

DISCONTINUED CONNECTED TRANSACTIONS

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Our Group has previously entered into certain related party transactions during the Track Record Period, the details of which are set out under note 34 to the accountants’ report set out in Appendix I to this document.

General contractor works provided by PGSC

During the Track Record Period, PGSC had provided subcontracting service to our Group in the ordinary course of business and on normal commercial terms. PGSC was wholly-owned by Mr. Goh. PGSC was formed in Singapore as a sole proprietorship and was registered on 22 October 1991. It was principally engaged in provision of construction labour in Singapore immediately prior to its dissolution in January 2017. Had our Group been listed on GEM and assuming that PGSC had continued to exist, PGSC would have been a connected person of our Company pursuant to Chapter 20 of the GEM Listing Rules. The amounts of subcontracting charges payable to PGSC by our Group during the Track Record Period are summarised as follows:

	Year ended 31 December	
	2015	2016
	<i>S\$'000</i>	<i>S\$'000</i>
Sub-contracting charges	<u>686</u>	<u>986</u>

The general contractor works involved in the transactions with PGSC were mainly steel reinforcement works. The price for the general contractor works provided by PGSC to our Group was determined at arm’s length basis with reference to the prevailing market price for provision of comparable general contractor works by Independent Third Parties. Based on the foregoing, our Directors are of the view, the Sole Sponsor concurred with our Directors’ view, that such pricing was on normal commercial terms and is fair and reasonable to our Group.

The aforementioned transactions with PGSC commenced since April 2013 and had discontinued since December 2016. The relevant trade payables due to PGSC had been fully settled in January 2017.

DISCONTINUED CONNECTED TRANSACTIONS

Provision of labour from IBCPL

During the Track Record Period, IBCPL had provided subcontracting service and accommodation for our foreign workers to our Group in the ordinary course of business and on normal commercial terms. IBCPL was wholly-owned by Mr. Goh and was incorporated in Singapore with limited liability on 17 September 2014. It was principally engaged in provision of construction labour in Singapore immediately prior to its application for striking off in January 2017. Had our Group been listed on GEM and assuming that IBCPL had continued to exist, IBCPL would have been a connected person of our Company pursuant to Chapter 20 of the GEM Listing Rules. The amounts of subcontracting charges and dormitory charges payable to IBCPL by our Group during the Track Record Period are summarised as follows:

	Year ended 31 December	
	2015	2016
	S\$'000	S\$'000
Sub-contracting charges	820	61
Dormitory charges	<u>25</u>	<u>—</u>

The provision of labour and accommodation involved in the transactions with IBCPL were to support Project Sengkang General Hospital 1 and Project Sengkang General Hospital 2. The price for provision of labour and accommodation from IBCPL was determined at arm's length basis with reference to the prevailing market price for provision of comparable labour support and accommodation from Independent Third Parties. Based on the foregoing, our Directors are of the view, the Sole Sponsor concurred with our Directors' view, that such pricing was on normal commercial terms and is fair and reasonable to our Group.

The aforementioned transactions with IBCPL commenced since September 2014 and had discontinued since January 2016. The relevant trade payables due to IBCPL had been fully settled in January 2017.