

NTEGRATOR INTERNATIONAL LTD

(Co. Regn. No: 199904281D)

HALF YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2018**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF YEAR RESULTS****1(a) A statement of comprehensive income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

| | Group | | |
|--|----------------|------------|-------------------------|
| | S\$'000 | | % |
| | HY2018 | HY2017 | Increase/ (Decrease) |
| Revenue | 14,827 | 16,691 | (11.2%) |
| Cost of sales | | | |
| - Equipment and consumables used | (12,755) | (11,474) | 11.2% |
| - Freight charges | (72) | (40) | 80.0% |
| - Commission and consultancy | (261) | (10) | 2,510.0% |
| - Changes in inventories and contract work-in-progress | 529 | 244 | 116.8% |
| | (12,559) | (11,280) | 11.3% |
| Gross profit | 2,268 | 5,411 | (58.1%) |
| Other income | | | |
| - Interest income from bank deposits | 13 | 16 | (18.8%) |
| Other gains/ (losses) - net | 388 | (130) | (398.5%) |
| Expenses | | | |
| - Distribution and marketing | (20) | (23) | (13.0%) |
| - Administrative | (4,454) | (4,603) | (3.2%) |
| - Finance | (64) | (128) | (50.0%) |
| (Loss)/ profit before income tax | (1,869) | 543 | (444.2%) |
| Income tax expense | - | (7) | |
| Net (loss)/ profit | (1,869) | 536 | (448.7%) |
| Other comprehensive loss, net of tax: | | | |
| Items that may be reclassified subsequently to profit or loss: | | | |
| Currency translation differences arising from consolidation | | | |
| - Gains/ (losses) | 211 | (622) | |
| Total comprehensive loss | (1,658) | (86) | |
| (Loss)/ profit attributable to: | | | |
| Equity holders of the Company | (1,277) | 307 | (516.0%) |
| Non-controlling interests | (592) | 229 | (358.5%) |
| | (1,869) | 536 | (448.7%) |

| | Group | | % |
|--|----------------|-------------|-------------------------|
| | S\$'000 | | |
| | HY2018 | HY2017 | Increase/ (Decrease) |
| Total comprehensive (loss)/ income attributable to: | | | |
| Equity holders of the Company | (1,066) | (315) | |
| Non-controlling interests | (592) | 229 | |
| | <u>(1,658)</u> | <u>(86)</u> | |
| Earnings per share for (loss)/ profit attributable to equity holders of the Company (cents per share) | | | |
| - Basic | (0.12) | 0.03 | |
| - Diluted | (0.12) | 0.02 | |

Any discrepancies in the tables included in this announcement between the total sums of amounts listed and the totals shown are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

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.

| | Group | | Company | |
|---|------------|------------|------------|------------|
| | 30/06/2018 | 31/12/2017 | 30/06/2018 | 31/12/2017 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| ASSETS | | | | |
| Current assets | | | | |
| Cash and cash equivalents | 9,580 | 7,371 | 212 | 56 |
| Trade and other receivables | 32,130 | 42,795 | 5,965 | 6,955 |
| Inventories | 466 | 348 | - | - |
| | 42,176 | 50,514 | 6,177 | 7,011 |
| Non-current assets | | | | |
| Investments in subsidiary corporations | - | - | 18,000 | 18,000 |
| Property, plant and equipment | 1,770 | 1,881 | - | - |
| Deferred income tax assets | 785 | 771 | - | - |
| | 2,555 | 2,652 | 18,000 | 18,000 |
| Total assets | 44,731 | 53,166 | 24,177 | 25,011 |
| LIABILITIES | | | | |
| Current liabilities | | | | |
| Trade and other payables | 7,431 | 13,864 | 196 | 389 |
| Borrowings | 19,693 | 20,237 | - | - |
| Income tax liabilities | - | - | - | - |
| | 27,124 | 34,101 | 196 | 389 |
| Non-current liabilities | | | | |
| Borrowings | 437 | 379 | - | - |
| Deferred income tax liabilities | - | - | - | - |
| | 437 | 379 | - | - |
| Total liabilities | 27,561 | 34,480 | 196 | 389 |
| NET ASSETS | 17,170 | 18,686 | 23,981 | 24,622 |
| EQUITY | | | | |
| Capital and reserves attributable to equity holders of the Company | | | | |
| Share capital | 25,936 | 25,794 | 25,936 | 25,794 |
| Treasury shares | (11) | (11) | (11) | (11) |
| Other reserves | (469) | (680) | 231 | 231 |
| Accumulated losses | (8,319) | (7,042) | (2,175) | (1,392) |
| | 17,137 | 18,061 | 23,981 | 24,622 |
| Non-controlling interests | 33 | 625 | - | - |
| Total equity | 17,170 | 18,686 | 23,981 | 24,622 |

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

| As at 30 June 2018 | | As at 31 December 2017 | |
|--------------------|-----------|------------------------|-----------|
| Secured | Unsecured | Secured | Unsecured |
| S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| 14,837 | 4,856 | 15,546 | 4,691 |

Amount repayable after one year

| As at 30 June 2018 | | As at 31 December 2017 | |
|--------------------|-----------|------------------------|-----------|
| Secured | Unsecured | Secured | Unsecured |
| S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| - | 437 | - | 379 |

Details of any collateral

As at 30 June 2018, the bank loan of S\$14.8 million (31 December 2017: S\$15.5 million) was secured by way of export letter of credits of reputable banks.

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.

| | Group | |
|--|----------------|-----------------|
| | S\$'000 | |
| | HY2018 | HY2017 |
| Cash flows from operating activities | | |
| Net (loss)/ profit | (1,869) | 536 |
| Adjustments for: | | |
| - Income tax expense | - | 7 |
| - Depreciation and amortisation | 351 | 309 |
| - Loss on disposal of property, plant and equipment | 25 | 43 |
| - Interest expense | 64 | 128 |
| - Interest income | (13) | (16) |
| - Unrealised currency translation (gains)/ loss | 324 | (889) |
| | (1,118) | 118 |
| Change in working capital: | | |
| - Inventories | (118) | (91) |
| - Trade and other receivables | 10,665 | 2,144 |
| - Trade and other payables | (6,433) | (20,553) |
| Cash generated from/ (used in) operations | 2,996 | (18,382) |
| Interest received | 13 | 16 |
| Income tax paid | - | (28) |
| Net cash provided by/ (used in) operating activities | 3,009 | (18,394) |
| Cash flows from investing activities | | |
| Additions to property, plant and equipment | (20) | (453) |
| Disposal of property, plant and equipment | 7 | - |
| Net cash used in investing activities | (13) | (453) |
| Cash flows from financing activities | | |
| Bank deposits pledged/ (discharged) | 578 | (2,192) |
| Proceeds from issuance of ordinary shares | 142 | 1,489 |
| Proceeds from borrowings | 976 | 15,321 |
| Repayment of borrowings | (1,625) | (2,170) |
| Repayment of lease liabilities | (152) | (36) |
| Dividend paid | - | (1,011) |
| Interest paid | (64) | (128) |
| Net cash (used in)/ provided by financing activities | (145) | 11,273 |
| Net increase/ (decrease) in cash and cash equivalents | 2,851 | (7,574) |
| Cash and cash equivalents | | |
| Beginning of the financial year | 5,673 | 12,418 |
| Effects of currency translation on cash and cash equivalents | (113) | 267 |
| End of financial period | 8,411 | 5,111 |

Cash and cash equivalents comprise the following:

| | Group | |
|-----------------------------|----------------|----------------|
| | S\$'000 | |
| | HY 2018 | HY 2017 |
| Cash and cash equivalents | 9,580 | 10,099 |
| Less: Bank overdrafts | (974) | (8) |
| Less: Bank deposits pledged | (195) | (4,980) |
| | 8,411 | 5,111 |

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.

| | ← Attributable to equity holders of the Company → | | | | | | | Total equity S\$'000 |
|--|---|----------------------------|--|---|--|------------------|--------------------------------------|-------------------------|
| | Share capital S\$'000 | Treasury shares S\$'000 | Employee share option reserve S\$'000 | Foreign currency translation reserve S\$'000 | Retained profits / Accumulated losses S\$'000 | Total S\$'000 | Non-controlling interests S\$'000 | |
| | Group | | | | | | | |
| Balance at 1 January 2018 | 25,794 | (11) | 231* | (911)* | (7,042) | 18,061 | 625 | 18,686 |
| Shares issued pursuant to exercise of warrants | 142 | - | - | - | - | 142 | - | 142 |
| Total comprehensive income/ (loss) income for the period | - | - | - | 211 | (1,277) | (1,066) | (592) | (1,658) |
| Balance at 30 June 2018 | 25,936 | (11) | 231* | (700)* | (8,319) | 17,137 | 33 | 17,170 |
| Balance at 1 January 2017 | 24,201 | (11) | 231* | (14)* | (4,399) | 20,008 | 1,033 | 21,041 |
| Shares issued pursuant to exercise of warrants | 1,489 | - | - | - | - | 1,489 | - | 1,489 |
| Dividend paid | - | - | - | - | (1,011) | (1,011) | - | (1,011) |
| Total comprehensive (loss)/ income for the period | - | - | - | (622) | 307 | (315) | 229 | (86) |
| Balance at 30 June 2017 | 25,690 | (11) | 231* | (636)* | (5,103) | 20,171 | 1,262 | 21,433 |

* Not available for distribution

| | Share capital S\$'000 | Treasury shares S\$'000 | Employee share option reserve S\$'000 | Accumulated losses S\$'000 | Equity attributable to shareholders of the Company S\$'000 |
|---|--------------------------|-------------------------------|---|----------------------------------|---|
| Company | | | | | |
| Balance at 1 January 2018 | 25,794 | (11) | 231* | (1,392) | 24,622 |
| Shares issued pursuant to exercise of warrants | 142 | - | - | - | 142 |
| Total comprehensive loss for the period | - | - | - | (783) | (783) |
| Balance at 30 June 2018 | 25,936 | (11) | 231* | (2,175) | 23,981 |
| Balance at 1 January 2017 | 24,201 | (11) | 231* | (455) | 23,966 |
| Shares issued pursuant to exercise of warrants | 1,489 | - | - | - | 1,489 |
| Dividend paid | - | - | - | (1,011) | (1,011) |
| Total comprehensive loss for the period | - | - | - | (971) | (971) |
| Balance at 30 June 2017 | 25,690 | (11) | 231* | (2,437) | 23,473 |

* Not available for distribution

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.

| | Ordinary Shares | Employee Share Option Scheme ("ESOS") | Warrants |
|---------------------------------------|----------------------|---|--------------------|
| Balance as at 31 December 2017 | 1,028,687,260 | 11,235,000 | 613,262,377 |
| Exercised of Warrants | 14,150,000 | - | (14,150,000) |
| Balance as at 30 June 2018 | 1,042,837,260 | 11,235,000 | 599,112,377 |

Total number of outstanding employee shares options is as follows:

| Date of ESOS Grant | Exercise Period | Exercise Price | ESOS Outstanding as at 31.12.2017 | ESOS Outstanding as at 30.06.2018 |
|--------------------|--------------------------|----------------|-----------------------------------|-----------------------------------|
| 25.08.2008 | 25.08.2009 to 25.08.2019 | S\$0.04 | 11,235,000 | 11,235,000 |

Total number of outstanding warrants is as follows:

| Date of Listing | Warrants Number | Exercise Period | Exercise Price | Warrants Outstanding |
|----------------------------|-----------------|--------------------------|----------------|----------------------|
| 27.11.2015 | W181123 | 27.11.2015 to 23.11.2018 | S\$0.010 | 599,112,377 |
| Balance as at 30 June 2018 | | | | 599,112,377 |

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.

| | HY2018 | FY2017 |
|-------------------------------|---------------|---------------|
| Beginning of financial period | 1,028,687,260 | 869,320,020 |
| Exercised of Warrants | 14,150,000 | 159,367,240 |
| End of financial period | 1,042,837,260 | 1,028,687,260 |

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.

Total number of treasury shares as at 30 June 2018 and 31 December 2017 was 251,000. There was no movement for 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 was no movement for the current financial period reported on.

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

These figures have not been audited or reviewed by the 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.

Save as disclosed in point 5 below, the Group has applied the same accounting policies and methods of computation as in the Group's most recently audited financial statements for the financial year ended 31 December 2017.

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.**

On 1 January 2018, the Group adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in any substantial changes to the accounting policies of the Group and the Company and had no material effect on the amounts reported for the current or prior financial years.

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.**

| | Group | |
|--|---------------|---------------|
| | HY2018 | HY2017 |
| (Loss)/ earnings per ordinary share of the group | | |
| Based on weighted average number of ordinary shares on issue (cents) | (0.12) | 0.03 |
| Weighted average number of ordinary shares | 1,031,054,383 | 905,610,101 |
| Based on a fully diluted basis (cents) | (0.12) | 0.02 |
| Fully diluted number of ordinary shares | 1,653,184,637 | 1,653,700,637 |
| Issued share capital at the end of financial period | 1,042,837,260 | 1,018,223,116 |

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.

| | Group | | Company | |
|---|---------------|------------------|---------------|------------------|
| | 30 June 2018 | 31 December 2017 | 30 June 2018 | 31 December 2017 |
| Net asset value per ordinary share based on issued share capital at the end of (cents): | 1.65 | 1.82 | 2.30 | 2.39 |
| No. of shares used in computation of net assets per share | 1,042,837,260 | 1,028,687,260 | 1,042,837,260 | 1,028,687,260 |

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.**

| Group Revenue | \$'000 | \$'000 | % |
|---|---------------|---------------|----------------|
| | HY2018 | HY2017 | Decrease |
| Project Sales | 4,504 | 4,813 | (6.4%) |
| Project Management and Maintenance Services | 10,323 | 11,878 | (13.1%) |
| Total Group | 14,827 | 16,691 | (11.2%) |

| Gross Profit | \$'000 | \$'000 | % |
|---|--------------|--------------|----------------|
| | HY2018 | HY2017 | Decrease |
| Project Sales | 275 | 1,443 | (80.9%) |
| Project Management and Maintenance Services | 1,993 | 3,968 | (49.8%) |
| Total Group | 2,268 | 5,411 | (58.1%) |

(a) **Overview**

The Group's revenue was S\$14.8 million for HY2018 representing a decrease of 11.2% or S\$1.9 million from HY2017 revenue of S\$16.7 million.

Project Sales showed a decline of 6.4% or S\$0.3 million from S\$4.8 million in HY2017 to S\$4.5 million in HY2018. There are sales cycles with Project Sales Segment and the group is experiencing various tender stages for all our markets. Project Management and Maintenance Services showed a decline of 13.1% from S\$11.9 million in HY2017 to S\$10.3 million in HY2018, a decrease of S\$1.6 million.

Although, the Group had secured approximately S\$34.5 million in contracts in the first half of 2018, these new projects only commence in mid-May and the initial revenue contributions from these contracts were unable to cover the operating costs for the period, resulting in the loss. Revenue contributions from these projects are expected to increase in 2HY2018.

(b) **Revenue**

The Group's revenue decreased 11.2% from S\$16.7 million in HY2017 to S\$14.8 million in HY2018.

Project Sales revenue was S\$4.5 million decreased by 6.4% or S\$0.3 million from the previous period (S\$4.8 million). Projects sales segment are currently at the tender stage for all our markets.

Revenue contribution from Project Management and Maintenance Services decreased by 13.1% or S\$1.6 million, due mainly to delay by customer till mid-May 2018 in the implementation of the project leading to this reduction in revenue in this segment.

(c) **Profitability**

The Group posted a gross profit of S\$2.3 million in HY2018, representing a decrease of 58.1% from S\$5.4 million reported in HY2017.

Gross profit from Project Sales decreased by 80.9% from S\$1.4 million in HY2017 to S\$0.3 million in HY2018. There were some delays in mobilisation of projects and as these projects have now started we will expect improvement in the 2HY2018.

Gross profit from Project Management and Maintenance Services decreased by 49.8% from S\$4.0 million in HY2017 to S\$2.0 million in HY2018. This was attributable to the lower revenue generated resulting from the delay in implementation of the project where direct and fixed cost had been incurred.

Equipment and consumables

Equipment and consumables increased by 11.2% from S\$11.5 million in HY2017 to S\$12.8 million in HY2018. The increase was incurred to meet projects commencement for the period.

Freight charges

Freight charges increased by 80.0% from S\$40,000 in HY2017 to S\$72,000 in HY2018. The increase due mainly to more overseas projects instead of local projects in the Project Sales segment.

Commission and consultancy

Commission and consultancy increased from S\$10,000 in HY2017 to S\$0.3 million in HY2018. The increase is in line with increased overseas project completions as mentioned in the previous paragraph.

Changes in inventories and contract work-in-progress

Changes in inventories and contract work-in-progress increased by 116.8% from S\$0.2 million in HY2017 to S\$0.5 million in HY2018. The increase reflects our expectation that more projects will be completed in the second half of the financial year.

Other income

With lesser deposits placed with financial institutions, interest income from bank deposits decreased from S\$16,000 in HY2017 to S\$13,000 in HY2018.

Other gain/ (losses) – net

Other gains/ (losses) decreased by 398.5% from a loss of S\$0.1 million in HY2017 to a gain of S\$0.4 million in HY2018. This was due to higher foreign exchange gains.

Distribution and marketing expenses

Distribution and marketing expenses decreased by 13.0% from S\$23,000 in HY2017 to S\$20,000 in HY2018.

Administrative expenses

Administrative expenses decreased by 3.2% from S\$4.6 million in HY2017 to S\$4.5 million in HY2018. This was mostly due to a decrease in manpower based on the expected requirement for the financial year to cater for the project management services which is labour intensive.

Finance expenses

Finance expenses decreased by 50.0% from S\$128,000 in HY2017 to S\$64,000 in HY2018. This was due to a decrease in borrowings at the beginning of the year.

(d) Statement of Financial Position**Cash and cash equivalent**

Cash and cash equivalents increased from S\$7.4 million as at 31 December 2017 to S\$9.6 million as at 30 June 2018. Please refer to paragraph (e) under the Statement of Cash Flow.

Trade and other receivables

Trade and other receivables decreased by S\$10.7 million from S\$42.8 million as at 31 December 2017 to S\$32.1 million as at 30 June 2018. This is due to more effective collection of outstanding debts during the financial period.

Inventories

Inventories increased marginally from S\$348,000 as at 31 December 2017 to S\$466,000 as at 30 June 2018 due to increase in materials stocked for project implementation in 2HFY2018.

Property, plant and equipment

Property, plant and equipment decreased by S\$0.1 million from S\$1.9 million as at 31 December 2017 to S\$1.8 million as at 30 June 2018. This decrease was due to the purchase of plant and equipment totaling S\$0.2 million which was offset by depreciation of S\$0.3 million.

Trade and other payables

Trade and other payables decreased by S\$6.4 million from S\$13.9 million as at 31 December 2017 to S\$7.4 million as at 30 June 2018. This is in accordance to agreed payment terms.

Current and non-current borrowings

Current and non-current borrowings decreased by S\$0.5 million from S\$20.6 million as at 31 December 2017 to S\$20.1 million as at 30 June 2018, as a result of the Group's repayment of borrowings relating to project financing.

(e) Cash flow

The Group recorded cash and cash equivalent of S\$9.6 million at the end of HY2018. This was an increase of S\$2.2 million from S\$7.4 million as at the end of FY2017.

The Group's net cash provided by operating activities in HY2018 was S\$3.0 million. Operating cash flow before working capital changes of S\$1.3 million was mainly offset by changes in receivables of S\$10.7 million and changes in payables of S\$6.4 million.

The Group's net cash used in investing activities in HY2018 was S\$13,000 for the purchase of office and site equipment.

The Group's net cash used in financing activities in HY2018 amounted to S\$0.1 million, which was due to:-

- repayment of bank loans of S\$1.6 million;
- bank deposits discharged of S\$0.6 million;
- repayment of finance lease of S\$0.2 million;
- payment of interest of S\$63,000, which was partially offset by proceeds from borrowings of S\$1.0 million; and
- proceeds from issuance of shares of S\$0.1 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any 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 outstanding order book (contracts signed) as at 30 June 2018 is S\$78.9 million. The majority of the Group's outstanding order book is in the Singapore, Vietnam and Myanmar, the Group's key markets.

The Group remains committed to seeking opportunities for continued growth and to building recurring and sustainable revenues in the existing key markets of Singapore, Myanmar and Vietnam.

- 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/recommendeded, a statement to that effect.**

No dividend was declared for the 6 month period ended 30 June 2018.

- 13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 902(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company does not have a shareholders' mandate for interested person transactions. There were no transactions with interested persons in 1HFY2018.

14. Use of Proceeds – Warrants conversion

As at 30 June 2018, approximately S\$1.9 million of the proceeds from issuance of shares arising from conversion of warrants has been utilized, in accordance to its intended use as stated in the OIS 20 November 2015, a summary of which is set out below:-

| <u>Items</u> | <u>Amount (S\$)</u> | |
|---|---------------------|------------------|
| Conversion of W181123 | 2,108,532 | |
| Total Net Conversion of Warrants | | 2,108,532 |
| <u>Application of Proceeds</u> | | |
| Professional Fees | 37,420 | |
| Issuance of Warrants | 1,250 | |
| Repayment of bank loans | 1,857,738 | |
| Total Application of Proceeds | | 1,896,408 |
| Balance of Proceeds from Conversion of Warrants which are Unutilised | | 212,124 |

15. Confirmation By the Company Pursuant to Rule 720(1) of the Catalist Rules of Singapore Exchange Securities Trading Limited

The Company confirms that it has procured 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.

16. Negative Assurance Confirmation Statement on Interim Financial Statements

The Board of Directors hereby confirm that to the best of their knowledge, nothing has come to their attention which may render the interim financial statements for the half year ended 30 June 2018, to be false or misleading in any material aspect

For and on behalf of the
Board of Directors of
Ntegrator International Ltd

Chang Joo Whut
Managing Director

Han Meng Siew
Executive Chairman

8 August 2018

BY ORDER OF THE BOARD

Jimmy Chang Joo Whut
Managing Director
8 August 2018

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), Asian Corporate Advisors Pte Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**Exchange**"). The Company's Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.*

This announcement has not been examined or approved by the Exchange and the Exchange 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 Foo Quee Yin.
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