cash equivalents at end of the period</b>	<b>11,915</b>	<b>46</b>

**Note:**

(1) Less than S\$500.

**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.**

<b>Group</b>	<b>Share Capital</b>	<b>Revenue Reserves</b>	<b>Capital Reserves</b>	<b>Total Equity</b>
	S\$'000	S\$'000	S\$'000	S\$'000
Opening balance at 1 January 2019 <b>(audited)</b>	20,777	(2,416)	228	18,589
Profit for the period, representing total comprehensive income for the period	-	115	-	115
<b>Closing balance at 30 June 2019 (unaudited)</b>	<b>20,777</b>	<b>(2,301)</b>	<b>228</b>	<b>18,704</b>
Opening balance at 1 January 2018 <b>(audited)</b>	17,971	(80)	-	17,891
Loss for the period representing total comprehensive income for the period	-	(800)	-	(800)
<b>Closing balance at 30 June 2018 (unaudited)</b>	<b>17,971</b>	<b>(880)</b>	<b>-</b>	<b>17,091</b>
<b>Company</b>	<b>Share Capital</b>	<b>Revenue Reserves</b>	<b>Capital Reserves</b>	<b>Total Equity</b>
	S\$'000	S\$'000	S\$'000	S\$'000
Opening balance at 1 January 2019 <b>(audited)</b>	20,777	(387)	228	20,618
Profit for the period, representing total comprehensive income for the period	-	119	-	119
<b>Closing balance at 30 June 2019 (unaudited)</b>	<b>20,777</b>	<b>(268)</b>	<b>228</b>	<b>20,737</b>
Opening balance at 1 January 2018 <b>(audited)</b>	17,971	(80)	-	17,891
Loss for the period, representing total comprehensive income for the period	-	(800)	-	(800)
<b>Closing balance at 30 June 2018 (unaudited)</b>	<b>17,971</b>	<b>(880)</b>	<b>-</b>	<b>17,091</b>

- 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.**

Description	Number of shares	Resultant issued share capital (S\$'000)
Balance as at 31 December 2018 and 30 June 2019	138,928,002	20,777

There was no movement in the Company's share capital since the end of the previous financial year.

On 13 August 2018, a total of 5,300,000 new bonus issue warrants of the Company were issued to Tiger Equities Pte. Ltd. and its nominees upon completion of the Acquisition ("**Bonus Issue Warrants**"). Each Bonus Issue Warrant carries the right to subscribe for one new share of the Company at an exercise price of S\$0.25 and will expire on 30 June 2020. As at 31 December 2018 and 30 June 2019, no Bonus Issue Warrant was exercised. Save for the Bonus Issue Warrants, the Company has no shares that may be issued on conversion of outstanding convertibles 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 has neither treasury shares nor subsidiary holdings 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.

- 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 30 Jun 2019	As at 31 Dec 2018
Total number of issued shares	138,928,002	138,928,002
Treasury shares	Nil	Nil

- 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 during and as at the end of the current financial period reported on.

- 1(d)(v) A statement showing all sales, transfer, 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 during and as at the end of the current financial period reported on.

- 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 independent auditor.

**3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a 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 under item 5 below, the Group has applied the same accounting policies and methods of computation in the unaudited financial statements for 1H2019 as in the Group's most recent audited financial statements for the financial year ended 31 December 2018, except for the adoption of the new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)s") which are effective beginning 1 January 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 has not adopted any other mandatory standards, amendments and interpretations to existing standards that have been published but are only effective for the Group's accounting periods beginning or after 1 January 2019 except for SFRS(I) 16 Leases as disclosed below.

SFRS(I) 16 Leases ("SFRS(I) 16")

The Group has adopted SFRS(I) 16 on its effective date, being 1 January 2019. Under SFRS(I) 16, Right-of-use assets and lease liabilities are recognised for its leases previously classified as operating leases, with a corresponding adjustment in the opening retained earnings as of 1 January 2019.

On the adoption of SFRS(I) 16, the Group has chosen on a lease-by-lease basis to measure the right-of-use asset at its carrying amount as if SFRS(I) 16 had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as of 1 January 2019.

In addition, the Group elected the following practical expedients:

- not to reassess whether a contract is, or contains a lease at the date of initial application and to apply SFRS(I) 16 to all contracts that were previously identified as leases
- to apply the exemption not to recognise right-of-use asset and lease liabilities to leases for which the lease term ends within 12 months as of 1 January 2019.

On adoption of SFRS(I) 16, the Group has recorded right-of-use assets and lease liabilities for its leases previously classified as operating leases.

**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.**

**Earnings/(loss) per share ("EPS/LPS")**

	<b>Group</b>	
	<b>1H2019</b>	<b>1H2018</b>
Profit/(loss) attributable to owners of the Company (S\$'000)	115	(800)
Basic EPS/LPS attributable to owners of the Company (S\$ cents)	0.08	(0.63)
Fully diluted EPS/LPS (S\$ cents)	0.08	(0.63)
Weighted average number of ordinary shares in issue:		
- Basic	138,928,002	126,440,002
- Fully diluted	142,117,179	126,440,002

Basic EPS/LPS was computed by dividing profit or loss attributable to owners of the Company for the respective financial periods by the weighted average number of ordinary shares outstanding as at the end of the respective financial periods.

For computation of fully diluted EPS/LPS, the weighted average number of ordinary shares in issue has been adjusted for any dilutive effect of potential ordinary shares arising from the settlement of contingent liabilities.



- 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.**

**Net Asset Value (“NAV”)**

	<b>Group</b>	
	<b>As at</b>	
	<b>30/6/2019</b>	<b>31/12/2018</b>
NAV per share (S\$ cents)	13.46	13.38
Number of shares used in computation of NAV per share	138,928,002	138,928,002

- 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.**

**(a) Statement of Comprehensive Income**

**Revenue, Cost of sales and Gross profit**

There was no revenue and cost of sales for 1H2018 as the Company had no business operations in 1H2018. On 13 August 2018, the Company completed the Acquisition, and following the Acquisition, the Group generated revenue through AVHAA’s veterinary business in Singapore for 1H2019.

Revenue was approximately S\$1.9 million in 1H2019, predominantly derived from rendering of veterinary services and sales of veterinary medicine.

Cost of sales was approximately S\$1.1 million in 1H2019, which included purchase of veterinary medicine and consumables and employee benefits paid to veterinarians, vet technicians and vet nurses.

Gross profit was approximately S\$0.8 million and gross profit margin was 42.1%, in 1H2019.

**Other operating income**

Other operating income comprised mainly interest income earned from the Company’s short-term deposits and government grants. It increased from S\$64,000 for 1H2018 to S\$92,000 for 1H2019. The increase was mainly due to an increase in interest income from short-term deposits. Please refer to 1(a)(ii)(a) and (b) for details.

**Administrative expenses**

Administrative expenses comprised mainly general office expenses, administrative staff costs, professional fee, listing expenses and depreciation charges. It increased from S\$0.3 million for 1H2018 to S\$0.7 million for 1H2019. The increase was mainly due to additional operating expenses relating to AVHAA. Please refer to 1(a)(ii)(c) – (f) for details.

**Other expenses**

Other expenses amounted to S\$0.6 million in 1H2018 (Nil in 1H2019), which were related to transaction cost in respect of the Acquisition. Please refer to 1(a)(ii)(g) for details.

**Finance costs**

Finance costs for 1H2019 were in respect of interest expenses in relation to deferred consideration payable for the Acquisition and repaid lease liabilities arising from the ROU assets. Please refer to 1(a)(ii)(h) for details. There was no finance cost in 1H2018.

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:- (cont'd)**

**(a) Statement of Comprehensive Income**

**Income tax expense**

Income tax expenses for 1H2019 relate to provision for income tax liability for 1H2019. There was no income tax expense for 1H2018.

**Net profit**

As a result of the above, the Group recorded a profit after tax of S\$0.1 million for 1H2019, as compared to a loss after tax of S\$0.8 million for 1H2018.

**(b) Statement of Financial Position**

**Non-current Assets**

Plant and equipment comprised veterinary and medical equipment, office equipment, computer and software and furniture and fixtures. It decreased from S\$436,000 as at 31 December 2018 to S\$369,000 as at 30 June 2019, mainly due to depreciation charges in 1H2019.

Right-of-use assets, amounting to S\$450,000 as at 30 June 2019, relate to leases of premises occupied by the Group's clinics and office. There were no ROU assets as at 31 December 2018 as SFRS(I) 16 was adopted on 1 January 2019.

Goodwill pertains to the Acquisition of AVHAA.

**Current Assets**

Inventories, which mainly comprised veterinary medicine, clinic consumables and pet food, amounted to S\$103,000 as at 30 June 2019 and 31 December 2018.

Trade and other receivables decreased from S\$86,000 as at 31 December 2018 to S\$77,000 as at 30 June 2019. Trade receivables decreased from S\$11,000 as at 31 December 2018 to S\$6,000 as at 30 June 2019. The decrease was due to the improved collections in 1H2019. Other receivables, which mainly comprised interest receivable, decreased from S\$75,000 as at 31 December 2018 to S\$71,000 as at 30 June 2019.

Prepayments decreased from S\$53,000 as at 31 December 2018 to S\$25,000 as at 30 June 2019. The decrease was mainly due to reclassification of prepaid operating expenses as expenses when they were incurred in 1H2019.

**Current Liabilities**

Trade payables decreased from S\$104,000 as at 31 December 2018, to S\$16,000 as at 30 June 2019, due to shortened payment cycle to suppliers in 1H2019.

Other payables and accruals comprised mainly professional fee, director fee, staff bonus and goods and services tax ("GST") which are to be paid after 30 June 2019. It decreased from S\$438,000 as at 31 December 2018 to S\$228,000 as at 30 June 2019, mainly due to payment of accruals due in 1H2019.

Current lease liabilities arising from ROU assets, amounting to S\$253,000 as at 30 June 2019, relate to leases of premises occupied by the Group's clinics and office due within the next 12 months after 30 June 2019. There were no ROU assets as at 31 December 2018, thus no lease liabilities as at 31 December 2018 as SFRS(I) 16 was adopted on 1 January 2019.

Provision for taxation, amounting to S\$9,000 as at 30 June 2019, relate to the estimated income tax expenses incurred for 1H2019. There was no provision for taxation as at 31 December 2018.

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:- (cont'd)**

**(b) Statement of Financial Position**

**Non-Current Liabilities**

Non-current other payables relate to deferred consideration payable to the vendors for the Acquisition, which is due in 30 months from 13 August 2018, being the completion date of the Acquisition. Information regarding the deferred consideration is disclosed in the Company's circular to shareholders dated 29 June 2018 (the "Circular"). It increased by S\$34,000 due to the accretion of interest expenses for 1H2019.

Non-current lease liabilities arising from ROU assets, amounting to S\$199,000 as at 30 June 2019, relate to leases of premises occupied by the Group's clinics and office due more than the next 12 months after 30 June 2019. There were no ROU assets as at 31 December 2018, thus no lease liabilities as at 31 December 2018 as SFRS(I) 16 was adopted on 1 January 2019.

**Working Capital**

The Group reported a positive working capital position of S\$11.6 million as at 30 June 2019.

**(c) Statement of Cash Flows**

Net cash generated from operating activities amounted to S\$103,000 for 1H2019, as compared to a cash outflow of S\$371,000 for 1H2018. The net cash generated from operating activities was mainly due to (i) the operating cash flows before working capital movement generated for 1H2019 of S\$278,000; (ii) a decrease in trade and other receivables as well as prepayments of S\$40,000; and (iii) interest received of S\$83,000. The increase was partially offset by a decrease in trade and other payables of S\$298,000.

Net cash used in investing activities for 1H2019 amounted to S\$3,000 due to the purchase of plant and equipment for clinic's use.

Net cash used in financing activities for 1H2019, amounting to S\$133,000, relate to the repayment of lease liabilities.

As a result of the above, the Group's cash and cash equivalents decreased slightly by S\$33,000 from 31 December 2018, and remained relatively stable at S\$11.9 million as at 30 June 2019.

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

No forecast or prospect statement was previously disclosed 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.**

Despite global economic uncertainty and continuous trade tensions, the veterinary sector continues to be resilient and economically defensive in nature.

The Company will continue to look out for opportunities to acquire related businesses or veterinary clinics to expand its business scope and collaborate with industry players to expand its customers base.

Any material developments on future corporate actions will be announced accordingly.

- 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) **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/recommended for 1H2019. The board of directors of the Company deems it appropriate to conserve cash for the Group's business activities and growth.
- 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 Company has not obtained a general mandate from shareholders for IPTs and there were no IPTs entered into in 1H2019.
- 14 **Negative confirmation pursuant to Rule 705(5) of the Catalist Rules of the SGX-ST (Not required for announcement on full year results)**
- We, Tan Tong Guan and Teo Yi Dar, being two directors of the Company, do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the unaudited financial statements of the Company for 1H2019 to be false or misleading in any material aspect.
- 15 **Confirmation pursuant to Rule 720(1) of the Catalist Rules of the SGX-ST**
- The Company confirms that it has procured the required undertakings from all its directors and executive officers under Rule 720(1) of the Catalist Rules.

**BY ORDER OF THE BOARD**

Tan Tong Guan  
Executive Chairman & CEO

7 August 2019