

**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR
THE FIRST QUARTER ENDED 31 JULY 2016**

PART I INFORMATION REQUIRED FOR FIRST QUARTER ANNOUNCEMENT

The board of directors (the “Board”) of Novo Group Ltd. (the “Company”, and, together with its subsidiaries, the “Group”) wishes to announce the following unaudited results of the Group for the first quarter ended 31 July 2016.

1. (a)(i) An income statement and statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year

Income Statement for the First Quarter ended 31 July 2016

	The Group		
	3 months period ended		
	31 July 2016	31 July 2015	Increase/ (Decrease)
	<i>US\$'000</i>	<i>US\$'000</i>	%
		(Restated)	
		<i>(Note 1)</i>	
Continuing operations			
Revenue	22,433	16,870	33.0%
Cost of sales	(21,936)	(16,757)	30.9%
Gross profit	497	113	>100%
Other income	4,337	672	>100%
Distribution and selling expenses	(280)	(547)	-48.8%
Administrative expenses	(1,764)	(2,627)	-32.9%
Other expenses	(69)	–	NM
Finance costs	(329)	(643)	-48.8%
Profit/(loss) before tax	2,392	(3,032)	>100%
Income tax expenses	(7)	(6)	16.7%
Profit/(loss) from continuing operations for the period	2,385	(3,038)	>100%
Discontinued operations			
Profit/(loss) from discontinued operation for the period	177	(327)	>100%
Profit/(loss) for the period	2,562	(3,365)	>100%
Attributable to:			
Owners of the Company	2,514	(3,166)	
Non-controlling interests	48	(199)	
	2,562	(3,365)	

Note 1:

Certain comparative figures have been reclassified to conform with the current year’s presentation.

NM – not meaningful

Consolidated Statement of Comprehensive Income

	The Group		
	3 months period ended		
	31 July 2016	31 July 2015	Increase/ (Decrease)
	<i>US\$'000</i>	<i>US\$'000</i>	%
		<i>(Note 1)</i>	
Profit/(loss) for the period	2,562	(3,365)	>100%
Other comprehensive loss:			
Item that may be reclassified			
subsequently to profit or loss:			
Exchange differences on translation of the Group's foreign operations, net of tax	<u>(1,467)</u>	<u>(51)</u>	>100%
Total comprehensive profit/(loss) for the period	<u>1,095</u>	<u>(3,416)</u>	>100%
Attributable to:			
Owners of the Company	1,156	(3,214)	
Non-controlling interests	<u>(61)</u>	<u>(202)</u>	
	<u>1,095</u>	<u>(3,416)</u>	

1. (a)(ii) Notes to the Income Statement and Statement of Comprehensive Income

	The Group	
	3 months period ended	
	31 July 2016	31 July 2015
	<i>US\$'000</i>	<i>US\$'000</i>
		(Restated)
		<i>(Note 1)</i>
Profit/(loss) from continuing operations for the period is stated after charging/(crediting):		
Amortisation of deferred income	(80)	(68)
Amortisation of land use rights	25	27
Bad debts written off	2	8
Depreciation of property, plant and equipment	545	733
Interest expense	307	879
Interest income	(2)	(241)
Gain on disposal of property, plant and equipment	(4,159)	–
Net foreign exchange losses/(gains)	68	(48)
Reversal of inventories previously written down	–	(195)

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

Statements of Financial Position

	The Group		The Company	
	As at 31 July 2016 US\$'000	As at 30 April 2016 US\$'000 (Restated) (Note 2)	As at 31 July 2016 US\$'000	As at 30 April 2016 US\$'000
Non-current assets				
Property, plant and equipment	56,742	58,946	–	–
Land use rights	4,039	4,196	–	–
Goodwill	4	4	–	–
Investments in subsidiaries	–	–	110,965	110,960
	60,785	63,146	110,965	110,960
Current assets				
Inventories	840	874	–	–
Trade and other receivables	29,652	23,359	46	13
Tax recoverable	74	77	–	–
Cash and cash equivalents	6,276	9,778	6,081	21
	36,842	34,088	6,127	34
Property held-for-sale	–	4,889	–	–
Disposal group assets classified as held-for-sale	37,073	44,371	–	–
Total current assets	73,915	83,348	6,127	34
Total assets	134,700	146,494	117,092	110,994

Note 2:

Please refer to the paragraph 4 for the details of the restatement.

	The Group		The Company	
	As at 31 July 2016 <i>US\$'000</i>	As at 30 April 2016 <i>US\$'000</i> (Restated) <i>(Note 2)</i>	As at 31 July 2016 <i>US\$'000</i>	As at 30 April 2016 <i>US\$'000</i>
Non-current liabilities				
Borrowings	42,600	41,351	–	–
Deferred income	371	426	–	–
	42,971	41,777	–	–
Current liabilities				
Trade and other payables	26,592	14,634	7,258	1,072
Deferred income	283	328	–	–
Borrowings	29,142	47,659	–	–
	56,017	62,621	7,258	1,072
Liabilities directly associated with disposal group classified as held-for-sale	36,746	44,225	–	–
Total current liabilities	92,763	106,846	7,258	1,072
Total liabilities	135,734	148,623	7,258	1,072
Net (liabilities)/assets	(1,034)	(2,129)	109,834	109,922

	The Group		The Company	
	As at 31 July 2016 <i>US\$'000</i>	As at 30 April 2016 <i>US\$'000</i>	As at 31 July 2016 <i>US\$'000</i>	As at 30 April 2016 <i>US\$'000</i>
		(Restated) <i>(Note 2)</i>		
Equity				
Share capital	32,239	32,239	108,740	108,740
Accumulated losses	(36,256)	(38,770)	(1,507)	(1,419)
Foreign currency translation reserve	(1,124)	236	–	–
Statutory reserve	33	33	–	–
Other reserves	2,957	2,957	2,601	2,601
Reserve of disposal group classified as held-for-sale	344	342	–	–
Total equity attributable to owners of the Company	(1,807)	(2,963)	109,834	109,922
Non-controlling interests	773	834	–	–
Total equity	<u>(1,034)</u>	<u>(2,129)</u>	<u>109,834</u>	<u>109,922</u>

Subsequent to the end of the 1QFY2017, the Company has completed a placing of 20,680,000 shares at a price of HK\$2.32 on 1 August 2016.

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

	<u>The Group</u>		<u>The Group</u>	
	As at 31 July 2016		As at 30 April 2016	
	Secured <i>US\$'000</i>	Unsecured <i>US\$'000</i>	Secured <i>US\$'000</i>	Unsecured <i>US\$'000</i>
Amount repayable in one year or less	16,607	12,535	36,458	11,201
Amount repayable after one year	–	42,600	–	41,351

Details of any collateral:

The Group's borrowings for trading operations are secured by way of:

- legal pledge on the Group's leasehold land and buildings;
- legal pledge on the Group's fixed deposits;
- pledge of assets (cargo and related proceeds) underlying the financed transactions;
- corporate cross guarantees between joint borrowers when appropriate; and
- corporate guarantees of the Company.

The Group's borrowings for the project loan granted to one of the subsidiaries are secured by way of:

- legal pledge of equity interest agreement, escrow account agreement, insurance agreement and receivables agreements;
- legal pledge of leasehold land, construction work-in-progress, plant and machinery;
- share charge on a subsidiary; and
- floating mortgage.

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**

Consolidated Statement of Cash Flows

	The Group	
	3 months period ended	
	31 July 2016	31 July 2015
	<i>US\$'000</i>	<i>US\$'000</i>
	<i>(Note 3)</i>	
Cash flows from operating activities		
Profit/(loss) before tax from continuing operations	2,392	(3,032)
Profit/(loss) before tax from discontinued operations	177	(327)
Adjustments for:		
Amortisation of deferred income	(80)	(68)
Amortisation of land use rights	25	27
Bad debts written off	2	8
Depreciation of property, plant and equipment	545	733
Interest expense	307	879
Interest income	(2)	(241)
Gain on disposal of property, plant and equipment	(4,159)	–
Reversal of inventories previously written down	–	(195)
	–	(195)
Operating cash flows before movements in working capital	(793)	(2,216)
Inventories	–	900
Trade and other receivables	(6,296)	(3,045)
Trade and other payables	6,201	2,395
Currency translation differences	531	2
	531	2

Note 3:

The consolidated statement of cash flows has been prepared on re-statement of the financial position of the Group as stated in the paragraph 4 of this announcement.

	The Group	
	3 months period ended	
	31 July 2016	31 July 2015
	<i>US\$'000</i>	<i>US\$'000</i>
Cash (used in)/generated from operations	(357)	(1,964)
Income tax paid, net	(7)	(32)
Interest income received	<u>2</u>	<u>241</u>
Net cash used in operating activities	(362)	(1,755)
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	9,048	–
Purchase of property, plant and equipment	(6)	(119)
Net cash received from realised derivative financial instruments	<u>–</u>	<u>11</u>
Net cash generated from/(used in) investing activities	9,042	(108)
Cash flows from financing activities		
Repayment to non-controlling shareholder	–	(63)
Decrease/(increase) in pledged deposits	104	(166)
Net proceeds from short-term borrowings and bills payable	8,530	2,966
Repayments of bank borrowings	(20,405)	(250)
Interest expense paid	<u>(307)</u>	<u>(879)</u>
Net cash (used in)/ generated from financing activities	(12,078)	1,608
Net decrease in cash and cash equivalents	(3,398)	(255)
Cash and cash equivalents at beginning of period	<u>9,609</u>	<u>1,074</u>
Cash and cash equivalents at end of period	<u>6,211</u>	<u>819</u>
Cash and cash equivalents are represented by:		
Cash and bank balances and fixed deposits	6,276	33,369
Less: Fixed deposits pledged	<u>(65)</u>	<u>(32,550)</u>
	<u>6,211</u>	<u>819</u>

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

Statement of Changes in Equity

	Share capital	Accumulated losses	Foreign currency translation reserve	Statutory reserve	Other Reserves	Reserve of disposal group classified as held-for-sale	Equity attributable to owners of the Company	Non-controlling interests	Total equity
Group			(Restated) (Note 2)						
Balance at 1 May 2015	32,239	(22,446)	1,439	33	2,832	-	14,097	2,435	16,532
Transfer to other reserve	-	(38)	-	-	38	-	-	-	-
Total comprehensive loss for the period	-	(3,166)	(48)	-	-	-	(3,214)	(202)	(3,416)
Balance at 31 July 2015	32,239	(25,650)	1,391	33	2,870	-	10,883	2,233	13,116
Balance at 1 May 2016	32,239	(38,770)	236	33	2,957	342	(2,963)	834	(2,129)
Total comprehensive profit for the period	-	2,514	(1,358)	-	-	-	1,156	(61)	1,095
Reserve attribute to disposal group classified as held-for-sale	-	-	(2)	-	-	2	-	-	-
Balance at 31 July 2016	32,239	(36,256)	(1,124)	33	2,957	344	(1,807)	773	(1,034)

		(Accumulated losses)/		
	Share capital	Retained earnings	Other Reserve	Total equity
	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>
Company				
Balance at 1 May 2015	108,740	(216)	2,601	111,125
Loss and total comprehensive loss for the period	–	(176)	–	(176)
Balance at 31 July 2015	108,740	(392)	2,601	110,949
Balance at 1 May 2016	108,740	(1,419)	2,601	109,922
Loss and total comprehensive loss for the period	–	(88)	–	(88)
Balance at 31 July 2016	108,740	(1,507)	2,601	109,834

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 also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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**

There was no change in the Company's share capital since the end of the previous period reported on. As at 31 July 2016 and 30 April 2016, the Company's issued and fully paid-up shares were 170,804,269 ordinary shares with voting rights.

There were no outstanding convertibles, treasury shares or share option as at 31 July 2016 and 31 July 2015.

Subsequent to the end of the 1QFY2017, the Company has completed a placing of 20,680,000 shares at a price of HK\$2.32 on 1 August 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**

	<u>The Company</u>	
	As at 31 July 2016	As at 30 April 2016
Total number of issued shares, excluding treasury shares	170,804,269	170,804,269

There were no treasury shares as at 31 July 2016 and 30 April 2016.

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

Not applicable.

2. Where the figures has 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 auditors.

3. Where the figures have been audited or reviewed, the auditor's 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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as those used in the most recently audited financial statements for the year ended 30 April 2016, except for the adoption of new/revised Financial Reporting Standards ("FRS") and interpretations of FRS ("INT FRS") applicable to the Group for the financial period beginning on or after 1 May 2016.

The adoption of new/revised FRS and INT FRS have no material financial impact on the financial statements for the current and prior reporting periods.

Restatement of the financial statement as at 30 April 2016

The company has restated its previously reported consolidated financial statements as at 30 April 2016. The restatement of the company's consolidated financial statement as at 30 April 2016 followed an adoption of an audit opinion of the company's consolidated financial statement for the year ended 30 April 2016. The audit identified an overstatement of the consolidated net assets of a subsidiary of the Company due to the failure to translate its property, plant and equipment as at 30 April 2016 into Group's presentation currency using the closing rate at the end of the reporting period as required by FRS21 The Effect of Changes in Foreign Exchanges Rates. Had the aforementioned property, plant and equipment been translated in accordance with FRS21. The Group's property, plant and equipment, currency translation reserve, net assets as at 30 April 2016 would decrease by US\$4,207,500 respectively. The currency translation differences arising from consolidation and the total comprehensive loss for the financial year ended 30 April 2016 will also decrease by US\$4,207,500 and increase by US\$4,207,500 respectively. The Board of Directors is in the process of discussion with the auditors

of the company on the basis for other qualified opinions as stated in the auditor's report in the annual report of the company for the financial year ended 30 April 2016. Further restatements may be adopted when the Board of Directors has gathered further information for the adoption in financial statement.

- 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**

Please refer to Item 4 above.

- 6. Earnings/(loss) 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:**

	The Group	
	3 months period ended	
	31 July 2016	31 July 2015
	<i>(in US Cents)</i>	<i>(in US Cents)</i>
Profit/(loss) per ordinary shares:		
(a) Based on weighted average number of ordinary shares on issued; and	1.47	(1.85)
(b) On a fully diluted basis	1.47	(1.85)
Details:		
Profit/(loss) attributable to shareholders (stated in US\$'000)	2,514	(3,166)
	Number of shares	
	(stated in '000)	
	3 months period ended	
	31 July 2016	31 July 2015
Weight average number of ordinary shares	170,804	170,804

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

	The Group		The Company	
	As at 31 July 2016 <i>(in US cents)</i>	As at 30 April 2016 <i>(in US cents)</i> <i>(Restated)</i> <i>(Note 2)</i>	As at 31 July 2016 <i>(in US cents)</i>	As at 30 April 2016 <i>(in US cents)</i>
Net (liabilities)/assets value per ordinary share based on issued share capital of the issuer	(0.6)	(1.2)	64.3	64.4
Number of shares in issue as at end of period ('000)	170,804	170,804	170,804	170,804

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

During the first quarter ended 31 July 2016 ("1QFY2017"), the Group is principally engaged in:-

a) trading of iron ore, coal and steel products across the global ("Trading Segment"); and

b) tinplate manufacturing ("Manufacturing Segment")

c) tinplate processing ("Discontinued operations")

Revenue

Manufacturing Segment has been suspended its operation since early 2016 for the purpose of obtaining additional funding as well as to consolidate the product mix for the metal packaging assembly line. As a result, the majority of the revenue for 1QFY2017 was derived from the Trading Segment.

During the 1QFY2017, revenue from the Trading Segment increased to US\$22.4 million from US\$16.6 million, an increase of 34.9%, as compared with the first quarter ended 31 July 2015 (“1Q2016”),

Gross profit

The gross profit has increased from USD113,000 to USD497,000 due to the improvement in profit margin in the Trading Segment and the cost savings on the temporary suspension on the Manufacturing Segment during the 1QFY2017.

Other income

Other income has increased from USD672,000 to USD4,337,000, an increase of 545.4%. The main reason for the increase was due to a gain of approximately USD4,159,000 on disposal of certain property, plant and equipment during the 1QFY2017.

Distribution and selling expenses

During the 1QFY2017, the distribution and selling expenses have decreased from USD547,000 to USD280,000, a decrease of approximately 48.8%. The main reason for the decrease was due to cost saving on the temporary suspension of the Manufacturing Segment. On the other hand, the management has taken a more stringent cost control on the Trading Segment and have made a big drop in freight charges.

Administrative expenses

The administrative expenses have decreased from USD2.6 million to USD1.8 million, a decrease of approximately 30.8%. The main reason for the decrease was due to the compound effect of decrease in depreciation charge of approximately USD0.6 million, decrease in salaries and related costs (including a decrease in director remuneration due to his departure) of approximately USD0.7 million, and a decrease in administrative expenses of approximately USD0.3 million due to the disposal of an office property. However, due to the nature of the cost, most of the expenses could not be decreased in proportion to the decrease of turnover.

Finance costs

The finance cost for the 1QFY2017 was decreased from USD643,000 to USD329,000, a decrease of 48.8%, mainly due to repayment of certain bank loans during the period.

Review of Financial Position and Cash Flows

Trade and other receivables

Trade and other receivables increased to US\$29.7 million at 31 July 2016 from approximately US\$23.4 million as at 30 April 2016, an increase of approximately 26.9%. The main reason for the increase was due to increase of approximately US\$6.0 million in bills receivable as a results of the increase of sales in the Trading Segment during 1QFY2017.

Trade and other payables

Trade and other payables increased from approximately US\$14.6 million at 30 April 2016 to approximately US\$26.6 million at 31 July 2016, mainly in line with the increase of turnover in Trading Segment. The receipts in advance of US\$6.1 million from places subsequently settled upon issuance of shares after 31 July 2016.

Liquidity and financial resources

The Group's working capital has improved from a deficit of approximately US\$23,498 million as at 30 April 2016 to a deficit of approximately US\$18,848 million as at 31 July 2016. The improvement in working capital was mainly due to the effects of repayment of short term bank loans of approximately US\$20.5 million, increased in trade and other payables aforesaid, and the proceeds obtained from the disposal of property, plant and equipment.

The Group's total borrowings decreased by approximately US\$17.3 million from approximately US\$89.0 million at 30 April 2016 to approximately US\$71.7 million at 31 July 2016 This was mainly due to repayment of bank loans.

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

Not applicable.

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 Group expects that the Trading Segment continues to face a challenging year. The management expects that the price of iron ore and coal continues to decline in the coming months due to oversupply and weak demand. However, steel export from China will continue to be profitable with growing international demands and stabilized markets. And if urbanization project continues and with steady growing in economy and middle class, the demand for steel is expected to be simulated in the coming years.

The management is optimistic on the tinsplate manufacturing market and hope to target on direct sales to end-users in canning sections in the export market when the Manufacturing Segment resumes its operation.

FUTURE PROSPECTS

Trading and Manufacturing Business

The Group anticipates an improving operating environment for the year ending 30 April 2017. To maintain the competitiveness of the Group, the Group will focus on vicarious cost control and additional policies to retain dedicated management team and staff for operation. On the other hand, the Group is in the course of obtaining additional funding for the resumption of Manufacturing Segment. The Group believes that the resumption of the Manufacturing Segment together with the implementation of consolidating product mix for the metal packaging assembly line strategy will optimize the tinplate manufacturing business.

Joint venture into the business of payment gateway services

As announced on 19 September 2016, the Company's wholly-owned subsidiary, Sunshine Star Group Limited ("SSGL") has entered into a subscription agreement (the "Subscription Agreement") with The Payment Cards Group Limited 交易寶有限公司 (the "JV Partner") and The Payment Cards Global Limited 交易寶環球支付結算有限公司 (formerly known as Sunshine Star (HK) Limited 耀星香港有限公司) ("TPCGL" or the "JV Company") as part of a joint venture to carry on the business of the provision of payment gateway services and investment holding. Pursuant to the Subscription Agreement, the JV Partner and SSGL shall subscribe for 13,500,000 and 16,490,000 new shares in the JV Company respectively at the subscription price of HK\$1.00 per share. Since SSGL currently holds 10,000 shares (100% of the issued share capital) in TPCGL, upon completion of the transaction, SSGL shall hold an aggregate of 16,500,000 shares (representing 55% of the total enlarged share capital of the JV Company) and the JV Partner shall own 45% of the total enlarged share capital of the JV Company.

The directors are optimistic about the outlook of the payment gateway services business and believe that there are positive opportunities for new investments, particularly in the market of the Maritime Silk Road. Therefore, the directors believe that by leveraging on the experience and expertise of the JV Partner in the payment gateway services business, the collaboration in the development of the payment gateway services business will be beneficial to the Group and will help the Group work toward achieving positive operating cash flow, leading to long term sustainable benefits.

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 or recommended, a statement to that effect

The Directors do not declare or recommend any dividend for the first quarter ended 31 July 2016.

- 13. If the Group has obtained a general mandate from shareholders for interested person transaction, the aggregate value of such transactions as required under Rule 920 (1) (a) (ii) of the Listing Manual of the Singapore Exchange Securities Trading Limited. If no interested person transaction mandate has been obtained, a statement to that effect**

The Company has not obtained any general mandate from shareholders pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

- 14. Negative confirmation pursuant to Rule 705(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited**

On behalf of the Board, Mr. Zhu Jun and Mr. Chow Kin Wa, the Executive Directors of the Company, confirm to the best of their knowledge, nothing has come to the attention of the Board which may render the unaudited financial statements of the Group for the first quarter ended 31 July 2016 to be false or misleading in any material aspect.

- 15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)**

Yes.

By order of the Board

Zhu Jun

Executive Chairman and Executive Director

Chow Kin Wa

Executive Director and CEO

28 October 2016