

HC Surgical Specialists Limited
(Incorporated in the Republic of Singapore)
(Company Registration No. 201533429G)

**Unaudited Financial Statement and Dividend Announcement
For the Half Year Ended 30 November 2016**

*HC Surgical Specialists Limited (the "**Company**") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 3 November 2016. The initial public offering of the Company (the "**IPO**") was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**" or "**PPCF**").*

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 person for the Sponsor is Mr Thomas Lam, Associate Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.

Background

The Company was incorporated on 1 September 2015 in Singapore under the Singapore Companies Act as a company limited by shares under the name of "HC Endoscopy & Surgery Pte. Ltd.". The Company changed its name to "HC Surgical Specialists Pte. Ltd." on 25 August 2016, and subsequently to "HC Surgical Specialists Limited" on 28 September 2016. The Company and its subsidiaries and associated company (the "**Group**") is a medical services group primarily engaged in the provision of endoscopic procedures, including gastroscopies and colonoscopies, and general surgery services with a focus on colorectal procedures across a network of clinics located throughout Singapore. Prior to the listing on the Catalist of the SGX-ST on 3 November 2016, the Group undertook a restructuring exercise (the "**Restructuring Exercise**"). Please refer to the Company's offer document dated 25 October 2016 for further details on the Restructuring Exercise. As such, the results of the Group for the half year ended 30 November 2016 were presented in a manner on the basis that the Restructuring Exercise had been completed.

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3) 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

	Group		Change %
	Half Year Ended		
	30 November 2016 (Unaudited) S\$'000	30 November 2015 (Unaudited) S\$'000	
Revenue	4,281	3,853	11.1%
<i>Other items of income</i>			
Other income	54	31	74.2%
Fair value gain on derivative financial instruments	45	-	N.M.
<i>Items of expense</i>			
Inventories and consumables used	(541)	(694)	-22.0%
Employee benefits expense	(1,337)	(757)	76.6%
Depreciation of plant and equipment	(84)	(125)	-32.8%
Other expenses	(2,013)	(655)	207.3%
Finance costs	(306)	(65)	370.8%
Profit before income tax	99	1,588	-93.8%
Income tax expense	(80)	(296)	-73.0%
Profit for the financial period, representing total comprehensive income for the financial period	19	1,292	-98.5%
Profit and total comprehensive income attributable to:			
Owners of the Company	104	1,267	-91.8%
Non-controlling interests	(85)	25	N.M.
	19	1,292	-98.5%

N.M. – Not meaningful

1(a)(ii) Notes to Consolidated Statement of Comprehensive Income

Profit for the financial period is stated after charging the following:	Half Year Ended	
	30 November 2016 (Unaudited) S\$'000	30 November 2015 (Unaudited) S\$'000
Bad third parties trade receivables written off	8	-
Amortisation of intangible asset	3	-
Depreciation of plant and equipment	84	125
IPO expenses	1,258	168

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 November 2016 (Unaudited) S\$'000	31 May 2016 (Audited) S\$'000	30 November 2016 (Unaudited) S\$'000	31 May 2016 (Audited) S\$'000
ASSETS				
Non-current assets				
Plant and equipment	590	523	29	9
Subsidiaries	-	-	2,288	976
Associate	-	-	159	159
Goodwill	1,244	-	-	-
Intangible asset	28	-	3	-
	<u>1,862</u>	<u>523</u>	<u>2,479</u>	<u>1,144</u>
Current assets				
Inventories	79	47	1	-
Trade and other receivables	698	745	3,661	735
Prepayments	128	30	86	9
Cash and cash equivalents	13,440	5,834	11,228	4,114
	<u>14,345</u>	<u>6,656</u>	<u>14,976</u>	<u>4,858</u>
Total assets	<u>16,207</u>	<u>7,179</u>	<u>17,455</u>	<u>6,002</u>
EQUITY AND LIABILITIES				
Equity				
Share capital	12,429	10	12,429	10
Merger reserve	(815)	(815)	-	-
Retained earnings	3,061	2,957	3,276	(505)
Equity attributable to owners of the Company	<u>14,675</u>	<u>2,152</u>	<u>15,705</u>	<u>(495)</u>
Non-controlling interests	54	46	-	-
Total equity	<u>14,729</u>	<u>2,198</u>	<u>15,705</u>	<u>(495)</u>
Non-current liabilities				
Derivative financial instruments	36	-	-	-
	<u>36</u>	<u>-</u>	<u>-</u>	<u>-</u>
Current liabilities				
Trade and other payables	1,077	2,358	1,750	4,419
Redeemable convertible loans	-	699	-	699
Derivative financial instruments	-	1,379	-	1,379
Current income tax payable	365	545	-	-
	<u>1,442</u>	<u>4,981</u>	<u>1,750</u>	<u>6,497</u>
Total equity and liabilities	<u>16,207</u>	<u>7,179</u>	<u>17,455</u>	<u>6,002</u>

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 November 2016 (Unaudited)		As at 31 May 2016 (Audited)	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	-	-	-

Amount repayable after one year

As at 30 November 2016 (Unaudited)		As at 31 May 2016 (Audited)	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	-	-	-

Details of collaterals

Not applicable.

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

	Half Year Ended	
	30 November 2016 (Unaudited) S\$'000	30 November 2015 (Unaudited) S\$'000
Operating activities		
Profit before income tax	99	1,588
Adjustments for:		
Bad third parties trade receivables written off	8	-
Amortisation of intangible asset	3	-
Depreciation of plant and equipment	84	125
Share-based payments		
- Bonus	27	-
- IPO expenses	498	-
Interest income	(26)	-
Interest expense	306	65
Fair value gain on derivative financial instruments	(45)	-
Operating cash flows before working capital changes	954	1,778
Working capital changes:		
Inventories	(22)	(2)
Trade and other receivables	185	(439)
Prepayments	(88)	-
Trade and other payables	110	(508)
Cash generated from operations	1,139	829
Income tax paid	(273)	(295)
Net cash from operating activities	866	534
Investing activities		
Interest received	26	-
Acquisition of subsidiaries, net of cash acquired	(583)	-
Purchase of plant and equipment	(165)	(93)
Net cash used in investing activities	(722)	(93)
Financing activities		
Repayments to Directors of the Company	-	(138)
Dividends paid to owners of the Company	-	(72)
Dividends paid to non-controlling interests	(5)	(42)
Proceeds from issuance of ordinary shares	8,100	10
Share issue expenses	(731)	-
Proceeds from issuance of redeemable convertible loans	-	2,000
Subscription for shares in subsidiary by a non-controlling interest	98	-
Net cash from financing activities	7,462	1,758
Net change in cash and cash equivalents	7,606	2,199
Cash and cash equivalents at beginning of financial period	5,834	549
Cash and cash equivalents at end of financial period	13,440	2,748

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

**Consolidated Statement of Changes in Equity
Group**

(Unaudited)

	Share capital S\$'000	Merger reserve S\$'000	Retained earnings S\$'000	Equity attributable to owners of the Company S\$'000	Non- controlling interests S\$'000	Total equity S\$'000
Balance at 1 June 2016	10	(815)	2,957	2,152	46	2,198
Profit/(Loss) for the financial period	-	-	104	104	(85)	19
Total comprehensive income for the financial period	-	-	104	104	(85)	19
Contributions by owners						
Issue of shares	13,150	-	-	13,150	-	13,150
Share issue expense	(731)	-	-	(731)	-	(731)
Total transactions with owners	12,419	-	-	12,419	-	12,419
Transactions with non-controlling interests						
Subscriptions of shares by non-controlling interest in a newly-incorporated subsidiary	-	-	-	-	98	98
Dividends	-	-	-	-	(5)	(5)
Total transactions with non-controlling interests	-	-	-	-	93	93
Balance at 30 November 2016	12,429	(815)	3,061	14,675	54	14,729

(Unaudited)

Balance at 1 June 2015	110	-	291	401	25	426
Profit for the financial period	-	-	1,267	1,267	25	1,292
Total comprehensive income for the financial period	-	-	1,267	1,267	25	1,292
Contributions by and distributions to owners						
Adjustment pursuant to restructuring exercise	(110)	(815)	-	(925)	-	(925)
Issue of shares	10	-	-	10	-	10
Dividends	-	-	(72)	(72)	-	(72)
Total transactions with owners	(100)	(815)	(72)	(987)	-	(987)
Transactions with non-controlling interests						
Dividends	-	-	-	-	(42)	(42)
Total transactions with non-controlling interests	-	-	-	-	(42)	(42)
Balance at 30 November 2015	10	(815)	1,486	681	8	689

**Statement of Changes in Equity
Company⁽¹⁾**

(Unaudited)	Share capital	Retained earnings	Total equity
	S\$'000	S\$'000	S\$'000
Balance at 1 June 2016	10	(505)	(495)
Profit for the financial period	-	3,781	3,781
Total comprehensive income for the financial period	-	3,781	3,781
Contributions by owners			
Issue of shares	12,419	-	12,419
Total transactions with owners	12,419	-	12,419
Balance at 30 November 2016	12,429	3,276	15,705
(Unaudited)			
Balance at 1 June 2015	-	-	-
Profit for the financial period	-	(201)	(201)
Total comprehensive income for the financial period	-	(201)	(201)
Contributions by owners			
Issue of shares	10	-	10
Total transactions with owners	10	-	10
Balance at 30 November 2015	10	(201)	(191)

- 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, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.**

Shares Capital – Ordinary Shares

	Number of issued shares	Issued and paid-up share capital (S\$)
Balance as at 31 May 2016	10,000	10,000
Capitalisation of directors' loans	1,635,877	1,635,877
	<u>1,645,877</u>	<u>1,645,877</u>
Share split (1:60)	98,752,620	1,645,877
Conversion of redeemable convertible loan	12,345,674	2,339,098
Issue of Shine Shares	3,076,200	498,348
Issue of CTK Shares	1,481,481	400,000
Issue of LJH Shares	555,555	150,000
Issue of CFO Shares	100,000	27,000
	<u>116,311,530</u>	<u>5,060,323</u>
Issue of placement shares at IPO	30,000,000	8,100,000
Set-off of IPO expenses	-	(731,653)
Balance as at 30 November 2016	<u>146,311,530</u>	<u>12,428,670</u>

The Company did not have any convertible instruments as at 30 November 2016. As at 30 November 2015, the Company had outstanding redeemable convertible loan amounting to S\$320,000 which can be converted into 12,345,674 ordinary shares of the Company.

The Company did not have any treasury shares as at 30 November 2016 and 30 November 2015.

- 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**

	As at 30 November 2016	As at 31 May 2016
Total number of issued shares	146,311,530	10,000

The Company did not have any treasury shares as at 30 November 2016 and 31 May 2016.

- 1(d)(iv) A statement showing all sales, transfers, disposals, 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 at the end of, the 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 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 reporting period are consistent with those disclosed in the most recently audited combined financial statements for the financial year ended 31 May 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 applicable new and revised Singapore Financial Reporting Standards ("SFRS") and Interpretations of Financial Reporting Standards ("INT FRS") that are mandatory for the accounting periods beginning on or after 1 June 2016. 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 period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

Earnings per share ("EPS")	Group	
	Half year Ended	
	30-Nov-16 (Unaudited)	30-Nov-15 (Unaudited)
Profit attributable to owners of the Company (S\$)	104,000	1,267,000
Weighted average number of ordinary shares in issue	107,220,815 ⁽¹⁾	98,752,620 ⁽²⁾
Basic EPS (S\$ cents)	0.10	1.28
Fully diluted EPS (S\$ cents) ⁽³⁾	0.31	1.32

Notes:-

- (1) For comparative and illustrative purposes, the weighted average number of ordinary shares in issue for the financial period ended 30 November 2016 was computed based on 98,752,620 ordinary shares, adjusted for issue of (i) 12,345,674 shares to the pre-placement investors in connection to the conversion of the redeemable convertible loan; (ii) 3,076,200 Shine Shares; (iii) 1,481,481 CTK Shares; (iv) 555,555 Ljh Shares; (v) 100,000 CFO Shares and (vi) 30,000,000 placement shares. Items (i) to (v) were issued as at 25 October 2016 and item (vi) was issued as at 1 November 2016.
- (2) For comparative and illustrative purposes, the weighted average number of ordinary shares in issue for the financial period ended 30 November 2015 was computed based on 98,752,620 ordinary shares before the issue of shares in item (1) above.
- (3) The fully diluted EPS was adjusted for the impact from the conversion of the redeemable convertible loans as at 25 October 2016 and outstanding as at 30 November 2015 respectively.

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 period reported on; and
(b) Immediately preceding financial year

Net asset value ("NAV")	Group		Company	
	30-Nov-16 (Unaudited)	31-May-16 (Audited)	30-Nov-16 (Unaudited)	31-May-16 (Audited)
NAV (S\$)	14,675,000	2,152,000	15,705,000	(495,000)
Number of ordinary shares in issue	146,311,530	116,311,530 ⁽¹⁾	146,311,530	116,311,530 ⁽¹⁾
NAV per ordinary share (S\$ cents)	10.03	1.85	10.73	(0.43)

Note:-

- (1) For comparative and illustrative purposes, the number of ordinary shares in issue as at 31 May 2016 was computed based on 116,311,530 ordinary shares immediately before the IPO.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss:-

(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

Review for the performance of the Group for the half year ended 30 November 2016 ("HY2017") as compared to the half year ended 30 November 2015 ("HY2016").

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Revenue

The Group recorded an increase of \$428,000 or approximately 11.1% in revenue for HY2017 as compared to HY2016. The increase was mainly due to the revenue contributions from new subsidiaries during the period.

Other items of income

Other income, comprising mainly of fixed deposits interest, government grants, management fee income and rental income, increased by \$23,000 mainly due to the placements of fixed deposits in HY2017.

Fair value gain on derivative financial instruments arose from the re-measurement of the fair value of the derivative component of the redeemable convertible loans, which was only drawn down in October 2015.

Items of expenses

Inventories and consumables used decreased by \$153,000 or approximately 22.0% due to a reduction in utilization of external facilities.

Employee benefits expense increased by \$580,000 or approximately 76.6%, which \$344,000 was attributable to increased headcount from new subsidiaries.

Depreciation of plant and equipment decreased by \$41,000 or approximately 32.8% due to a revision in the estimated useful life of the plant and equipment.

Other expenses increased by \$1,358,000 or approximately 207.3%, mainly due to one-off IPO expenses of \$1,258,000 and operating expenses for new subsidiaries. The IPO expenses in HY2016 amounted to \$168,000.

Finance costs increased by \$241,000 or approximately 370.8%, due to interest expense on redeemable convertible loans, which was only drawn down in October 2015.

Profit before income tax

Profit before income tax dropped by \$1,489,000 or approximately 93.8%, due to an increase in expenses of \$1,985,000 which was slightly offset by an increase in revenue of \$428,000 and an increase in other income of \$68,000.

Income tax expense

Income tax expense decreased by \$216,000 or approximately 73.0% due to the non-taxable income arising from the fair value gain on derivative financial instruments and higher tax exemption and rebates, and slightly offset by the increase in non-deductible expenses such as the interest expense on the redeemable convertible loan and IPO expenses.

Profit after income tax

As a result of the above, profit after income tax decreased from \$1,292,000 in HY2016 to \$19,000 in HY2017.

Excluding the IPO expenses, interest on redeemable convertible loan and fair value gain on derivative financial instruments, profit after income tax would be \$1,538,000 in HY2017 and \$1,525,000 in HY2016.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The comparative performance for both the assets and liabilities are based on the Group's financial statements as at 30 November 2016 and 31 May 2016.

Non-current assets

Plant and equipment increased by \$67,000 mainly due to the acquisition of subsidiaries and the purchase of plant and equipment, partially offset by depreciation of plant and equipment.

Goodwill amounting to \$1,244,000 arose from the acquisition of Lai Bec Pte. Ltd. and CTK Tan Surgery Pte. Ltd..

Intangible assets of \$28,000 related to software purchased during the period and reclassification from plant and equipment.

Current assets

Trade and other receivables decreased by \$47,000 due to increased collections from patients arising from more efficient collection process.

Prepayment increased by \$98,000 due to insurance, information technology and other expenses and acquisition of subsidiaries.

Cash and cash equivalents increased by \$7,606,000 mainly due to the net proceeds of \$6,180,000 received from the IPO.

Non-current liabilities

Derivative financial instruments relate to the fair value of the options to re-purchase granted under the sale and purchase agreements of Lai Bec Pte. Ltd. and CTK Tan Surgery Pte. Ltd..

Current liabilities

Trade and other payables decreased by \$1,281,000 mainly due to capitalisation of directors' loans of \$1,635,877 into shares of the Company pursuant to the Restructuring Exercise.

Redeemable convertibles loans and derivative financial instruments as at 31 May 2016 were converted into shares of the Company pursuant to the Restructuring Exercise.

Current income tax payable decreased by \$180,000 due to the payment of income tax liability.

CONSOLIDATED STATEMENT OF CASH FLOWS

The Group recorded a net cash from operating activities of \$866,000 in HY2017 compared to \$534,000 in HY2016, due to improved collections from patients and better use of the credit terms given by suppliers.

Net cash used in investing activities amounted to \$722,000 in HY2017 related to the acquisitions of subsidiaries, Lai Bec Pte. Ltd. and CTK Tan Surgery Pte. Ltd., and purchase of plant and equipment.

Net cash from financing activities amounted to \$7,462,000, arose mainly from the gross IPO proceeds received in HY2017 of \$8,100,000. Net cash from financing activities in HY2016 amounted to \$1,758,000 mainly from the \$2,000,000 proceeds from issuance of redeemable convertible loans.

Overall, the Group recorded a net increase in cash and cash equivalents of \$7,606,000 in HY2017, due to IPO proceeds and increased collections from patients, which was offset by the acquisitions of new subsidiaries.

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

Not applicable as no specific forecast or a prospect statement has been issued previously.

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 expects the operating environment of the medical industry to remain challenging for the next 12 months due to the dampening of the economic climate in Singapore and the region. In addition, the rising business and operating costs, partly due to the listing status, will continue to exert pressure on the profit of the Group. Nevertheless, the Group will continue to remain focus on driving revenue, improving operating efficiencies in a bid to contain costs.

We will continue to look for opportunities to expand into the heartlands and suitable partners in our expansion plans.

11. Dividend

If a decision regarding dividend has been made: -

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

Yes

Name of Dividend	Interim
Dividend Type	Ordinary
Dividend Amount per Share (in S\$ cents)	1.8 cents per ordinary share (one tier tax)
Tax Rate	Tax Exempt

- (b) Previous corresponding period (cents)

Nil

- (c) The date the dividend is payable.

The dividend will be paid on 20 January 2017.

- (d) The date on which Registrable Transfers received by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Notice is hereby given that the Share Transfer Books and Register of Members of the Company will be closed on 12 January 2017 on which day no share transfer will be effected.

Duly completed registrable transfers received by the Company's Share Registrar, Tricor Singapore Pte Ltd, 80 Robinson Road #02-00, Singapore 068898, up to the close of business at 5.00 p.m. on 11 January 2017 will be registered to determine shareholders.

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 interested person transactions ("IPT"), 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. Use of IPO proceeds

The Company refers to the net cash proceeds amounting to S\$6.18 million (excluding listing expenses of approximately S\$1.68 million) raised from the IPO on the Catalist Board of SGX-ST on 3 November 2016).

As at the date of this announcement, the status on the use of the IPO net proceeds is as follows:

<u>Use of IPO net proceeds</u>	<u>Amount allocated (S\$'000)</u>	<u>Amount utilised (S\$'000)</u>	<u>Balance (S\$'000)</u>
Expand business operations locally and regionally	2,800	-	2,800
Expand surgical facilities	1,200	-	1,200
Working capital	2,180	-	2,180
Total	6,180	-	6,180

IPO net proceeds had not been utilised as at 30 November 2016.

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

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

16. Negative Confirmation by the Board Pursuant to Rule 705(5) of the Catalist Listing Manual

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 half year ended 30 November 2016 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Dr. Heah Sieu Min
Executive Director and Chief Executive Officer
3 January 2017