



**JAWALA INC.**

(Incorporated in Labuan on 8 August 2017)

(Company Registration No. LL13922)

---

**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE  
FINANCIAL YEAR ENDED 31 JULY 2018**

---

*Unless otherwise defined, capitalised terms used in this announcement shall have the same meaning as ascribed to them in the Offer Document of the Company dated 24 May 2018 (the "**Offer Document**").*

Jawala Inc. (the "**Company**") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 1 June 2018. The initial public offering of the Company was sponsored by UOB Kay Hian Private Limited (the "**Sponsor**").

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the 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.

The contact persons for the Sponsor are Mr Alvin Soh, Head of Catalist Operations, Senior Vice President, and Mr Lan Kang Ming, Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.

## **Background**

The Company was incorporated in Labuan on 8 August 2017 in Labuan, Malaysia under the Labuan Companies Act as a company limited by shares under the name "Jawala Inc."

The Company is a forest resource company based in Malaysia with a focus on industrial tree plantations situated in Sabah. The Company's main business is the management of forestry resources, and the planting and extraction of timber. The Company with its subsidiary corporation (the "**Group**") focus on the cultivation of industrial tree plantations through the implementation of sustainable forest management practices.

Prior to the listing on the Catalist of the SGX-ST on 1 June 2018, the Company undertook a corporate restructuring (the "**Restructuring Exercise**") to rationalise and streamline the Company corporate structure. Please refer to the Offer Document for further details on the Restructuring Exercise.

For the purpose of this announcement, the results of the Group for the financial year ended 31 July 2018 ("**FY2018**") and the comparative results of the Group for the financial year ended 31 July 2017 ("**FY2017**") have been prepared on the assumption that the group structure following the completion of the Restructuring Exercise has been in place since 1 August 2016.

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

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

For the financial year ended 31 July 2018 (“FY2018”) and financial year ended 31 July 2017 (“FY2017”)

	<b>Group</b> FY2018 (Unaudited) RM'000	<b>Group</b> FY2017 (Audited) RM'000	Increase/ (Decrease) %
<b>Revenue</b>	39,930	11,998	233
Cost of sales	(13,404)	(5,633)	138
<b>Gross Profit</b>	26,526	6,365	317
Other income	246	-	
<b>Expenses</b>			
- Distribution	(1,830)	(653)	180
- Administrative	(9,008)	(2,392)	276
- Finance	(25)	(4)	525
<b>Profit before tax</b>	15,909	3,316	379
Income tax expense	(5,002)	(826)	506
<b>Total comprehensive income for the year attributable to equity holders of the Company</b>	10,907	2,490	337
<b>Profit attributable to:</b>			
Equity holders of the Company	7,535	1,743	332
Non-controlling interests	3,372	747	351
	10,907	2,490	337

Note:

The comparative Group’s FY2017 figures are based on Group’s audited combined financial statements.

**1(a)(ii) Notes to statement of comprehensive income.**

	<b>Group</b> FY2018 (Unaudited) RM'000	<b>Group</b> FY2017 (Audited) RM'000	Increase/ (Decrease) %
Profit for the year include the following charges/(credits):			
Finance expenses:			
- finance lease liabilities	25	4	525
Amortisation of intangible assets	5	5	-
Depreciation of property, plant and equipment	197	98	101
Employee compensation	3,448	1,511	128
Interest income	(241)	-	NM
Listing expenses	3,325	-	NM
Rental expense	111	90	23
Income tax expense:			
- current income tax	4,922	753	554
- deferred income tax	80	73	10

Note:

NM – Not meaningful

**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.**

	<b>Group</b> As at 31 Jul 2018 (Unaudited) RM'000	<b>Group</b> As at 31 Jul 2017 (Audited) RM'000	<b>Company</b> As at 31 Jul 2018 (Unaudited) RM'000	<b>Company</b> As at 31 Jul 2017 (Audited) RM'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	25,468	2,402	9,046	-
Trade and other receivables	4,218	732	5,518	-
Inventories	502	566	-	-
<b>Total current assets</b>	<b>30,188</b>	<b>3,700</b>	<b>14,564</b>	<b>-</b>
<b>Non-current assets</b>				
Other receivables	399	125	-	-
Investment in subsidiary	-	-	2,350	-
Property, plant and equipment	1,790	431	-	-
Plantation development expenditure	868	52	-	-
Intangible assets	485	490	-	-
<b>Total non-current assets</b>	<b>3,542</b>	<b>1,098</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>33,730</b>	<b>4,798</b>	<b>16,914</b>	<b>-</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	3,290	1,121	79	-
Finance lease liabilities	51	32	-	-
Current income tax liabilities	1,630	352	-	-
<b>Total current liabilities</b>	<b>4,971</b>	<b>1,505</b>	<b>79</b>	<b>-</b>
<b>Non-current liabilities</b>				
Finance lease liabilities	343	231	-	-
Deferred income tax liabilities	82	2	-	-
<b>Total non-current liabilities</b>	<b>425</b>	<b>233</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>5,396</b>	<b>1,738</b>	<b>79</b>	<b>-</b>
<b>Net Assets</b>	<b>28,334</b>	<b>3,060</b>	<b>16,835</b>	<b>-</b>
<b>EQUITY</b>				
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital	15,207	1,000	15,207	-
Retained profits	8,977	1,142	1,628	-
	24,184	2,142	16,835	-
<b>Non-controlling interests</b>	<b>4,150</b>	<b>918</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>28,334</b>	<b>3,060</b>	<b>16,835</b>	<b>-</b>

\* The Company was incorporated on 8 August 2017.

**1(b)(ii) Aggregate amount of group's borrowings and debt securities****Amount repayable by the Group in one year or less, or on demand**

As at 31 July 2018 (RM'000)		As at 31 July 2017 (RM'000)	
Secured	Unsecured	Secured	Unsecured
51	-	32	-

**Amount repayable by the Group after one year**

As at 31 July 2018 (RM'000)		As at 31 July 2017 (RM'000)	
Secured	Unsecured	Secured	Unsecured
343	-	231	-

**Details of collateral**

The Group's borrowings consist of obligations under finance leases only.

The obligations under finance leases are secured and guaranteed by a charge over the respective leased motor vehicles.

**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.**

	<b>Group</b> FY2018 (Unaudited) RM'000	<b>Group</b> FY2017 (Audited) RM'000
<b>Cash flows from operating activities</b>		
Net profit	10,907	2,490
Adjustments for:		
- Depreciation of property, plant and equipment	197	98
- Amortisation of intangible assets	5	5
- Interest income	(241)	-
- Interest expense	25	4
- Income tax expense	5,002	826
Operating cash flows before working capital changes	15,895	3,423
Changes in working capital:		
- Inventories	64	(566)
- Trade and other receivables	(3,673)	(798)
- Trade and other payables	1,329	1,057
Cash provided by operations	13,615	3,116
Income tax paid	(3,644)	(400)
<b>Net cash provided by operating activities</b>	<b>9,971</b>	<b>2,716</b>
<b>Cash flows from investing activities</b>		
Additions to property, plant and equipment	(1,441)	(260)
Additions to plantation development expenditure	(749)	(52)
<b>Net cash used in investing activities</b>	<b>(2,190)</b>	<b>(312)</b>
<b>Cash flows from financing activities</b>		
Repayment of finance lease liabilities	(51)	(8)
Proceeds from issue of shares	15,207	-
Interest received	154	-
Interest paid	(25)	(4)
Increase in bank deposits restricted in use	(1,000)	-
<b>Net cash provided by/(used in) financing activities</b>	<b>14,285</b>	<b>(12)</b>
<b>Net increase in cash and cash equivalents</b>	<b>22,066</b>	<b>2,392</b>
Cash and cash equivalents at beginning of the year	2,402	10
<b>Cash and cash equivalents at end of the year (Note A)</b>	<b>24,468</b>	<b>2,402</b>

**1(c)(ii) Note A:**

For the purpose of the consolidated cash flow statement, the consolidated cash and cash equivalents comprise the following:

	<b>Group</b> As at 31 Jul 2018 RM'000	<b>Group</b> As at 31 Jul 2017 RM'000
Cash at bank and on hand	5,833	2,402
Short-term bank deposits	19,635	-
Cash and cash equivalents per Group statement of financial position	25,468	2,402
Less: Deposits placed with banks as security	1,000 <sup>(1)</sup>	-
Cash and cash equivalents per consolidated cash flow statement	<b>24,468</b>	<b>2,402</b>

Note:

- (1) The Group is required to provide a performance bond in the sum of RM1.0 million to the Chief Conservator as required by the Sustainable Forest Management Licence Agreement in order to commence work in the forest reserve area.

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.

**Group**

	Share capital RM'000	Retained Profits RM'000	Total RM'000	Non-controlling interest RM'000	Total equity RM'000
<b>FY2018 (Unaudited)</b>					
<b>At 1 August 2017</b>	1,000	1,142	2,142	918	<b>3,060</b>
Total comprehensive income for the year	-	7,535	7,535	3,372	<b>10,907</b>
Issuance of shares at date of incorporation, 8 August 2017	*	-	*	-	*
Issuance of shares at 26 April 2018	4,700	-	4,700	-	<b>4,700</b>
Restructuring exercise	(3,350)	300	(3,050)	700	<b>(2,350)</b>
Total transactions with owners, recognised directly in equity	1,350	300	1,650	700	<b>2,350</b>
Issuance of new shares pursuant to IPO	13,698	-	13,698	-	<b>13,698</b>
Capitalisation of listing expenses	(841)	-	(841)	-	<b>(841)</b>
Dividend payable	-	-	-	(840)	<b>(840)</b>
<b>At 31 July 2018</b>	<b>15,207</b>	<b>8,977</b>	<b>24,184</b>	<b>4,150</b>	<b>28,334</b>
<b>FY2017 (Audited)</b>					
<b>At 1 August 2016</b>	1,000	(601)	399	171	<b>570</b>
Total comprehensive income for the year	-	1,743	1,743	747	<b>2,490</b>
<b>At 31 July 2017</b>	<b>1,000</b>	<b>1,142</b>	<b>2,142</b>	<b>918</b>	<b>3,060</b>

Note:

\* - less than RM1,000



## Company

	Share capital RM'000	Retained Profits RM'000	Total RM'000
<b>FY2018 (Unaudited)</b>			
<b>Date of incorporation, 8 August 2017</b>	-	-	-
Issuance of shares at date of incorporation, 8 August 2017	*	-	*
Total comprehensive income for the financial year	-	1,628	1,628
Issuance of shares at 26 April 2018	2,350	-	2,350
Issuance of new shares pursuant to IPO	13,698	-	13,698
Capitalisation of listing expenses	(841)	-	(841)
<b>At 31 July 2018</b>	<b>15,207</b>	<b>1,628</b>	<b>16,835</b>

### **FY2017 (Audited)\***

- -

\* Not applicable as the Company was incorporated in 8 August 2017

Note:

\* - less than RM1,000

**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.**

**Share Capital**

	<b>No. of issued shares</b>	<b>Issued and paid-up share capital (RM)</b>
<b>Issued and fully paid-up shares as at the date of incorporation of our Company, 8 August 2017</b>	2	8
Add: Issued and fully paid-up shares pursuant to the Restructuring Exercise	2,499,998	2,350,000
<b>Resultant issued and paid-up shares after sub-division of each existing issued share capital of the Company into 40 ordinary shares in the capital of the Company ("Share Split")</b>	<b>100,000,000</b>	-
Add: Invitation shares issued pursuant to the IPO	18,000,000	13,347,000
Add: Issue of new shares to Sponsor pursuant to the IPO	474,000	351,471
<b>Balance as at 31 July 2018</b>	<b>118,474,000</b>	<b>16,048,479</b>

The Company did not have any outstanding convertibles as at 31 July 2018 and 8 August 2017.

The Company did not have any treasury shares and subsidiary holdings as at 31 July 2018 and 8 August 2017.

**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.**

	<b>As at 31 Jul 2018</b>	<b>As at 8 Aug 2017*</b>
Total number of issued shares (excluding treasury shares)	118,474,000	2

\* The Company was incorporated in 8 August 2017

The Company did not have any treasury shares as at 31 July 2018 and 8 August 2017.

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

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

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

Not applicable.

**2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

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

**3. Where the figures have been audited or reviewed, the auditors' 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.**

Except as disclosed in paragraph 5 below, the accounting policies and methods of computation adopted in the financial statements for the current reporting period are consistent with that of the Group's most recently audited financial statements for the financial year ended 31 July 2017 disclosed in the Offer Document.

**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 Singapore Financial Reporting Standard (SFRS) and Interpretation of Financial Reporting Standards (INT FRS) that are mandatory for the accounting periods beginning on or after 1<sup>st</sup> August 2017. The adoption of these new and revised SFRS and INT FRS did not result in any substantial change to the Group's and the Company's accounting policies and has no significant impact on the financial statements for the current financial reporting period.

**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**

	<b>Group</b>	
	<u>FY2018</u> RM'000	<u>FY2017</u> RM'000
Profit attributable to owners of the Company	7,535	1,743
Weighted average number of ordinary shares <sup>(1)</sup> ('000)	118,474	118,474

Basic and diluted EPS based on actual number of shares (RM)	0.06	[0.01]
Diluted EPS based on actual number of shares <sup>(2)</sup> (RM)	0.06	[0.01]

**Notes:**

- (1) For comparatives purposes, the EPS for the respective financial years have been computed based on the share capital of 118,474,200 shares assuming that the Restructuring Exercise, Share Split, and the issuance of new shares pursuant to IPO had been completed as at 1 August 2016.
- (2) The basic and fully diluted EPS were the same as there were no dilutive ordinary shares in issue as at 31 July 2018 and 31 July 2017.

**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.**

	<b>Group</b> As at 31 Jul 2018 RM'000	<b>Group</b> As at 31 Jul 2017 RM'000	<b>Company</b> As at 31 Jul 2018 RM'000	<b>Company</b> As at 8 Aug 2017 <sup>(1)</sup> RM'000
Net asset value ("NAV")	28,334	3,060	16,835	-
Number of ordinary shares in issue <sup>(2)</sup> (‘000)	118,474	118,474	118,474	-
NAV per ordinary share based on issued share capital (RM)	0.24	0.03	0.14	-

**Notes:**

- (1) The Company was incorporated in 8 August 2017
- (2) For comparatives purposes, the NAV per ordinary share for the respective financial years have been computed based on the share capital of 118,474,200 shares assuming that the Restructuring Exercise, Share Split, and the issuance of new shares pursuant to IPO had been completed as at 1 August 2016.

**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.**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

***Review of Group's performance for FY2018 as compared to FY2017***

**Revenue**

Our revenue is derived principally from the sales of timber in Malaysia. Revenue is recognised with the significant risks and rewards of ownership has been transferred to the buyer. Our timber comprises of Seraya and Kapur, Keruing, Selangan Batu and Majau.

Revenue increased by approximately RM27.9 million, or 233% mainly due to increase in sales volume from 29,589m<sup>3</sup> in FY2017 to 68,887m<sup>3</sup> in FY2018 and increase in average selling price from RM405/m<sup>3</sup> in FY2017 to RM580/m<sup>3</sup> as a result of shortage of logs in local markets.

#### Cost of sales and gross profits

Our cost of sales comprised extraction cost, royalty fee, conservation fee and overheads. Cost of sales increased by approximately RM7.8 million, or 138% mainly due to increase in volume.

Gross profit increased by RM20.1 million. The overall gross margin increased from 53% in FY2017 to 66% in FY2018 which was mainly attributable to higher average selling price.

#### Other income

Other income comprised mainly of interest income from fixed deposit.

#### Administrative expenses

Administrative expenses comprised mainly of employee compensation, depreciation, amortisation, listing expenses, rental and travelling expenses. Administrative expenses increased by approximately RM6.6 million or 276% mainly due to the increase in depreciation expenses of RM0.1 million, listing expenses of RM3.3 million and increase in employee compensation of RM1.9 million as a result of new hiring.

#### Distribution expenses

Distribution expenses comprised of transportation expenses incurred for transporting our logs to customers in Tawau and Sandakan. Distribution expenses increase by approximately RM1.2 million or 180% mainly due to the increased in sales volume.

#### Finance expenses

Finance expenses comprised interest charges on finance lease liabilities. Finance expenses increase by approximately RM0.02 million or 525% mainly due to addition of two units of motor vehicles under hire purchase facilities.

#### Profit after tax

As a result of the foregoing, profit after tax for FY2018 increased by approximately RM8.4 million, or 337% from approximately RM2.5 million in FY2017 to approximately RM10.9 million in FY2018.

### **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

#### ***Review of the Group's financial position as at 31 July 2018 as compared to 31 July 2017.***

#### Non-current assets

Other receivables relate to the retention sum collected by the Sabah Forestry Department to offset against any potential shortfall in payment to the Sabah Forestry Department. Such retention sum can be used for future payments to the Sabah Forestry Department. Other receivables increased by RM0.3 million or 219% was due to the retention sum paid to Sabah Forestry Department during the financial year.

Property, plant and equipment comprised mainly of motor vehicles, plantation infrastructure, office equipment, and furniture and fittings. Property, plant and equipment increased by RM1.4 million, or 315% was mainly due to additions of motor vehicles and plantation infrastructure.

Plantation development expenditure comprised mainly of hiring charges of equipment used in stacking and levelling of the nursery to prepare the land for planting which are capitalised and all expenses in relating to the preparation of nursery. Plantation development expenditure increased by RM0.8 million, or 1,569% was mainly due to the cost incurred for initial stage of the replanting.

### Current assets

Inventories decreased by RM0.06 million, or 11% was mainly due to higher stock turnover.

Trade and other receivables of RM4.2 million comprised trade receivables amounting to RM3.9 million and other receivables amounting to RM0.3 million. The increase of trade receivables by RM3.4 million, or 755% was mainly due to increase in sales and longer credit period given to customers. The increase of other receivables by RM0.07 million, or 28% was mainly due to the prepayment of professional fees.

### Non-current liabilities

Non-current finance lease liabilities increased by RM0.1 million or 48% was mainly due to addition of two units of motor vehicles under hire purchase facilities.

Deferred tax liabilities increased by RM0.08 million was mainly due to temporary differences between the Company's accounts and tax carrying value, the anticipated and enacted income tax rate and estimated tax payable for current year.

### Current liabilities

Trade and other payables of RM3.3 million comprised trade payables amounting to RM1.0 million and other payables amounting to RM2.3 million. The increase of trade payables by RM0.4 million, or 60% was mainly due to increase in production volume. The increase of other payables by RM1.8 million, or 440% was mainly due to the accrual of bonus and dividends.

Current finance lease liabilities increased by RM0.02 million or 59% was mainly due to addition of two units of motor vehicles under hire purchase facilities.

Current income tax liabilities increased by RM1.3 million or 363% was due to increase in profit for FY2018.

## **REVIEW OF THE GROUP'S CASH FLOW STATEMENT**

The Group recorded net cash from operating activities of RM10.0 million mainly due increase in profit.

The Group recorded net cash used in investing activities of RM2.2 million mainly due to acquisition of motor vehicles, plantation infrastructure and plantation development expenditure.

The Group recorded net cash from financing activities of RM14.3 million mainly due the proceeds from issues of new shares.

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

No forecast or prospect statement 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 Chief Minister of Sabah has on 23 May 2018, announced an immediate temporary ban on the export of logs from Sabah (the "**Temporary Export Ban**") until further notice. The Company is of the view that the Temporary Export Ban would not have a material adverse impact on the Company as (i) the Company currently does not export its logs and hence, the Temporary Export Ban is not expected to have any material impact on the Group's business and results of operations; (ii) to the best of the Company's knowledge and belief as of the date of this announcement, the export ban does not extend to processed wood products such as plywood and veneer. The Group sells logs and timber from salvage logging within the Licensed Area to customers for the production of sawn timber, veneer and plywood

which in turn export to other countries. It expects growth to be underpinned by strong demand for certified sustainable timber amid increasing international awareness of sustainability.

The Sabah State Government had also conducted a review on the logging concessions and forest management units of the Company to ensure all logging activities were done according to the rules to avoid environmental damages. There is no impact to the Company arising from outcome of the review by the Sabah State Government.

## 11. Dividend

**If a decision regarding dividend has been made:-**

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

Name of Dividend (First and Final)	Ordinary
Dividend Type	Cash
Dividend Amount per Share	0.004 Singapore dollar
Dividend Rates (in %)	1.6%
Par value of shares	Not applicable
Tax Rate	Tax exempt (one-tier)

**(b) Amount per share (cents) and previous corresponding period (cents).**

Not applicable.

**(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).**

Name of Dividend (First and Final)	Ordinary
Dividend Type	Cash
Dividend Amount per Share	0.004 Singapore dollar
Dividend Rates (in %)	1.6%
Par value of shares	Not applicable
Tax Rate	Tax exempt (one-tier)

**(d) The date the dividend is payable.**

Subject to approval by the Shareholders at the forthcoming annual general meeting, dividend to be paid on 10 December 2018.

**(e) The date on which Registrable Transfer receive by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.**

Subject to approval by the Shareholders at the forthcoming annual general meeting, the book closure date will be 3 December 2018.

**12. If no dividend has been declared (recommended), a statement to that effect.**

Not applicable.

**13. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company does not have a general mandate from shareholders for interested person transactions.

**14. Negative confirmation pursuant to Rule 705(5) of the Catalyst Rules**

The Board of Directors of the Company confirms, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial results for the financial year ended 31 July 2018 to be false or misleading in any material aspect.

**15. Confirmation pursuant to Rule 720(1) of the Catalyst Rules**

The Company confirms that it has procured the undertakings from all its Directors and executive officers in the required format.

**16. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Not applicable.

**17. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by operating segments.**

As disclosed in item 8 above.

**18. A breakdown of sales as follows:-**

	Group FY2018 RM'000	Group FY2017 RM'000	Increase/ (Decrease) %
Sales reported for first half year	21,556	4,034	434
Net profit attributable to the Group for the first half year	8,510	876	871
Sales reported for second half year	18,374	7,964	131
Net profit attributable to the Group for second half year	2,397	1,614	49

**19. A breakdown of the total annual dividend (in dollar value) for the issuer's latest fully year and its previous full year as follows:-**

	Company FY2018 RM'000	Company FY2017 RM'000
Ordinary	-*	-
Preference	-*	-
Total	-*	-

\* The Company has proposed a final dividend of S\$0.004 per share for FY2018, subject to shareholders' approval at the forthcoming annual general meeting.



**20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

<b>Name</b>	<b>Age</b>	<b>Family relationship with any directors and/or substantial shareholder</b>	<b>Current position and duties, and the year the position was held</b>	<b>Details of changes in duties and position held, if any, during the year</b>
Datuk Jema Anton Khan	53	Son of Tan Sri Abdul Majid Khan (substantial shareholder of the Company)	Chairman and Chief Executive Officer	None
Abdul Rahman Khan Bin Hakim Khan	45	Nephew of Tan Sri Abdul Majid Khan and cousin of Datuk Jema Khan	Executive Director	None

#### **21. Use of IPO Proceeds**

Pursuant to the Company's IPO, the Company received net proceeds from the IPO of approximately S\$4.5 million (the "**Net Proceeds**"). Please refer to the Offer Document for further details.

As at the date of this announcement, the Net Proceeds have been utilised as follows:

<b>Purpose</b>	<b>Amount allocated (S\$'000)</b>	<b>Amount utilised (S\$'000)</b>	<b>Balance (S\$'000)</b>
Development of the plantation site within the Licensed Area	1,900	-	1,900
Working capital	1,250	10 <sup>(1)</sup>	1,240
Listing expenses	1,350	1,327	23
<b>Total</b>	<b>4,500</b>	<b>1,337</b>	<b>3,163</b>

*Note:*

*(1) The utilisation of proceeds under working capital amounted S\$10,000 relates to payment of professional fees and administrative expenses.*

The above utilisation is in accordance with the intended use of proceeds from the IPO as stated in the Offer Document.

#### **BY ORDER OF THE BOARD**

Name: Jema Anton Khan

Designation: Chairman and Chief Executive Officer

Date: 20 September 2018