

Unaudited Third Quarter Financial Statements and Dividend Announcement for the period ended 31 March 2017

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"), for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.

The announcement has not been examined or approved by SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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The Board of Directors 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 3rd quarter ended 31 March 2017.

Following the completion of the reverse takeover of E2-Capital Holdings Limited (the "RTO") the Company changed its functional and presentation currency from Hong Kong Dollar ("HKD") to Ringgit Malaysia ("RM") with effect from 19 November 2015. Accordingly, the consolidated financial statements of the Group for the applicable comparative period were translated and presented in RM. The change in functional and presentation currency was determined on the basis that the RM better reflects the current and prospective economic substance of the underlying transactions and circumstances of the Group.

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			Group		
	3 months ended		Change %	9 months ended		Change %
	31/03/2017 (Unaudited) RM'000	31/03/2016 (Unaudited) RM'000		31/03/2017 (Unaudited) RM'000	31/03/2016 (Unaudited) RM'000	
Revenue	-	-	-	-	-	-
Cost of sales	-	-	-	-	-	-
Gross profit	-	-	-	-	-	-
Other operating income	482	76	534.2	972	330	194.5
Other gains	-	-	-	2,039	-	n.m.
Selling and distribution expenses	(97)	(223)	(56.5)	(1,880)	(833)	125.7
Administrative expenses	(3,430)	(4,441)	(22.8)	(9,254)	(8,744)	5.8
Other operating expenses	(217)	(299)	(27.4)	(547)	(503)	8.7
Finance costs	(5)	(2)	150.0	(11)	(6)	83.3
Loss from operation	(3,267)	(4,889)	(33.2)	(8,681)	(9,756)	(11.0)
Non-operating expenses	-	310	n.m.	-	(95,673)	n.m.
Loss before income tax	(3,267)	(4,579)	(28.7)	(8,681)	(105,429)	(91.8)
Income tax (expense)/credit	(152)	(29)	424.1	399	388	2.8
Loss after tax and total comprehensive loss for the financial period	(3,419)	(4,608)	(25.8)	(8,282)	(105,041)	(92.1)
Loss and total comprehensive loss attributable to:						
Equity holders of the Company	(3,325)	(4,608)	(27.8)	(8,112)	(105,040)	(92.3)
Total comprehensive loss attributable to non-controlling interests	(94)	-⁽¹⁾	n.m.	(170)	(1)	n.m.
Total comprehensive loss	(3,419)	(4,608)	(25.8)	(8,282)	(105,041)	(92.1)

n.m. – not meaningful

Notes:

⁽¹⁾ Less than RM500

- 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 for the financial period is stated after charging/(crediting) the following:	Group		Group	
	3 months ended		9 months ended	
	31/03/2017 (Unaudited) RM'000	31/03/2016 (Unaudited) RM'000	31/03/2017 (Unaudited) RM'000	31/03/2016 (Unaudited) RM'000
Depreciation of property, plant and equipment	337	87	1,000	256
Interest expense	10	2	5	6
Interest income	(46)	(65)	(156)	(287)
Foreign exchange loss/(gain)	71	2,451	(2,039)	3,413
Loss on reverse acquisition	-	-	-	63,625
RTO professional fees	-	(310)	-	7,654
RTO arranger fees	-	-	-	24,394

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	
	31/03/2017 (Unaudited) RM'000	30/06/2016 (Audited) RM'000	31/03/2017 (Unaudited) RM'000	30/06/2016 (Audited) RM'000
ASSETS				
Non-current assets				
Property, plant and equipment	2,756	3,136	-	-
Investment in subsidiaries	-	-	1,229,000	1,229,000
Deferred tax assets	3,097	-	-	-
	<u>5,853</u>	<u>3,136</u>	<u>1,229,000</u>	<u>1,229,000</u>
Current assets				
Development properties	711,997	483,811	-	-
Trade and other receivables	83,380	66,905	278	214
Amount due from related parties	-	-	112,620	92,513
Cash and cash equivalents	28,421	50,308	10,622	32,788
	<u>823,798</u>	<u>601,024</u>	<u>123,520</u>	<u>125,515</u>
Total assets	829,651	604,160	1,352,520	1,354,515
LIABILITIES				
Current liabilities				
Trade and other payables	597,172	287,164	446	521
Current tax liabilities	9,541	4,545	-	-
Borrowings	23,857	55,822	-	-
Hire purchase liabilities	168	81	-	-
Amount due to related parties	38,554	28,510	3,164	2,966
	<u>669,292</u>	<u>376,122</u>	<u>3,610</u>	<u>3,487</u>
Non-current liabilities				
Borrowings	30,259	87,734	-	-
Hire purchase liabilities	525	203	-	-
Deferred tax liabilities	-	2,735	-	-
	<u>30,784</u>	<u>90,672</u>	<u>-</u>	<u>-</u>
Total liabilities	700,076	466,794	3,610	3,487
NET ASSETS	129,575	137,366	1,348,910	1,351,028
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)	-	-
Retained earnings	(119,362)	(111,251)	(107,588)	(105,470)
	<u>129,253</u>	<u>137,364</u>	<u>1,348,910</u>	<u>1,351,028</u>
Non-controlling interest	322	2	-	-
Total equity	129,575	137,366	1,348,910	1,351,028

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 31/03/2017		As at 30/06/2016	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
24,025	-	55,903	-

(b) the amount repayable after one year;

As at 31/03/2017		As at 30/06/2016	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
30,784	-	87,937	-

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

The Company did not have any unsecured loan as at 31 March 2017 and 30 June 2016.

(d) details of any collaterals

The term loan and bank overdraft relates to AL Murabahah credit facility from Maybank Islamic Berhad of RM270,000,000 (30 June 2016: RM270,000,000) for the purpose of the construction of one of the Group's development properties. It is secured by a first party legal charge over 2.43 acres of land and building to be erected on the land in One Bukit Senyum under PTD 216346 and jointly and severally guaranteed by directors of Astaka Padu Sdn Bhd, a subsidiary of the Company, and a controlling shareholder of the Company.

Bank overdraft facility from Affin Bank Berhad of RM10,000,000 (30 June 2016: RM10,000,000) for the purpose of working capital of the Group. This is secured by a fixed deposit from a controlling shareholder of the Company.

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		Group	
	3 months ended		9 months ended	
	31/03/2017 (Unaudited) RM'000	31/03/2016 (Unaudited) RM'000	31/03/2017 (Unaudited) RM'000	31/03/2016 (Unaudited) RM'000
Cash flow from operating activities				
Loss after income tax	(3,419)	(4,608)	(8,282)	(105,041)
Adjustment for:				
- Income tax expense/(credit)	152	29	(399)	(388)
- Depreciation of property, plant and equipment	337	87	1,000	256
- Interest expense	5	2	11	6
- Interest income	(46)	(65)	(156)	(287)
- Arranger fees paid in shares	-	-	-	24,394
- Loss on reverse acquisition	-	-	-	63,625
- Property, plant and equipment written off	13	-	13	-
- Unrealised currency translation gains	71	-	(2,600)	-
	(2,887)	(4,555)	(10,413)	(17,435)
Change in working capital:				
Development properties	(83,845)	(47,591)	(222,842)	(134,058)
Trade and other receivables	(6,120)	(9,314)	(16,431)	13,854
Trade and other payables	131,475	42,684	310,465	36,052
Amount due to related parties	509	-	10,044	-
Cash generated from/(used in) operations	39,132	(18,776)	70,823	(101,587)
Income tax refunded	2	-	2	-
Income tax paid	(906)	(120)	(907)	(122)
Net cash flow generated from/(used in) operating activities	38,228	(18,896)	69,918	(101,709)
Cash flow from investing activities				
Additions to property, plant and equipment	(89)	(87)	(155)	(142)
Interest received	46	65	156	287
Net cash flow (used in)/generated from investing activities	(43)	(22)	1	145
Cash flows from financing activities				
Additional Investment from non-controlling interest	-	-	490	-
Proceeds from issuance of shares	-	-	-	130,620
Share issue expenses	-	-	-	(2,788)
Net cash received from reverse acquisition	-	-	-	9,027
Interest paid	(1,335)	(2,454)	(5,355)	(6,470)
Proceeds from drawdown of term loan	-	-	19,920	-
Repayment of term loan	(36,813)	(11,960)	(107,799)	554
Repayment of hire purchase liabilities	(33)	(15)	(68)	(45)
Net cash flow (used in)/generated from financing activities	(38,181)	(14,429)	(92,812)	130,898

	Group		Group	
	3 months ended		9 months ended	
	31/03/2017 (Unaudited) RM'000	31/03/2016 (Unaudited) RM'000	31/03/2017 (Unaudited) RM'000	31/03/2016 (Unaudited) RM'000
Net increase/(decrease) in cash and cash equivalents	4	(33,347)	(22,893)	29,334
Cash and cash equivalents				
Beginning of financial period	14,074	54,473	34,336	(8,208)
Effects of currency translation on cash and cash equivalents	(69)	-	2,566	-
End of financial period	14,009	21,126	14,009	21,126

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

	31/03/2017 (Unaudited)	31/03/2016 (Unaudited)
Cash and bank balances	28,421	37,083
(-) Bank overdrafts	(14,412)	(15,957)
Cash and cash equivalents per consolidated statement of cash flows	14,009	21,126

- 1(d)(i) A statement (for the issuer and group) showing either (1) 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	Merger reserve	Retained earnings	Attributable to parent	Non-controlling interest	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 July 2016	259,384	(10,769)	(111,251)	137,364	2	137,366
Additional Investment from non-controlling interest	-	-	-	-	490	490
Total comprehensive income	-	-	(4,786)	(4,786)	(76)	(4,862)
Balance as at 31 December 2016	259,384	(10,769)	(116,037)	132,578	416	132,994
Total comprehensive income	-	-	(3,325)	(3,325)	(94)	(3,419)
Balance as at 31 March 2017	259,384	(10,769)	(119,362)	129,253	322	129,575
	Share capital	Merger reserve	Retained earnings	Attributable to parent	Non-controlling interest	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 July 2015	30,769	(10,769)	100	20,100	-	20,100
Total comprehensive income	-	-	(100,434)	(100,434)	-(¹)	(100,434)
Issuance of consideration shares	73,422	-	-	73,422	3	73,425
Issuance of arranger shares	24,394	-	-	24,394	-	24,394
Issuance of compliance shares	130,620	-	-	130,620	-	130,620
Share issue expenses	(2,788)	-	-	(2,788)	-	(2,788)
Balance as at 31 December 2015	256,417	(10,769)	(100,334)	145,314	3	145,317
Total comprehensive income	-	-	(4,608)	(4,608)	-(¹)	(4,608)
Balance as at 31 March 2016	256,417	(10,769)	(104,942)	140,706	3	140,709

**Company
(Unaudited)**

	Share capital RM'000	Capital reserve RM'000	Retained earnings RM'000	Total equity RM'000
Balance as at 1 July 2016	1,455,079	1,419	(105,470)	1,351,028
Total comprehensive income	-	-	(637)	(637)
Balance as at 31 December 2016	1,455,079	1,419	(106,107)	1,350,391
Total comprehensive income	-	-	(1,481)	(1,481)
Balance as at 31 March 2017	1,455,079	1,419	(107,588)	1,348,910

	Share capital RM'000	Capital reserve RM'000	Foreign currency reserve RM'000	Retained earnings RM'000	Total equity RM'000
Balance as at 1 July 2015	21,510	1,237	420	(7,530)	15,637
Effect of change in functional currency	3,174	182	(420)	(629)	2,307
Total comprehensive income	-	-	-	(11,095)	(11,095)
Capital reduction	(5,462)	-	-	-	(5,462)
Issuance of consideration shares	1,280,664	-	-	-	1,280,664
Issuance of arranger shares	24,393	-	-	-	24,393
Issuance of compliance shares	130,620	-	-	-	130,620
Share issue expenses	(2,788)	-	-	-	(2,788)
Balance as at 31 December 2015	1,452,111	1,419	-	(19,254)	1,434,276
Total comprehensive income	-	-	-	(3,709)	(3,709)
Balance as at 31 March 2016	1,452,111	1,419	-	(22,963)	1,430,567

Notes:

⁽¹⁾ Less than RM500

- 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.

	Number of issued shares	Issued and paid-up share capital (RM'000)
Balance as at 31 December 2016	1,869,434,303	1,455,079
Balance as at 31 March 2017	1,869,434,303	1,455,079

The Company did not have any outstanding options, convertibles, treasury shares or subsidiary holdings as at 31 March 2017 and 31 March 2016.

- 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 31/03/2017	As at 30/06/2016
Total number of issued shares	1,869,434,303	1,869,434,303

The Company did not have any treasury shares as at 31 March 2017 and 30 June 2016.

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

Not applicable, as 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, 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 issue's most recently audited annual financial statements have been applied.

Save as disclosed in paragraph 5 below, the accounting policies and methods of computations adopted in the financial statements for the current financial period reported on are consistent with those disclosed in the most recently audited consolidated financial statements of the Group for the financial year ended 30 June 2016.

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 adopted all the applicable new and revised Financial Reporting Standards ("FRS") and Interpretation of FRS ("IFRS") that are relevant to its operation and effective for the accounting periods beginning on or after 1 July 2016. The adoption of these new and revised FRS did not result in any substantial change to the Group's and Company's accounting policies and has no significant impact on the 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: -

	Group			
	3 months ended		9 months ended	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Total comprehensive loss attributable to equity holders of the Company (RM'000)	(3,325)	(4,608)	(8,112)	(105,040)
Weighted average number of ordinary shares in issue	1,869,434,303	1,869,434,303	1,869,434,303	958,778,857
Basic loss per share ("LPS") (RM'sen)	(0.18)	(0.25)	(0.43)	(10.96)
Fully diluted LPS (RM'sen)	(0.18)	(0.25)	(0.43)	(10.96)

Excluding the non-recurring items pertaining to the RTO, the effects of the LPS are as follows:

	Group			
	3 months ended		9 months ended	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Total comprehensive loss attributable to equity holders of the Company (RM'000)	(3,325)	(4,608)	(8,112)	(105,040)
Adjusting for non-recurring items: -				
1) RTO professional fees	-	(310)	-	7,654
2) RTO arranger fees	-	-	-	24,394
3) Loss on reverse acquisition	-	-	-	63,625
Adjusted total comprehensive loss attributable to equity holders of the Company (RM'000)	(3,325)	(4,918)	(8,112)	(9,367)
Adjusted basic LPS (RM'sen)	(0.18)	(0.26)	(0.43)	(0.98)
Fully diluted LPS (RM'sen)	(0.18)	(0.26)	(0.43)	(0.98)

The basic and fully diluted LPS were the same as there were no potentially dilutive ordinary shares in issue as at 31 March 2017 and 31 March 2016.

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	
	31/03/2017	30/06/2016	31/03/2017	30/06/2016
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Net Assets Value (RM'000)	129,575	137,366	1,348,910	1,351,028
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)	6.93	7.35	72.16	72.27

The net asset value per share as at 31 March 2017 and 30 June 2016 was computed based on 1,869,434,303 issued shares (excluding treasury shares).

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

The review for the performance of the Group for the 3 months ended 31 March 2017 ("3QFY2017") as compared to the 3 months ended 31 March 2016 ("3QFY2016").

Revenue from the development properties that have been sold is recognised when the construction of the development properties are completed and the risks and rewards of ownership have been transferred to the buyer through either the transfer of legal title or equitable interest in a property. The development of The Astaka @ One Bukit Senyum ("Phase 1 of OBS") is expected to be completed in March 2018, and as

such there were no revenues and cost of sales reported for 3QFY2017. During 3QFY2017, 1 unit was sold and 3 units were cancelled. Overall, 305 units were sold as at 31 March 2017.

The development at Pengerang ("Phase 1A of Bukit Pelali") has commenced in January 2017. It is expected to be completed in December 2019, and as such, there were no revenues and cost of sales reported for 3QFY2017. During 3QFY2017, 13 units of shop lots and 52 units of terrace houses were sold.

Other operating income increased by RM406,000 to RM482,000 in 3QFY2017 from RM76,000 in 3QFY2016. The increase was mainly due to rental income of RM96,000 arising from the rental of certain land in One Bukit Senyum ("OBS") to a contractor for temporary staffs' quarter which was established, as well as late payment interest on progress billing charged to buyers amounting to RM336,000. The increase was offset by a decrease in interest income from deposits with financial institutions of RM19,000.

Selling and distribution expenses decreased by RM126,000 to RM97,000 in 3QFY2017 from RM223,000 in 3QFY2016. The decrease was due to a shift in the Company's marketing strategy to concentrate on personalized selling and distribution rather than mass market sales. Besides, in 3QFY2017, there was an absence of expenses incurred in 3QFY2016 for the purposes of public relation matters in connection with the RTO exercise.

Administrative expenses decreased by RM1.0 million to RM3.4 million in 3QFY2017 from RM4.4 million in 3QFY2016. The decrease was mainly due to no unrealised foreign exchange loss being recognised in 3QFY2017. During 3QFY2016, unrealised foreign exchange loss amounting to RM2.4 million was recognised as a result of the strengthening of Malaysia ringgit against Singapore dollar. The decrease was offset by (i) increase in depreciation charges amounting to RM250,000 which was mainly attributable to the depreciation charged for the renovation of the new office, (ii) increase in salaries and related expense of RM177,000 which was mainly due to the additional manpower requirement in view of the Group's continuing expansion, (iii) increase in certain professional fee provisions amounting to RM255,000 which were made in the current year on a quarterly basis as compared to an annual basis in the prior year, and (iv) increase in legal and professional fees of RM476,000 which was mainly due to the professional services rendered for market studies and corporate taxation exercises.

Other operating expenses decreased by RM82,000 to RM217,000 in 3QFY2017 from RM299,000 in 3QFY2016 mainly due to decrease in expenditure on corporate social responsibility activities.

Finance costs increased by RM3,000 to RM5,000 in 3QFY2017 from RM2,000 in 3QFY2016.

In 3QFY2017, there was an absence of non-operating expenses, while an amount of RM310,000 of professional fees incurred for the RTO transaction was written back in 3QFY2016 due to the reversal of over provision of such fees in the three months ended 31 December 2015.

Income tax credit increased by RM123,000 to RM152,000 in 3QFY2017 from RM29,000 in 3QFY2016.

Consolidated statement of financial position

The review for the financial position of the Group is based on the Group's financial position as at 31 March 2017 and 30 June 2016.

Property, plant and equipment decreased to RM2.8 million as at 31 March 2017 from RM3.1 million as at 30 June 2016, mainly due to the depreciation charged on property, plant and equipment, offset by the purchase of office equipment, furniture and fitting.

Deferred tax assets amounted to RM3.1 million as at 31 March 2017 was mainly due to the recognition of deferred taxation arising from the property under development.

Development properties increased to RM712.0 million as at 31 March 2017 from RM483.8 million as at 30 June 2016 due to additional billing charged by sub-contractors, professionals and consultants for the development of Phase 1 of OBS and Phase 1A of Bukit Pelali, which is reflective of the current on-going construction of the development projects.

Trade and other receivables increased to RM83.4 million as at 31 March 2017 from RM66.9 million as at 30 June 2016, mainly due to the increase in trade receivables of RM13.2 million from the progress billing for Phase 1 of OBS and RM7.0 million from the progress billing for Phase 1A of Bukit Pelali

Trade and other payables increased to RM597.2 million as at 31 March 2017 from RM287.2 million as at 30 June 2016, mainly due to the increase in (i) accounts payables of RM83.4 million relating to payables to

the main contractor of Phase 1 of OBS and RM11.3 million relating to payables to the main contractor of Phase 1A of Bukit Pelali, and (ii) progress billing of RM202.1 million to purchasers for Phase 1 of OBS and RM8.4 million to purchasers for Phase 1A of Bukit Pelali. The increase in both the accounts payables and progress billing to purchasers was in tandem with the development progress of Phase 1 of OBS and Phase 1A of Bukit Pelali.

Current tax liabilities increased by RM5.0 million to RM9.5 million as at 31 March 2017 mainly due to the estimated tax expenses arising from the Malaysia Inland Revenue Board basis of tax assessment for property development based on the percentage of completion in 3QFY2017.

Current borrowings decreased to RM23.9 million as at 31 March 2017 from RM55.8 million as at 30 June 2016, mainly due to the repayment of bank facilities.

Amount due to related parties increased to RM38.6 million as at 31 March 2017 from RM28.5 million as at 30 June 2016, which was mainly attributed to RM9.3 million received from the 49% joint venture partner to the Bukit Pelali Project, Saling Syabas Sdn Bhd, for its contribution payable for the paid-up capital of the joint venture entity, Bukit Pelali Properties Sdn Bhd.

Long term borrowings decreased to RM30.3 million as at 31 March 2017 from RM87.7 million as at 30 June 2016, mainly due to the repayment of bank facilities.

Share capital remains at RM259.4 million as at 31 March 2017 and 30 June 2016.

Consolidated statement of cash flow

The Group reported a net cash inflow from operating activities of RM38.2 million in 3QFY2017 as compared to a net cash outflow of RM18.9 million in 3QFY2016. This was primarily due to increase in trade and other payables, which were partially offset by an increase in trade and other receivables and development properties.

Net cash used in investing activities of RM43,000 in 3QFY2017 was due to the purchase of plant and equipment of RM89,000, offset by interest income of RM46,000 received from bank deposits.

Net cash outflow from financing activities of RM38.2 million in 3QFY2017 was largely due to the repayments of bank loans of RM36.8 million and interest paid of RM1.3 million for term loans.

As a result, the Group recorded an overall net increase in cash and cash equivalents of RM4,000 in 3QFY2017 as compared to net decrease of RM33.3 million in 3QFY2016. As at 31 March 2017, net cash and cash equivalents amounted to RM14.0 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 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.

While the Group expects the property market conditions to remain challenging in the next 12 months, the Group is cautiously optimistic about the long-term outlook of the property market in Iskandar given, amongst others, the Iskandar Regional Development Authority's estimates that up to 500,000 housing units will be needed by 2025, when the region's population is expected to increase to 3 million from 1.8 million in 2017¹. This bodes well for the Group's One Bukit Senyum development in Johor and Bukit Pelali project at Pengerang, both of which are strategically located within the Iskandar economic growth corridor.

As announced on 17 April 2017, the Group unveiled show units for its 363-acre Bukit Pelali strata township in Pengerang. Phase one of the development comprises 487 residential units and shop offices. Bukit Pelali at Pengerang is envisaged to be a self-sustaining township, which will have a shopping mall, hotel, hospital, mosque, school and private security when fully completed. Astaka expects to hold a grand launch of the township – coinciding with the opening of its sales gallery – by the middle of 2017.

¹ <http://www.thestar.com.my/business/business-news/2017/03/30/iskandar-needs-a-further-500000-new-homes/>

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 the current financial period reported on.

(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 receive by the Company (up to 5.00p.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.

No dividend has been declared (recommended) for the current financial period reported on.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transaction 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' Zamani bin Kasim ("Dato Zamani") ⁽¹⁾ - Sale of 1 shoplot under Phase 1A of Bukit Pelali	RM818,000 ⁽³⁾	-
Abd Aziz bin Daing Rahman ("Aziz") ⁽²⁾ - Sale of 2 shoplots under Phase 1A of Bukit Pelali	RM1,654,600 ⁽³⁾	-
Daing Abd Rahim bin Daing A Rahman ("Rahman") ⁽²⁾ - Sale of 1 shoplot under Phase 1A of Bukit Pelali	RM818,000 ⁽³⁾	-

Notes:

- (1) Dato' Zamani is the Executive Director and Chief Executive Officer of the Company.
(2) Aziz and Rahim are directors of the Company's subsidiary, Astaka Padu Sdn Bhd, and brothers of the Company's controlling shareholder, Dato' Daing A Malek Bin Daing A Rahaman
(3) Gross selling price before any discounts or rebates. For further details, please refer to the Company's announcement dated 21 February 2017.

Save for the abovementioned, there were no interested persons transactions of S\$100,000 or more for entered into during 3QFY2017.

The Group does not have a general mandate from its shareholders for recurring interested person transactions.

14. Update on the use of compliance placement proceeds

	Revised Amount Allocated S\$'000	Amount Utilised S\$'000	Balance S\$'000
Repayment of amounts due to interested persons	9,070	-	9,070
Repayment of bank facilities	1,653	1,653	-
Repayment of amount due to Malpakat	6,088	6,088	-
General working capital of the Group	19,849	19,849 ⁽¹⁾	-
Total	36,660	27,590	9,070

Notes –

- (1) Amounts utilised for general working capital consists of payments to contractors, consultants and professionals of S\$12.91 million in respect of the development of phase 1 of the two plots of land located in the Iskandar region of Johor, Malaysia, operating costs of S\$0.44 million, staff salaries and related expenses of S\$0.42

million as well as repayment of bridging loan of S\$6.08 million used for payment to main contractors for progressive works carried out for Phase 1 of OBS.

The Company will make periodic announcements as and when the proceeds from the compliance placement are materially disbursed and provide a status report on such use in its annual report and its interim and full-year financial statements. Pending the deployment of the proceeds as aforesaid, the funds will be placed in short-term deposits with financial institutions and/or used to invest in short-term money market instruments.

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 hereby confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

16. 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 the three months and nine months period ended 31 March 2017 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
11 May 2017