



**NIPPECRAFT LIMITED**

(Incorporated in the Republic of Singapore)  
 Company registration number: 197702861N

The announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited ("Sponsor"). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("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 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.

**UNAUDITED HALF-YEAR FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2019**

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

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

**Consolidated Statement of Comprehensive Income**

	<b>Group</b>		<b>Change</b>
	<b>Half year ended</b>		
	<b>30-Jun-19</b>	<b>30-Jun-18</b>	
	<b>US\$'000</b>	<b>US\$'000</b>	
<b>Revenue</b>	<b>63,786</b>	<b>59,302</b>	<b>8%</b>
Cost of sales	(60,210)	(55,732)	8%
<b>Gross profit</b>	<b>3,576</b>	<b>3,570</b>	<b>0%</b>
Distribution and marketing expenses	(2,140)	(2,100)	2%
Administrative expenses	(2,160)	(1,962)	10%
Impairment on financial assets	(98)	(130)	-25%
Other income, net	242	11	N.M.
Finance expense, net	(353)	(243)	45%
<b>Loss before tax</b>	<b>(933)</b>	<b>(854)</b>	<b>9%</b>
Tax expense	(55)	(34)	62%
<b>Net loss for the period</b>	<b>(988)</b>	<b>(888)</b>	<b>11%</b>
<b>Other comprehensive loss:</b>			
<u>Items that may be reclassified</u>			
<u>subsequently to profit or loss</u>			
- Foreign currency translation differences for foreign operations	(171)	(580)	-71%
<b>Other comprehensive loss for the period, net of tax</b>	<b>(171)</b>	<b>(580)</b>	<b>-71%</b>
<b>Total comprehensive loss for the period</b>	<b>(1,159)</b>	<b>(1,468)</b>	<b>-21%</b>
<b>Loss per share (US cents)</b>			
<b>- Basic &amp; Diluted</b>	<b>(0.28)</b>	<b>(0.25)</b>	

Note: N.M. - Not meaningful



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**1(a)(ii) Loss before tax is arrived at after charging/(crediting) the following:**

	<b>Group</b>		
	<b>Half year ended</b>		
	<b>30-Jun-19</b>	<b>30-Jun-18</b>	<b>Change</b>
	<b>US\$'000</b>	<b>US\$'000</b>	
Depreciation of property, plant and equipment	227	197	15%
Gain on disposal of property, plant and equipment	-	(18)	N.M.
Write-down of inventories	191	34	N.M.
Foreign exchange gain, net	(13)	(18)	-28%
Restructuring expenses	-	213	N.M.



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**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**

	Group		Company	
	As at 30-Jun-19 US\$'000	As at 31-Dec-18 US\$'000	As at 30-Jun-19 US\$'000	As at 31-Dec-18 US\$'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	5,046	5,035	4,809	4,991
Intangible assets	-	-	-	-
Investments in subsidiaries	-	-	16,512	16,512
	<b>5,046</b>	<b>5,035</b>	<b>21,321</b>	<b>21,503</b>
<b>Current assets</b>				
Inventories	6,595	4,005	546	481
Trade and other receivables	15,529	26,013	4,250	4,343
Prepayments	495	470	74	176
Income tax recoverable	-	62	-	-
Cash and bank balances	16,435	15,011	1,947	1,092
	<b>39,054</b>	<b>45,561</b>	<b>6,817</b>	<b>6,092</b>
<b>Total assets</b>	<b>44,100</b>	<b>50,596</b>	<b>28,138</b>	<b>27,595</b>
<b>Current liabilities</b>				
Trade and other payables	12,291	17,886	3,251	2,818
Lease liabilities	144	71	73	71
Income tax payable	73	-	-	-
	<b>12,508</b>	<b>17,957</b>	<b>3,324</b>	<b>2,889</b>
<b>Non-current liabilities</b>				
Lease liabilities	1,701	1,589	1,566	1,589
	<b>1,701</b>	<b>1,589</b>	<b>1,566</b>	<b>1,589</b>
<b>Total liabilities</b>	<b>14,209</b>	<b>19,546</b>	<b>4,890</b>	<b>4,478</b>
<b>Net assets</b>	<b>29,891</b>	<b>31,050</b>	<b>23,248</b>	<b>23,117</b>
<b>Equity</b>				
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital	36,817	36,817	36,817	36,817
Reserves	829	1,000	748	748
Accumulated losses	(7,755)	(6,767)	(14,317)	(14,448)
<b>Total equity</b>	<b>29,891</b>	<b>31,050</b>	<b>23,248</b>	<b>23,117</b>



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**1(b)(ii) Aggregate amount of group's borrowing and debt securities**

	As at 30-Jun-19		As at 31-Dec-18	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Amount repayable in one year or less, or on demand	-	-	-	-
Amount repayable after one year	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Details of any collateral**

Not applicable.



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**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**

	<b>Group</b>	
	<b>Half year ended</b>	
	<b>30-Jun-19</b>	<b>30-Jun-18</b>
	<b>US\$'000</b>	<b>US\$'000</b>
<b>Cash flows from operating activities</b>		
<b>Loss before tax</b>	(933)	(854)
<b>Adjustments:</b>		
Depreciation of property, plant and equipment	227	197
Gain on disposal of property, plant and equipment	-	(18)
Impairment on financial assets	98	130
Interest income	(22)	(1)
Interest expense	375	244
Write-down of inventories	191	34
<b>Operating profit before working capital</b>	<b>(64)</b>	<b>(268)</b>
<b>Movement in working capital:</b>		
Inventories	(2,842)	(4,208)
Trade and other receivables	10,363	14,011
Trade and other payables	(5,571)	(6,849)
<b>Cash generated from operations</b>	<b>1,886</b>	<b>2,686</b>
Income tax refunded/(paid), net	80	(96)
<b>Net cash from operating activities</b>	<b>1,966</b>	<b>2,590</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(8)	(91)
Interest received	22	1
Proceeds from disposal of property, plant and equipment	-	202
<b>Net cash from investing activities</b>	<b>14</b>	<b>112</b>
<b>Cash flows from financing activities</b>		
Interest paid for trade financing	(334)	(244)
Payment of lease liabilities including interest	(85)	-
<b>Net cash used in financing activities</b>	<b>(419)</b>	<b>(244)</b>
<b>Net increase in cash and cash equivalents</b>	<b>1,561</b>	<b>2,458</b>
Effects of exchange rate changes on cash and cash equivalents	(137)	(30)
Cash and cash equivalents as at beginning of the period	12,911	9,534
<b>Cash and cash equivalents as at end of the period</b>	<b>14,335</b>	<b>11,962</b>



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**Consolidated Statement of Cash Flows (Cont'd)**

<u>Group</u>	
Half year ended	
30-Jun-19	30-Jun-18

**Note to Consolidated Statement of Cash Flows:**

Cash and cash equivalents included in the Consolidated Statement of Cash Flows comprise the following amounts:

Cash at bank and in hand	14,316	11,898
Short-term bank deposits	2,119	2,164
<b>Cash and bank balances</b>	<b>16,435</b>	<b>14,062</b>
Bank balances and deposits pledged	(2,100)	(2,100)
<b>Cash and cash equivalents per consolidated statement of cash flows</b>	<b>14,335</b>	<b>11,962</b>



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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.

**Statements of Changes in Equity**

Group	Share capital	Asset revaluation reserve	Foreign currency translation reserve	Accumulated losses	Total equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Balance as at 01.01.2019</b>	36,817	748	252	(6,767)	31,050
Loss for the period	-	-	-	(988)	(988)
<b>Other comprehensive loss for the period, net of tax</b>					
- Currency translation differences	-	-	(171)	-	(171)
<b>Total comprehensive loss for the period</b>	-	-	(171)	(988)	(1,159)
<b>Balance as at 30.06.2019</b>	36,817	748	81	(7,755)	29,891
<b>Balance as at 01.01.2018</b>	36,817	748	1,049	(6,327)	32,287
Effects on adoption of SFRS(l) 9	-	-	-	(379)	(379)
Loss for the period	-	-	-	(888)	(888)
<b>Other comprehensive loss for the period, net of tax</b>					
- Currency translation differences	-	-	(580)	-	(580)
<b>Total comprehensive loss for the period</b>	-	-	(580)	(888)	(1,468)
<b>Balance as at 30.06.2018</b>	36,817	748	469	(7,594)	30,440



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**Statements in Changes in Equity (Continued)**

Company	Share capital US\$'000	Asset revaluation reserve US\$'000	Accumulated losses US\$'000	Total equity US\$'000
<b>Balance as at 01.01.2019</b>	36,817	748	(14,448)	23,117
Profit for the period	-	-	131	131
<b>Total comprehensive income for the period</b>	-	-	131	131
<b>Balance as at 30.06.2019</b>	36,817	748	(14,317)	23,248
<b>Balance as at 01.01.2018</b>	36,817	748	(14,697)	22,868
Profit for the period	-	-	700	700
<b>Total comprehensive income for the period</b>	-	-	700	700
<b>Balance as at 30.06.2018</b>	36,817	748	(13,997)	23,568

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, 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.

There was no change in the Company's issued and paid-up share capital from 1 January 2019 to 30 June 2019. There were no outstanding convertibles, treasury shares and subsidiary holdings as at 30 June 2019 and 30 June 2018.





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**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>30-Jun-19</b>	<b>31-Dec-18</b>
Total number of issued shares ('000)	<u>351,398</u>	<u>351,398</u>

**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.**

There were no sales, transfers, cancellation and/or use of treasury shares during 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.**

There were no sales, transfers, cancellation and/or use of subsidiary holdings during the current financial period reported on.

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

The figures have not been audited nor 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.

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

Other than adoption of the amendments and interpretation of SFRS(I)s as mentioned in paragraph 5 below, there were no changes in accounting policies and methods of computation adopted in the financial statements for the current reporting period as compared to the most recent audited financial statements as at 31 December 2018.

**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.**

During the financial period, the Group and the Company have adopted the following new SFRS(I)s, amendments and the interpretations of SFRS(I)s which took effect from financial year beginning 1 January 2019:

- SFRS(I) INT 23 *Uncertainty over Income Tax Treatments*
- Amendments to SFRS(I) 3 and SFRS(I) 11 *Previously Held Interest in a Joint Operation*
- Amendments to SFRS(I) 9 *Prepayment Features with Negative Compensation*
- Amendments to SFRS(I) 1-19 *Plan Amendment, Curtailment or Settlement*
- Amendments to SFRS(I) 1-23 *Borrowing Costs Eligible for Capitalisation*
- Amendments to SFRS(I) 1-28 *Long-Term Interests in Associates and Joint Ventures*



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The adoptions of the above amendments and interpretations of the SFRS(I)s is assessed to have no material financial effect on the results and financial positions of the Group and of the Company for the current financial period reported on and for the year ending 31 December 2019. Accordingly, it has no material impact on the earnings per share of the Group for the same periods.

Note: The Group has elected to early adopt SFRS(I) 16 *Leases* in FY2018.

**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.**

<u>Loss per share (LPS)</u>	<b>Group</b>	
	<b>Half year ended</b>	
	<b>30-Jun-19</b>	<b>30-Jun-18</b>
LPS based on average number of shares (US cents)	(0.28)	(0.25)
LPS based on a fully diluted basis (US cents)	(0.28)	(0.25)
Weighted average number of shares ('000)	351,398	351,398
Weighted average number of shares - diluted ('000)	351,398	351,398

The Company has no dilutive equity instruments as at 30 June 2019 and 30 June 2018.

**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.**

<u>Net asset value (NAV)</u>	<b>Group</b>		<b>Company</b>	
	<b>As at</b>		<b>As at</b>	
	<b>30-Jun-19</b>	<b>31-Dec-18</b>	<b>30-Jun-19</b>	<b>31-Dec-18</b>
Net asset value per share (US cents)	<u>8.51</u>	<u>8.84</u>	<u>6.62</u>	<u>6.58</u>
Number of issued shares less treasury shares ('000)	<u>351,398</u>	<u>351,398</u>	<u>351,398</u>	<u>351,398</u>



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### 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.

#### A) Consolidated Statement of Comprehensive Income

##### Revenue

	Half year ended		Variance	
	30-Jun-19	30-Jun-18	US\$'000	%
	US\$'000	US\$'000	US\$'000	
Stationery business	4,349	5,732	(1,383)	-24%
Trading business	59,437	53,570	5,867	11%
	<b>63,786</b>	<b>59,302</b>	<b>4,484</b>	<b>8%</b>

The Group recorded revenue of US\$63.8 million for the half year ended 30 June 2019 ("1H2019") as compared to US\$59.3 million in the previous corresponding half year ended 30 June 2018 ("1H2018"). The increase in revenue of US\$4.5 million or 8% was mainly attributed to growth in the trading business.

Stationery business revenue decreased by US\$1.4 million or 24%, of which US\$0.4 million was attributed to foreign exchange translation losses. Excluding the effect of foreign exchange translation losses, stationery revenue decreased by US\$1.0 million, or 18%. Sales were lower mainly due to decline in the traditional stationery business, as well as loss of sales from a customer in United Kingdom ("UK") that went into administration. While sales from new markets and lifestyle stationery grew as compared to 1H2018, these new channels and products were in the early stage of development. Therefore, the growth was insufficient to cover the core decline in 1H2019. In UK, the retail sentiments remained weak and cautious due to uncertainties over Brexit.

Trading business revenue increased by US\$5.9 million or 11% to US\$59.4 million mainly due to increase in sales to a mandated interested person (Please refer to paragraph 13).

##### Gross profit

	Half year ended		Half year ended		Variance
	30-Jun-19		30-Jun-18		
	US\$'000	Margin	US\$'000	Margin	US\$'000
Stationery business	1,975	45.4%	2,260	39.4%	(285)
Trading business	1,601	2.7%	1,310	2.4%	291
	<b>3,576</b>	<b>5.6%</b>	<b>3,570</b>	<b>6.0%</b>	<b>6</b>

Gross profit for 1H2019 remained flat as compared to 1H2018.



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Overall gross profit margin for 1H2019 decreased slightly by 0.4 percentage point mainly due to higher gross profit contribution from trading business which had a lower gross profit margin. Gross profit margin for Stationery business improved by 6.0 percentage point to 45.4% mainly due to improved cost efficiencies, and shift to higher-margin market segments. Gross profit margin for Trading business increased slightly by 0.3 percentage point to 2.7% as a result of sales mix.

### Distribution and marketing and Administrative expenses

	6 months ended		Variance	
	30-Jun-19	30-Jun-18	US\$'000	%
	US\$'000	US\$'000	US\$'000	%
Distribution and marketing expenses	2,140	2,100	40	2%
Administrative expenses	2,160	1,962	198	10%
<b>Total operating expenses</b>	<b>4,300</b>	<b>4,062</b>	<b>238</b>	<b>6%</b>

Distribution and marketing expenses incurred in 1H2019 was flat as compared to 1H2018.

Administrative expenses were US\$0.2 million higher in 1H2019 mainly due to provision for a customer's claims and an increase in professional fees.

### Impairment on financial assets

Impairment on financial assets recorded in 1H2019 was relating to a one-off impairment of a receivable due from a customer in UK that went into administration in 1H2019.

### Other income, net

The increase in other income of US\$0.2 million in 1H2019 was mainly due to the absence of a restructuring expense amounted to US\$0.2 million incurred in 1H2018 and an increase in rental income.

### Finance expense, net

Higher finance expense of US\$0.4 million in 1H2019 as compared to US\$0.2 million incurred in 1H2018 was mainly due higher trade financing and imputed interest on lease liabilities.

### Tax expense

Although the Group was in a net loss position in 1H2019, losses suffered by certain subsidiaries were not transferable to offset against profits of other entities. As a result, a tax expense of approximately US\$55,000 was incurred.

### Net loss for the period

As a result of the above, the Group recorded a net loss of US\$1.0 million in 1H2019 as compared to a net loss of US\$0.9 million in 1H2018.



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### **B) Statements of Financial Position**

#### **i) Group**

##### Current assets

Inventories increased by US\$2.6 million due to the arrival of new inventories in both UK and Australia in anticipation of sales in the coming months, partially offset by the write-down of dated diaries due to stock obsolescence.

Trade and other receivables decreased by US\$10.5 million mainly due to receipts from the Trading business customers.

Income tax recoverable decreased due to a receipt of refund of income tax from tax authorities in certain subsidiaries in 1H2019.

Cash and bank balances increased by US\$1.4 million to US\$16.4 million as at 30 June 2019.

##### Current liabilities

Trade and other payables decreased due to payment made to the Trading business suppliers.

A new lease was taken up in 1H2019. As a result, short-term lease liabilities increased by approximately US\$73,000 to approximately US\$144,000 as at 30 June 2019.

The Group was in an income tax payable position as at 30 June 2019.

##### Non-current liabilities

A new lease was taken up in 1H2019. As a result, long-term lease liabilities increased by US\$0.1 million to US\$1.7 million as at 30 June 2019.

### **C) Consolidated Statement of Cash Flows**

Net cash from operating activities in 1H2019 amounted to US\$2.0 million. The significant cash movements during 1H2019 were due to receipt from customers of US\$10.4 million and a tax refund of US\$0.1 million which were partially offset by the following:

- i) the negative operating profit of US\$0.1 million;
- ii) increase in inventories of US\$2.8 million; and
- iii) payment to suppliers of US\$5.6 million.

Net cash from investing activities of approximately US\$14,000 was mainly from interest income, partially offset by the capital expenditure.

Net cash used in financing activities of US\$0.4 million was due to interest expense incurred on financing the Trading business and payment of lease liabilities including interest.

As a result of the above, cash and cash equivalents increased by US\$1.6 million to US\$14.3 million as at 30 June 2019.



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**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 had been previously disclosed to the shareholders for 1H2019.

**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**

Retail environment remains challenging in both UK and Australia, and traditional stationery business declined further from last year. Both trends are expected to continue in the medium term. Furthermore, Brexit uncertainties are likely to affect the UK market at least up till the end of 2019.

Amidst these uncertainties, the Group's priorities are to strengthen our brand position and to expand the lifestyle stationery business, which is growing albeit from a small base. The online channel is gaining market share, and the Group will increase focus in eCommerce accordingly.

The Group will be celebrating the 200<sup>th</sup> year anniversary of its flagship Collins brand in 2019. This presents an excellent opportunity to showcase the new brand design and new lifestyle-driven product range in second half of 2019.

The Group's core markets, UK and Australia, are mature and it is critical that we cultivate the new markets launched in recent years, while looking for further expansion opportunities.

Barring any unforeseen circumstances, the Group expects the Trading business to continue to be stable in the next financial reporting period.

**11 Dividend**

**(a) Current Financial Period Reported On  
Any dividend declared for the current financial period report on?**

No.

**(b) Corresponding Period of the Immediately Preceding Financial Year  
Any dividend declared for the corresponding period of the immediately preceding financial year?**

No.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**12 If no dividend has been declared/recommendeded, a statement to that effect and the reason(s) for the decision.**

No dividend has been declared or recommended for 1H2019 in view of the negative earnings.

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

The Group has renewed its general mandate for IPT at the recent annual general meeting held on 24 April 2019. The IPTs for 1H2019 were as follows:

Name of Interested Person	Aggregate value of all IPTs during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Catalist Rules)		Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 of the Catalist Rules (excluding transactions less than S\$100,000)	
	Half year ended 30-Jun-19 US\$'000	Half year ended 30-Jun-18 US\$'000	Half year ended 30-Jun-19 US\$'000	Half year ended 30-Jun-18 US\$'000
<u>Sales</u> PT Paramitra Gunakarya Cemerlang	-	-	30,688	17,874
<b>Total IPTs</b>	-	-	30,688	17,874

- 14 Confirmation pursuant to Rule 705(5) of the Catalist Rules.**

To the best of their knowledge, nothing has come to the attention of the Directors of the Company which may render the unaudited half year results for the period ended 30 June 2019 to be false or misleading in any material aspects.

- 15 Confirmation that the issuer has procured the undertakings from all its directors and executive officers in the format set out in Appendix 7H under Rule 720(1) of the Catalist Rules.**

The Company confirms that it has procured the undertakings from all its Directors and Executive Officers in the format set out in Appendix 7H pursuant to Rule 720(1) of the Catalist Rules.

**BY ORDER OF THE BOARD**

**Connie Oi Yan Chan**  
**Executive Chairlady and Chief Executive Officer**  
**7 August 2019**