

DECLOUT LIMITED

(Incorporated in the Republic of Singapore on 21 August 2010)
(Company Registration Number 201017764W)

PROFIT GUIDANCE FOR THE SECOND QUARTER ENDED 30 JUNE 2017

The Board of Directors (the “**Board**”) of DeClout Limited (the “**Company**”, and together with its subsidiaries and associated companies, the “**Group**”) wishes to issue a profit guidance in respect of the Group’s unaudited financial results for the second quarter ended 30 June 2017 (“**2Q2017**”).

The Group expects to report a loss for 2Q2017 mainly due to:

- a) an adjustment to the total consideration pertaining to the divestment of Acclivis Technologies and Solutions Pte Ltd (“**ATS**”) in late 2016 resulting in a one-off impact to the Group’s profitability, and the absence of profit contributions from ATS in 2017; and
- b) net loss expected to be incurred from one of the Group’s portfolio companies, Procurri Corporation Limited (“**Procurri**”), which is contributed by a change in accounting practices in respect of revenue recognition for the maintenance businesses in the Americas. For more information, please refer to the separate profit guidance announcement released by Procurri dated 30 July 2017.

With a commitment to enhancing shareholder value, the Group will undertake a comprehensive strategic review of its businesses, including a strategic review of its shareholdings in its subsidiaries, and inviting new Board members and expanding the management team to include individuals with the requisite experience and skillsets pursuant to such review. The Group is concurrently undertaking cost rationalisation initiatives to further optimise the value of the Group.

This profit guidance is based on a preliminary review of the Group’s unaudited financial results for 2Q2017. Further details on the Group’s financial performance will be disclosed when the Company releases the unaudited financial results for 2Q2017.

In the meantime, shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company. In the event of any doubt, shareholders and potential investors of the Company should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

By Order of the Board
DECLOUT LIMITED

Wong Kok Khun
Chairman and Group Chief Executive Officer

30 July 2017

*This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, SAC Advisors Private Limited (“**Sponsor**”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”).*

The Sponsor has not independently verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents

of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Lee Khai Yinn (Tel: (65) 6532 3829) at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542. SAC Capital Private Limited is the parent company of SAC Advisors Private Limited.