ASTI Holdings Limited

Results For The Financial Period Ended 30 June 2017
Unaudited Financial Statements and Dividend Announcement

The Directors are pleased to make the following announcement of the unaudited results for the financial period ended 30 June 2017.

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			Group		
	Second Quarter Ended			Half Year Ended		
	S$'000		%	S$'000		%
	30/6/17	30/6/16	Change	30/6/17	30/6/16	Change
Revenue	33,170	42,478	(22%)	57,569	75,070	(23%)
Cost of sales	(22,120)	(29,759)	(26%)	(38,354)	(52,530)	(27%)
Gross profit	11,050	12,719	(13%)	19,215	22,540	(15%)
Other income	259	156	66%	680	388	75%
Marketing and distribution	(2,665)	(3,193)	(17%)	(5,674)	(6,094)	(7%)
Research and development	(3,048)	(2,999)	2%	(5,902)	(6,630)	(11%)
Administrative expenses	(6,810)	(6,099)	12%	(12,725)	(11,599)	10%
Other expenses, net	48	(173)	NM	(1,600)	(1,439)	11%
Operating expenses	(12,475)	(12,464)	0%	(25,901)	(25,762)	1%
Operating (loss)/profit	(1,166)	411	NM	(6,006)	(2,834)	112%
Finance costs, net	(379)	(371)	2%	(717)	(674)	6%
Share of results of associates, net of tax	(1)	-	NM	(6)	(8)	NM
(Loss)/profit before tax	(1,546)	40	NM	(6,729)	(3,516)	91%
Income tax expense	(428)	(670)	(36%)	(560)	(804)	(30%)
Net loss for the period	**(1,974)**	**(630)**		**(7,289)**	**(4,320)**	
Attributable to :						
Owners of the Company	39	621	(94%)	(3,587)	(1,399)	156%
Non-controlling interests	(2,013)	(1,251)	61%	(3,702)	(2,921)	27%
Net loss for the period	**(1,974)**	**(630)**		**(7,289)**	**(4,320)**	

NM: Not meaningful

1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year

	Group			Group		
	Second Quarter Ended			Half Year Ended		
	S$'000		%	S$'000		%
	30/6/17	30/6/16	Change	30/6/17	30/6/16	Change
crediting/(charging):						
Interest income	18	21	(14%)	34	46	(26%)
Interest on borrowings	(326)	(319)	2%	(600)	(561)	7%
Depreciation of property, plant and equipment	(1,413)	(1,483)	(5%)	(2,710)	(2,871)	(6%)
Depreciation of investment properties	(5)	-	NM	(9)	-	NM
Amortisation of intangible assets	-	(24)	NM	-	(64)	NM
Impairment loss on club membership	(8)	-	NM	(8)	-	NM
Gain on disposal of property, plant and equipment	180	329	(45%)	180	344	(48%)
Property, plant and equipment written off	-	(2)	NM	-	(3)	NM
Gain on disposal of club membership	-	-	NM	73	-	NM
(Impairment loss)/write-back of impairment loss on trade receivables	(6)	27	NM	14	-	NM
Impairment loss on non-trade receivables	(66)	-	NM	(72)	-	NM
Net provision for stock obsolescence	(265)	(524)	(49%)	(648)	(402)	61%
Foreign currency exchange loss	(124)	(500)	(75%)	(1,845)	(1,780)	4%

1(a)(iii) 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			Half Year Ended		
	S$'000		%	S$'000		%
	30/6/17	30/6/16	Change	30/6/17	30/6/16	Change
Net loss for the period	(1,974)	(630)	213%	(7,289)	(4,320)	69%
Other comprehensive income:-						
Items that may be reclassified subsequently to profit or loss:						
Foreign currency translation adjustment	51	(100)	NM	60	(817)	NM
Realisation of fair value changes on available-for-sale assets	-	(29)	NM	-	(29)	NM
Fair value changes on available-for-sale assets	(2)	(24)	(92%)	5	(49)	NM
Other comprehensive income, net of tax	49	(153)	NM	65	(895)	NM
Total comprehensive income for the period	(1,925)	(783)	146%	(7,224)	(5,215)	39%
Total comprehensive income attributable to :-						
Owners of the Company	183	375	(51%)	(3,414)	(1,922)	78%
Non-controlling interests	(2,108)	(1,158)	82%	(3,810)	(3,293)	16%
Total comprehensive income for the period	(1,925)	(783)	146%	(7,224)	(5,215)	39%

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group		Company	
	S$'000		S$'000	
	30/6/17	31/12/16	30/6/17	31/12/16
Non-current Assets				
Intangible assets	3,255	2,407	-	-
Property, plant and equipment	23,900	20,845	24	19
Investment properties	344	350	-	-
Investments in subsidiaries	-	-	24,783	20,433
Investments in associate	-	-	-	-
Investment securities	25	22	-	-
Deferred tax assets	152	181	-	-
Prepayments and other receivables	1,530	1,382	-	-
Amounts due from subsidiaries	-	-	-	2,843
	29,206	25,187	24,807	23,295
Current Assets				
Inventories	29,243	24,974	-	-
Prepayments and other receivables	4,929	5,293	139	138
Amounts due from subsidiaries	-	-	7,374	8,372
Trade receivables	35,824	34,542	-	-
Cash and cash equivalents	31,260	39,174	602	1,402
	101,256	103,983	8,115	9,912
Total Assets	**130,462**	**129,170**	**32,922**	**33,207**
Equity Attributable to Owners of the Company				
Share capital	132,617	132,617	132,617	132,617
Treasury shares	(4,772)	(4,772)	(4,772)	(4,772)
Foreign currency translation reserve	(1,723)	(1,894)	-	-
Capital reserves	(7,936)	(7,936)	(2,960)	(2,960)
Fair value reserve	2	-	-	-
Accumulated losses	(58,779)	(55,192)	(137,213)	(134,911)
	59,409	62,823	(12,328)	(10,026)
Non-controlling interests	3,152	(555)	-	-
Total Equity	**62,561**	**62,268**	**(12,328)**	**(10,026)**
Non-current Liabilities				
Deferred tax liabilities	167	143	-	-
Lease creditors	169	191	-	-
Long term payables	1,060	1,112	-	-
Loans and borrowings	2,695	3,426	-	-
Amounts due to subsidiaries	-	-	38,039	34,901
	4,091	4,872	38,039	34,901
Current Liabilities				
Provision	429	526	-	-
Income tax payable	836	1,102	60	-
Loans and borrowings	18,244	23,309	5,000	5,000
Payables and accruals	44,301	37,093	1,828	1,565
Amounts due to subsidiaries	-	-	323	1,767
	63,810	62,030	7,211	8,332
Total Liabilities	**67,901**	**66,902**	**45,250**	**43,233**
Total Equity and liabilities	**130,462**	**129,170**	**32,922**	**33,207**

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

Amount repayable in one year or less, or on demand

30/6/17		31/12/16	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
446	18,604	583	24,230

Amount repayable after one year

30/6/17		31/12/16	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
169	2,695	191	3,426

Details of any collateral

On 30 June 2017, finance lease with aggregate amount of $615,000 (31/12/16: $774,000) are secured on certain plant and machinery of the subsidiaries.

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

	Group	
	30/6/17 S$'000	30/6/16 S$'000
Operating activities		
Loss before income tax	(6,729)	(3,516)
Adjustment for:-		
Non-cash items	5,084	4,074
Operating cash flows before reinvestment in working capital	(1,645)	558
Changes in working capital		
Receivables	(1,035)	(18,207)
Inventories	(5,076)	(1,540)
Payables	5,596	7,382
Provisions	(180)	(234)
Cash flow used in operations	(2,340)	(12,041)
Interest paid	(557)	(519)
Interest received	34	46
Income tax paid	(744)	(439)
Income tax refund	51	23
Net cash used in operating activities	(3,556)	(12,930)
Investing activities		
Proceeds from disposals of property, plant and equipment	256	391
Proceeds from disposal of intangible asset	-	3
Proceeds from disposal of club membership	141	-
Purchase of property, plant and equipment	(4,551)	(8,266)
Proceeds from disposal of investment security	-	80
Proceeds from disposal of leasehold land and building	-	1,934
Expenditure on research and development project	(1,027)	(943)
Expenditure on development project	(195)	(58)
Extension of club membership	(19)	-
Net cash used in investing activities	(5,395)	(6,859)
Financing activities		
Repayment to finance lease creditors	(275)	(424)
Proceeds from bank borrowings	441	12,988
Repayment of bank borrowings	(5,898)	(926)
Repayment of other borrowings	(559)	-
Proceeds from rights issue exercise of a subsidiary	7,517	-
Advance for capital injection from non-controlling interest	407	676
Net cash provided by financing activities	1,633	12,314
Net decrease in cash and cash equivalents	(7,318)	(7,475)
Cash and cash equivalents at 1 January	39,174	41,166
Effect of exchange rate changes on cash and cash equivalents	(596)	(1,057)
Cash and cash equivalents at 30 June	31,260	32,634

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Group	Attributable to Owners of the Company								
	Share Capital	Treasury shares	Capital reserve	Fair value reserve	Foreign currency translation reserve	Accumulated losses	Equity attributable to owners of Company, Total	Non-controlling Interests	Equity Total
		(Non-distributable)				Distributable			
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
For The Half Year Ended 30 Jun 2017									
Balance as at 1 Jan'17	132,617	(4,772)	(7,936)	-	(1,894)	(55,192)	**62,823**	(555)	**62,268**
Total comprehensive income for the period	-	-	-	2	171	(3,587)	**(3,414)**	(3,810)	**(7,224)**
Changes of ownership interests in subsidiaries									
Non-controlling interests' subscription of shares in a subsidiary	-	-	-		-	-	**-**	7,517	**7,517**
Total changes of ownership interests in subsidiaries	-	-	-	-	-	-	**-**	7,517	**7,517**
Balance as at 30 Jun'17	132,617	(4,772)	(7,936)	2	(1,723)	(58,779)	**59,409**	3,152	**62,561**

Group	Attributable to Owners of the Company								
	Share Capital	Treasury shares	Capital reserves	Fair value reserve	Foreign currency translation reserve	Accumulated losses	Equity attributable to owners of Company, Total	Non-controlling Interests	Equity Total
		(Non-distributable)				Distributable			
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
For The Half Year Ended 30 Jun 2016									
Balance as at 1 Jan'16	132,617	(4,772)	(8,038)	18	(1,135)	(56,230)	**62,460**	7,847	**70,307**
Total comprehensive income for the period	-	-	-	(32)	(491)	(1,399)	**(1,922)**	(3,293)	**(5,215)**
Balance as at 30 Jun'16	132,617	(4,772)	(8,038)	(14)	(1,626)	(57,629)	**60,538**	4,554	**65,092**

Company	Share Capital	Treasury shares	Capital reserve	Fair Value reserve	Accumulated losses	Total
		(Non-distributable)			Distributable	
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
For The Half Year Ended 30 Jun 2017						
Balance as at 1 Jan'17	132,617	(4,772)	(2,960)	-	(134,911)	(10,026)
Total comprehensive income for the period	-	-	-	-	(2,302)	(2,302)
Balance as at 30 Jun'17	132,617	(4,772)	(2,960)	-	(137,213)	(12,328)
For The Half Year Ended 30 Jun 2016						
Balance as at 1 Jan'16	132,617	(4,772)	(2,960)	-	(123,623)	1,262
Total comprehensive income for the period	-	-	-	-	(696)	(696)
Balance as at 30 Jun'16	132,617	(4,772)	(2,960)	-	(124,319)	566

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 or 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 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.

No ordinary shares were issued during the period.

See below for details relating to the number of shares held as treasury shares.

There is no subsidiary holdings held against the total number of shares outstanding in a class that is listed.

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

	Group & Company	
	30/6/17	**31/12/16**
Total number of issued shares	681,966,341	681,966,341
Less : Treasury shares	(27,234,855)	(27,234,855)
Total number of issued shares (excluding treasury shares)	654,731,486	654,731,486

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

Please refer to note 1(d)(ii) above.

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. Please refer to note 1(d)(ii) above.

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

The figures have not been audited or reviewed.

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

Other than the adoption of the amended Financial Reporting Standards (FRS) that are effective from the current financial year, the accounting policies and methods of computation applied by the Group in the financial statements for the period ended 30 June 2017, are consistent with those of the audited financial statement as at 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

The adoption of the amended FRS is assessed to have no material impact to the financial position or financial performance of the Group.

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		Group	
	Second Quarter Ended		Half Year Ended	
	30/6/17	30/6/16	30/6/17	30/6/16
Earnings/(loss) per share:-				
a) Based on weighted average number of ordinary shares in issue	0.01 cents	0.09 cents	(0.55) cents	(0.21) cents
Weighted average number of shares	654,731,486	654,731,486	654,731,486	654,731,486
b) On a fully diluted basis	0.01 cents	0.09 cents	(0.55) cents	(0.21) cents
Adjusted weighted average number of shares	654,731,486	654,731,486	654,731,486	654,731,486

7. Net asset value (for the issuer and group) per ordinary share based on total number of issued shares excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	Group		Company	
	30/6/17	31/12/16	30/6/17	31/12/16
Net assets value per ordinary share	9.07 cts	9.60 cts	(1.88) cts	(1.53) cts
Number of ordinary shares at end of financial period	654,731,486	654,731,486	654,731,486	654,731,486

The number of ordinary shares used in the computation of net assets value per share excludes those shares held as treasury shares.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors.

It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial reported on

Analysis of Group Performance

INCOME STATEMENT

	Sales			
	2Q2017 S$'000	2Q2016 S$'000	1H2017 S$'000	1H2016 S$'000
Business Segment				
Backend Equipment Solutions & Technologies ("BEST'	32,521	41,361	56,523	71,439
Distribution & Services	649	1,117	1,046	3,631
	33,170	42,478	57,569	75,070

Analysis of Group Performance (Cont'd)

Revenue
The Group reported a 21.9% or $9.3 million decline in revenue from $42.5 million (2Q2016) to $33.2 million (2Q2017).

Backend Equipment Solutions & Technologies ("BEST") business recorded a 21.4% or $8.8 million decrease in revenue from $41.4 million (2Q2016) to $32.5 million (2Q2017). The decline in revenue was due to lower demand for the equipment business. The revenue from Distribution & Service business decreased 41.9% or $0.5 million from $1.1 million (2Q2016) to $0.6 million (2Q2017) due to decline in sales from the distribution business.

Gross Profit Margin
Gross profit margin in 2Q2017 was 33.3%, higher by 3.4% compared to the 29.9% reported in 2Q2016 due to the sales mix.

Operating Expenses
Marketing & distribution ("M&D"), research & development ("R&D") and general administrative ("G&A") expenses of $12.5 million incurred in 2Q2017 were $0.2 million lower compared to the expenses reported in 2Q2016. M&D costs in 2Q2017 were lower and were in line with the lower sales activities this quarter. R&D costs in 2Q2017 increased by a slight $49,000 compared to 2Q2016. G&A costs increased $0.7 million in 2Q2017 mainly due to expenses incurred pursuant to a subsidiary's rights issue exercise.

Other expenses in 2Q2017 comprised of $0.1 million exchange loss which was offset by the $0.2 million gain recorded on the disposal of property, plant and equipment.

Depreciation charges of property, plant and equipment ("PPE") decreased in 2Q2017 compared to 2Q2016 as certain PPE were fully depreciated in year 2016.

Net Profit Attributable to Owners of the Company
The Group reported a net profit to shareholders of $39,000 in 2Q2017, compared to the net profit of $0.6 million in 2Q2016.

Analysis of Group Performance (Cont'd)

BALANCE SHEET

As at 30 June 2017, total assets stood at $130.5 million comprising $29.2 million from non-current assets and $101.3 million from current assets. Total liabilities stood at $67.9 million comprising current liabilities of $63.8 million and non-current liabilities of $4.1 million. Shareholders' equity including non-controlling interests stood at $62.6 million.

The following are highlights of the Group's balance sheet as at 30 June 2017.

Intangible assets
The increase in intangible assets was mainly due to the development expenditure incurred by the battery storage solutions.

Property, plant and equipment
The increase in property, plant and equipment was mainly due to the additional purchases of machineries to cater for the increase in manufacturing services activities during the period. This increase was partially offset by the depreciation charges during the period.

Inventories
Inventories increased $4.2 million from $25.0 million (4Q2016) to $29.2 million (2Q2017), mainly due to more work-in-progress.

Prepayments and other receivables (current)
The amount for prepayments and other receivables decreased $0.4 million from $5.3 million (4Q2016) to $4.9 million (2Q2017) due to the utilisation of the prepayment amount and receipts from other debtors.

Trade receivables
Trade receivables' balance increased $1.3 million due to higher sales in 2Q2017 compared to 4Q2016.

Loans and borrowings
Loans and borrowings decreased $5.8 million from $26.7 million (4Q2016) to $20.9 million (2Q2017), mainly due to repayments of bank borrowings during the period.

Payables and accruals
Payables and accruals increased $7.2 million from $37.1 million (4Q2016) to $44.3 million (2Q2017). The increase was attributable to the higher manufacturing services activities, inventories build-up and amounts owing for the purchases of PPE during the period.

CASHFLOW STATEMENT

The Group utilised $2.3 million for its operational working capital. An amount of $1.2 million was used for the payment of interest and tax. A net amount of $4.3 million was used for the purchase of property, plant and equipment. The Group also utilised $1.2 million for expenditure on research and development projects. The Group borrowed $0.4 million but repaid $6.7 million to financial institutions and external lenders in the same period. A net proceed of $7.5 million was received from a subsidiary's rights issue exercise. An advance of $0.4 million was received for capital injection from non-controlling interest.

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

Not applicable.

10. A commentary at the date of the announcement of the 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

For ASTI Group, we have seen stronger orders from equipment customers. The manufacturing services business is also looking up. Compared to 2Q2017, we expect better performance in the next quarter barring unforeseen circumstances.

ASA Group is cautiously optimistic about its prospect in the second half of 2017 ("2H2017'). This is due to the continued customers' demand from its Equipment business. With the funds raised from the Rights Issue, it had strengthened its working capital position and enabled it to grow its businesses. Barring unforeseen circumstances, ASA Group expects that its performance in 2H2017 will improve.

On 23 June 2017, DGI announced that it had signed a Memorandum of Understanding ("MOU") with Nanjing Argos Asset Management (Group) Limited ("Argos NJ"). Pursuant to the MOU, Argos NJ will explore the possibility of investing in the projects that DGI is currently undertaking in Nanjing China. Please refer to DGI's announcement for detail.

The engagement of Argos NJ will provide DGI Group the opportunities to bring in strategic investors to expand its existing businesses.

On 10 August 2017, DGI announced that EoCell Limited ("EoCell"), its subsidiary had on 10 August 2017 entered into share subscription agreements with Zhuhai Yinlong Energy Co., Ltd ("YLE") and Sputnik Energy Limited. Pursuant to the subscription agreements, YLE has agreed to subscribe for a 40% equity interest in the enlarged share capital of EoCell at an aggregate consideration of US$20 million. Subsequent to the subscription agreements, DGI's interest in EoCell will be diluted to 40%, while Sputnik's interest will increase from 7% to 20% of the enlarged share capital of EoCell. Please refer to DGI's announcement for detail.

The strategic partnership with YLE will provide EoCell with expanded financial resources and widened market access to further develop its business.

DGI has on 11 August 2017 received from the Singapore Exchange Securities Trading Limited ("SGX-ST") an extension of time until 3 March 2018 to meet the requirements for removal from the SGX-ST Watch-List under the financial exit criteria set out in Rule 1311 of SGX-ST Listing Manual. Please refer to DGI's announcement dated 14 August 2017 for detail.

Our business is prone to economic uncertainties and the cyclical nature of the semiconductor industry. Other unforeseeable factors including but not limited to foreign exchange fluctuations, intellectual property litigations, product and technology obsolescence, and inventory adjustments continue to be challenges that we may encounter. In view of these factors, we will remain prudent and cautious in the management of our business.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No dividend is declared for the current financial period reported on.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

Please refer to note 11(a).

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. Segmented revenue and results for business or geographical segments (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

(Not applicable to quarterly announcement)

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

(Not applicable to quarterly announcement)

15. A breakdown of sales

(Not applicable to quarterly announcement)

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

(Not applicable to quarterly announcement)

17. Disclosure of person occupying a managerial position in the issuer of 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(11) in the format below. If there are no such persons, the issuer must make an appropriate negative statement

(Not applicable to quarterly announcement)

18. If the Group has obtained a general mandate from shareholders for interested person transactions ("IPT") as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect

There is no general mandate obtained for IPT and there were no IPT for the period ended 30 June 2017.

19. Negative Confirmation by the Board pursuant to Rule 705(5)

To the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results for the financial period ended 30 June 2017 to be false or misleading in any material aspect.

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

We hereby confirm that we have procured all the required undertakings from all the Directors and Executive Officers of the Company.

BY ORDER OF THE BOARD

Dato' Michael Loh Soon Gnee
Executive Chairman and Chief Executive Officer
14 August 2017