

SECOND CHANCE PROPERTIES LTD

UNAUDITED FIRST QUARTER FINANCIAL RESULTS FOR THE PERIOD ENDED 30-11-2018

Note: All figures are in Singapore Dollars

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY, HALF-YEARLY AND FULL 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

	Group		
	<u>For the 3 months ended</u>		
	<u>30-11-2018</u>	<u>30-11-2017</u>	<u>Change</u>
	\$ '000	\$ '000	%
Revenue	6,468	6,117	5.74
Cost of sales	(3,003)	(3,085)	(2.66)
Gross profit	3,465	3,032	14.28
Other income	162	1,024	(84.18)
<u>Expenses</u>			
Distribution expenses	(111)	(74)	50.00
Property operating expenses	(238)	(296)	(19.59)
Gold operating expenses	(56)	(55)	1.82
Apparels operating expenses	(152)	(279)	(45.52)
Administrative expenses	(573)	(842)	(31.95)
Other operating expenses	-	(23)	nm
	(1,130)	(1,569)	(27.98)
Profit from operations	2,497	2,487	0.40
(Loss)/gain on fair valuation of financial assets, at fair value through profit or loss	(2,085)	36	nm
Finance costs	(180)	(156)	15.38
Profit before income tax	232	2,367	(90.20)
Income tax expense	(14)	(136)	(89.71)
Net profit	218	2,231	(90.23)

Net profit	218	2,231	(90.23)
<u><i>Other Comprehensive Income</i></u>			
Financial assets, at fair value through OCI			
-Fair value (loss)/gains	(4,414)	285	nm
Currency translation differences arising from consolidation - (loss)/gains	(388)	724	nm
Other comprehensive loss, net of tax	(4,802)	1,009	nm
Total comprehensive (loss)/income	(4,584)	3,240	nm

<u>Notes</u>	Group	
	<u>For the 3 months ended</u>	
	<u>30-11-2018</u>	<u>30-11-2017</u>
	\$ '000	\$ '000
Net profit is arrived at after crediting / (charging)		
Dividend/coupon income	1,132	943
Gain on disposal of property held-for-sale	-	600
Expenses include:		
Depreciation of property, plant and equipment	38	131
Total directors' remuneration	125	306
Directors' CPF	9	9
Directors' fees	1	26
Loss on disposal of financial assets, at fair value through profit or loss	1	4
Foreign exchange loss/(gain)	193	(414)
Finance costs		
Interest expenses:-		
Short-term loans	180	142
Long-term loans	-	14
	180	156

nm – not meaningful

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	
	<u>30-11-2018</u>	<u>31-08-2018</u>	<u>30-11-2018</u>	<u>31-08-2018</u>
	\$ '000	\$ '000	\$ '000	\$ '000
<u>ASSETS</u>				
Current assets				
Cash and cash equivalents	10,680	10,804	544	435
Trade and other receivables	454	418	9,237	9,550
Inventories	14,566	14,051	767	796
Other current assets	357	327	145	138
Income tax recoverable	86	62		
Financial assets, at fair value through profit or loss	28,742	31,201	-	-
Total current assets	54,885	56,863	10,693	10,919
Non-current assets				
Amounts due from subsidiaries	-	-	180,270	181,352
Investments in subsidiaries	-	-	17,231	17,231
Financial assets, at fair value through other comprehensive income	51,832	56,294	40,135	43,959
Property, plant and equipment	21,333	21,749	39	43
Investment properties	170,470	170,470	13,500	13,500
Total non-current assets	243,635	248,513	251,175	256,085
Total assets	298,520	305,376	261,868	267,004
<u>LIABILITIES AND EQUITY</u>				
Current liabilities				
Borrowings	37,550	39,100	37,550	39,100
Trade payables	1,930	2,243	159	225
Other payables	416	796	299	643
Current income tax liabilities	589	683	157	144
Total current liabilities	40,485	42,822	38,165	40,112
Non-current liabilities				
Borrowings	-	-	-	-
Deferred income tax liabilities	359	294	7	7
Total non-current liabilities	359	294	7	7
Total liabilities	40,844	43,116	38,172	40,119
Net assets	257,676	262,260	223,696	226,885
<u>EQUITY</u>				
Capital and reserves attributable to equity holders of the Company				
Share capital	138,248	138,248	138,248	138,247
Reserves	119,428	124,012	85,448	88,638
Total equity	257,676	262,260	223,696	226,885

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

As at 30-11-2018		As at 31-08-2018	
<i>Secured</i>	<i>Unsecured</i>	<i>Secured</i>	<i>Unsecured</i>
\$37,550,000	\$44,404	\$39,100,000	\$12,121

Amount repayable after one year

As at 30-11-2018		As at 31-08-2018	
<i>Secured</i>	<i>Unsecured</i>	<i>Secured</i>	<i>Unsecured</i>
-	-	-	-

Details of Collateral

The Group's bank borrowings are secured by the mortgage of freehold, leasehold lands and buildings of the subsidiaries, investment properties of the Group and assignment of rental proceeds from these properties.

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	
	<u>For the 3 months ended</u>	
	<u>30-11-2018</u>	<u>30-11-2017</u>
	\$ '000	\$ '000
Cash flows from operating activities		
Net profit	218	2,231
Adjustments for		
-Income tax expense	14	136
-Depreciation of property, plant and equipment	38	131
-Interest income from bank deposits	(103)	(281)
-Finance expense	180	156
-Gain on disposal of property held-for-sale	-	(600)
-Unrealised currency translation differences	(16)	(196)
	331	1,577
Changes in working capital		
-Financial assets at fair value through profit or loss	2,459	(3,053)
-Inventories	(515)	388
-Trade and other receivables	(71)	79
-Trade and other payables	(690)	(3,052)
Net cash generated from operations	1,514	(4,061)
Income taxes paid	(60)	(146)
Interest received	103	281
Interest paid	(180)	(172)
Net cash provided by/(used in) operating activities	1,377	(4,098)
Cash flows from investing activities		
-Proceeds on disposal of financial assets at fair value through other comprehensive income	49	58
-Disposal of investment property held-for-sale	-	10,000
-Purchase of financial assets at fair value through other comprehensive income	-	(5,897)
Net cash provided by investing activities	49	4,161
Cash flows from financing activities		
-Proceeds from issue of shares	-	1,119
-Proceeds from bank borrowings	26,400	24,004
-Repayment of bank borrowings	(27,950)	(24,696)
Net cash (used in)/provided by financing activities	(1,550)	427
Net decrease in cash and cash equivalents	(124)	490
Cash and cash equivalents at beginning of financial period	10,804	6,516
Cash and cash equivalents at end of financial period	10,680	7,006
Cash and cash equivalents consist of:		
Cash at bank	10,680	7,006
	10,680	7,006

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

Group

	Share Capital	Assets Revaluation Reserve	Fair Value Reserve	Translation Reserve	Retained Earnings	Total
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Balance as at 30 November 2017	138,226	7,849	9,074	(5,948)	114,513	263,714
Issue of share capital	22	-	-	-	-	22
Dividends paid	-	-	-	-	(2,265)	(2,265)
Total comprehensive (loss)/income for the period	-	-	(3,171)	519	1,958	(694)
Balance as at 28 February 2018	138,248	7,849	5,903	(5,429)	114,206	260,777
Total comprehensive (loss)/income for the period	-	-	(2,486)	(78)	2,077	(487)
Balance as at 31 May 2018	138,248	7,849	3,417	(5,507)	116,283	260,290
Total comprehensive income/(loss) for the period	-	115	408	(196)	1,643	1,970
Balance as at 31 August 2018	138,248	7,964	3,825	(5,703)	117,926	262,260
Total comprehensive (loss)/income for the period	-	-	(4,414)	(388)	218	(4,584)
Balance as at 30 November 2018	138,248	7,964	(589)	(6,091)	118,144	257,676

	Share Capital	Assets Revaluation Reserve	Fair Value Reserve	Translation Reserve	Retained Earnings	Total
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Balance as at 30 November 2016	138,319	9,439	7,557	(6,593)	105,578	254,300
Share buyback	(1,594)	-	-	-	-	(1,594)
Dividends paid	-	-	-	-	(1,511)	(1,511)
Total comprehensive income/(loss) for the period	-	-	2,555	(214)	1,977	4,318
Balance as at 28 February 2017	136,725	9,439	10,112	(6,807)	106,044	255,513
Total comprehensive (loss)/income for the period	-	-	(717)	529	5,404	5,216
Balance as at 31 May 2017	136,725	9,439	9,395	(6,278)	111,448	260,729
Issue of share capital	382	-	-	-	-	382
Total comprehensive (loss)/income for the period	-	(1,590)	(606)	(394)	834	(1,756)
Balance as at 31 August 2017	137,107	7,849	8,789	(6,672)	112,282	259,355
Issue of share capital	1,119	-	-	-	-	1,119
Total comprehensive income for the period	-	-	285	724	2,231	3,240
Balance as at 30 November 2017	138,226	7,849	9,074	(5,948)	114,513	263,714

Company

	Share Capital	Fair Value Reserve	Retained Earnings	Total
	\$ '000	\$ '000	\$ '000	\$ '000
Balance as at 30 November 2017	138,226	8,713	83,825	230,764
Issue of share capital	22	-	-	22
Dividends paid	-	-	(2,265)	(2,265)
Total comprehensive (loss)/income for the period	-	(1,992)	313	(1,679)
Balance as at 28 February 2018	138,248	6,721	81,873	226,842
Total comprehensive (loss)/income for the period	-	(2,053)	442	(1,611)
Balance as at 31 May 2018	138,248	4,668	82,315	225,231
Total comprehensive income for the period	-	620	1,035	1,655
Balance as at 31 August 2018	138,248	5,288	83,350	226,886
Total comprehensive (loss)/income for the period	-	(3,775)	585	(3,190)
Balance as at 30 November 2018	138,248	1,513	83,935	223,696

	Share Capital	Fair Value Reserve	Retained Earnings	Total
	\$ '000	\$ '000	\$ '000	\$ '000
Balance as at 30 November 2016	138,319	6,700	84,417	229,436
Share buyback	(1,594)	-	-	(1,594)
Dividends paid	-	-	(1,511)	(1,511)
Total comprehensive income for the period	-	1,276	510	1,786
Balance as at 28 February 2017	136,725	7,976	83,416	228,117
Total comprehensive income for the period	-	1,432	1,411	2,843
Balance as at 31 May 2017	136,725	9,408	84,827	230,960
Issue of share capital	382	-	-	382
Total comprehensive loss for the period	-	(594)	(1,254)	(1,848)
Balance as at 31 August 2017	137,107	8,814	83,573	229,494
Issue of share capital	1,119	-	-	1,119
Total comprehensive (loss)/income for the period	-	(101)	252	151
Balance as at 30 November 2017	138,226	8,713	83,825	230,764

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 maybe 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

There was no movement in the share capital for the period ended 30 November 2018.

The company had issued new warrants having an exercise price of \$0.25 on 23 January 2017. These new warrants will expire on 23 January 2020. The number of shares that may be issued on conversion of the convertibles is as follows:

	30-11-2018	30-11-2017
Warrants – New	747,709,180	747,794,853

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.

	<u>As at</u> <u>30-11-2018</u>	<u>As at</u> <u>31-08-2018</u>
Total number of issued shares	755,032,224	755,032,224
Less: Treasury shares	-	-
Total number of issued shares excluding treasury shares	755,032,224	755,032,224

1(d)(iv) 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.

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.

Not applicable.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice (eg. The Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have neither been audited nor reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

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

All accounting policies and methods of computation applied are the same as those in the most recently audited annual financial statements.

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 applicable Singapore Financial Reporting Standards International ("SFRS(I)") that become effective for the financial periods beginning on or after 1 September 2018. The adoption of these standards did not result in substantial changes to the Group's accounting policies and methods of computation, and there is no material impact to the financial statements of the Group for the current financial period reported on.

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 <u>For the 3 months ended</u>	
	<u>30-11-2018</u>	<u>30-11-2017</u>
Earnings per share	0.03 cents	0.30 cents
Earnings per share on fully diluted basis	0.03 cents	0.29 cents

The calculation of earnings per share for the period ended 30 November 2018 and 30 November 2017 are based on the weighted average number of shares in issue of 755,032,224 and 753,247,515 respectively.

There was no dilution in earnings per share for the quarter ended 30 November 2018 as the average market price of the Company's shares for the year was less than the exercise price of the new warrants of \$0.25.

The diluted earnings per share for the previous quarter ended 30 November 2017 was computed considering the average number of shares that would have been issued at fair value if all the new warrants were exercised at the exercise price of \$0.25.

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>Group</u> <u>30-11-2018</u>	<u>Group</u> <u>31-08-2018</u>	<u>Company</u> <u>30-11-2018</u>	<u>Company</u> <u>31-08-2018</u>
Net asset value per share	34.13 cents	34.73 cents	29.63 cents	30.05 cents

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 include a discussion of 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on

Notes:

- 1. Throughout the review in this section, FP 2019 refers to the financial period of three months ended 30 November 2018. FP 2018 refers to the three months period ended 30 November 2017.*
- 2. Adjusted EBITDA is the operating earnings before interest expenses, tax, depreciation, divestment and revaluation gains/deficits on non-current assets and foreign exchange differences.*

OVERVIEW

The Group net profit decreased by \$2.01 million from \$2.23 million in FP 2018 to \$0.22 million in FP 2019.

Revenue increased by \$0.35 million to \$6.47 million in FP 2019 from \$6.12 million in FP 2018.

Adjusted EBITDA decreased by \$1 million from \$1.64 million in FP 2018 to \$0.64 million in FP 2019.

REVENUE

Revenue increased by \$0.35 million to \$6.47 million in FP 2019 from \$6.12 million in FP 2018.

Below is the contribution of the various business segments to revenue:

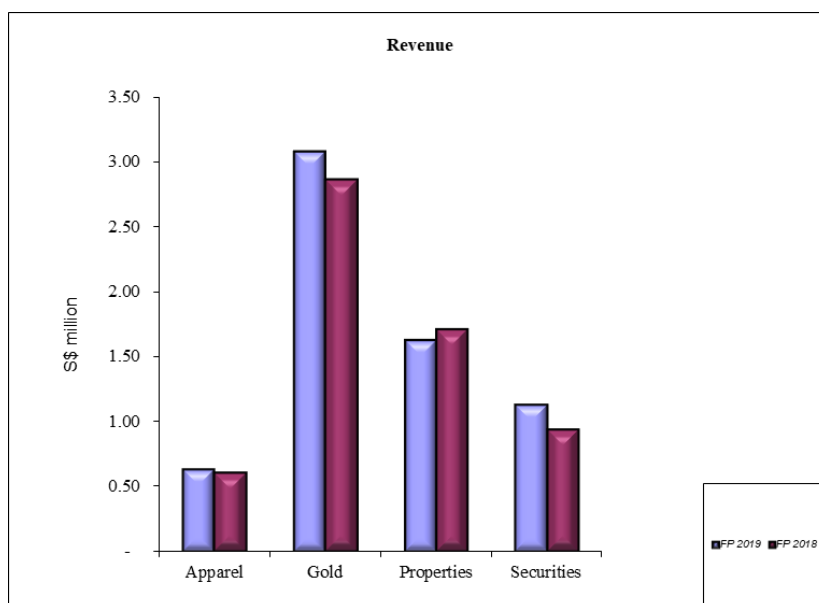
Revenue	FP 2019	FP 2018	Variance	
	\$ million	\$ million	\$ million	%
Apparel	0.63	0.61	0.02	3.28%
Gold	3.08	2.86	0.22	7.69%
Properties	1.63	1.71	(0.08)	-4.68%
Securities	1.13	0.94	0.19	20.21%

The revenue from apparel business increased marginally by \$0.02 million from \$0.61 million in FP 2018 to \$0.63 million in FP 2019. Of the \$0.63 million in FP 2018, Malaysian apparel business contributed \$0.37 million as compared to \$0.42 million in FP 2018. The depreciation in Malaysian Ringgit resulted in lower revenue being reported from Malaysia. However, better sales in Singapore during the current period helped to off-set the decreased revenue from Malaysia.

The revenue from gold business increased by \$0.22 million from \$2.86 million in FP 2018 to \$3.08 million in FP 2019 mainly due to better performance of this segment as lower sales price helped in increasing the sales during the current period.

Rental revenue from properties decreased by \$0.08 million from \$1.71 million in FP 2018 to \$1.63 million in FP 2019. There was a loss of rental income on account of sale of an investment property since the end of the prior period as well as lower rentals received on some lease renewals.

The securities business witnessed a rise in revenue of \$0.19 million from \$0.94 million in FP 2018 to \$1.13 million in FP 2019 because of increased dividends received from some equity securities during the current period.



Other income consists mainly of unrealised foreign exchange loss/gain, interest on bank deposits and profit from sale of investment property. In FP 2019, there was unrealized foreign exchange loss of \$0.19 million which resulted in decreasing the other income to \$0.16 million. However in FP 2018, because of the strengthening of Malaysian Ringgit, there was unrealised foreign exchange gain of \$0.41 million as well as a profit of \$0.60 million on sale of one investment property which resulted in generating other income of \$1.02 million.

PROFIT

The Group net profit decreased by \$2.01 million from \$2.23 million in FP 2018 to \$0.22 million in FP 2019.

The contribution from various business segments are illustrated below (the contributions are before interest, tax and unallocated expenses).

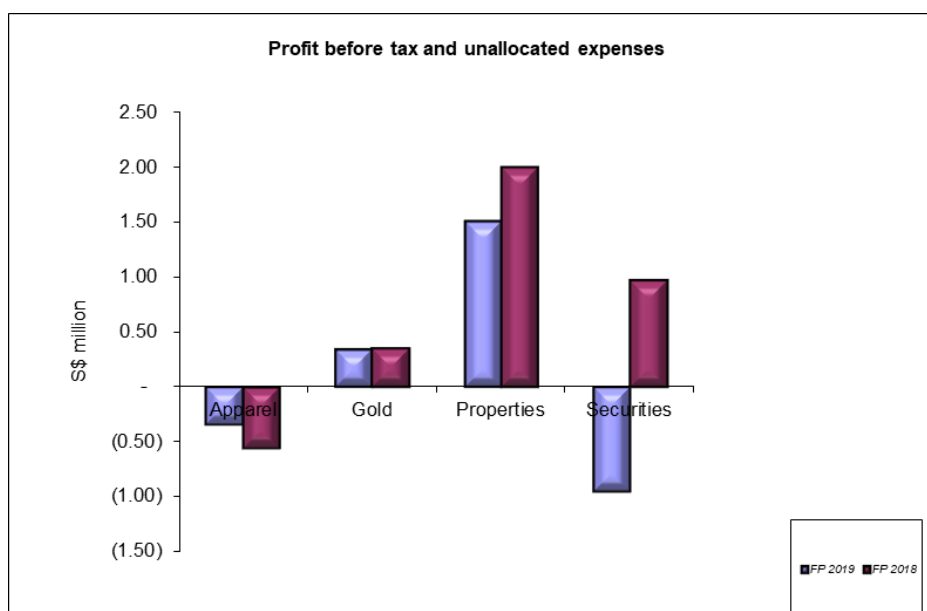
	FP 2019	FP 2018	Variance	
	\$ million	\$ million	\$ million	%
Apparel	(0.34)	(0.56)	0.22	-39.29%
Gold	0.34	0.35	(0.01)	-2.86%
Properties	1.51	2.00	(0.49)	-24.50%
Securities	(0.95)	0.97	(1.92)	-197.94%

The loss from apparel business decreased by \$0.22 million from \$0.56 million in FP 2018 to \$0.34 million in FP 2019. The closure of all retail apparel outlets except the flagship First Lady store in Malaysia helped in lowering losses from the apparel business segment especially in Malaysia as fixed costs were eliminated.

The gold business contributed \$0.34 million in FP 2019 which was lower by just \$0.01 million from the \$0.35 million generated in FP 2018. Despite increased revenue during the current period, lower gross profit margin resulted in decreased profit from this segment during the current period.

Properties segment witnessed \$1.51 million profit in FP 2019 which was a decline of \$0.49 million since the prior period. This is mainly due to lower rental income as compared to that in the last financial period.

The securities segment reported a loss of \$0.95 million in FP 2019 as compared to a profit of \$0.97 million in FP 2018. This was mainly because in FP 2019, unrealized loss of \$2.09 million was recorded on financial assets, at fair value through profit or loss i.e. the financial assets held for trading purpose as compared to an unrealized gain of \$0.04 million in FP 2018.



The income tax expense decreased by \$0.13 million from \$0.14 million in FP 2018 to \$0.01 million in FP 2019 mainly due to decreased taxable profits in the current year.

Interest expenses increased from \$0.16 million in FP 2018 to \$0.18 million in FP 2019 because of higher interest rates during the current period as compared to the prior period.

Adjusted EBITDA

Adjusted EBITDA decreased by \$1 million from \$1.64 million in FP 2018 to \$0.64 million in FP 2019. This was mainly because of the unrealized loss of \$2.09 million recorded on financial assets at fair value through profit or loss in the current period.

The details of Adjusted EBITDA calculation is as below:

<u>Adjusted EBITDA*</u>	<u>FP 2019</u>	<u>FP 2018</u>
	<u>\$ '000</u>	<u>\$ '000</u>
Net Profit	218	2,231
<u>Add/(Less):</u>		
Interest expenses	180	156
Taxes	14	136
Depreciation	38	131
Fair valuation gain on property held for sale	-	-
Divestment gains of property held-for-sale	-	(600)
Exchange differences	193	(414)
	643	1,640

**Earnings before interest, tax, depreciation, exchange gains/losses, revaluation gains/deficit, divestment profits/losses*

CASH FLOW

The net cash generated from operating activities was \$1.38 million in FP 2019.

Capital distribution from financial assets at fair value through other comprehensive income generated \$0.05 million and the Group had drawn down an amount of \$26.40 million from banks.

An amount of \$27.95 million was utilized from the above to repay bank borrowings.

Cash and cash equivalents at the end of the period i.e. 30 November 2018 was \$10.68 million while it was \$10.80 million at the beginning of the period i.e. 31 August 2018. Thus, there was a decrease of \$0.12 million through the period.

FINANCIAL POSITION AS AT 30 NOVEMBER 2018

Investment properties of the Group totaled \$170.47 million.

As at 30 November 2018, financial assets at fair value through other comprehensive income comprised of equities valued at \$51.83 million and financial assets at fair value, through profit or loss comprised of fixed income securities and equities valued at \$7.61 million and \$21.13 million respectively. There was a decrease of \$4.41 million in the market value of financial assets at fair value through other comprehensive income at 30 November 2018 as compared to 31 August 2018 and this loss was taken directly to equity. For financial assets at fair value, through profit or loss, there was an unrealised loss of \$2.09 million during FP 2019 which was taken to the income statement.

Inventories at 30 November 2018 totaled \$14.57 million of which \$12.06 million was gold stock.

WORKING CAPITAL

The Group had a positive working capital of \$14.40 million as at 30 November 2018 while the working capital stood at \$14.04 million as at 31 August 2018.

BANK BORROWINGS

The short term borrowings of the Group totaled \$37.55 million at 30 November 2018 while the borrowings totaled \$39.10 million at 31 August 2018. The gearing ratio of the Group improved marginally from 0.11 at 31 August 2018 to 0.10 at 30 November 2018.

SHARE CAPITAL

There was no movement in the share capital during the current period and it stood at \$138.25 million as at 30 November 2018. There were 755.03 million shares in float as at 30 November 2018. Total shareholders' equity amounted to \$257.68 million and NTA per share was 34.13 cents as at 30 November 2018.

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

The first quarter results are in line with disclosures made in the previous announcement of results of the Group.

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 pace of economic growth in the Singapore economy is expected to slowdown in 2019.

In Malaysia, we will only have our flagship First Lady store operational which is expected to be profitable. First Lady Singapore is facing great challenges mainly from stiff competition and changes have been implemented to reverse the losses.

The gold business is expected to remain profitable.

The downward pressure on retail rents coupled with loss of rental income from properties sold will result in lower rental income for the Group.

Interest rates continue to increase and are expected to increase further in the near future.

Market forces will determine the performance of the financial instruments sector.

11. If a decision regarding dividend has been made:-

(a) *Whether an interim (final) ordinary dividend has been declared (recommended)*

No

(b)

(i) Amount per share cents – Not applicable

(ii) Previous corresponding period cents - Not applicable

(c) *Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)*

Not applicable

(d) *The date the dividend is payable*

Not applicable

(e) The date on which Registrable Transfers received by the company (up to 5.00pm) will be registered before entitlements to the dividend are determined

Not applicable

12. If no dividend has been declared (recommended), a statement to that effect

No dividend has been declared or recommended for the current period ended 30 November 2018.

13. If the Group has obtained a general mandate from shareholders for IPTs, 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.

There were no interested person transactions for the quarter under review. The Company does not have a general mandate from its shareholders for the interested person transaction.

14. Negative confirmation pursuant to Rule 705(5)

To the best of our knowledge, nothing has come to the attention of the Board of Directors, which may render the financial statements for the three months period ended 30 November 2018 to be false or misleading in any material aspect.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1)

The Company hereby confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

On behalf of the Board of Directors

Mohamed Salleh
s/o Kadir Mohideen Saibu Maricar
CEO

Mohamed Hasan Marican
s/o Kadir Mohideen Saibu Maricar
Deputy CEO

27 December 2018