

Unaudited First Quarter Financial Statements and Dividend Announcement for the three-month period ended 30 September 2019

The board of directors (the “**Board**”) of Astaka Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) is pleased to announce the unaudited consolidated results of the Group for the first quarter ended 30 September 2019.

PART I Information Required for Quarterly (Q1, Q2 & Q3), Half- Year and Full Year Announcements

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.

	Group		Change %
	3 months ended		
	30/09/2019 (Unaudited) RM'000	30/09/2018 (Restated) RM'000	
Revenue	68,289	44,371	53.9
Cost of sales	(62,690)	(36,227)	73.0
Gross profit	5,599	8,144	(31.3)
Other income	48	3,070	(98.4)
Other gains	12	90	(86.7)
Expenses:			
Selling and distribution	(1,094)	(543)	101.5
Administrative	(4,764)	(3,973)	19.9
Finance costs	(1,138)	(2,550)	(55.4)
Others	(281)	(31)	806.5
(Loss)/Profit before tax	(1,618)	4,207	(138.5)
Income tax expense	(48)	(2,858)	(98.3)
(Loss)/Profit after tax and total comprehensive (loss)/income for the financial period	(1,666)	1,349	(223.5)
(Loss)/Profit and total comprehensive (loss)/ income attributable to:			
Equity holders of the Company	(1,136)	(304)	273.7
Non-controlling interests	(530)	1,653	(132.1)
(Loss)/Profit and total comprehensive (loss)/ income	(1,666)	1,349	(223.5)

Note: The figures of 1QFY2018 have been restated to (i) expense borrowings costs on development properties when incurred instead of capitalising, and (ii) include interest expenses for the loan agreement dated 12 April 2017 entered into between China State Construction Engineering (M) Sdn Bhd and Astaka Padu Sdn Bhd (“**APSB**”), a subsidiary of the Company (“**Loan Agreement**”).

1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year: -

(Loss)/Profit for the financial period is stated after charging/(crediting) the following:

	Group	
	3 months ended	
	30/09/2019 (Unaudited) RM'000	30/09/2018 (Restated) RM'000
Depreciation of property, plant and equipment	73	304
Interest expense	1,138	2,550
Interest income	(28)	(126)
Foreign exchange gains	(12)	(90)
Forfeiture income	-	2,813

Note: The figures of 1QFY2018 have been restated to (i) expense borrowings costs on development properties when incurred instead of capitalising, and (ii) include interest expenses for the Loan Agreement.

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	
	30/09/2019 (Unaudited) RM'000	30/6/2019 (Audited) RM'000	30/09/2019 (Unaudited) RM'000	30/06/2019 (Audited) RM'000
ASSETS				
Non-current assets				
Property, plant and equipment	610	664	-	-
Investment in subsidiaries	-	-	937,832	937,832
	610	664	937,832	937,832
Current assets				
Development properties	477,215	467,128	-	-
Contract costs	9,220	11,379	-	-
Contract assets	16,940	24,836	-	-
Trade and other receivables	87,998	109,293	22	38
Cash and cash equivalents	12,670	10,284	2,598	3,614
Tax recoverable	1,910	-	-	-
	605,953	622,920	2,620	3,652
Total assets	606,563	623,584	940,452	941,484
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	259,384	259,384	1,455,079	1,455,079
Capital reserve	-	-	1,419	1,419
Merger reserve	(10,769)	(10,769)	-	-
Accumulated losses	(134,185)	(133,049)	(519,861)	(518,712)
	114,430	115,566	936,637	937,786
Non-controlling interests	(6,181)	(5,651)	-	-
Total equity	108,249	109,915	936,637	937,786
LIABILITIES				
Current liabilities				
Contract liabilities	30,712	32,499	-	-
Trade and other payables	380,302	393,890	379	656
Amount due to related parties	60,085	58,074	3,436	3,042
Bank overdraft	26,868	25,582	-	-
Finance lease liabilities	141	130	-	-
Current tax liabilities	-	3,242	-	-
	498,108	513,417	3,815	3,698
Non-current liabilities				
Finance lease liabilities	206	252	-	-
	206	252	-	-
Total liabilities	498,314	513,669	3,815	3,698
Total equity and liabilities	606,563	623,584	940,452	941,484

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 as at the end of the immediately preceding financial year: -

(a) the amount repayable in one year or less, or on demand;

As at 30/9/2019		As at 30/06/2019	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
27,009	-	25,712	-

(b) the amount repayable after one year;

As at 30/9/2019		As at 30/06/2019	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
206	-	252	-

(c) whether the amounts are secured or unsecured; and

The Group did not have any unsecured loan as at 30 September 2019 and 30 June 2019.

(d) details of any collaterals

As at 30 September 2019, the Group's financing facilities of RM27,000,000 (30 June 2019: RM27,000,000) were secured by a pledge of fixed deposits from a subsidiary and a controlling shareholder. The Group's hire purchase facilities of RM215,000 were secured by its underlying assets.

In addition, as at 30 September 2019, amounts owing to a main contractor of approximately RM43,614,000 (30 June 2019: RM46,532,000) were secured against certain land parcels located in Bukit Pelali, Pengerang, Malaysia, which Bukit Pelali Properties Sdn Bhd ("**BPPSB**"), a joint venture of APSB, has the sole and exclusive development rights to. The land parcels are owned by Saling Syabas Sdn Bhd ("**SSSB**"), an associate of our controlling shareholder, Dato Daing A Malek Bin Daing A Rahaman ("**Dato Malek**").

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	
	3 months ended	
	30/09/2019 (Unaudited) RM'000	30/09/2018 (Restated) RM'000
Cash flow from operating activities		
(Loss)/Profit after income tax	(1,666)	1,349
Adjustment for:		
- Income tax expense	48	2,858
- Depreciation of property, plant and equipment	73	304
- Interest expense	1,138	2,550
- Interest income	(28)	(126)
- Unrealised currency translation gains	(252)	(21)
	(687)	6,914
Change in working capital:		
Development properties and contract costs	(7,928)	(26,857)
Contract assets/(liabilities)	6,109	(25,937)
Trade and other receivables	21,295	169,150
Trade and other payables	(13,793)	(70,061)
Cash generated from operations	4,996	53,209
Income tax paid	(5,200)	(5,412)
Net cash flow (used in)/generated from operating activities	(204)	47,797
Cash flow from investing activities		
Additions to property, plant and equipment	(19)	(42)
Interest received	28	126
Net cash flow generated from investing activities	9	84
Cash flows from financing activities		
Amount due to related parties	2,121	2,223
Repayment of term loan	-	(54,133)
Repayment of finance lease liabilities	(35)	(51)
Interest paid	(791)	(1,378)
Net cash flow generated from/(used in) financing activities	1,295	(53,339)
Net increase/(decrease) in cash and cash equivalents	1,100	(5,458)
Cash and cash equivalents		
Beginning of financial period	(19,302)	3,460
End of financial period	(18,202)	(1,998)

Note: The figures of 1QFY2018 have been restated to (i) expense borrowings costs on development properties when incurred instead of capitalising, and (ii) include interest expenses for the Loan Agreement.

For the purposes of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	30/09/2019 (Unaudited) RM'000	30/09/2018 (Restated) RM'000
Cash and bank balances	12,670	7,997
(-) Bank overdrafts	(26,868)	(9,995)
(-) Fixed deposit pledged	(4,004)	-
Cash and cash equivalents per consolidated statement of cash flows	(18,202)	(1,998)

Note: The figures of 1QFY2018 have been restated to (i) expense borrowings costs on development properties when incurred instead of capitalising, and (ii) include interest expenses for the Loan Agreement.

- 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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

**Group
(Unaudited)**

	Share capital RM'000	Merger reserve RM'000	Accumulated losses RM'000	Total RM'000	Non-controlling interest RM'000	Total Equity RM'000
Balance as at 1 July 2019	259,384	(10,769)	(133,049)	115,566	(5,651)	109,915
Loss and total comprehensive income for the period	-	-	(1,136)	(1,136)	(530)	(1,666)
Balance as at 30 September 2019	259,384	(10,769)	(134,185)	114,430	(6,181)	108,249

**Group
(Restated)**

	Share capital RM'000	Merger reserve RM'000	Accumulated losses RM'000	Total RM'000	Non-controlling interest RM'000	Total equity RM'000
Balance as at 1 July 2018	259,384	(10,769)	(27,615)	221,000	2,641	223,641
Profit and total comprehensive income for the period	-	-	(304)	(304)	1,653	1,349
Balance as at 30 September 2018	259,384	(10,769)	(27,919)	220,696	4,294	224,990

**Company
(Unaudited)**

	Share capital RM'000	Capital reserve RM'000	Accumulated losses RM'000	Total equity RM'000
Balance as at 1 July 2019	1,455,079	1,419	(518,712)	937,786
Loss and total comprehensive loss for the period	-	-	(1,149)	(1,149)
Balance as at 30 September 2019	1,455,079	1,419	(519,861)	936,637

**Company
(Unaudited)**

	Share capital RM'000	Capital reserve RM'000	Accumulated losses RM'000	Total equity RM'000
Balance as at 1 July 2018	1,455,079	1,419	(114,865)	1,341,633
Loss and total comprehensive loss for the period	-	-	(757)	(757)
Balance as at 30 September 2018	1,455,079	1,419	(115,622)	1,340,876

Note: The figures of 1QFY2018 have been restated to (i) expense borrowings costs on development properties when incurred instead of capitalising, and (ii) include interest expenses for the Loan Agreement.

- 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 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.

	Number of issued shares	Issued and paid-up share capital (RM'000)
Balance as at 30 June 2019	1,869,434,303	1,455,079
Balance as at 30 September 2019	1,869,434,303	1,455,079

The Company did not have any outstanding options, convertibles, treasury shares or subsidiary holdings as at 30 September 2019 and 30 September 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 30/9/2019	As at 30/06/2019
Total number of issued shares	1,869,434,303	1,869,434,303

There were no treasury shares as at 30 September 2019 and 30 June 2019.

- 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. There were no treasury shares during and as at the end of the current financial period reported on.

- 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. There were no 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 and practice.

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

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

Not applicable. The figures have not been audited or reviewed by the Company's auditors.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Save as disclosed in paragraph 5, the accounting policies and methods of computations adopted in the financial statements for the current financial period reported on are consistent with those applied in the preparation of the most recent audited consolidated financial statements of the Group for the financial year ended 30 June 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.

On 1 July 2019, the Group adopted new or amended Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) and Interpretations of SFRS(I) (“**INT SFRS(I)**”) that are mandatory for application for the financial year, including SFRS(I) 16 - Leases. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I). Based on its assessments, the management does not expect any significant impact on the Group’s financial statements for the current financial period reported on.

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: -

	3 months ended	
	30/9/2019	30/9/2018
	(Unaudited)	(Unaudited)
Loss attributable to equity holders of the Company (RM’000)	(1,136)	(304)
Weighted average number of ordinary shares in issue	1,869,434,303	1,869,434,303
Loss per share (“LPS”) (RM’sen)	(0.061)	(0.016)
Fully diluted LPS (RM’sen)	(0.061)	(0.016)

The basic and fully diluted LPS were the same as there were no potentially dilutive ordinary shares in issue as at 30 September 2019 and 30 June 2019.

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	
	30/9/2019	30/06/2019	30/9/2019	30/06/2019
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Net Asset Value (RM’000)	114,430	115,566	936,637	937,786
Number of ordinary shares in issue	1,869,434,303	1,869,434,303	1,869,434,303	1,869,434,303
NAV per ordinary share (RM’sen)	6.12	6.18	50.10	50.16

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 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.

Consolidated statement of comprehensive income

Revenue

The increase in revenue for the first quarter ended 30 September 2019 (“**1QFY2020**”) was mainly due to higher revenue recognised from the Menara Majlis Bandaraya Johor Bahru (“**MBJB**”) project of RM50.7 million in 1QFY2020 as compared to first quarter ended 30 September 2018 (“**1QFY2019**”) of RM10.7 million. The Astaka

@ One Bukit Senyum ("The Astaka") revenue for 1QFY2020 was RM4.1 million compared to 1QFY2019 of RM4.4 million and Bukit Pelali @ Pengerang ("BPP") contributed RM13.6 million in 1QFY2020 compared to RM29.4 million in 1QFY2019.

Cost of Sales and Gross Profit

The Group's costs of sales increased by 73% in 1QFY2020 mainly due to the cost involved for the higher percentage of completion for MBBJ. The Group's gross profit decreased by 31.3% to RM5.6 million in 1QFY2020 primarily due to the slowdown in sales of the remaining unsold units of the Group's development properties, particularly The Astaka project as it commanded a higher margin as compared to the Group's other on-going projects.

Other Operating Income

Other income decreased in 1QFY2020 mainly due to the absence of forfeiture payments from purchasers which were accounted for in 1QFY2019, which amounted to RM2.8 million.

Other gains decreased in 1QFY2020 mainly due to decrease in foreign exchange gains from RM90,000 in 1QFY2019 to RM12,000 in 1QFY2020.

Expenses

Selling and distribution expenses increased in 1QFY2020 mainly due to sales and marketing expenses incurred in relation to the sales agent commission and the organising of events and roadshows for selling and promoting The Astaka and BPP projects.

Administrative expenses increased in 1QFY2020 mainly due to the following:

- i. increased in repair and maintenance cost incurred of RM242,000 for The Astaka in 1QFY2020 for the common area to enhance the marketability of the units;
- ii. 3 months' maintenance fees for the period from 1 July 2019 to 30 September 2019 and sinking fund paid to property management for unsold units of The Astaka which amounted to RM471,000; and
- iii. The quit rent and assessment on the undeveloped land in the Group amounted to RM766,000 in 1QFY2020 (1QFY2019: Nil).

Finance cost in 1QFY2020 decreased by approximately RM1.4 million mainly due to the full repayment of borrowings related to development properties. In 1QFY2020, the Group's finance cost relates mainly to (i) bank overdraft interest which amounted to RM512,000 and (ii) interest expenses for the Loan Agreement of RM346,762, as compared to 1QFY2019 where the finance cost relates mainly to borrowing cost relating to development properties and interest expenses for Loan Agreement which amounted to RM1.5 million and RM988,815 respectively.

Other expenses increased in 1QFY2020 mainly due to under provision of tax penalty charged by Inland Revenue Board of Malaysia pertaining to prior years, which amounted to RM186,800.

Depreciation of property, plant and equipment decreased in 1QFY2020 mainly due to the full depreciation of one of the motor vehicles in FY2019. Interest income decreased by RM98,000 to RM28,000 in 1QFY2020 as the cash balances in the bank was reduced.

Income tax expenses decreased by RM2.8 million to RM48,000 in 1QFY2020 from RM2.86 million in 1QFY2019 mainly due to the loss making position of the Group in 1QFY2020 and the materialisation of the deferred tax of RM1.2 million in relation to the pay-out of the liquidated ascertained damages to purchaser in 1QFY2019.

Consolidated statement of financial position

Property, plant and equipment decreased by approximately RM54,000 from RM664,000 as at 30 June 2019 to RM610,000 as at 30 September 2019, mainly due to the depreciation charges on existing and newly acquired office equipment, office furniture and fixtures and motor vehicles for operational purposes.

Development properties increased by approximately RM10.0 million from RM467.0 million as at 30 June 2019 to RM477.0 million as at 30 September 2019. The increase was in line with the progress of the current on-going construction of the Group's property development projects.

Contract cost decreased in 1QFY2020 due to the increase of percentage of completion for MBBJ and BPP projects.

Contract assets have decreased to RM16.9 million in 1QFY2020 from RM24.8 million in 1QFY2019 mainly due to the billings incurred for the BPP project which had been billed to the purchaser.

Trade and other receivables decreased by approximately RM21.3 million from RM109.3 million as at 30 June 2019 to RM88.0 million as at 30 September 2019, mainly attributed to the increase in collections from MBBJ project.

The increase in tax recoverable and decrease in current tax liabilities were mainly due to BPP making a loss in 1QFY2020. Under the self-assessment system, every company is required to determine and submit an estimate of its tax payable for a year of assessment, to which, the Group had overestimated the tax payable for BPP.

Trade and other payables decreased by approximately RM13.6 million from RM393.9 million as at 30 June 2019 to RM380.3 million as at 30 September 2019, mainly pertaining to the payment to the contractors and sundry accruals for The Astaka.

Bank overdraft increased as at 30 September 2019 due to further drawdown from bank for financing of the Group's property development projects and working capital.

Amount due to related parties increased as at 30 September 2019, mainly attributed to RM1.7 million being the BPP land consideration payable to the joint venture partner, SSSB. Based on the terms of the development agreement entered into between BPPSB and SSSB, BPPSB shall pay SSSB 12.0% of the cash proceeds to be received from the individual purchasers of the properties in the BPP project, such amount to be capped at and shall not exceed the sum of RM165.0 million.

Consolidated statement of cash flow

The Group reported a net cash outflow from operating activities of RM204,000 in 1QFY2020 as compared to a net cash inflow of RM47.8 million in 1QFY2019. This was primarily due to progress billings received from the purchaser which arose from the completion of The Astaka in June 2018.

Net cash inflow from investing activities of RM9,000 in 1QFY2020 was mainly due to interest received from financial institutions and offset by cash outflow used in acquiring new property, plant and equipment.

Net cash inflow from financing activities of RM1.3 million in 1QFY2020 was mainly due to finance lease liabilities and interest and offset by land consideration paid to the joint venture partner.

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 has been 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.

The unresolved US-China trade tension continues to dampen market sentiment globally. On 15 January 2020, US and China signed a Phase 1 trade agreement which covers the easier aspects of its difficult relationship which only removes some tariffs. There are still more hurdles to overcome before bringing more concrete reliefs to the global economy. Malaysia's economy is not spared the effects of the trade tension. The Group is cautious that the operating environment continues to be challenging and competitive. Additionally, the commercial banks have tightened their lending policies which had further impacted the sales of the Group's development properties as buyers' end financing approvals were not encouraging.

The Group is on track for the construction and development of its two phases of development comprising terrace houses and shop offices in the Bukit Pelali Township which has recently been completed in October 2019. The remaining two phases of development in the Bukit Pelali Township comprising terrace houses and shop offices are scheduled for completion by June 2020. Meanwhile, the construction and development of MBBJ obtained its certificate of compliance and completion on 11 December 2019 and officially handed over to MBBJ on 1 January 2020.

The Group continues to leverage on its capabilities and track record to grow the business and explore strategic alliances to develop Phase 3 of One Bukit Senyum which spans approximately 7.65 acres.

11. If a decision regarding dividend has been made: -

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

No dividend has been declared or recommended for 1QFY2020.

(b)

(i) Amount per share (RM'sen)

Not applicable.

(ii) Previous corresponding period (RM'sen)

Not applicable. No dividend has been declared or recommended for the corresponding period of the immediately preceding financial year.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers received by the Company (up to 5.00 p.m.) will be registered before entitlements to the dividend are determined.

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 as the Group was loss-making in 1QFY2020.

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.

Name of interested person	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 under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
Dato Malek and his associates	RM2,031,833 ⁽¹⁾	Not applicable.

Note:

(1) Comprises:

- (i) interest payable to Dato Malek and his associates amounting RM275,243 for an extension of unsecured loans to the Company of RM27,299,867 at 4% per annum, with no fixed term of repayment;
- (ii) rental payable by APSB to Sukma Consortium Sdn Bhd, an associate of Dato Malek, for the rental of office premises by APSB from 1 July 2019 to 30 September 2019 of RM61,500; and
- (iii) amount payable by BPPSB to SSSB, an associate of Dato Malek, for the sole and exclusive right to develop the Bukit Pelali land of RM1,695,090 (please refer to the Circular issued by the Company on 29 November 2016 for more details).

Save for the above mentioned, there were no interested persons transactions of S\$100,000 or more entered into during 1QFY2020.

The Group does not have a general mandate from its shareholders for recurring 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 hereby confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Catalist Rule 720(1).

15. Negative confirmation pursuant to Rule 705(5).

The Board hereby confirms that, to the best of their knowledge, nothing has come to their attention that may render the unaudited financial results for 1QFY2020 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Dato Zamani Bin Kasim
Executive Director and Chief Executive Officer
21 January 2020

This announcement has been prepared by the Company and reviewed by the sponsor, Novus Corporate Finance Pte. Ltd. (the "Sponsor"), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.

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 Mr Pong Chen Yih, Chief Operating Officer, 9 Raffles Place, #17-05 Republic Plaza Tower 1, Singapore 048619, telephone (65) 6950 2188.