



Third Quarter Financial Statements For The Period Ended 31 December 2016

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

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

| OSSIA INTERNATIONAL LIMITED | Group Third Quarter Ended 31 Dec | | | % | Group 9 months Ended 31 Dec | | |
|----------------------------------------------------------------------|----------------------------------------|--------------|---------|----------------|-----------------------------------|---------|--------|
| | 2016 | 2015 | Change | | 2016 | 2015 | Change |
| | \$'000 | \$'000 | | | \$'000 | \$'000 | |
| Revenue | 8,986 | 10,484 | (14.3) | 23,076 | 26,452 | (12.8) | |
| Cost of sales | (4,545) | (5,015) | (9.4) | (11,589) | (12,873) | (10.0) | |
| Gross profit | 4,441 | 5,469 | (18.8) | 11,487 | 13,579 | (15.4) | |
| Other operating income | 181 | 125 | 45.1 | 301 | 141 | 113.5 | |
| Distribution costs | (3,196) | (3,875) | (17.5) | (9,370) | (11,065) | (15.3) | |
| Administrative expenses | (1,489) | (1,497) | N/M | (4,052) | (4,726) | (14.3) | |
| Other operating expenses | (32) | - | N/M | (104) | - | N/M | |
| Profit/(Loss) from operations | (94) | 222 | (142.3) | (1,738) | (2,071) | (16.1) | |
| Interest income | 15 | 17 | (11.2) | 23 | 24 | (4.2) | |
| Finance expense | (49) | (62) | (21.1) | (140) | (194) | (27.8) | |
| Share of results of the associated company | 365 | 838 | (56.5) | 1,569 | 17 | 9,129.4 | |
| Profit/(loss) before income tax | 237 | 1,015 | (76.6) | (286) | (2,224) | (87.1) | |
| Income tax | (12) | (160) | (92.5) | (57) | (36) | 58.3 | |
| Profit/(loss) after income tax | 225 | 855 | (73.7) | (343) | (2,260) | (84.8) | |
| Profit/(loss) attributable to: | | | | | | | |
| Owners of the Company | 145 | 842 | (82.7) | (415) | (2,286) | (81.8) | |
| Non-controlling interests | 79 | 13 | 504.6 | 72 | 26 | 176.9 | |
| | 225 | 855 | (73.7) | (343) | (2,260) | (84.8) | |
| Other comprehensive income | | | | | | | |
| Items that will not be reclassified to profit or loss | | | | | | | |
| Share of gain on property revaluation of associated company | - | 1,706 | N/M | - | 390 | N/M | |
| Items that may be reclassified subsequently to profit or loss | | | | | | | |
| Foreign currency translation | (392) | (36) | N/M | (391) | (1,352) | N/M | |
| Other comprehensive income for the period, net of tax | (392) | 1,670 | N/M | (391) | (962) | N/M | |
| Total comprehensive income for the period | (167) | 2,525 | N/M | (734) | (3,222) | N/M | |
| Total comprehensive income attributable to: | | | | | | | |
| Owners of the Company | (134) | 2,515 | | (701) | (3,235) | N/M | |
| Non-controlling interests | (33) | 10 | N/M | (33) | 13 | -35385% | |
| | (167) | 2,525 | N/M | (734) | (3,222) | N/M | |

NM - Not meaningful

1(a)(ii) Note:-

| | Notes | Group | | | Group | | |
|----------------------------------------------------------------|-------|---------------|--------|-------------|--------------|--------|-------------|
| | | Third Quarter | | % Change | 9 Months | | % Change |
| | | Ended 31 Dec | | | Ended 31 Dec | | |
| | 2016 | 2015 | | 2016 | 2015 | | |
| | | \$'000 | \$'000 | | \$'000 | \$'000 | |
| Loss from operations is arrived at after charging/(crediting): | | | | | | | |
| Depreciation of property, plant and equipment | | 423 | 431 | (1.9) | 1,302 | 1,248 | 4.3 |
| (Gain)/loss on disposal of property, plant and equipment | | (18) | - | N/M | (18) | 54 | (133.3) |
| Write-off of property, plant and equipment | | 30 | 6 | N/M | - | 13 | (100.0) |
| Net foreign exchange loss | | 54 | 63 | (13.8) | 15 | 317 | (95.3) |
| Write-back of allowance for inventory obsolescence | | (232) | (20) | N/M | (232) | (1) | N/M |

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.

| OSSIA INTERNATIONAL LIMITED | The Group | | The Company | |
|-----------------------------------------------------------|--------------------|-------------------|--------------------|-------------------|
| | 31.12.16 \$'000 | 31.3.16 \$'000 | 31.12.16 \$'000 | 31.3.16 \$'000 |
| ASSETS | | | | |
| Current assets | | | | |
| Inventories | 10,663 | 12,225 | 98 | - |
| Trade and other receivables | 9,632 | 7,926 | 4,061 | 3,747 |
| Prepayment | 313 | 208 | 4 | 24 |
| Other financial assets | 932 | 1,368 | - | 15 |
| Other non-financial assets | 135 | 136 | - | - |
| Assets of disposal group classified as held for sale | 2,317 | - | 569 | - |
| Cash and bank balances | 2,479 | 5,422 | 13 | 44 |
| | <u>26,471</u> | <u>27,285</u> | <u>4,747</u> | <u>3,830</u> |
| Non-current assets | | | | |
| Investment in associated company | 20,234 | 19,608 | 13,252 | 13,252 |
| Investment in subsidiaries | - | - | 1,077 | 1,646 |
| Property, plant and equipment | 2,834 | 3,645 | 41 | 64 |
| Deferred tax assets | 109 | 105 | - | - |
| | <u>23,177</u> | <u>23,358</u> | <u>14,370</u> | <u>14,962</u> |
| Total assets | <u>49,648</u> | <u>50,643</u> | <u>19,116</u> | <u>18,792</u> |
| LIABILITIES | | | | |
| Current liabilities | | | | |
| Trade and other payables | 5,473 | 6,030 | 783 | 687 |
| Amount due to directors | 960 | 701 | 960 | 701 |
| Bills payable | 2,529 | 2,125 | - | - |
| Borrowings | 3,632 | 4,787 | - | - |
| Income tax liabilities | - | 64 | - | - |
| Liabilities of disposal group classified as held for sale | 513 | - | - | - |
| | <u>13,107</u> | <u>13,707</u> | <u>1,744</u> | <u>1,388</u> |
| Non-current liabilities | | | | |
| Borrowings | 2,471 | 2,082 | - | - |
| | <u>2,471</u> | <u>2,082</u> | <u>-</u> | <u>-</u> |
| Total liabilities | <u>15,578</u> | <u>15,789</u> | <u>1,744</u> | <u>1,388</u> |
| Net assets | <u>34,070</u> | <u>34,854</u> | <u>17,373</u> | <u>17,404</u> |
| SHAREHOLDERS' EQUITY | | | | |
| Share capital | 31,351 | 31,351 | 31,351 | 31,351 |
| Revaluation reserve | 3,126 | 3,088 | - | - |
| Legal reserve | 1,328 | 1,328 | - | - |
| Translation reserve | (5,347) | (4,830) | - | - |
| Accumulated profits/(losses) | 3,048 | 3,321 | (13,978) | (13,947) |
| | <u>33,506</u> | <u>34,258</u> | <u>17,373</u> | <u>17,404</u> |
| Total shareholders' equity | <u>33,506</u> | <u>34,258</u> | <u>17,373</u> | <u>17,404</u> |
| Non-controlling interests | 563 | 596 | - | - |
| | <u>34,070</u> | <u>34,854</u> | <u>17,373</u> | <u>17,404</u> |
| Total equity | <u>34,070</u> | <u>34,854</u> | <u>17,373</u> | <u>17,404</u> |

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

Amount repayable in one year or less, or on demand

| As at 31.12.16 | | As at 31.03.16 | |
|-----------------------|-----------|-----------------------|-----------|
| Secured | Unsecured | Secured | Unsecured |
| \$'000 | \$'000 | \$'000 | \$'000 |
| 3,731 | 447 | 4,787 | 2,125 |

Amount repayable after one year

| As at 31.12.16 | | As at 31.03.16 | |
|-----------------------|-----------|-----------------------|-----------|
| Secured | Unsecured | Secured | Unsecured |
| \$'000 | \$'000 | \$'000 | \$'000 |
| 1,925 | - | 2,082 | - |

The group's borrowings and debt securities include bills payable and other bank borrowings.

Details of any collaterals

No. collateral.

Group gearing ratio or borrowings divided by total shareholders' equity stands at 0.26 times as at 31 December 2016 (31 March 2016: 0.26 times).

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

| OSSIA INTERNATIONAL LIMITED | Group | | Group | |
|---------------------------------------------------------------------|---------------|--------------|----------------|----------------|
| | Third Quarter | | 9 months | |
| | Ended 31 Dec | | Ended 31 Dec | |
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Cash flows from operating activities | | | | |
| Profit/(loss) before income tax | 237 | 1,015 | (286) | (2,224) |
| Adjustments for: | | | | |
| Share of results of the associated company | 365 | (838) | 1,569 | (17) |
| Depreciation of property, plant and equipment | 423 | 431 | 1,302 | 1,248 |
| Unrealised foreign exchange (gain)/loss | (302) | (253) | (2,770) | 318 |
| Interest income | (15) | (17) | (23) | (24) |
| Interest expense | 49 | 62 | 140 | 194 |
| (Gain)/loss on disposal of property, plant and equipment | (18) | - | (18) | 54 |
| Write-off of property, plant and equipment | 30 | 6 | - | 13 |
| Operating cash flow before working capital changes | 769 | 406 | (86) | (438) |
| Changes in working capital: | | | | |
| Decrease in inventories | 651 | 1,994 | 62 | 673 |
| Increase in trade and other receivables | (2,423) | (1,159) | (1,026) | (382) |
| Decrease/(increase) in other current assets and prepayments | 98 | 227 | (151) | (29) |
| Increase/(decrease) in trade and other payables, and bills payable | 713 | (1,989) | 184 | 275 |
| Net cash from operations | (192) | (521) | (1,017) | 99 |
| Income tax paid | (56) | (130) | (167) | (69) |
| Interest received | 15 | 17 | 23 | 24 |
| Interest paid | (49) | (62) | (140) | (194) |
| Net cash used in operating activities | (282) | (696) | (1,301) | (140) |
| Cash flows from investing activities | | | | |
| Purchase of property, plant and equipment | - | (583) | (1) | (1,057) |
| Net cash used in investing activities | - | (583) | (1) | (1,057) |
| Cash flows from financing activities | | | | |
| Net proceeds from borrowings | 1,456 | 1,681 | 1,316 | 2,984 |
| Repayment of finance lease liabilities | (1,977) | (23) | (2,192) | (434) |
| Net proceeds from bills payables | 198 | - | 400 | - |
| Dividends paid to a non-controlling shareholder of a subsidiary | (52) | - | - | (16) |
| Decrease/(increase) in restricted bank deposits | 1,177 | (490) | 1,008 | (582) |
| Net cash generated from financing activities | 801 | 1,168 | 532 | 1,952 |
| Net (decrease)/increase in cash and cash equivalents | 519 | (111) | (771) | 755 |
| Cash and cash equivalents at the beginning of the financial period | 2,192 | 3,087 | 3,482 | 3,096 |
| Effects of exchange rate changes on cash and cash equivalents | 40 | 171 | 40 | (704) |
| Cash and cash equivalents at the end of the financial period | 2,751 | 3,147 | 2,751 | 3,147 |
| Cash and bank balances | 3,683 | 5,256 | 3,683 | 5,256 |
| Less : restricted bank deposits | (932) | (2,109) | (932) | (2,109) |
| Cash and cash equivalents as per above | 2,751 | 3,147 | 2,751 | 3,147 |

Explanatory Note:

- (1) Cash and cash equivalents comprise cash and bank balances less bank overdrafts. In the Balance Sheet, bank overdrafts are included in borrowings under the current liabilities.
- (2) Certain fixed deposit amounting to S\$932,000 is pledged to the bank for banking facilities to subsidiaries.

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.

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Attributable to Equity holders of the Company

| | Share capital | Legal reserve | Translation reserve | Revaluation reserve | Other reserve | Accumulated profits / (loss) | Sub-Total | Non-controlling interests | Total equity |
|-----------------------------------------------------------|----------------------|-------------------------|---------------------|---------------------|---------------|------------------------------|---------------|---------------------------|---------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| GROUP | | | | | | | | | |
| Balance at 1 April 2016 | 31,351 | 1,329 | (4,830) | 3,088 | - | 3,321 | 34,258 | 596 | 34,854 |
| <u>Other comprehensive income</u> | | | | | | | | | |
| Loss for the period | - | - | - | - | - | (415) | (415) | 72 | (343) |
| Foreign currency translation | - | - | (517) | 38 | - | 192 | (286) | (105) | (391) |
| Total comprehensive income | - | - | (517) | 38 | - | (223) | (701) | (33) | (734) |
| <u>Contributions by and distributions to owners</u> | | | | | | | | | |
| Dividend paid to controlling shareholders | - | - | - | - | - | (50) | (50) | - | (50) |
| Total contributions by and distribution to owners | - | - | - | - | - | (50) | (50) | - | (50) |
| Balance as at 31 Dec 2016 | 31,351 | 1,329 | (5,347) | 3,126 | - | 3,048 | 33,507 | 563 | 34,070 |
| Balance at 1 April 2015 | 31,351 | 1,280 | (4,290) | 2,802 | (71) | 6,287 | 37,359 | 673 | 38,032 |
| <u>Other comprehensive income</u> | | | | | | | | | |
| Loss for the period | - | - | - | - | - | (2,286) | (2,286) | 26 | (2,260) |
| Transfer from legal reserve | - | - | - | - | - | - | (1,339) | (13) | (1,352) |
| Foreign currency translation | - | (27) | (1,312) | - | - | - | - | - | - |
| Share of other comprehensive income of associated company | - | - | - | 390 | - | - | 390 | - | 390 |
| Total comprehensive income | - | (27) | (1,312) | 390 | - | (2,286) | (3,235) | 13 | (3,222) |
| <u>Contributions by and distributions to owners</u> | | | | | | | | | |
| Transfer from accumulated profits to legal reserve | - | - | - | - | - | - | - | - | - |
| Dividend paid to controlling shareholders | - | - | - | - | - | - | - | - | - |
| Total contributions by and distribution to owners | - | - | - | - | - | - | - | - | - |
| Balance as at 31 Dec 2015 | 31,351 | 1,253 | (5,602) | 3,192 | (71) | 4,001 | 34,124 | 686 | 34,810 |
| COMPANY | | | | | | | | | |
| | Share capital | Accumulated loss | Total equity | | | | | | |
| Balance at 1 April 2016 | 31,351 | (13,947) | 17,404 | | | | | | |
| Loss for the year | - | (32) | (32) | | | | | | |
| Total comprehensive income | - | (32) | (32) | | | | | | |
| Balance as at 31 Dec 2016 | 31,351 | (13,978) | 17,373 | | | | | | |
| Balance at 1 April 2015 | 31,351 | (13,084) | 18,267 | | | | | | |
| Loss for the year | - | (761) | (761) | | | | | | |
| Total comprehensive income | - | (761) | (761) | | | | | | |
| Balance as at 31 Dec 2015 | 31,351 | (13,845) | 17,506 | | | | | | |

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.

During the financial period, there has been no change in the Company's issued share capital. The Company does not have any outstanding convertibles.

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>Number of shares</u> |
|------------------------|-------------------------|
| As at 31 December 2016 | 252,629,483 |
| As at 31 March 2016 | 252,629,483 |

There were no treasury shares as at 31 December 2016 and 31 March 2016.

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.

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.

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.

The Group and the Company have applied the same accounting policies and methods of computation in the preparation of the current period's financial statements as in the audited annual financial statements as at 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.

Not applicable.

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.

| Profit/(Loss) per share attributable to owners of the Company:- | Group Third Quarter ended 31 Dec | | Group 9 months ended 31 Dec | |
|----------------------------------------------------------------------|-------------------------------------|---------------|--------------------------------|---------------|
| | 2016 cents | 2015 cents | 2016 cents | 2015 cents |
| (i) Based on the weighted average number of ordinary shares in issue | 0.06 | 0.33 | (0.16) | 0.90 |
| (ii) On a fully diluted basis | 0.06 | 0.33 | (0.16) | 0.90 |

Note:

Earnings per ordinary share is computed based on the weighted average number of ordinary shares in issue during the period ended 31 December 2016 and 31 March 2016 as follows:

December 2016 - 252,629,483

March 2016 - 252,629,483

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 | |
|---------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | 31-Dec 2016 cents | 31-Mar 2016 cents | 31-Dec 2016 cents | 31-Mar 2016 cents |
| Net assets value per ordinary share based on the total number of issued shares (excluding treasury shares) at the end of the reporting year | 13.26 | 13.56 | 6.88 | 6.89 |

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.

The Group's revenue for the period ended 31 December 2016 (3QFY2017) registered \$23.08 million compared to \$26.45 million in the corresponding last financial period, a decline of 12.8%. The decline in sales is mainly due to closure of non-performing outlets and discontinued brands.

The gross profit margin remained comparable to the last corresponding period.

Other operating income increased from \$0.14 million for 3QFY2016 to \$0.301 million for 3QFY2017 was mainly because of dividend amounting to \$0.40 million received from the associated company, Harvey Norman Asia Pte Ltd.

Distribution costs decreased by 15.3% from \$11.07 million for 3QFY2016 to \$9.37 million for 3QFY2017. The decrease in distribution costs is consistent with the decrease of revenue due to closure of non-performing outlets and discontinued distribution of certain brands.

Net loss attributable to owners of the Company was \$0.42 million in 3QFY2017 as compared to \$2.29 million in 31 December 2015 ("3QFY2016"). This reduction was mainly due to share of result from the

associated company of \$1.57 million and the reduction in distribution and administrative costs of \$2.37 million.

Balance Sheet Review

The Group's trade and other receivables increased by \$1.71 million during the period ended 31 Dec 2016 as compared to 31 Mar 2016, mainly due to amount owing from related company.

The Group's prepayment increased by \$0.10 million mainly due to payment in advance for stock purchase.

The Group's other financial assets decreased to \$0.44 million mainly due to refund of rental deposits for the closure of non-performing shops.

The Group's property, plant and equipment decreased by \$0.81 million mainly due to depreciation charged during the current financial period.

The Group's trade and other payables decreased by \$0.52 million mainly due to payments to suppliers.

The Group's bill payables increased by \$0.40 million mainly due to increase of bill payables for new season stocks purchased by the group's subsidiaries.

The Group's borrowings decreased by \$1.16 million mainly due to repayment made during the current financial period.

Assets and liabilities associated with operations in Hong Kong have been classified as held for sale. These were subsequently disposed in January 2017 in accordance with the group's announcement dated 22 January 2017.

Cashflow Review

Net cash used in operating activities for the current period increased to \$1.3 million mainly due to increase of trade & other receivables.

Net cashflow from financing activities for the current period decreased to \$0.53 million due to repayment of bank borrowings and bills payables during the current period.

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

The current results are in line with the Company's commentary in Paragraph 10 of the financial results announcement dated 02 November 2016.

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 retail climate conditions in the region that we operate remain challenging. The Group will continue to focus on its core business, tightening operations by closing non-performing outlets and brands.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?
No

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?
No.

(c) Date the dividend is payable

Not Applicable

(d) Books closure date

Not Applicable

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

No dividend has been recommended for the current financial period.

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.

The Company does not have any general mandate from shareholders for interested person transactions. Append below is the summary of the IPTs transactions for the period ended 31 December 2016 and 31 December 2015.

| Name of interested person | Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) | | Aggregate value of all interested person transactions conducted under shareholder's mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) | |
|-----------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| | Group 31.12.16 \$'000 | Group 31.12.15 \$'000 | Group 31.12.16 \$'000 | Group 31.12.15 \$'000 |
| VGO Corporation Limited - Sales | - | - | | 26 |
| W.O.S World of Sports (M) Sdn Bhd - Purchases discount | 137 | - | - | |

BY ORDER OF THE BOARD

Lotus Isabella Lim Mei Hua
Company Secretary
14 February 2017



OSSIA INTERNATIONAL LIMITED

(Company Registration No: 199004330K)

14. **Negative confirmation pursuant to [Rule 705\(5\)](#). (Not required for announcement on full year results)**

**Ossia International Limited (“the Company”)
Confirmation by the Board**

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm that to the best of our knowledge, nothing of a material impact has come to the attention of the Board of Directors of the Company which may render the third quarter results of the Company for the nine months ended 31 December 2016 to be false or misleading in any material respect.

On Behalf of the Board of Directors

Goh Ching Wah
Director

Wong King Kheng
Director

14 February 2017

15. **Appendix 7.2, Paragraph 15, Rule 702(1) of the Listing Manual states that:**

“Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).”

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 Listing Manual.

BY ORDER OF THE BOARD

Lotus Isabella Lim Mei Hua
Company Secretary
14 February 2017