



**CHINA MEDICAL (INTERNATIONAL)
GROUP LIMITED**

中国医疗(国际)集团有限公司

Company Registration No. 200505118M

CHINA MEDICAL (INTERNATIONAL) GROUP LIMITED

FIRST QUARTER UNAUDITED FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017

This announcement has been prepared by the Company and its contents have been reviewed by the Company'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 Catalist. The Sponsor has not verified the contents of this announcement.

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

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

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

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

	Group		Increase/ (Decrease) %
	31.03.17 (Unaudited) S\$'000	31.03.16 (Unaudited) S\$'000	
Revenue	579	1,063	(46%)
Cost of Sales	(367)	(705)	(48%)
Gross Profit	212	358	(41%)
Other income	87	134	(35%)
Selling & distribution expenses	(65)	(95)	(32%)
Administrative expenses	(1,256)	(1,110)	13%
Other operating expenses	(68)	(75)	(9%)
Finance expenses	(167)	-	N/M
Loss for the financial period before income tax	(1,257)	(788)	60%
Income tax expense	(2)	-	N/M
Net loss	(1,259)	(788)	60%
Other comprehensive loss:			
Item that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation loss	(11)	(30)	(63%)
Other comprehensive loss, net of tax	(11)	(30)	(63%)
Total comprehensive loss	(1,270)	(818)	55%
Loss attributable to:			
Equity holders of the Company	(1,147)	(641)	79%
Non-controlling interests	(112)	(147)	(24%)
Net loss for the financial period	(1,259)	(788)	60%
Loss attributable to:			
Equity holders of the Company	(1,149)	(667)	72%
Non-controlling interests	(121)	(151)	(20%)
Total comprehensive loss for the financial period	(1,270)	(818)	55%

Notes to Consolidated Statement of Comprehensive Income

	Group		Increase/ (Decrease)
	31.03.17 (Unaudited)	31.03.16 (Unaudited)	
	S\$'000	S\$'000	%
Interest expense on borrowings	(167)	-	N/M
Depreciation of property, plant and equipment	(41)	(39)	5%
Impairment of other receivables	(250)	-	N/M
Write off of property, plant and equipment	-	(3)	N/M
Foreign exchange gains/ (losses)	11	38	(74%)

N/M – 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 31.03.17 Unaudited S\$'000	As at 31.12.16 Audited S\$'000	As at 31.03.17 Unaudited S\$'000	As at 31.12.16 Audited S\$'000
<u>ASSETS</u>				
Current assets				
Cash & cash equivalents	2,379	2,525	1,434	1,404
Trade receivables other receivables	1,376	1,570	1,388	893
Inventories	48	64	-	-
Total current assets	3,803	4,159	2,822	2,297
Non-current assets				
Investment in subsidiary corporations	-	-	7,302	7,302
Property, plant and equipment	239	274	22	27
Intangible asset	104	104	-	-
Goodwill	7,192	7,192	-	-
Total non-current assets	7,535	7,570	7,324	7,329
Total assets	11,338	11,729	10,146	9,626
<u>LIABILITIES AND EQUITY</u>				
Current liabilities				
Trade payables and other payables	2,465	1,348	2,542	864
Borrowings	3,992	3,730	-	-
Total current liabilities	6,457	5,078	2,542	864
Non-current liabilities				
Trade and other payables	3,017	3,017	3,017	3,017
Borrowings	1,000	1,000	1,000	1,000
Deferred income tax liabilities	18	18	-	-
Total non-current liabilities	4,035	4,035	4,017	4,017
Total liabilities	10,492	9,113	6,559	4,881
Net assets	846	2,616	3,587	4,745
Capital and reserves attributable to equity holders of the Company				
Share capital	50,110	50,000	50,110	50,000
Other reserves	(49,087)	(47,320)	(46,523)	(45,255)
Share capital and reserves	1,023	2,680	3,587	4,745
Non-controlling interests	(177)	(64)	-	-
Total equity	846	2,616	3,587	4,745

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

	Group	
	31.3.2017 (Unaudited)	31.12.2016 (Audited)
	S\$'000	S\$'000
Current liabilities		
Loan facilities ⁽ⁱ⁾	3,992	3,730
	<u>3,992</u>	<u>3730</u>
Non-current liabilities		
Loan facilities ⁽ⁱⁱ⁾	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

Details of any collateral

- (i) (a) Approximately S\$3.79 million (HK\$20 million) loan borrowed by a subsidiary is secured by a corporate guarantee granted by the Company and a deed of guarantee granted by one of the Company's substantial shareholders, Dato Dr Choo Yeow Ming. The loan bears interest at a rate of 12% per annum and the repayment term was originally repayable within 6 months from 20 June 2016 and was further extended to 28 March 2017. On 29 March 2017, the repayment date of this loan was further extended to 27 June 2017.
- (b) On 2 February 2017, one of the Company's substantial shareholders, Dato Dr Choo Yeow Ming advanced an interest free loan of S\$0.2 million to the Company, repayable in 12 months after the date of disbursement for general working capital purposes.
- (ii) Unsecured shareholder loan from Dato Dr Choo Yeow Ming. The unsecured loan bears interest at a rate of 6% per annum and is due for repayment on 5 March 2020.

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

	31.03.17	31.03.16
	Unaudited	Unaudited
	S\$'000	S\$'000
Net loss	(1,259)	(788)
Cash flows from operating activities		
Adjustment for:		
Income tax expense	2	-
Depreciation of property, plant and equipment	41	39
Write off of property, plant and equipment	-	3
Unrealised currencies translation (gain)/ loss	(145)	18
Interest expense	167	-
Operating cash flows before movements in working capital	(1,194)	(728)
Trade and other receivables	194	(1,739)
Inventories	16	260
Trade and other payables	(123)	(93)
Cash used in operations	(1,107)	(2,300)
Income tax paid	(2)	-
Interest expense	(167)	-
Net cash generated from/ (used in) operating activities	(1,276)	(2,300)
Cash flow used in investing activities		
Purchase of property, plant and equipment	-	(23)
Net cash used in investing activities	-	(23)
Cash flows from financing activities		
Redemption of warrants	(500)	-
Proceeds from issuance of ordinary shares	-	3,000
Proceeds received in advance for share placement	1,440	
Proceeds from borrowing	200	-
Net cash generated from financing activities	1,140	3,000
Net (decrease)/ increase in cash and cash equivalents	(136)	677
Cash and cash equivalents at the beginning of the financial period	2,525	3,519
Effect of exchange rate changes on cash and cash equivalents	(10)	(38)
Cash and cash equivalents at end of the financial period	2,379	4,158

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	Currency translation reserves	Accumulated losses	Share option reserve	Warrant reserve	Attributable to equity holders of company	Non-controlling interest	Total
Group	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
(Unaudited)								
Balance as at 01.01.2016	46,485	12	(31,043)	1,038	1,115	17,607	616	18,223
Issuance of new shares	3,000	-	-	-	-	3,000	-	3,000
Loss for the period	-	-	(641)	-	-	(641)	(147)	(788)
Other comprehensive income for the period	-	(26)	-	-	-	(26)	(4)	(30)
Balance as at 31.03.2016	49,485	(14)	(31,684)	1,038	1,115	19,940	465	20,405
(Unaudited)								
Balance as at 01.01.2017	50,000	18	(49,799)	1,038	1,415	2,672	(56)	2,616
Redemption of warrants	-	-	-	-	(500)	(500)	-	(500)
Expiry of warrants	110	-	-	-	(110)	-	-	--
Loss for the period	-	-	(1,147)	-	-	(1,147)	(112)	(1,259)
Other comprehensive income for the period	-	(2)	-	-	-	(2)	(9)	(11)
Balance as at 31.03.2017	50,110	16	(50,946)	1,038	805	1,023	(177)	846

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 (cont'd)

	Share capital	Accumulated losses	Share option reserves	Warrant reserve	Total
Company	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
(Unaudited)					
Balance as at 01.01.2016	46,485	(32,056)	1,038	1,115	16,582
Issuance of shares	3,000	-	-	-	3,000
Total comprehensive loss for the period	-	(458)	-	-	(458)
Balance as at 31.03.2016	49,485	(32,514)	1,038	1,115	19,124
(Unaudited)					
Balance as at 01.01.2017	50,000	(47,708)	1,038	1,415	4,745
Redemption of warrants	-	-	-	(500)	(500)
Expiry of warrants	110	-	-	(110)	-
Total comprehensive loss for the period	-	(658)	-	-	(658)
Balance as at 31.03.2017	50,110	(48,366)	1,038	805	3,587

1(d)(ii) Details of any changes in the company’s share capital arising from right 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.

The Company’s share capital is shown as below:-	Number of Shares	Share capital S\$’000
Balance as at 31 December 2016	2,999,133,315	50,000
Balance as at 31 March 2017	2,999,133,315	50,110

No new share was issued during the financial period ended 31 March 2017 (“1Q2017”). As at 31 March 2017, the issued and paid up capital of the Company is approximately S\$50,110,000 comprising 2,999,133,315 shares. The increase of S\$110,000 in share capital is due to the expiry of 110 million warrants that were transferred from the warrant reserves.

No warrants pursuant to the Rights cum Warrants Issue were exercised during 1Q2017. As at 31 March 2017, there were 66,179,592 outstanding warrants pursuant to the Rights cum Warrants Issue which may be exercisable into 66,179,592 ordinary shares of the Company. (As at 31 March 2016, there were 66,179,592 outstanding warrants pursuant to the Right cum Warrants Issue which may be exercisable into 66,179,592 ordinary shares of the Company).

110 million non-listed, non-transferrable warrants that were issued on 12 December 2013 at an exercise price of S\$0.04338 per warrant exercisable into 110 million shares of the Company expired as they were unexercised by 24 January 2017, and the warrant reserves were transferred to share capital upon the expiry of the warrants. (As at 31 March 2016: 110 million warrants).

840 million non-listed, non-transferable warrants were issued on 11 June 2015 at an exercise price of S\$0.01125 per warrant exercisable into 840 million ordinary shares of the Company were mutually terminated by the Company and the respective warrant holders on 25 January 2017.

600 million non-listed, non-transferable warrants were issued on 24 October 2016 at an exercise price of S\$0.0103 per warrant exercisable into 600 million ordinary shares of the Company. These were mutually terminated by the Company and the respective warrant holders on 25 January 2017.

In 1Q2017, no employee share options were exercised. As at 31 March 2017, the Company had 104,650,000 outstanding employee share options. There were no employee share options exercised during 1Q2017. 1,200,000 employee share options had lapsed following the cessation of employment of an employee (As at 31 March 2016: 107,750,000 employee share options).

There were no treasury shares or subsidiary holdings as at 31 March 2017 and 31 March 2016.

1(d)(iii) To show the 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

	Company 31.03.2017	Company 31.12.2016
Total number of issued shares excluding treasury shares	<u>2,999,133,315</u>	<u>2,999,133,315</u>

There were no treasury shares as at 31 March 2017 and 31 December 2016.

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 as 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, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on

Not applicable as 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 Company's auditors.

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 same accounting policies and methods of computation have been adopted for the current reporting year as compared with the most recent audited financial statements of the Company for the financial year ended 31 December 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 period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

	Group	
	31.03.17 (Unaudited)	31.03.16 (Unaudited)
Loss per share		
Basic (Singapore cents) ¹	(0.038)	(0.023)
Diluted (Singapore cents) ²	(0.038)	(0.023)

Notes:

¹ The calculation of loss per ordinary share is based on the Group's loss attributable to equity holders of the Company of S\$1,147,000 for 1Q2017. (31 March 2016: S\$641,000) divided by the weighted average number of shares of 2,999,133,135 shares (31 March 2016: 2,748,034,414 shares).

² The outstanding warrants and options were not included in the computation of the diluted loss per share as their effect would have been anti-dilutive.

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	
	31.03.17 Unaudited	31.12.16 Audited	31.03.17 Unaudited	31.12.16 Audited
Net asset value per ordinary share (Singapore cents)	0.03	0.09	0.12	0.16

The net asset value per ordinary share of the Group and the Company was calculated based on the Group's and the Company's net assets value as at 31 March 2017 divided by 2,999,133,315 ordinary shares (31 December 2016: 2,999,133,315 ordinary shares).

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 Income Statement of the Group

i) Revenue

	Group			
	31.03.17	31.03.16		
	Unaudited	Unaudited		
	S\$'000	S\$'000	S\$'000	Increase/ (Decrease) %
Trading & Distribution	444	784	(340)	-43%
Aesthetics Medical	135	279	(144)	-52%
Total	579	1,063	(484)	-46%

The Group's revenue from its trading and distribution operations for 1Q2017 was S\$0.444 million, a decrease of S\$0.340 million as compared to the revenue of S\$0.784 million in the previous corresponding financial period ended 31 March 2016 ("1Q2016"). The 43% decline in trading and distribution revenue was due to weakening market demand, reduction in steel production in our region and increasing competition.

Medical aesthetics segment recorded S\$0.135 million of revenue during 1Q2017 due to weaker demand for their services (1Q2016: S\$0.279 million).

ii) Gross profit and gross profit margin

The Group's gross profit from operations decreased by 41% from S\$0.358 million in 1Q2016 to S\$0.212 million in 1Q2017. This was mainly due to lower revenue recorded in 1Q2017.

iii) Other operating income

Other operating income decreased by S\$0.050 million to S\$0.090 million in 1Q2017 from S\$0.134 million in 1Q2016 due to absence of the one-off forfeiture of monies amounting to S\$0.100 million pursuant to a terminated share placement agreement in 1Q2016.

iv) Selling and distribution expenses

Selling and distribution costs decreased by 32% in 1Q2017 mainly due to lower employee costs and lower outward freight charges corresponding to lower sales volume in trading and distribution division.

v) Administrative expenses

Administrative expenses increased by S\$0.146 million from S\$1.100 million in 1Q2016 to S\$1.256 million in 1Q2017 mainly due to S\$0.250 million impairment of loan and advances which were spent for initial set up of the aesthetics clinics in Shenzhen offset by a reduction of approximately S\$0.100 million in staff costs.

vi) Other operating expenses

Other operating expenses decreased slightly by S\$0.007 million to S\$0.068 million in 1Q2017 from S\$0.075 million in 1Q2016 mainly due to lower business volume during the period.

vii) Finance expenses

In 1Q2017, the finance expense increased by S\$0.167 million mainly due to interest expense for HK\$20 million loan and S\$1 million loan from a substantial shareholder.

viii) Income tax

The Group paid S\$0.002 million tax in 1Q2017 as a result of estimated tax payable for the current year of assessment. There was no tax expense in 1Q2016.

Review of the Financial Position of the Group

ix) Balance sheet

Total assets of the Group decreased by S\$0.391 million from S\$11.729 million as at 31 December 2016 to S\$11.338 million as at 31 March 2017. This was attributable to decrease in cash and cash equivalents of S\$0.146 million and decrease in trade and other receivables of S\$0.194 million due to impairment of loan and advances which were spent for initial set up of the aesthetics clinics in Shenzhen. These were further impaired during this financial period as the return on investment for these are expected to take much longer than envisaged and the Board's view is to take a prudent approach to impair these advances.

Total liabilities of the Group increased by S\$1.379 million from 31 December 2016. This was mainly due to S\$1.440 million received in advance recorded as other payable for

the placement of 200 million shares subscription offset by S\$0.06 million reduction in trade and other payables in the trading and distribution division.

The working capital on 31 March 2017 was a deficit of S\$2.654 million. Notwithstanding the negative working capital position, the Company is optimistic about extending the repayment date for the loan from a third party amounting to S\$3.7 million which will fall due on 27 June 2017. In addition, S\$1.440 million of placement monies received in advance will be reclassified to share capital as the shares were issued on 5 April 2017.

A substantial shareholder has provided a letter of financial support expressing his willingness to provide continuing financial support upon terms and conditions agreeable to both parties to enable the Group to continue to operate and meet its financial obligations and commitments as and when they fall due for the next 12 months till 7 April 2018.

The Group will continue to explore various fund raising options to improve its financial position. As such the Board is of the view that the Group's working capital is sufficient to meet its present requirements and for the next twelve months.

Review of the Cash Flow Statement of the Group

x) Cash flow

Net cash used in operating activities in 1Q2017 amounted to S\$1.276 million. The operating cash outflows before movement in working capital were S\$1.194 million. The net cash inflow from changes in working capital of approximately S\$0.087 million was mainly due to reduction in other receivables.

The net cash inflow from financing activities for 1Q2017 was S\$1.140 million. S\$0.500 million was used to redeem outstanding warrants and an inflow of S\$1.440 million share placement fund received in advance and S\$0.2 million loan proceeds during the period.

Cash and cash equivalents were S\$2.379 million as at 31 March 2017 as compared to S\$4.158 million as at 31 March 2016.

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

The trading and distribution division of the Group is expected to remain weak.

As for the kidney hospital in Qingdao, we are currently in discussion with various stakeholders as to the financing options available to the Group to complete the renovation of the said hospital.

We are mindful of challenges affecting the global market and these are affecting the China economy where our aesthetics and a kidney hospital operations are located. Our aesthetic business in Taiwan is heavily dependent on China tourists' arrival and the slowdown in China's economy and the current political environment is expected to have a continuing impact on our business prospects both in Taiwan and China.

In view of the current situation, we will adopt a cautious approach to contain and minimise cost and pursue options in fund raising while seeking opportunities to complement our business going forward.

On 31 March 2017, the Company announced that the Company is proposing to undertake a Renounceable Non-Underwritten Rights Issue of up to 10,109,888,721 new Ordinary Shares at an issue price of S\$0.001 for each Rights Share on the basis of three Rights Shares for every one existing Ordinary Share held. The Company is expected to receive net proceeds of up to S\$9,900,000 on a maximum subscription basis, assuming all convertible securities of the Company are converted and/or exercised as at the books closure date and all entitled shareholders subscribe in full for their rights entitlement.

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 payable: Not applicable

(d) Books closure date: Not applicable

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

No dividend has been declared or recommended.

12. **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 Group did not enter into any IPT of S\$100,000 or more in value per transaction for Q1-2016. The Group does not have a general mandate from shareholders for IPTs.

13. **Confirmation that the Issuer has procured undertakings from all its directors and executive officers under Rule 720(1) of the Catalist Rules.**

The Company confirms that it has procured all the required undertakings from all its directors and executive officers in the format set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

14. Use of Proceeds

As at 2 May 2017, the net proceeds had been utilised as follows:

Use of proceeds	Allocation of net proceeds raised (S\$)	Amount Utilised Before 6 April 2017 (S\$)	Amount Utilised from 6 April 2017 to 2 May 2017 (S\$)	Amount Unutilised (S\$)
(A) Proceeds from 200 mil shares placement				
Funding Growth Expansion	426,000	127,609	-	298,391
General Working Capital	994,000	715,133	-	278,867
Total Amount	1,420,000	842,742	-	577,258

The above use of proceeds is in accordance with the intended use as stated in the announcements dated 10 March 2017 and 4 April 2017.

Notes:

- (A) The shares placement is in relation to placement of an aggregate of 200,000,000 new ordinary shares in the issued and paid up capital of the Company to Mr Tan Chong Chai, Mr Foo Khai Lin, Mr Ho Seow Kai and Mr Yap Sien Sin as announced on 8 March 2017 and 10 March 2017.

From 6 April to 2 May 2017, there was no utilisation of fund from the placement proceeds for both funding growth expansion and general working capital purposes.

15. Confirmation by the Board pursuant to Rule 705(5) of the Catalist Listing Manual

The Board of Directors of the Company confirms that to the best of its knowledge, nothing has come to its attention which may render the unaudited financial statements for 1Q2017 to be false or misleading in any material aspect.

By Order of the Board

Tai Kok Chuan
Executive Chairman
12 May 2017