

AZEUS SYSTEMS HOLDINGS LTD.

**Unaudited Half Year Financial Statement and Dividend Announcement for
the period ended 30 September 2016**

**Part I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF YEAR
RESULTS**

- 1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

Azeus Systems Holdings Ltd.

- 1(a)(i) **Consolidated Income Statement for the first half year ended 30 September 2016
(Expressed in Hong Kong Dollars)**

	<u>The Group</u>		
	1 st Half FY2017 (Apr-Sep 2016) HK\$'000	1 st Half FY2016 (Apr-Sep 2015) HK\$'000	+ / (-) %
Sales	48,304	45,622	6
Cost of sales	(33,284)	(32,095)	4
	=====	=====	
Gross profit	15,020	13,527	11
Other income			
Arbitration legal fee compensation	-	8,750	(100)
Interest income	12	15	(20)
Other (losses)/gains - net	(3,272)	38	(8,711)
Selling and marketing expenses	(8,699)	(5,353)	63
Administrative and other operating expenses	(12,998)	(12,516)	4
	=====	=====	
(Loss)/profit before tax	(9,937)	4,461	(323)
Income tax expense	(25)	(737)	(97)
	=====	=====	
(Loss)/profit attributable to equity holders of the Company	(9,962)	3,724	(368)
	=====	=====	
(Loss)/earnings per share (basic and diluted)	(33.21 cents)	12.41 cents	(368)
	=====	=====	

1(a)(ii) Statement of Comprehensive Income for the first half year ended 30 September 2016

(Expressed in Hong Kong Dollars)

	The Group		
	1st Half FY2017	1st Half FY2016	+ / (-)
	(Apr-Sep 2016)	(Apr-Sep 2015)	
	HK\$'000	HK\$'000	%
(Loss)/profit attributable to equity holders of the Company	(9,962)	3,724	(368)
Other comprehensive income			
<u>Items that may be reclassified subsequently to profit or loss:</u>			
Currency translation differences arising from consolidation – gains / (losses)	1,949	(261)	847
<u>Items that will not be reclassified subsequently to profit or loss:</u>			
Actuarial gains on defined retirement benefits – net of tax	267	301	(11)
Other comprehensive income – net of tax	2,216	40	5,440
Total comprehensive (losses) / income attributable to equity holders of the Company	(7,746)	3,764	(306)

1(a)(iii) Note to Income Statement for the first half year ended 30 September 2016

(Expressed in Hong Kong Dollars)

Expenses included in cost of sales, selling and marketing expenses and administrative and other operating expense are analysed as follow.			
	The Group		
	1st Half FY2017	1st Half FY2016	+ / (-)
	(Apr-Sep 2016)	(Apr-Sep 2015)	
	HK\$'000	HK\$'000	%
Depreciation of property, plant and equipment	(192)	(195)	(2)
Legal and professional fee	(729)	(1,123)	(35)
Rental expenses – operating lease	(3,289)	(2,934)	12
Employee benefits expenses (include director remuneration)	(35,528)	(37,507)	(5)
Hardware and software	(48)	(305)	(84)
Amortisation of intangible assets	(3,710)	(1,638)	126
Repair and maintenance	(4,904)	(4,587)	7
Subcontractor fee	(2,632)	(332)	693
Sales consultants fee	(1,714)	(247)	594
Provision for unbilled revenue	(1,369)	-	100
Other expenses	(866)	(1,096)	(21)
Total cost of sales, selling and marketing and administrative expenses	(54,981)	(49,964)	10

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

Azeus Systems Holdings Ltd.
Balance Sheet as at 30 September 2016
(Expressed in Hong Kong Dollars)

	<u>The Group</u>			<u>The Company</u>		
	30 Sep 2016	31 Mar 2016	+ / (-)	30 Sep 2016	31 Mar 2016	+ / (-)
	HK\$'000	HK\$'000	%	HK\$'000	HK\$'000	%
Current assets						
Cash and cash equivalents	43,251	64,562	(33)	966	2,383	(59)
Pledged bank deposits	3,795	3,789	-	-	-	-
Trade and other receivables	16,751	17,608	(5)	53,253	55,430	(4)
Inventories	1,439	349	312	-	-	-
Unbilled revenue on service contracts	27,140	22,618	20	-	-	-
Current income tax	2,445	2,446	-	-	-	-
	94,821	111,372	(15)	54,219	57,813	(6)
Non-current assets						
Investment in subsidiaries	-	-	-	50,403	50,406	-
Property, plant and equipment	1,064	980	9	-	-	-
Intangible assets	16,152	13,243	22	-	-	-
Deferred tax assets	905	952	(5)	-	-	-
Refundable deposit	390	388	1	-	-	-
	18,511	15,563	19	50,403	50,406	-
Total assets	113,332	126,935	(11)	104,622	108,219	(3)

Azeus Systems Holdings Ltd.
Balance Sheet as at 30 September 2016
(Expressed in Hong Kong Dollars)
(Continued)

	<u>The Group</u>			<u>The Company</u>		
	30 Sep 2016	31 Mar 2016	+ / (-)	30 Sep 2016	31 Mar 2016	+ / (-)
	HK\$'000	HK\$'000	%	HK\$'000	HK\$'000	%
Current liabilities						
Trade and other payables	6,674	11,177	(40)	130	1,264	(90)
Deferred revenue - current	4,124	3,656	13	-	-	-
Current income tax liabilities	-	140	(100)	-	-	-
	—————	—————		—————	—————	
	10,798	14,973	(28)	130	1,264	(90)
Non-current liability						
Deferred revenue – non current	252	163	55	-	-	-
Provision for defined retirement benefits	8,408	8,838	(5)	-	-	-
	—————	—————		—————	—————	
	8,660	9,001	(4)	-	-	-
	—————	—————		—————	—————	
Total liabilities	19,458	23,974	(19)	130	1,264	(90)
	—————	—————		—————	—————	
Net assets	93,874	102,961	(9)	104,492	106,955	(2)
	—————	—————		—————	—————	
REPRESENTED BY:						
Share capital	46,800	46,800	-	46,800	46,800	-
Share premium	56,489	56,489	-	56,726	56,726	-
Foreign currency translation reserve	3,397	1,448	135	-	-	-
Other reserves	1,330	1,330	-	-	-	-
Defined retirement benefits	(5,783)	(6,050)	(4)	-	-	-
Retained earnings	(8,359)	2,944	(384)	966	3,429	(72)
	—————	—————		—————	—————	
	93,874	102,961	(9)	104,492	106,955	(2)
	—————	—————		—————	—————	

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

The Group has no bank borrowings or debt securities as at 30 September 2016 and 31 March 2016.

1(c) A cash flow statement (for the group), together with a comparative statement for corresponding period of the immediately preceding financial year

Consolidated Statement of Cash Flows for the first half year ended 30 September 2016

	The Group	
	1st Half FY2017	1st Half FY2016
	(Apr-Sep 2016)	(Apr-Sep 2015)
	HK\$'000	HK\$'000
Cash flows from operating activities		
Net (loss) / profit	(9,962)	3,724
Adjustment for:		
Income tax expense	25	737
Provision for retirement benefits	-	(112)
Depreciation of property, plant and equipment	192	195
Amortisation of intangible assets	3,710	1,638
Interest income	(12)	(15)
Exchange differences	-	(50)
	=====	=====
Operating cash flow before working capital change	(6,047)	6,117
Change in working capital:		
Trade and other receivables	945	4,389
Unbilled revenue on service contracts	(4,056)	(4,395)
Refundable deposits	(2)	(2)
Inventories	(1,090)	-
Trade and other payables	(4,039)	(10,327)
Pledged deposit	(6)	(7)
Deferred revenue	557	-
	=====	=====
Cash used in operations	(13,738)	(4,225)
Income tax paid	(165)	(14)
	=====	=====
Net cash used in operating activities	(13,903)	(4,239)
	=====	=====

1(c) **A cash flow statement (for the group), together with a comparative statement for corresponding period of the immediately preceding financial year (continued)**

	The Group	
	1st Half FY2017	1st Half FY2016
	(Apr-Sep 2016)	(Apr-Sep 2015)
	HK\$'000	HK\$'000
Cash flows from investing activities		
Purchase of property, plant and equipment	(308)	(258)
Additions to intangible assets	(6,619)	(6,422)
Interest received	12	15
	—————	—————
Net cash used in investing activities	(6,915)	(6,665)
Cash flows from financing activities		
Dividends paid to equity holders of the Company	(1,341)	(3,690)
	—————	—————
Net cash used in financing activities	(1,341)	(3,690)
Net decrease in cash and cash equivalents held	(22,159)	(14,594)
Cash and cash equivalents at the beginning of the period	64,562	59,617
Effects of currency translation on cash and cash equivalents	848	(168)
	—————	—————
Cash and cash equivalents at the end of the period	43,251	44,855
	—————	—————

1(d)(i) A statement (for the issuer and the 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 for the half year ended 30 September 2016

	Share Capital	Share Premium	Foreign Currency Translation Reserve	Other Reserves	Defined Retirement Benefits	Retained Profits	Total
Group	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance as at 1 April 2016	46,800	56,489	1,448	1,330	(6,050)	2,944	102,961
Loss attributable to equity holders of the Company	-	-	-	-	-	(9,962)	(9,962)
Other comprehensive income	-	-	1,949	-	267	-	2,216
	=====	=====	=====	=====	=====	=====	=====
Total comprehensive income/(loss) for the period	-	-	1,949	-	267	(9,962)	(7,746)
FY2016 final dividends paid	-	-	-	-	-	(1,341)	(1,341)
	=====	=====	=====	=====	=====	=====	=====
Balance as at 30 September 2016	46,800	56,489	3,397	1,330	(5,783)	(8,359)	93,874
	=====	=====	=====	=====	=====	=====	=====
Balance as at 1 April 2015	46,800	56,489	1,276	1,328	(6,482)	5,291	104,702
Profit attributable to equity holders of the Company	-	-	-	-	-	3,724	3,724
Other comprehensive income / (loss)	-	-	(261)	-	301	-	40
	=====	=====	=====	=====	=====	=====	=====
Total comprehensive income for the period	-	-	(261)	-	301	3,724	3,764
FY2015 final dividends paid	-	-	-	-	-	(3,690)	(3,690)
	=====	=====	=====	=====	=====	=====	=====
Balance as at 30 September 2015	46,800	56,489	1,015	1,328	(6,181)	5,325	104,776
	=====	=====	=====	=====	=====	=====	=====

	Share Capital	Share Premium	Retained Profits	Total
<u>Company</u>	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance as at 1 April 2016	46,800	56,726	3,429	106,955
Total comprehensive loss for the period	-	-	(1,122)	(1,122)
FY2016 final dividends paid	-	-	(1,341)	(1,341)
	=====	=====	=====	=====
Balance as at 30 September 2016	46,800	56,726	966	104,492
	=====	=====	=====	=====
Balance as at 1 April 2015	46,800	56,726	4,329	107,855
Total comprehensive loss for the period	-	-	(1,070)	(1,070)
FY2015 final dividends paid	-	-	(3,690)	(3,690)
	=====	=====	=====	=====
Balance as at 30 September 2015	46,800	56,726	(431)	103,095
	=====	=====	=====	=====

1(d)(ii) 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 30 September 2016, share capital of the Company comprised 29,999,993 ordinary shares (FY2016: 29,999,993). There were no treasury shares held by the Company at 30 September 2016 and 2015.

1(d)(iii) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares 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 auditor's report (including any qualifications or emphasis of 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 Company and the Group have applied the same accounting policies and methods of computation in preparing the financial statements for the current reporting period, compared with those for the audited financial statements for the year ended 31 March 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 new and revised Financial Reporting Standards ("FRS") and interpretations of FRS ("INT FRS") that are relevant to the Group and effective for the financial year beginning on 1 April 2016. The adoption of these new and revised FRS and INT FRS does not result in changes to the Group's accounting policies and has no material effect on the amounts reported for the six months ended 30 September 2016 or prior periods.

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.**

	The Group	
	1st Half FY2017	1st Half FY2016
(Loss)/ profit attributable to equity holders of the Company (HK\$'000)	(9,962)	3,724
Weighted average number of shares ('000)	30,000	30,000
- Basic (loss)/earnings per share (HK cents)	(33.21)	12.41
- Fully diluted (loss)/earnings per share (HK cents)	(33.21)	12.41

Fully diluted earnings per share is similar to the basic earnings per share as the Group did not have any potential dilutive ordinary shares outstanding as at 30 September 2016 and 30 September 2015.

7. **Net asset value (for the issuer and the group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on; and (b) immediately preceding financial year.**

	<u>The Group</u>		<u>The Company</u>	
	30 Sep 2016	31 Mar 2016	30 Sep 2016	31 Mar 2016
	HK\$	HK\$	HK\$	HK\$
Net asset value per ordinary share based on the existing share capital as at the end of the respective period	3.13	3.43	3.48	3.57

The number of ordinary shares outstanding for the computation of net asset value per ordinary share is 29,999,993 (FY2016: 29,999,993).

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; (b) any material factors that affected the cash flow, working capital, assets or liabilities, of the group during the current financial period reported on.**

Income statement

a. Revenue

	1 st Half FY2017	1 st Half FY2016	+ / (-)
	(Apr-Sep 16)	(Apr-Sep 15)	
	HK\$'000	HK\$'000	%
Professional IT Services			
IT Services, including sale of third party hardware and software	16,950	10,359	64
Maintenance and Support Services	27,115	32,190	(16)
	=====	=====	
Total Professional IT Services Revenue	44,065	42,549	4
Azeus Product Sales	4,239	3,073	38
	=====	=====	
Total Revenue	48,304	45,622	6

The Group derives its revenue from two operating segments – Professional IT Services and Azeus Product Sales. Professional IT Services includes two core business areas, IT services, and maintenance and support services.

Group revenue increased by 5.9% to HK\$48.3 million in 1H FY2017, as compared to HK\$45.6 million in the last corresponding period.

IT services accounted for 35.1% (1H FY2016: 22.7%) of total revenue in 1H FY2017. The fees from IT services were higher in 1H FY2017 due to more contracts completed in 1H FY2017.

Revenue from maintenance and support services decreased by 15.8% to HK\$27.1 million in 1H FY2017. This business segment accounted for 56.1% (1H FY2016: 70.6%) of total revenue in 1H FY2017. One major maintenance and support contract ended in the beginning of this financial year, hence less revenue was earned in 1H FY2017.

Azeus Product Sales accounted for 8.8% of the total revenue and has increased by 37.9% to HK\$4.2 million in 1H FY2017. The revenue is contributed by the sale of two proprietary products, “Azeus Convene” and “AzeusCare” and its professional services. We develop and commercialise both Azeus Products. The Company derives its revenues from two sources i.e. the subscription revenues from customers and the related professional services such as project management, implementation services and training fees etc.

Subscription revenues are recognised ratably over the contract terms beginning on the commencement date of each contract. Amounts that have been invoiced are recorded in accounts receivable and in deferred revenue or revenue, depending on whether the revenue recognition criteria have been met.

b. Cost of Sales and Gross Profit Margin

Cost of sales mainly consists of direct expenses related to direct employee salaries for delivering our service and providing the support, cost of third party hardware and software products to be used in IT service implementation projects, hosting the Company’s cloud-based application cost of subcontractor and consultancy services and amortisation of intangible assets.

Cost of sales in 1H FY2017 increased by HK\$1.2 million, from HK\$32.1 million to HK\$33.3 million due to the completion of one major maintenance and support contract, resulting in a decrease in the direct salaries by HK\$2.0 million. The amount was offset by the increase of amortisation of intangible assets by HK\$2.1 million.

Overall, the Group’s gross profit margin increased from 29.7% to 31.1%.

c. Other Income & Other Gains – net

	1 st Half FY2017	1 st Half FY2016	+ / (-)
	(Apr-Sep 16)	(Apr-Sep 15)	
	HK\$'000	HK\$'000	%
Other income comprised:			
Arbitration legal fee compensation	-	8,750	(100)
Interest income	12	15	(20)
	—————	—————	
Subtotal	12	8,765	(100)
Other gains - net comprised:			
Net foreign exchange gain/(loss)	(3,272)	38	(8,711)
	—————	—————	
Subtotal	(3,272)	38	(8,711)

The Group received a one-off legal fee compensation of HK\$8.8 million for an arbitration with a customer, which contributed significantly to profit last six months ended 30 September 2015.

Net foreign exchange loss in 1H FY2017 arose from the translation of net monetary assets denominated in foreign currencies especially in GBP Great British Pound at the closing rates at the balance sheet date. GBP dropped significantly from 1 GBP to 11.75 HKD to 1 GBP to 10.06 HKD as at the end of the interim periods.

d. Selling and marketing expenses

Selling and marketing are one of our largest costs, consisting primarily of salaries and related expenses, as well as marketing programs. Marketing programs consist of advertising, trade shows and events, corporate communications, brand building and product marketing activities.

Selling and marketing expenses increased by 62.5% or HK\$3.3 million in 1H FY2017 as the Group increased the selling and marketing activities for UK operation and our cloud-based offering. Amounts were used to expand our global sales team, increase sales and marketing efforts for lead generation. Our marketing and sales headcount increased by 300% (including sales consultants) as compared with 1H FY 2016.

e. Administrative and Other Operating Expenses

Administrative and other operating expenses comprise mainly of legal and professional fee, Directors' fee, rent and rates, provision for unbilled revenue and other operating expense.

Amount slightly increased by 4.0% or HK\$0.5 million in 1H FY2017.

f. Net loss after taxation

The Group reported a net loss of HK\$10.0 million in 1H FY2017 from a net profit of HK\$3.7 million in 1H FY2016, where a one-off legal fee compensation of HK\$8.8 million due to arbitration legal fee compensation was received.

Balance Sheet

a. Unbilled Revenue on Service Contracts

Unbilled revenue on services contracts increased by HK\$4.5 million. It was due to the majority of the projects nearing the end of implementation stage but have not reached payment milestones.

b. Trade and other receivables

Trade and other receivables decreased by 4.9% from HK\$17.6 million to HK\$16.8 million, due to less billings issued nearing the end of 1H FY2017. All net trade receivables are considered recoverable as of 30 September 2016.

c. Inventory

Inventories comprise third-party hardware and software products to be used in IT Service implementation projects under the relevant contract terms. The balance represents items that were delivered and which customers have not completed the corresponding acceptance tests. Therefore, the relevant revenue associated with these hardware and software products have not been recognised.

d. Intangible assets – development cost of Azeus Products

Costs include payroll-related costs of employees directly attributable to the development of two proprietary products (i.e. Azeus Convene and AzeusCare) are capitalised as intangible assets. Additional amount of intangible assets of HK\$6.6 million was capitalised and amortisation of HK\$3.7 million was recognised in 1H FY 2017. The Group is continuously improving its Azeus Products. These are costs directly attributable to the development of new features and enhancements of Azeus Products.

e. Deferred Revenue

Deferred revenue for Azeus Products primarily consists of billings or payments received in advance of revenue recognition from subscription services and are recognised as the revenue recognition criteria are met. The Company generally invoices customers in annual installments. Deferred revenue that will be recognised during the succeeding twelve

months period is recorded as current deferred revenue, while more than 12 months is recorded as non-current. Deferred revenue has increased to HK\$4.4 million as more billings or payment received for this fiscal year, while revenue is not earned yet.

f. Share capital and reserves

Shareholders' equity decreased from HK\$103.0 million at the beginning of the year to HK\$93.9 million as at 30 September 2016, mainly due to the payment of FY2016 final dividend of HK\$1.3 million and the net loss generated from operations of HK\$10.0 million in 1H FY2017.

Cash flow Statement

For the six months ended 30 September 2016, the Group's net cash used in operating activities was HK\$13.9 million. The decline in cash inflow from operations was due to the reduced profit.

Cash used in financing activities was primarily for the payment of FY2016 final dividend of HK\$1.3 million in September 2016.

Overall, the Group managed to maintain a cash position of HK\$43.3 million as at 30 September 2016. The Group has no debts and bank borrowings.

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

The Group issued profit guidance for FY 2017 on 11 October 2016, in which it stated that the Group was expected to report a loss for the six months period ended 30 September 2016 ('1HFY2017') and financial year ended 31 March 2017 ('FY 2017'). The financial results for the 1H FY 2017 were consistent with the statements made in the profit guidance.

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 is expected to report a net loss for the financial year ended 31 March 2017 ("FY2017").

IT market conditions in Hong Kong remain challenging in view of fewer number of open tenders and consequently less contracts were secured. Professional IT Services revenue is expected to be lower in FY 2017. On the other hand, Azeus Products Sales continues to grow from strength to strength. The Group has made good progress in its cloud-based offering.

We plan to continue investing in marketing and sales by expanding our domestic and international selling and marketing activities, building brand awareness, attracting new customers and sponsoring additional marketing events. We will continue to build our capacity and invest more in this business segment.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No interim dividend has been declared/recommended during the period ended 30 September 2016.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No interim dividend was declared/recommended during the period ended 30 September 2015.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommendeded, a statement to that effect.

No interim dividend has been declared/recommended during the period.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

- 13. Segmented revenue and results for business or geographical 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 for half year results.

- 14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Not applicable for half year results.

- 15. A breakdown of sales.**

Not applicable for half year results.

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

Not applicable for half year results.

- 17. If no IPT mandate has been obtained, a statement to that effect.**

No IPT mandate obtained.

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

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720 (1) of the SGX-ST Listing Manual.

BY ORDER OF THE BOARD

LEE WAN LIK

MANAGING DIRECTOR

14 November 2016

Confirmation Pursuant to 705(5) of the Listing Manual

We, Lee Wan Lik and Lam Pui Wan, being the two directors of Azeus Systems Holdings Ltd. do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to attention of the board of directors of the Company which may render the financial results for the period ended 30 September 2016 to be false or misleading.

On behalf of the Board of Directors

LEE Wan Lik
Executive Director

LAM Pui Wan
Executive Director