

## SHOPPER360 LIMITED

(Incorporated in the Republic of Singapore on 27 December 2016)  
(Company Registration Number: 201634929Z)

### UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 MAY 2018

*This announcement has been prepared by the shopper360 Limited (the “**Company**”) and its contents have been reviewed by the Company’s sponsor, ZICO Capital Pte. Ltd. (the “**Sponsor**”), for compliance with the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist. The Sponsor has not independently verified the contents of this announcement.*

*This announcement has not been examined or approved by the SGX-ST and the SGX-ST 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 Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road, #09-00 ASO Building, Singapore 048544, telephone: (65) 6636 4201.*

#### Background

shopper360 Limited (the “**Company**”, and together with its subsidiary, the “**Group**”) was incorporated in the Republic of Singapore on 27 December 2016 and was listed on Catalist of the SGX-ST on 30 June 2017. The Group is a well-established provider of shopper marketing services in the retail and consumer goods industries in Malaysia and have more than 30 years of experience in the in-store advertising industry. It offers a comprehensive range of marketing and advertising services that integrate along the entire shopper journey, through in-store experience to loyalty, retention and repeat purchase. The shopper marketing services provided by the Group can be categorized into three main segments, namely (i) in-store advertising and digital marketing; (ii) field force management; and (iii) sampling activities and events management.

The Group was formed pursuant to a restructuring exercise (the “**Restructuring Exercise**”) undertaken as part of its corporate re-organisation, which involved the rationalisation of its corporate and shareholding structure for the purposes of the Company’s listing on Catalist. Please refer to the Company’s offer document dated 21 June 2017 (registered by the SGX-ST, acting as agent on behalf of the Monetary Authority of Singapore on 21 June 2017) (“**Offer Document**”) in respect of the initial public offering of the Company (“**IPO**”), for further details on the Restructuring Exercise. Pursuant to the IPO, the Company issued and allotted 18,000,000 new shares (“**New Shares**”) at S\$0.29 each, with a resultant post-IPO issued and paid-up share capital of 114,400,000 shares.

**PART 1 – INFORMATION REQUIRED FOR FULL-YEAR RESULTS ANNOUNCEMENT**

**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.**

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Group		Increase/ (Decrease) %
	FY2018 <sup>(1)</sup> (RM) (Unaudited)	FY2017 <sup>(2)</sup> (RM) (Audited)	
Revenue	142,354,289	132,452,140	7
Cost of sales	(104,380,170)	(90,392,342)	15
<b>Gross profit</b>	<b>37,974,119</b>	<b>42,059,798</b>	<b>(10)</b>
Other income	308,639	818,634	(62)
Administrative expense	(28,593,292)	(30,240,407)	(5)
Other operating expense	(304,696)	(35,172)	766
Finance costs	(41,508)	(11,669)	256
<b>Profit before tax</b>	<b>9,343,262</b>	<b>12,591,184</b>	<b>(26)</b>
Tax expense	(4,080,548)	(4,219,693)	(3)
<b>Profit from continuing operations</b>	<b>5,262,714</b>	<b>8,371,491</b>	<b>(37)</b>
Loss from discontinued operation, net of tax	-	(1,419,855)	(100)
<b>Profit for the year</b>	<b>5,262,714</b>	<b>6,951,636</b>	<b>(24)</b>
<b>Other comprehensive income, net of tax:</b>			
Items that are or may be reclassified subsequently to profit or loss:			
Available-for-sale financial assets			
- fair value gain	-	142,399	100
- reclassification to profit or loss	-	(241,208)	(100)
- Currency translation differences arising on consolidation	(9,589)	-	NM
<b>Other comprehensive loss for the year</b>	<b>(9,589)</b>	<b>(98,809)</b>	<b>(90)</b>
<b>Total comprehensive income for the year</b>	<b>5,253,125</b>	<b>6,852,827</b>	<b>(23)</b>
<b>Profit attributable to:</b>			
Equity holders of the Company	5,560,397	5,147,206	8
Non-controlling interests	(297,683)	1,804,430	(116)
<b>Profit for the year</b>	<b>5,262,714</b>	<b>6,951,636</b>	<b>(24)</b>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the Company	5,554,644	5,048,397	10
Non-controlling interests	(301,519)	1,804,430	(117)
<b>Total comprehensive income for the year</b>	<b>5,253,125</b>	<b>6,852,827</b>	<b>(23)</b>

**Notes:**

(1) "FY2018": Financial year ended 31 May 2018.

(2) "FY2017": Financial year ended 31 May 2017.

**1(a)(ii) Notes to combined statements of profit or loss and other comprehensive income**

The Group's net profit was arrived after crediting / (charging) the following:

	<b>Group</b>		<b>Increase/ (Decrease) %</b>
	<b>FY2018 (RM) (Unaudited)</b>	<b>FY2017 (RM) (Audited)</b>	
Dividend income from available-for-sale financial assets	-	14,100	(100)
Gain on disposal of property, plant and equipment	-	37,786	(100)
Gain on disposal of available-for-sale financial assets and reclassification from fair value reserve	-	455,130	(100)
Loss on unrealised foreign exchange	(228,891)	-	NM
Waiver of debt – third parties	3,302	-	NM
Interest income	233,649	227,474	3
Finance costs	(41,508)	(11,669)	256
Amortisation for club membership	(8,279)	(8,279)	-
Bad debts written off	(10,011)	(34,016)	(71)
Depreciation of properties, plant and equipment	(1,611,351)	(1,564,283)	3
Loss on disposal of investment in subsidiary company	-	(1,227,935)	(100)
Adjustment for under or (over)provision of tax in respect of prior years			
- Income tax	1,090,601	(4,581)	NM
- Deferred tax	(21,957)	(183,472)	(88)
Fee to professional advisor	-	(1,300,000)	(100)
Listing expenses	-	(3,917,878)	(100)

*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	
	As at 31 May 2018 (RM) (Unaudited)	As at 31 May 2017 (RM) (Audited)	As at 31 May 2018 (RM) (Unaudited)	As at 31 May 2017 (RM) (Audited)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	4,760,536	5,622,200	-	-
Intangible assets	2,497,946	2,506,225	-	-
Investment in subsidiaries	-	-	36,891,829	-
Available-for-sale financial assets	1,100,000	-	-	-
Other receivables	176,560	200,036	-	-
Deferred tax assets	45,344	-	-	-
<b>Total non-current assets</b>	<b>8,580,386</b>	<b>8,328,461</b>	<b>36,891,829</b>	<b>-</b>
<b>Current assets</b>				
Financial assets at fair value through profit or loss	14,707	24,231	-	-
Trade and other receivables	40,693,850	40,192,963	62,851	538,935
Cash and cash equivalents	19,026,236	7,511,886	1,482,512	3
Tax recoverable	1,432,918	1,607,740	-	-
Amount due from subsidiary companies	-	-	9,315,773	-
<b>Total current assets</b>	<b>61,167,711</b>	<b>49,336,820</b>	<b>10,861,136</b>	<b>538,938</b>
<b>Total assets</b>	<b>69,748,097</b>	<b>57,665,281</b>	<b>47,752,965</b>	<b>538,938</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital	51,850,444	38,550,103	51,850,444	3
Currency translation reserve	(5,753)	-	-	-
Capital reserve	(1,354,855)	(1,354,855)	-	-
Merger reserve	(17,453,646)	(19,230,000)	-	-
Retained earnings	14,746,811	10,318,559	(4,451,359)	(4,144,724)
Equity attributable to equity holders of the Company, total	47,783,001	28,283,807	47,399,085	(4,144,721)
Non-controlling interests	(222,799)	-	-	-
<b>Total equity</b>	<b>47,560,202</b>	<b>28,283,807</b>	<b>47,399,085</b>	<b>(4,144,721)</b>
<b>Non-current liabilities</b>				
Borrowings	19,611	62,650	-	-
Deferred tax liabilities	66,274	117,006	-	-
<b>Total non-current liabilities</b>	<b>85,885</b>	<b>179,656</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>				
Trade and other payables	21,449,913	28,716,082	353,880	4,683,659
Borrowings	43,039	77,581	-	-
Tax payable	609,058	408,155	-	-
<b>Total current liabilities</b>	<b>22,102,010</b>	<b>29,201,818</b>	<b>353,880</b>	<b>4,683,659</b>
<b>Total liabilities</b>	<b>22,187,895</b>	<b>29,381,474</b>	<b>353,880</b>	<b>4,683,659</b>
<b>Total equity and liabilities</b>	<b>69,748,097</b>	<b>57,665,281</b>	<b>47,752,965</b>	<b>538,938</b>

**1(b)(ii) Aggregate amount of group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year**

**Amount repayable in one year or less, or on demand**

<b>As at 31 May 2018 (RM)</b>		<b>As at 31 May 2017 (RM)</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
43,039	-	77,581	-

**Amount repayable after one year**

<b>As at 31 May 2018 (RM)</b>		<b>As at 31 May 2017 (RM)</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
19,611	-	62,650	-

**Details of any collateral**

The Group's borrowings are secured against certain property, plant and equipment with net carrying value of approximately RM96,666.

**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.**

	<b>Group</b>	
	<b>FY2018</b> <b>(RM)</b> <b>(Unaudited)</b>	<b>FY2017</b> <b>(RM)</b> <b>(Audited)</b>
<b>Cash flows from operating activities</b>		
Profit before tax from continuing operations	9,343,262	12,591,184
Loss before tax from discontinued operation	-	(1,419,855)
<u>Adjustments for:-</u>		
Amortisation for club membership	8,279	8,279
Bad Debts written off	10,011	-
Depreciation of property, plant and equipment	1,611,351	1,574,664
Dividend income	-	(14,100)
Interest income	(233,649)	(227,474)
Interest expenses	41,508	11,669
Loss/(gain) on disposal of property, plant and equipment	-	(37,786)
Fee to professional advisor	-	1,300,000
Loss on disposal of a subsidiary	-	1,227,935
Gain on disposal of available-for-sale financial assets	-	(455,130)
Property, plant and equipment written off	23,011	1,161
Unrealized foreign exchange loss	228,891	-
Operating cash flow before working capital changes	<u>11,032,664</u>	<u>14,560,547</u>
Inventories	-	(332,048)
Receivables	(487,422)	(9,689,070)
Payables	386,697	4,887,700
Translation difference	(12,622)	-
Cash flows generated from operations	<u>10,919,317</u>	<u>9,427,129</u>
Tax paid	(3,800,899)	(5,073,327)
<b>Net cash generated from operating activities</b>	<b><u>7,118,418</u></b>	<b><u>4,353,802</u></b>
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment	(769,665)	(2,212,094)
Proceeds of disposal of property, plant and equipment	-	317,985
Proceeds from disposal of available-for-sale financial assets	-	1,395,757
Disposal of discontinued operation, net of cash disposed	-	(225,364)
Acquisition of available-for-sale investment	(1,100,000)	-
Dividend received	-	14,100
Interest received	233,649	227,474
Redemption of financial assets at fair value through profit or loss	9,524	1,221,428
Payment of contingent consideration for business combination	-	(1,000,000)
<b>Net cash used in investing activities</b>	<b><u>(1,626,492)</u></b>	<b><u>(260,714)</u></b>
<b>Cash flow from financing activities</b>		
Repayment of borrowings	(77,581)	(84,014)
Capital contribution from non-controlling interest in a subsidiary	78,720	-
Dividend paid to owners of the Company	(7,932,145)	(16,056,300)
Dividend paid to non-controlling interest	(765,000)	(1,275,000)
Advance from a director of a subsidiary	2,000,000	-
Repayment of amount due to director	(2,007,960)	-
Advance from related parties	42,514	-
Repayment of amount due to immediate and ultimate holding company	(122,420)	-
Proceeds from issuance of share capital, net of IPO expenses	15,076,695	-

Proceeds from Issuance of ordinary shares	-	400,003
Interest paid	(41,508)	(11,669)
<b>Net cash generated from /(used in) financing activities</b>	<b><u>6,251,315</u></b>	<b><u>(17,026,980)</u></b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>11,743,241</b>	<b>(12,933,892)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>7,511,886</b>	<b>20,445,778</b>
<b>Effect of exchange rates changes on cash and cash equivalents</b>	<b>(228,891)</b>	<b>-</b>
<b>Cash and cash equivalents at end of the year</b>	<b><u>19,026,236</u></b>	<b><u>7,511,886</u></b>

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

<b>Group</b>	<b>Share capital (RM)</b>	<b>Fair value reserve (RM)</b>	<b>Capital reserve (RM)</b>	<b>Merger reserve (RM)</b>	<b>Currency translation reserve (RM)</b>	<b>Retained earnings (RM)</b>	<b>Equity attributable to equity holders of the Company (RM)</b>	<b>Non-controlling interests (RM)</b>	<b>Total (RM)</b>
<b>At 1 June 2017</b>	38,550,103	-	(1,354,855)	(19,230,000)	-	10,318,559	28,283,807	-	28,283,807
Profit for the year	-	-	-	-	-	5,560,397	5,560,397	(297,683)	5,262,714
<b>Other comprehensive loss</b>									
Currency translation differences on consolidation	-	-	-	-	(5,753)	-	(5,753)	(3,836)	(9,589)
<b>Other comprehensive loss for the financial year, net of tax</b>	-	-	-	-	(5,753)	-	(5,753)	(3,836)	(9,589)
<b>Total comprehensive income for the year</b>	-	-	-	-	(5,753)	5,560,397	5,554,644	(301,519)	5,253,125
<i>Transactions with owners recognised directly in equity</i>									
Adjustment pursuant to the restructuring exercise	(1,776,354)	-	-	1,776,354	-	-	-	-	-
Issuance of new shares pursuant to the IPO	16,182,000	-	-	-	-	-	16,182,000	-	16,182,000
Capitalisation of listing expenses	(1,105,305)	-	-	-	-	-	(1,105,305)	-	(1,105,305)
Capital contribution from non-controlling interest	-	-	-	-	-	-	-	78,720	78,720
Dividends paid	-	-	-	-	-	(1,132,145)	(1,132,145)	-	(1,132,145)
<b>At 31 May 2018</b>	<b>51,850,444</b>	<b>-</b>	<b>(1,354,855)</b>	<b>(17,453,646)</b>	<b>(5,753)</b>	<b>14,746,811</b>	<b>47,783,001</b>	<b>(222,799)</b>	<b>47,560,202</b>



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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (continued)

Group	Share capital (RM)	Fair value reserve (RM)	Capital reserve (RM)	Merger reserve (RM)	Retained earnings (RM)	Equity attributable to equity holders of the Company (RM)	Non- controlling interests (RM)	Total (RM)
<b>At 1 June 2016</b>	14,670,100	98,809	-	-	20,986,053	35,754,962	2,069,909	37,824,871
Profit for the year	-	-	-	-	5,147,206	5,147,206	1,804,430	6,951,636
<b>Other comprehensive loss</b>								
Fair value gain on available-for-sale financial assets	-	142,399	-	-	-	142,399	-	142,399
Fair value on available-for-sale financial assets disposed reclassified to profit and loss	-	(241,208)	-	-	-	(241,208)	-	(241,208)
<b>Other comprehensive loss for the financial year, net of tax</b>	-	(98,809)	-	-	-	(98,809)	-	(98,809)
<b>Total comprehensive income for the year</b>	-	(98,809)	-	-	5,147,206	5,048,397	1,804,430	6,852,827
Issuance of share	3	-	-	-	-	3	-	3
Disposal of subsidiary	-	-	-	-	-	-	(239,194)	(239,194)
Adjustment pursuant to the Restructuring Exercise	(14,670,000)	-	-	(19,230,000)	-	(33,900,000)	-	(33,900,000)
Issuance of shares pursuant to the Restructuring Exercise	38,550,000	-	-	-	-	38,550,000	-	38,550,000
Dividend	-	-	-	-	(15,814,700)	(15,814,700)	(2,040,000)	(17,854,700)
Acquisition of non-controlling interest without a change in control	-	-	(1,354,855)	-	-	(1,354,855)	(1,595,145)	(2,950,000)
<b>At 31 May 2017</b>	38,550,103	-	(1,354,855)	(19,230,000)	10,318,559	28,283,807	-	28,283,807

**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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (continued)**

Company	Share capital (RM)	Accumulated losses (RM)	Total (RM)
Issuance of share at date of incorporation	3	-	3
Loss and total comprehensive loss for the financial period	-	(4,144,724)	(4,144,724)
<b>At 31 May 2017</b>	<b>3</b>	<b>(4,144,724)</b>	<b>(4,144,724)</b>
<b>At 1 June 2017</b>	<b>3</b>	<b>(4,144,724)</b>	<b>(4,144,721)</b>
Issue of shares pursuant to the Restructuring Exercise	36,773,746	-	36,773,746
Issue of new shares pursuant to the IPO	16,182,000	-	16,182,000
Capitalisation of listing expenses	(1,105,305)	-	(1,105,305)
Dividends	-	(1,132,145)	(1,132,145)
Profit and total comprehensive income for the financial year	-	825,510	825,510
<b>At 31 May 2018</b>	<b>51,850,444</b>	<b>(4,451,359)</b>	<b>47,399,085</b>

**1(d)(ii) Details of any changes in the company's share capital arising from rights issues, bonus issues, share buy-backs, exercises of share options or warrants, conversion of other issues of equity securities, issues 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, as well as the number of shares held as treasury shares, 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.**

	Number of shares	Issued and paid-up share capital (RM)
Issued and paid up share capital as at date of incorporation of the Company on 27 December 2016, and as at 31 May 2017	1	3
Issuance of new shares on 8 June 2017 pursuant to the Restructuring Exercise (before the share split)	385,599	36,773,746
	<u>385,600</u>	<u>36,773,749</u>

Resultant issued and paid up share capital subsequent to the share split, before the IPO	96,400,000	36,773,749
Issuance of New Shares on 30 June 2017 pursuant to the IPO	18,000,000	16,182,000 <sup>(1)</sup>
Resultant issued and paid up share capital after the IPO, and as at 31 May 2018	<u>114,400,000</u>	<u>51,850,444<sup>(2)</sup></u>

**Notes:**

- (1) Relates to the gross proceeds raised from the IPO of S\$5.22 million (equivalent to RM16,182,000, based on an exchange rate of RM3.10 to S\$1.00).
- (2) Includes the capitalised listing expenses of S\$354,698 (equivalent to RM1,105,305, based on an exchange rate of RM3.12 to S\$1.00).

**shopper360 Performance Share Plan**

The Company had, on 26 May 2017, approved the shopper360 Performance Share Plan (“PSP”). As at the date of this announcement, the Company has not granted any awards under the PSP.

The Company did not have any outstanding options, convertibles, treasury shares and subsidiary holdings as at 31 May 2018 and 31 May 2017.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of current financial period and as at the end of the immediately preceding year.**

	<b>At 31 May 2018</b>	<b>At 31 May 2017</b>
Total number of issued shares excluding treasury shares	<u>114,400,000</u>	<u>1<sup>(1)</sup></u>

**Note:**

- (1) As set out in section 1(d)(ii) above, pursuant to the Restructuring Exercise (including a share split exercise) and the issuance and allotment of the New Shares pursuant to the IPO, the resultant issued and paid up share capital of the Company was 114,400,000 shares.

**1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and /or use of treasury share as at the end of the current financial period reported on.**

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

**1(d)(v) A statement showing all sales, transfers, disposals, cancellation and /or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable. The Company did not have any subsidiary holdings during and as at the end of the current 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 auditors of the Company.

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 the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the preparation of the Group's financial statements for the financial year ended 31 May 2018 compared with the Group's audited financial statements for the financial year ended 31 May 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.**

The Group and the Company have adopted the new and revised Financial Reporting Standards in Singapore ("**FRSs**") and Interpretation of FRS ("**INT FRSs**") that are relevant to its operations and effective for the current financial period. The adoption of these new FRSs and INT-FRSs did not have any material effect on the current financial result or position of the Group and the Company.

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.**

	FY 2018	FY 2017
Profit attributable to owners of the Company (RM)	5,560,397	5,147,206
Weighted average number of ordinary shares in issue	114,400,000	114,400,000
Basic and diluted earnings per share (RM cents)	<u>4.86</u>	<u>4.50</u>

7. **Net asset value (for the issuer and group) per ordinary share based on issued share capital 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	
	As at 31 May 2018	As at 31 May 2017	As at 31 May 2018	As at 31 May 2017
Net asset value (" <b>NAV</b> ") (RM)	47,560,202	43,360,502 <sup>(1)</sup>	47,399,086	10,931,974 <sup>(1)</sup>
Number of ordinary shares	<u>114,400,000</u>	<u>114,400,000</u>	<u>114,400,000</u>	<u>114,400,000</u>
NAV per ordinary share (RM cents)	<u>41.57</u>	<u>37.90</u>	<u>41.43</u>	<u>9.56</u>

**Note:**

- (1) Adjusted for capitalisation of listing expenses of RM 1,105,305 and gross proceeds of approximately RM 16,182,000 (equivalent to S\$5,220,000 based on an exchange rate of RM3.10:S\$1.00) raised from the IPO.

NAV per share of the Group and the Company as at 31 May 2017 are calculated based on the NAV divided by the total number of ordinary shares in issue, adjusted for the Restructuring Exercise and the issuance and allotment of the New Shares pursuant to the IPO (as detailed in section 1(d)(ii) above).

**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.**

**REVIEW OF THE GROUP'S PERFORMANCE**

Revenue

Revenue increased by 7% or RM9.9 million, from RM132.5 million in FY2017 to RM142.4 million in FY2018 due mainly to the following:-

- (i) revenue from Field Force Management segment increased by approximately RM11.4 million or 14.3% in FY2018 due to increased support required by current customers as they expand their business scope and coverage.
- (ii) revenue from In-store Advertising & Digital Marketing segment increased by approximately RM0.9 million or 2.7% in FY2018, mainly due to new marketing and creative service offerings in FY2018. The increase was partially offset by lower media and media production revenue as a result of the cautious economic outlook during FY2018, as well as stretched resources during the set up of a new joint venture company in Myanmar, Gazelle Activation Sdn Bhd and ShopperPlus Sdn Bhd businesses; and.
- (iii) revenue from Sampling Activities and Events Management segment decreased by approximately RM2.3 million or 12.7% in FY2018. The decrease is attributable to lower sampling activities by customers in response to a cautious economic outlook during the first half of FY2018. The decrease was partially offset by revenue from new events and roadshows.

Cost of Sales

Cost increased by 15% or RM14.0 million, from RM90.4 million in FY2017 to RM104.4 million in FY2018. The increase in cost of sales was mainly attributable to (i) higher people investment and operating cost of RM10.0 million to support the business growth in the Field Force Management segment; (ii) third-party costs associated with new businesses in creative and marketing campaign revenues; and (iii) new events and roadshow in FY2018.

Gross Profit

Gross profit decreased by approximately RM4.1 million or 10%, from RM42.1 million in FY2017 to RM38.0 million in FY2018, with gross profit margin declining from 31.8% in FY2017 to 26.7% in FY2018. This was due to a change in revenue mix in the In-store Advertising & Digital Marketing segment as a result of lower revenue from the higher gross margin media business being replaced by new creative and marketing campaign revenues, which had lower profit margins. Furthermore, the decrease in sampling activities also contributed to the lower gross profit.

#### Other Income

Other income decreased by approximately RM0.5 million or 62%, from RM0.8 million in FY2017 to RM0.3 million, due to one-off gain from disposal of available-for-sale financial assets reclassified from fair value reserve of RM0.5 million in FY2017. There was no such gain in FY2018.

#### Administrative Expenses

Administrative expenses decreased by approximately RM1.6 million or 5%, from RM30.2 million in FY2017 to RM28.6 million in FY2018, mainly due to non-recurring professional fees incurred for the IPO of RM1.3 million in FY2017.

#### Finance Cost

Finance costs increased marginally by RM0.03 million or 256% from RM0.01 million in FY2017 to RM0.04 million in FY2018.

#### Other Operating Expenses

Other operating expenses increased by approximately RM0.3 million or 766%, from RM0.03 million in FY2017 to RM0.3 million in FY2018, mainly due to unrealized foreign exchange losses and property, plant and equipment written off.

#### Profit Before Tax

As a result of the above, profit before tax decreased by approximately RM3.3 million or 26%, from RM12.6 million in FY2017 to RM9.3 million in FY2018.

### **REVIEW OF THE GROUP'S FINANCIAL POSITION**

#### Non-current Assets

The Group's non-current assets increased by RM0.3 million from RM8.3 million as at 31 May 2017 to RM8.6 million as at 31 May 2018, mainly due to investment in Instanture Holdings Sdn Bhd of RM1.1 million during FY2018 (classified as available-for-sale financial assets), partially offset by depreciation of property, plant & equipment.

#### Current Assets

The Group's current assets increased by RM11.9 million from RM49.3 million as at 31 May 2017 to RM61.2 million as at 31 May 2018, mainly due to the increase in cash and cash equivalents, and trade and other receivables.

Cash and cash equivalents increased by approximately RM11.5 million in FY2018, mainly due to proceeds from issuance of share capital pursuant to the IPO, partially offset by dividends paid to equity holders of the Company for FY2017, and investment in Instanture Holdings Sdn Bhd.

Trade and other receivables increased by approximately RM0.5 million in FY2018, mainly due to increase in accrued billings of RM2.1 million, partially offset by collections of trade receivables during the year.

#### Non-current Liabilities

The Group's non-current liabilities decreased marginally by RM0.1 million from RM0.2 million as at 31 May 2017 to RM0.1 million as at 31 May 2018, due to decrease in deferred tax liability and borrowings on finance lease liabilities in relation to motor vehicles.

#### Current Liabilities

The Group's current liabilities decreased by RM7.1 million from RM29.2 million as at 31 May 2017 to RM22.1 million as at 31 May 2018 mainly due to payment of dividends of RM7.6 million for FY2017 and payment of the remaining listing expenses of RM1.3 million.

#### Equity

The Group's equity attributable to equity holders of the Company increased from RM28.3 million as at 31 May 2017 to RM47.8 million as at 31 May 2018, mainly due to an increase in share capital of RM13.3 million as a result of issuance of new shares pursuant to the IPO and an increase in retained earnings of RM4.4 million.

### Working Capital

The Group reported a positive net working capital of RM39.1 as at 31 May 2018, as compared to RM28.5 million as at 31 May 2017.

## **REVIEW OF THE GROUP'S CASH FLOW STATEMENT**

Net cash generated from operating activities in FY2018 was RM7.1 million, due to operating cash flow before changes in working capital of RM11.0 million, changes in working capital of RM0.1 million, and payment of income tax expense of RM3.8 million. Changes in working capital were due to decrease in trade and other receivables of RM0.5 million and increase in trade and other payables of RM0.4 million.

Net cash generated from investing activities in FY2018 was RM1.6 million, due to acquisition of available-for-sale investment (being the investment in Instanture Holdings Sdn Bhd) of RM1.1 million, and purchase of property, plant and equipment of RM0.8 million, partially offset by interest received from bank of RM0.2 million.

Net cash generated from financing activities of RM6.2 million was due to proceeds from issuance of share capital pursuant to the IPO of RM15.1 million and advance from a director of a subsidiary of RM2.0 million, partially offset by the payment of dividend to shareholders of the Company and subsidiary for FY2017 of RM7.9 million and repayment of amount due to a director of the subsidiary of RM2.0 million.

As a result of the above, net cash and cash equivalents increased by RM11.7 million in FY2018.

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

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

**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.**

Nielsen research Q1 2018 consumer confidence data recorded a score of 104, surpassing the 100 point mark since Q3 2013. The Malaysian Institute of Economic Research (“MIER”) Q2 2018 Consumer Sentiments Index soaring to 132.9, a 21-year high and exceeding the 100 mark since Q4. These are signs that consumer and business confidence have been improving in the first half of 2018 in the Malaysian economic outlook with inflationary fears dissipating, stronger employment outlook leading to improved household incomes and higher consumer spending.

MIER Q2 2018 Business Conditions Index registered 116.3, the highest in 13 quarters with domestic orders remaining strong, forecasted higher investments and export sales.

The general election results on 9 May 2018 is a watershed moment for Malaysia and is providing a new air of optimism for Malaysians across all walks of life. The new government reduced cost of living when the GST was zero rated, and implemented plans to boost employment and household disposable income through various initiatives. With the improved economic outlook, fast-moving consumer goods (“FMCG”) brand owners will look to maximise growth through category investment and also taking market share from their competitors. The Group is well placed to support brand owners in capturing and engaging shoppers with our 360-degree shopper marketing services across various channels and networks.

The Group will continue to focus on acquiring new customers and expand service offerings with existing customers.

In addition, the Group is looking at improving operating efficiencies via information technology upgrades, streamline business processes and increasing manpower utilization.

With the establishment of Myanmar operations, the focus is to scale up and maximise revenue opportunities, embed business processes and seek further growth opportunities in Myanmar.

The Group will seek business opportunities via strategic partnerships and acquisitions across the current network while reviewing further expansion opportunities into other geographies in the region.

Sources:

- (i) <http://www.nielsen.com/my/en/insights/news/2018/malaysian-consumers-cautiously-optimistic-in-q1-2018.html>
- (ii) <https://www.mier.org.my/outlook/>

## 11. Dividend

### (a) Any dividend recommended/declared for the current financial period reported on?

Name of dividend	Final
Dividend type	Cash
Dividend amount per share (S\$' cents)	0.60
Tax rate	Tax exempt

The final and special dividends are subject to shareholders' approval at the forthcoming annual general meeting of the Company.

### (b) Any dividend recommended/declared for the corresponding period of the immediately preceding financial year?

Name of dividend	Final
Dividend type	Cash
Dividend amount per share (S\$' cents)	0.30
Tax rate	Tax exempt

### (c) Date payable

The date payable is to be advised, subject to shareholders' approval at the Company's 2018 annual general meeting to be convened in September 2018.

### (d) Books closure date

To be announced by the Company in due course.

## 12. If no dividend has been declared/recommended, a statement to the 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.

There were no interested person transactions of S\$100,000 or more for FY2018.

The Group does not have a general mandate for recurrent interested person transactions.



**14. 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 all the required undertakings under Rule 720(1) of the Catalist Rules have been obtained from all its directors and executive officers in the format set out in Appendix 7H of the Catalist Rules.

**15. Use of IPO proceeds**

The Company received net proceeds from the IPO of approximately S\$ 5.22 million (the “**Net Proceeds**”). As at the date of this announcement, the Net Proceeds have been utilized as follows:

	<b>Allocation of Net Proceeds (as disclosed in the Offer Document)</b> <b>(S\$'000)</b>	<b>Net Proceeds utilized as at the date of this announcement</b> <b>(S\$'000)</b>	<b>Balance of Net Proceeds as at the date of this announcement</b> <b>(S\$'000)</b>
Expansion of (i) our service offerings; (ii) our network of customers and retail partners; and (iii) expansion into new geographical locations such as Myanmar and Singapore	2,300	(645)	1,655
Acquisition, strategic alliance and/or joint ventures	600	(157)	443
General working capital purposes	536	(536)	-
Listing expense to be borne by the Company	1,784	(1,784)	-
<b>Total</b>	<b>5,220</b>	<b>(3,122)</b>	<b>2,098</b>

**PART 2 – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR RESULTS ANNOUNCEMENT**

**16. Segmented revenue and results for business or geographical (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

**a. Business segments**

<b>FY2018</b>	<b>In-store advertising and digital marketing RM</b>	<b>Field Force Management RM</b>	<b>Sampling activities and events management RM</b>	<b>Investment holding RM</b>	<b>Others RM</b>	<b>Eliminations RM</b>	<b>Total RM</b>
Segment revenue							
Sales to external customers	35,346,798	91,031,332	15,976,159	-	-	-	142,354,289
Intersegment sales	22,222	49,958	1,452,055	8,614,208	-	(10,138,443)	-
Total revenue	<u>35,369,020</u>	<u>91,081,290</u>	<u>17,428,214</u>	<u>8,614,208</u>	<u>-</u>	<u>(10,138,443)</u>	<u>142,354,289</u>
Segment profit/(loss) - continuing operations	1,072,231	4,179,308	611,709	(600,533)	-	-	5,262,714
<b>Other significant non-cash expense:</b>							
Depreciation and amortisation	851,197	377,872	190,927	199,634	-	-	1,619,630
Property, plant and equipment written off	14,142	5,482	3,383	4	-	-	23,011
	<u>865,339</u>	<u>383,354</u>	<u>194,310</u>	<u>199,638</u>	<u>-</u>	<u>-</u>	<u>1,642,641</u>
Asset and liabilities							
Total segment assets	32,186,032	29,400,457	12,093,317	98,310,653		(102,242,362)	<u>69,748,097</u>
Segment assets include:							
Addition to non-current assets	<u>337,672</u>	<u>153,144</u>	<u>203,344</u>	<u>75,505</u>			<u>769,665</u>
Total segment liabilities	16,166,686	13,415,174	8,376,311	11,752,797		(27,523,073)	<u>22,187,895</u>

<b>FY2017</b>	<b>In-store advertising and digital marketing RM</b>	<b>Field Force Management RM</b>	<b>Sampling activities and events management RM</b>	<b>Investment holding RM</b>	<b>Others RM</b>	<b>Eliminations RM</b>	<b>Total RM</b>
Segment revenue							
Sales to external customers	34,416,115	79,652,053	18,296,023	87,949	-	-	132,452,140
Intersegment sales	134,963	34,327	132,556	4,467,778	-	(4,769,624)	-
Total revenue	<u>34,551,078</u>	<u>79,686,380</u>	<u>18,428,579</u>	<u>4,555,727</u>	-	<u>(4,769,624)</u>	<u>132,452,140</u>
Segment profit/(loss) - continuing operations	6,228,527	4,274,405	3,464,778	(5,591,732)	(4,487)	-	8,371,491
Loss from discontinued operation	-	-	-	-	-	-	<u>(1,419,855)</u>
							<u>6,951,636</u>
<b>Other significant non-cash expense:</b>							
Depreciation and amortisation	808,895	435,571	188,996	139,100	-	-	1,572,562
Property, plant and equipment written off	1,156	-	-	5	-	-	1,161
Fee to professional advisor	-	-	-	1,300,000	-	-	1,300,000
	<u>810,051</u>	<u>435,571</u>	<u>188,996</u>	<u>1,439,105</u>	-	-	<u>2,873,723</u>
Asset and liabilities							
Total segment assets	37,486,614	24,784,950	7,840,206	52,687,461	78,880	(65,212,830)	<u>57,665,281</u>
Segment assets include:							
Addition to non-current assets	<u>1,003,194</u>	<u>599,695</u>	<u>153,371</u>	<u>444,947</u>	-	-	<u>2,201,207</u>
Total segment liabilities	(21,996,211)	(12,218,617)	(4,712,469)	(17,740,688)	(83,364)	27,369,875	<u>(29,381,474)</u>

#### **b. Geographical segments**

The Group operates mainly in Malaysia with revenue generated from customers in Malaysia. Only marginal 1.3% from outside Malaysia. Therefore, an analysis of assets and profits of the Group by geographical distribution has not been included.

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

Please refer to paragraph 8 for details.

18. A breakdown of sales

	Group		Increase/ (Decrease) %
	FY 2018 RM	FY 2017 RM	
<b>Sales reported for:</b>			
(a) First half of the financial year	68,755,577	64,785,270	6
(b) Second half of the financial year	73,598,712	67,666,870	9
	<u>142,354,289</u>	<u>132,452,140</u>	7
<b>Profit attributed to owners of the Company reported for:</b>			
(a) First half of the financial year	4,614,931	3,527,543	31
(b) Second half of the financial year	945,466	1,619,663	(42)
	<u>5,560,397</u>	<u>5,147,206</u>	8

19. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:

	FY 2018 RM	FY 2017 RM
(a) Ordinary (Final)	1,132,145	17,854,700
(b) Preference	-	-
	<u>1,132,145</u>	<u>17,854,700</u>

20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Chew Sue Ann	39	Daughter of Yap Phaik Kwai, the controlling shareholder of the Company, and spouse of James Ling Wan Chye, executive director of the Company	Executive Chairman and Group Managing Director since date of incorporation of the Company.  Responsible for overseeing operation of the Group.	-

James Ling Wan Chye	40	Son-in-law of Yap Phaik Kwai, the controlling shareholder of the Company, and spouse of Chew Sue Ann, Executive Chairman and Group Managing Director	Executive Director – Corporate Finance and Strategy since 8 January 2018.  Responsible for overseeing corporate finance and human resource functions of the Group, as well as executing key strategic initiative of the Group.	-
------------------------	----	---	---	---

**BY ORDER OF THE BOARD**

Chew Sue Ann  
Executive Chairman and Group Managing Director

30 July 2018