



CAPITAL WORLD LIMITED

(Formerly known as Terratech Group Limited)

(Company Registration No: CT-276295)

(Incorporated in the Cayman Islands on 15 March 2013)

UNAUDITED FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 DECEMBER 2018

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

1(a). An income statement and statement of comprehensive income, or a statement of comprehensive income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group			Group		
	Second quarter ended 31 December			Half year ended 31 December		
	2018	2017	Change	2018	2017	Change
	(Unaudited)	(Unaudited)		(Unaudited)	(Unaudited)	
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	53,693	45,952	17	97,819	90,109	9
Cost of sales	(21,908)	(11,639)	88	(34,133)	(24,135)	41
Gross profit	31,785	34,313	(7)	63,686	65,974	(3)
Other income	4,368	278	1,471	4,474	670	568
Selling and distribution expenses	(2,180)	(1,793)	22	(4,096)	(3,410)	20
General and administrative expenses	(10,628)	(9,179)	16	(22,224)	(13,292)	67
Finance costs	(3,570)	(60)	5,850	(6,793)	(62)	10,856
Profit before tax	19,775	23,559	(16)	35,047	49,880	(30)
Income tax expense	(5,051)	(6,155)	(18)	(10,014)	(12,798)	(22)
Profit after tax	14,724	17,404	(15)	25,033	37,082	(32)
Other comprehensive income:						
Items that may be reclassified subsequently to profit or loss:						
Exchange differences arising from translation of foreign operations	(172)	12	(1,533)	27	(341)	(108)
Other comprehensive (loss) / income, net of tax	(172)	12	(1,533)	27	(341)	(108)
Total comprehensive income, net of tax	14,552	17,416	(16)	25,060	36,741	(32)
Profit attributable to:						
Owners of the Company	14,944	17,412	(14)	25,445	37,123	(31)
Non-controlling interests	(220)	(8)	2,650	(412)	(41)	905
	14,724	17,404	(15)	25,033	37,082	(32)
Total comprehensive income attributable to:						
Owners of the Company	14,878	17,424	(15)	25,580	36,782	(30)
Non-controlling interests	(326)	(8)	3,975	(520)	(41)	1,168
	14,552	17,416	(16)	25,060	36,741	(32)

1(a). 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. (continued)

Group			Group		
Second quarter ended 31 December			Half year ended 31 December		
2018	2017	Change	2018	2017	Change
(Unaudited)	(Unaudited)		(Unaudited)	(Unaudited)	
RM'000	RM'000	%	RM'000	RM'000	%

Profit for the year is arrived at after (crediting) / charging :

Reversal of interest income in prior year / (Interest income), net	426	(118)	(461)	367	(413)	(189)
Depreciation of property, plant & equipment	986	760	30	1,703	1,539	11
Amortisation of intangible assets	944	839	13	1,710	1,632	5
Amortisation of deferred expenditure	2,136	308	594	3,880	1,548	151
Interest expense	3,570	60	5,850	6,793	62	10,856
Write off of property, plant and machinery	7	258	(97)	7	258	(97)
Gain on disposal of a subsidiary	(3,946)	-	n.m.	(3,946)	-	n.m.

n.m. denotes 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 31.12.18	As at 30.06.18	As at 31.12.18	As at 30.06.18
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	RM'000	RM'000	RM'000	RM'000
Current assets				
Inventory properties	223,712	193,686	-	-
Inventories	8,521	8,125	-	-
Deferred expenditure	1,979	5,749	-	-
Trade receivables	16,553	30,868	-	-
Unbilled receivables	-	3,469	-	-
Other receivables, deposits and prepayments	15,585	19,624	1,310	132
Amounts due from subsidiaries	-	-	85,333	59,967
Deferred tax asset	1,903	1,903	-	-
Fixed deposits	5,351	6,703	-	-
Cash on hand and at banks	9,902	22,776	592	2,356
	283,506	292,903	87,235	62,455
Non-current assets				
Inventory properties	107,895	106,455	-	-
Trade receivables	19,310	19,310	-	-
Property, plant and equipment	130,821	104,933	216	237
Investment property under construction	242,423	192,579	-	-
Intangible assets	93,848	93,885	-	-
Investment in subsidiaries	-	-	763,225	763,225
	594,297	517,162	763,441	763,462
Total assets	877,803	810,065	850,676	825,917
Current liabilities				
Trade payables	168,151	119,078	-	-
Other payables and accruals	131,132	72,056	23,560	7,700
Deferred revenue	13,683	94,476	-	-
Hire purchase payables	11	37	-	-
Loans and borrowings	54,360	43,330	27,951	17,589
Derivatives	5,273	4,044	5,273	4,044
Provision for taxation	30,989	27,954	56	75
	403,599	360,975	56,840	29,408
Non-current liabilities				
Trade payables	116,592	116,592	-	-
Other payables	1,819	1,819	-	-
Loans and borrowings	-	1,852	-	1,852
Provision for taxation	6,898	6,898	-	-
Deferred tax liabilities	19,463	19,929	-	-
	144,772	147,090	-	1,852
Total liabilities	548,371	508,065	56,840	31,260
Equity				
Share capital	113,833	112,085	162,958	161,210
Reserves	216,033	189,829	630,878	633,447
Equity attributable to owners of the Company	329,866	301,914	793,836	794,657
Non-controlling interests	(434)	86	-	-
Total equity	329,432	302,000	793,836	794,657
Total equity and liabilities	877,803	810,065	850,676	825,917

1(b)(ii). In relation to the aggregate amount of the Group's borrowings and debt securities, specify the following at the end of the financial period reported on with comparative figures at the end of the immediately preceding financial year.

	Group			
	As at 31.12.18		As at 30.06.18	
	(Unaudited)		(Audited)	
	RM'000		RM'000	
	Secured	Unsecured	Secured	Unsecured
Amount repayable within one year	59,644	-	47,411	-
Amount repayable after one year	-	-	1,852	-
	59,644	-	49,263	-

The loans and borrowings are mainly secured by the following: -

1. Pledge and charge of certain shares by the controlling shareholders.
2. Charge of the fixed deposits with a licensed bank.
3. Charge over the leased assets.

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	
	Second quarter ended 31 December	
	2018	2017
	(Unaudited)	(Unaudited)
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	19,775	23,559
Adjustments for:		
Depreciation of property, plant and equipment	986	760
Amortisation of intangible assets	944	839
Amortisation of deferred expenditure	2,136	308
Gain on disposal of a subsidiary	(3,946)	-
Plant and equipment written off	7	258
Reversal of interest income in prior year / (Interest income), net	426	(118)
Interest expense	3,570	59
Operating cash flows before changes in working capital	23,898	25,665
Changes in working capital:		
Inventory properties	(23,824)	(6,891)
Inventories	(271)	(215)
Deferred expenditure	(110)	1,228
Trade and other receivables	(883)	(5,315)
Trade and other payables	63,823	(33,194)
	62,633	(18,722)
Interest paid	(643)	(59)
Interest received	4	118
Tax paid	(3,632)	(4,117)
Net cash flows generated from/(used in) operating activities	58,362	(22,780)
Cash flows from investing activities		
Purchase of property, plant and equipment	(14,328)	(3,271)
Purchase of intangible assets	(1,636)	-
Acquisition of subsidiaries	-	(1,200)
Net cash received from acquisition of subsidiaries	-	2
Disposal of a subsidiary	(3,270)	-
Expenditure on investment property under construction	(43,518)	(6,518)
Net cash flows used in investing activities	(62,752)	(10,987)
Cash flows from financing activities		
Proceeds from loans and borrowings	-	38,630
Repayment of loans and borrowings	(1,138)	(375)
Placement of secured bank deposit	-	(5,200)
Repayment of hire purchase payables	(13)	(4)
Net cash flows (used in)/generated from financing activities	(1,151)	33,051
Net decrease in cash and cash equivalents	(5,541)	(716)
Cash and cash equivalents at beginning of financial year	14,203	13,751
Currency translation differences	566	85
Cash and cash equivalents at end of period	9,228	13,120
Cash and cash equivalents comprise:	As at 31 Dec 2018	As at 31 Dec 2017
Fixed deposits	5,351	6,462
Cash on hand and at banks	9,902	11,889
	15,253	18,351
Less: Bank balances not available for use	(6,025)	(5,231)
	9,228	13,120

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.

	Share capital	Share premium	Capital reserve	Merger reserve	Equity component of Convertible Bond	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group (Unaudited)										
Balance as at 1 Oct 2018	113,833	15,937	-	5,000	300	(4)	179,922	314,988	(108)	314,880
Total comprehensive income for the year	-	-	-	-	-	(66)	14,944	14,878	(326)	14,552
	-	-	-	-	-	(66)	14,944	14,878	(326)	14,552
Balance as at 31 Dec 2018	113,833	15,937	-	5,000	300	(70)	194,866	329,866	(434)	329,432
Balance as at 1 Oct 2017	108,044	12,888	-	5,000	-	(185)	130,534	256,281	108	256,389
Total comprehensive income for the year	-	-	-	-	-	12	17,412	17,424	(8)	17,416
Balance as at 31 Dec 2017	108,044	12,888	-	5,000	-	(173)	147,946	273,705	100	273,805
Company (Unaudited)										
	Share capital	Share premium	Capital reserve	Merger reserve	Equity component of Convertible Bond	Foreign currency translation reserve	Accumulated losses	Total	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 Oct 2018	162,958	657,694	487	-	300	11,850	(30,282)	803,007	-	803,007
Total comprehensive loss for the year	-	-	-	-	-	(7,450)	(1,721)	(9,171)	-	(9,171)
Balance as at 31 Dec 2018	162,958	657,694	487	-	300	4,400	(32,003)	793,836	-	793,836
Balance as at 1 Oct 2017	157,169	654,645	487	-	-	4,837	(27,340)	789,798	-	789,798
Total comprehensive loss for the year	-	-	-	-	-	(671)	(150)	(821)	-	(821)
Balance as at 31 Dec 2017	157,169	654,645	487	-	-	4,166	(27,490)	788,977	-	788,977

1(d)(ii). Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Number of issued shares	Share capital RM'000
As at 30 September and 31 December 2018	1,317,094,554	162,958

As at 31 December 2018, the Company had outstanding shares of 121,951,219 to be issued pursuant to Convertible Bonds ("CB") Subscription Agreement entered by the Company in the event of conversion of the CB by the CB holders. Other than this, there were no any outstanding convertibles, options, treasury shares or subsidiary holding as at 31 December 2018.

The Company did not have any outstanding options, convertibles, treasury shares or subsidiary holdings as at 31 December 2017.

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

	As at 31.12.18	As at 30.06.18
Total number of issued shares excluding treasury shares	1,317,094,554	1,302,460,408

The Company has no treasury shares as at 31 December 2018 and 30 June 2018 respectively.

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

Not applicable. There were no treasury shares during and as at the end of the current financial period reported on.

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

Not applicable. There were no 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 accounting standard or practice.

The figures have not been audited or reviewed by the Group's auditors.

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

Not applicable. The figures have not been audited or reviewed by the Group's auditors.

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

The Group has applied the same accounting policies and methods of computation in preparation of the financial statements for the current reporting period as those used in the most recently audited annual financial statements for the financial year ended 30 June 2018.

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.

In the current reporting period, the Group adopted all of the new or revised International Financial Reporting Standards ("IFRS") that are relevant to its operations and are effective for first-time adoption during the current financial year beginning on or after 1 July 2018. The adoption of these new and/or revised IFRS did not result in any substantial changes to the Group's accounting policies and has no material effect on the financial results 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.

	Second quarter ended 31 December	
	2018	2017
Profit after tax attributable to owners of the Company (RM000)	14,944	17,412
Weighted average number of ordinary shares in issue	1,317,094,554	1,268,314,067
(a) Basic earnings per ordinary share (RM cents)	1.13	1.37
(b) Diluted earnings per ordinary share (RM cents)	1.13	1.37

For the second quarter ended 31 December 2018, the computation of the diluted EPS does not assume the conversion of the outstanding Convertible Bonds as they had anti-dilutive effect on the EPS calculation. The basic and diluted EPS were the same for the second quarter ended 31 December 2018 and 2017 as there were no potentially dilutive ordinary shares in issue as at 31 December 2018 and 2017.

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:-

	Group		Company	
	As at 31.12.18	As at 30.06.18	As at 31.12.18	As at 30.06.18
Net assets value (RM'000)	329,866	301,914	793,836	794,657
Number of ordinary shares in issue	1,317,094,554	1,302,460,408	1,317,094,554	1,302,460,408
Net asset value per ordinary share based on issued share capital (RM cents)	25.04	23.18	60.27	61.01

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 STATEMENT OF COMPREHENSIVE INCOME OF THE GROUP

Second quarter ended 31 December 2018 ("2Q2019") vs second quarter ended 31 December 2017 ("2Q2018")

The Group's revenue increased by RM7.7 million from RM46.0 million in 2Q2018 to RM53.7 million in 2Q2019. The percentage of completion ("POC") which was used for revenue recognition, for the Capital City Mall (retail podium component of the Group's mixed development in Johor, Malaysia), was 97.1% as at 31 December 2018 (69.6% as at 31 December 2017). The POC for Capital Suites was 26.2% as at 31 December 2018 (17.0% as at 31 December 2017).

The cost of sales increased by RM10.3 million from RM11.6 million in 2Q2018 to RM21.9 million in 2Q2019 due to the increase in construction cost towards the completion of the Capital City Mall which was opened for business on 17 October 2018.

Accordingly, the gross profit decreased by RM2.5 million from RM34.3 million in 2Q2018 to RM31.8 million in 2Q2019. The increase in cost of sales led to a decrease in the gross profit margin from 74.7% in 2Q2018 to 59.2% in 2Q2019.

Other income was RM4.4 million in 2Q2019, consisting of mainly one-off gain of RM3.9 million from the disposal of a subsidiary, Shaanxi Hengyu Architectural Interior Engineering Co., Ltd and rental income from leasing of the Capital City Mall units.

The selling and distribution expenses, comprising mainly sales commission and advertising and promotional expenses, increased by RM0.4 million from RM1.8 million in 2Q2018 to RM2.2 million in 2Q2019 which is in line with the higher revenue.

The increase in general and administrative expenses of RM1.4 million from RM9.2 million in 2Q2018 to RM10.6 million in 2Q2019 was mainly due to: i) higher payroll related costs from additional headcounts; ii) fees for liaising and sourcing tenants for the Capital City Mall and iii) maintenance and service fee for the retained and unsold units.

Finance costs were mainly made up of interest expenses relating to loans and borrowings. The increase in finance costs was due to the increase in loan and borrowings secured.

As a result of the aforementioned, the Group recorded a profit after tax of RM14.7 million in 2Q2019 as compared to a profit after tax of RM17.4 million in 2Q2018.

REVIEW OF STATEMENT OF FINANCIAL POSITION OF THE GROUP

Total assets increased by RM67.7 million from RM810.1 million as at 30 June 2018 to RM877.8 million as at 31 December 2018, mainly due to: i) increase in inventory properties (current & non-current) and investment properties under construction of RM31.5 million and RM49.8 million respectively, which were in line with higher recognition of completed works and the increase in construction costs towards the completion of the Capital City Mall; ii) increase in property, plant and equipment of RM25.9 million due to additions during current quarter, and offset by (i) decrease in current trade and unbilled receivables of RM17.8 million due mainly to payment received during the current period and the disposal of a subsidiary; ii) decrease in other receivables, deposits and prepayments of RM4.0 million mainly due to reclassification to property, plant and equipment and the disposal of a subsidiary; (iii) decrease in deferred expenditure of RM3.8 million due to amortization in the current period; and (iv) decrease in cash and bank balances of RM14.2 million.

Total liabilities increased by RM40.3 million from RM508.1 million as at 30 June 2018 to RM548.4 million as at 31 December 2018, mainly due to: i) increase in trade, other payables and accruals (current) of RM108.1 million, which was due to the increased business activities and the increase in construction cost payable; ii) increase in loans and borrowings (including derivatives and hire purchase) (current and non-current) of RM10.4 million; and iii) offset by the decrease in deferred revenue of RM80.6 million as a result of revenue recognition based on percentage of completion method.

The net current liability of RM120.1 million as at 31 December 2018 was mainly due to: i) increase in construction costs payable of approximately RM103 million in 2Q2019 due to completion of the Capital City Mall, which payables were newly incurred in this quarter only; and ii) deferred revenue of RM13.9 million which is a non-cash item and to be recognized as revenue in the future based on percentage of completion method.

The Group has taken steps to enhance sales and marketing efforts, receivables collection and to explore potential financing options including fund raising opportunities.

REVIEW OF STATEMENT OF CASH FLOWS OF THE GROUP

In 2Q2019, the Group's net cash generated from operating activities amounted to RM58.4 million. This comprised mainly operating cash inflow before working capital changes of RM23.8 million, adjusted for net working capital inflow of RM38.8 million and tax payment of RM3.6 million.

The net working capital inflow of RM38.8 million was mainly due to: i) increase in trade and other payables of RM59.8 million, and ii) decrease in trade and other receivables of RM3.1 million, offset by the increase in inventory properties of RM23.8 million.

Net cash used in investing activities of RM62.8 million in 2Q2019 was mainly due to addition of property, plant and equipment and expenditure on investment property under construction.

Net cash used in the financing activities of RM1.2 million in 2Q2019 was due to repayments of the loans and borrowings.

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

Since the first ever change in government, Malaysia is progressing well on track towards restoring its fiscal position. The world's largest international credit rating agencies continued to maintain Malaysia's credit rating, which will aid in bolstering confidence among foreign investors.

The Group is cautiously optimistic that the property market will recover in the mid to long term as Malaysia's properties continue to be attractive in the eyes of foreign buyers while the government unveiled policies to aid first-time homebuyers in the recent Budget 2019. In addition, the southern Johor region continues to attract new investments in sectors such as tourism, logistics, health, the creative industry, finance and education. These investments are able to create more employment and business opportunities for the locals which will spur demand for residential and commercial properties.

On 28 January 2019, the shareholders of the Company approved the shares subscription by PRG Holdings Berhad at an Extraordinary General Meeting. The proceeds from the shares subscription will enhance Group's cash flow position and business synergy is expected between the two groups.

Going forward, the Group will remain prudent in managing its business given the current challenging market condition. New development projects in the pipeline will be launched at an appropriate timing.

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

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

None.

(b)(i) Amount per share (cents)

(Optional) Rate (%)

Not applicable.

(b)(ii) Previous corresponding period (cents)

(Optional) Rate (%)

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 receive by the Group (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 and the reason(s) for the decision.

No dividend has been declared or recommended for the second quarter ended 31 December 2018 as the fund is required to be used for the Group's operations.

13. If the Group has obtained a general mandate from shareholders for interested person transactions (“IPT”) the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company had obtained a general mandate for IPTs from shareholders and there were no IPTs conducted under the general mandate from 1 July 2018 to 31 December 2018.

Save as disclosed below, there were no IPTs that was equal to or had exceeded S\$100,000 from 1 July 2018 up to 31 December 2018.

Name of Interested Persons and Transactions	Aggregate value of all interested person transactions during the financial year 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 shareholders’ mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	RM’000	RM’000
RDC Arkitek Sdn. Bhd. <i>(an associate of Director and controlling shareholder of the Company, Mr Siow Chien Fu for the provision of architectural consultation services in respect of Project Capital City)</i>	726	-

14. Confirmation pursuant to Rule 705(5) of the Catalist Listing Rule

The Board of Directors of the Company hereby confirms that, to the best of their knowledge, nothing has come their attention which may render the unaudited financial statements for the second quarter ended 31 December 2018 to be false or misleading in any material aspect.

15. Confirmation pursuant to Rule 720(1) of the Catalist Listing Rule

The Company confirms that it has procured undertaking from all its Directors and Executive Officers pursuant to Rule 720(1) of the Catalist Listing Manual.

BY ORDER OF THE BOARD
Siow Chien Fu
Executive Director and Chief Executive Officer
12 February 2019

This announcement has been prepared by the Group and its contents have been reviewed by the Group's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms. Tan Pei Woon, Associate Director, Continuing Sponsorship (Mailing address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and Email: sponsorship@ppcf.com.sg).