

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FIRST FINANCIAL QUARTER ENDED 30 JUNE 2019 (“1Q2020”) IN RESPECT OF THE FINANCIAL YEAR ENDING 31 MARCH 2020 (“FY2020”)

PART1 INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1.(a)(i) A statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediate preceding financial year

	The Group		
	1Q2020 US\$'000	1Q2019 US\$'000	% Change
Revenue	1,024	1,131	(9.5)
Cost of sales	(343)	(743)	(53.8)
Gross profit	681	388	75.5
Other operating income	12	15	(20.0)
Selling & Distribution expenses	(94)	(219)	(57.1)
Administrative expenses	(432)	(635)	(32.0)
Other operating expenses	(239)	(306)	(21.9)
(Loss)/Profit from operations	(72)	(757)	(90.5)
Finance expenses	(148)	(93)	59.1
Loss before tax	(220)	(850)	(74.1)
Taxation	-	-	-
Net loss for the period	(220)	(850)	(74.1)
Other comprehensive income			
Exchange differences arising from translation of foreign operations	-	(12)	(100.0)
Total comprehensive loss for the period	(220)	(862)	(74.5)
Attributable to:			
Equity holders of the Company	(220)	(862)	(74.5)
Total comprehensive loss for the period	(220)	(862)	(74.5)

“1Q2020” denotes the first financial quarter period ended 30 June 2019 in respect of FY2020

“1Q2019” denotes the first financial quarter period ended 30 June 2018 in respect of FY2019

“% Change” denotes increase/(decrease) in the relevant profit or loss item as compared with the comparative figure

“N/m” denotes not meaningful

1.(a)(ii) The accompanying notes to the statements of comprehensive income form an integral part of the statements of comprehensive income

	The Group		
	1Q2020 US\$'000	1Q2019 US\$'000	% Change
Loss before tax has been arrived at after charging/(crediting):			
Depreciation and amortization	201	170	18.2
Foreign exchange (gain)/loss-net	1	(1)	N/M
Interest expense	101	65	55.4

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

	The Group		The Company	
	As at 30 Jun 2019 US\$'000	As at 31 Mar 2019 US\$'000	As at 30 Jun 2019 US\$'000	As at 31 Mar 2019 US\$'000
Non-current assets				
Plant and equipment	295	328	-	-
Subsidiaries	-	-	12,406	12,406
Intangible assets	9,459	9,408	-	-
	9,754	9,736	12,406	12,406
Current assets				
Inventories	2,887	2,767	-	-
Trade receivables	976	646	-	-
Other receivables, deposits and prepayments	3,201	525	2,550	1
Other investment	15	15	15	15
Due from subsidiaries (non-trade)	-	-	7,807	7,740
Cash and bank balances	39	137	3	3
	7,118	4,090	10,375	7,759
Total assets	16,872	13,826	22,781	20,165
Current liabilities				
Trade payables	1,092	1,595	-	-
Other payables and accruals	3,333	1,855	263	236
Provisions	166	170	115	115
Borrowings	5,384	3,047	3,972	1,424
Advances received from customers	215	246	-	-
Due to subsidiaries (non-trade)	-	-	775	708
	10,190	6,913	5,125	2,483
Non-current liabilities				
Borrowings	78	89	-	-
Deferred tax liabilities	1,569	1,569	-	-
	1,647	1,658	-	-
Total liabilities	11,837	8,571	5,125	2,483
Net assets	5,035	5,255	17,656	17,682
Equity attributable to the Company's equity holders				
Share capital	74,407	74,407	74,407	74,407
Capital reserve	1,567	1,567	820	820
Statutory reserve	8	8	-	-
Foreign currency translation reserve	3	3	-	-
Accumulated losses	(70,950)	(70,730)	(57,571)	(57,545)
Total equity	5,035	5,255	17,656	17,682

1.(b)(ii) Aggregate amount of borrowings and debts securities for the Group.

	The Group	
	As at 30 Jun 2019 US\$'000	As at 31 Mar 2019 US\$'000
Amount repayable in one year or less or on demand		
Unsecured	5,384⁽¹⁾	3,047⁽²⁾
	5,384	3,047
Amount repayable after one year		
Secured	-	-
Unsecured	78	89
	78	89

Details of any collateral

Note:

- (1) *Inclusive of the outstanding 2017 Convertible Loan Notes (as defined herein after) issued by the Company on 31 May 2017 and the Interim Loan (as defined herein after) on 28 June 2019*
- (2) *Inclusive of the outstanding 2017 Convertible Loan Notes (as defined herein after) issued by the Company on 31 May 2017*

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

	The Group	
	1Q2020	1Q2019
	US\$'000	US\$'000
OPERATING ACTIVITIES		
Loss before tax	(220)	(850)
Adjustments for:		
Amortisation of intangible assets	130	90
Depreciation of plant and equipment	71	80
Interest expense	101	65
Unrealised foreign exchange loss	(22)	(12)
Provisions/(Provision utilisations)	(4)	6
Operating profit/(loss) before changes in working capital	56	(621)
<i>Changes in working capital</i>		
Inventories	(120)	245
Trade and other receivables	(457)	(552)
Trade and other payables	975	727
Advances received from customers	(31)	1
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES	423	(200)
INVESTING ACTIVITIES		
Purchase of plant and equipment	(38)	(7)
Additions to intangible assets	(521)	(827)
Proceeds from government grants	340	281
NET CASH USED IN INVESTING ACTIVITIES	(219)	(553)
FINANCING ACTIVITIES		
Proceeds from borrowings	300	976
Repayment of borrowings - net	(523)	(237)
Withdrawal of fixed deposit	-	40
Interest paid	(79)	(50)
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES	(302)	729
NET DECREASE IN CASH AND CASH EQUIVALENT	(98)	(24)
CASH AND CASH EQUIVALENT AT BEGINNING OF PERIOD	137	216
CASH AND CASH EQUIVALENT AT END OF PERIOD	39	192

1.(d)(i) 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 immediate preceding financial year.

The Group						
	Share capital	Capital reserve	Statutory reserve	Foreign currency translation reserve	Accumulated losses	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 April 2019	74,407	1,567	8	3	(70,730)	5,255
Comprehensive loss for the financial period	-	-	-	-	(220)	(220)
Balance as at 30 June 2019	74,407	1,567	8	3	(70,950)	5,035

The Group						
	Share capital	Capital reserve	Statutory reserve	Foreign currency translation reserve	Accumulated losses	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 April 2018	72,506	1,567	8	18	(66,623)	7,476
Comprehensive loss for the financial period	-	-	-	(12)	(850)	(862)
Balance as at 30 June 2018	72,506	1,567	8	6	(67,473)	6,614

The Company				
	Share capital	Capital reserve	Accumulated losses	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 April 2019	74,407	820	(57,545)	17,682
Comprehensive loss for the financial period	-	-	(26)	(26)
Balance as at 30 June 2019	74,407	820	(57,571)	17,656

The Company				
	Share capital	Capital reserve	Accumulated losses	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 April 2018	72,506	820	(56,607)	16,719
Comprehensive loss for the financial period	-	-	(22)	(22)
Balance as at 30 June 2018	72,506	820	(56,629)	16,697

1.(d)(ii) Details of any changes in 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 previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediate preceding financial year.

Share Capital of the Company	No of shares	US\$'000
Balance as at 1 April 2019 and 30 June 2019	1,870,441,084	74,407

A. Convertible Loan Notes

Pursuant to the issuance of convertible loan notes on 31 May 2017 (the "2017 Convertible Loan Notes") in the aggregate principal amount of approximately S\$7.1 million convertible into 128,500,000 new ordinary shares in the capital of the Company (the "2017 Conversion Shares") at a conversion price of S\$0.055 per 2017 Conversion Share, the Company allotted and issued 83,500,000 2017 Conversion Shares on 2 June 2017. As at the date of this report, there is an outstanding 2017 Convertible Loan Note of S\$2.475 million which remained unconverted.

On 28 June 2019, the Company announced the issuance of convertible loan notes (the "2019 Convertible Loan Notes") in the aggregate principal amount of approximately S\$3.45 million convertible into 150,000,000 new ordinary shares in the capital of the Company (the "2019 Conversion Shares") at a conversion price of S\$0.023 per 2019 Conversion Share. On 6 August 2019, the Company has received the in-principle approval from the Singapore Exchange Securities Trading Limited ("SGX-ST") for the listing and quotation of its 2019 Conversion Shares. As at the date of this report, there is an outstanding 2019 Convertible Loan Note of S\$3.45 million which remained unconverted.

Save as disclosed, there was no movement in the share capital of the Company during 1Q2020.

B. Share Options

The Addvalue Technologies Employees' Share Option Scheme approved and adopted by the Company on 24 October 2001 (the "ESOS Scheme") in providing an opportunity for eligible participants of the Group who have contributed to the growth and prosperity of the Group to participate in the equity of the Company had expired on 21 June 2014, with all outstanding options granted under the ESOS Scheme, if not exercised by then, lapsed.

C. Performance Share Plan

On 28 July 2017, against the approval of the Shareholders at an Extraordinary General Meeting, the Company adopted the "Addvalue Technologies Performance Share Plan" that will enable employees of the Group (including the Executive Directors) as well as the Non-Executive Directors of the Company to participate in the equity of the Company pursuant to the grant of contingent awards of fully paid Shares of the Company under the said Plan.

As at 30 June 2019 and 30 June 2018, save as disclosed, the Company has neither treasury shares nor outstanding dilutive securities (including share options) which are capable of being converted into the shares of the Company.

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

	<u>As at 30 Jun 2019</u>	<u>As at 31 Mar 2019</u>
Total number of issued ordinary shares (excluding treasury shares)	<u>1,870,441,084</u>	<u>1,870,441,084</u>

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

The Company has had no treasury shares as at 30 June 2019. Neither were there any sale, transfer, disposal, cancellation and/or use of treasury shares by the Company during 1Q2020.

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

The figures have not been audited or reviewed by the 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 Group has applied the same accounting policies and methods of computation in the preparation of the Group's financial statements for the current financial period as those of the audited financial statements for the financial year ended 31 March 2019, except that the Group has adopted all applicable new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)") and Interpretations to SFRS(I) that are effective for its financial year beginning 1 April 2018 and relevant new Financial Reporting Standards ("FRS") which became mandatory for the current financial year.

The adoption of new and revised Financial Reporting Standards ("FRS") and the interpretations of FRS ("INT FRS") that are mandatory for the financial year beginning on or after 1 April 2019 is not expected to have any significant impact to the Group.

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 shares 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.

	<u>The Group</u>	
	<u>As at</u>	<u>As at</u>
	<u>30 Jun 2019</u>	<u>30 Jun 2018</u>
	<u>US\$'000</u>	<u>US\$'000</u>
Net loss attributable to shareholders	(220)	(850)
Weighted average number of ordinary shares for the purpose of computing the basic and diluted loss per share	1,817,809,505	1,770,441,084
Basic and diluted loss per share (US cents) ⁽¹⁾	<u>(0.01)</u>	<u>(0.05)</u>

Notes:

(1) The basic loss per share and the diluted loss per share for each relevant reporting period are the same as the dilutive instruments are anti-dilutive.

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

	The Group		The Company	
	As at 30 Jun 2019 US\$'000	As at 31 Mar 2019 US\$'000	As at 30 Jun 2019 US\$'000	As at 31 Mar 2019 US\$'000
Net asset value as at end of financial period/year	<u>5,035</u>	<u>5,255</u>	<u>17,656</u>	<u>17,682</u>
Net asset value per ordinary share as at the end of financial period/year (US cents)	<u>0.27⁽¹⁾</u>	<u>0.28⁽¹⁾</u>	<u>0.94⁽¹⁾</u>	<u>0.95⁽¹⁾</u>

Notes:

(1) Based on 1,870,441,084 issued 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 earning 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 period report on.

Overview

The Company (and together with its subsidiaries, the "Group" or "Addvalue") is a world recognised "one-stop shop" communications technology products developer, which provides state-of-the-art satellite-based communication and other innovative digital broadband products and solutions for a variety of connectivity between humans, between machines, and between human and machines. The Group has established itself as a key partner to many major players in the satellite communication industry, counting amongst its customer base internationally renowned leaders such as Inmarsat, Thuraya, Singtel, Marlink, Satlink, Intellian, Applied Satellite Technology Ltd and Satcom Global.

Addvalue is presently a leading global developer and supplier of mobile satellite terminals supporting coverage provided by premier mobile satellite communication operators such as Inmarsat and Thuraya. These terminals are ideal choices for communications in areas around the world where terrestrial networks are non-existent or ineffective. This is particularly so for maritime communications, which rely almost entirely on satellite communications, and Addvalue's products are well suited to address these needs.

Addvalue also offers customised design services, tailored to the unique needs of each of its existing and potential customers, with its total satellite communication solutions derived from its proven technologies, established capabilities as well as strong and tested working relationships with the world leading premier mobile satellite operators. Its comprehensive and proven capabilities in high quality product development and its depth of technical knowhow in sophisticated engineering projects have been highly regarded in the industry. This not only gives Addvalue tremendous competitive advantages to attract high value projects but also expand its opportunities into new and evolving markets that require the profile of its core competence.

In recent times, and as part of our business transformation program, Addvalue has also extended its advanced connectivity capabilities into emerging and exciting industries of new space, remote monitoring, tracking and smart computing through Internet-of-Things ("IoT") and software defined radio ("SDR") platforms to support Artificial Intelligence ("AI") technologies and has organized its various revenue streams (comprising hardware sales, solution and airtime income as well as design fee) to be derived from its following two core business activities:

- Business concerning hardware sales and provision of services relating to Inter-Satellite Data Relay System ("IDRS") (the "IDRS Business"), widely recognized as a game-changer for the Low-Earth-Orbit ("LEO") satellite industry; the prospects of IDRS Business count on the huge potential nascent markets offered by the trending launches of LEO satellites; and
- Non-IDRS Business which rides on the exponential growth prospects of the IoT and AI driven markets.

(a) Review of financial performance of the Group for 1Q2020 (relative to 1Q2019)

Turnover

Our Group registered a decrease in turnover of US\$0.1 million or 9.5% from US\$1.1 million in 1Q2019 to US\$1.0 million in 1Q2020. The decrease was attributed principally to the postponement in the delivery of certain satellite communication ("satcom") products of the Group as a result of production delay.

Profitability

Our Group recorded a gross profit of US\$0.7 million against a gross profit margin of 66.5% for 1Q2020 compared to a gross profit of US\$0.4 million against a gross profit margin of 34.3% for 1Q2019. The increased gross profit margin was attributable mainly to the sales and provision of higher yielding products and services.

Our selling and distribution expenses decreased by US\$125,000 or 57.1% from US\$219,000 in 1Q2019 to US\$94,000 in 1Q2020 due to the continued curtailment of expenses through stringent cost tightening measures.

Our administrative expenses decreased by US\$203,000 or 32.0% to US\$432,000 in 1Q2020 from US\$635,000 in 1Q2019, due mainly to curtailed manpower costs brought about by reduced headcount and salary adjustments since July 2019.

In line with reduced satcom business activities which resulted in decreased lab expenses, our other operating expenses decreased by US\$67,000 or 21.9% from US\$306,000 in 1Q2019 to US\$239,000 in 1Q2020.

Our other operating income for 1Q2019 and 1Q2020 comprised mainly government grants received.

The increase in finance expenses in 1Q2020 compared to 1Q2019 was attributed mainly to interest expense and facilities fees in respect of short term loans secured in recent months.

As a result of the above and notwithstanding the lower turnover registered in 1Q2020 relative to 1Q2019, the Group, through its concerted cost curtailment efforts, significantly reduced its net loss to US\$0.2 million in 1Q2020 from a net loss of US\$0.9 million in 1Q2019.

(b) Review of financial position of the Group as at 30 June 2019 (relative to that as at 31 March 2019)

The decrease in our plant and equipment was attributed mainly to depreciation.

The increase in our intangible assets was attributed mainly to the development expenditures as we continue to develop our proprietary technologies and products (including our space resilient technologies and new spin-off products), net of the increase in amortisation for 1Q 2020 following the commercialization of certain technologies.

The increase in inventories was attributed mainly to the built-up of components in 1Q2020 in preparation of productions for the fulfilment of orders.

The increase in trade receivables was mainly attributed to billings for design services delivered.

The increase in other receivables was attributable mainly to the Interim Loan (as defined below), the sum for which was fully received by the Company in July 2019.

The increase in borrowings was attributed mainly to an interim loan (the "Interim Loan") procured from the subscriber for the 2019 Convertible Loan Notes; upon the procurement of SGX-ST's approval for the listing and quotation of the 2019 Convertible Shares, the Interim Loan shall be fully converted into the 2019 Convertible Loan Notes.

The decrease in trade payables was due mainly to payments made while the increase in other payables and accruals were attributed mainly to interest-free advances from certain directors of the Company as well as delayed payments for certain other payables and staff accruals.

As a result of the above:

- (1) the gearing of the Group (defined as the ratio of all interest-bearing loans of the Group to the shareholders' fund of the Group) increased from 59.7% as at 31 March 2019 to 108.5% as at 30 June 2019;
- (2) the negative working capital position of the Group widened from US\$2.8 million as at 31 March 2019 to US\$3.1 million as at 30 June 2019;
- (3) the net cash flow of the Group reversed from a cash used in operations of US\$0.2 million in 1Q2019 to a cash generated from operations of US\$0.4 million in 1Q2020; and
- (4) the net asset value of the Group decreased by US\$0.2 million or 4.2% from US\$5.3 million as at 31 March 2019 to US\$5.0 million as at 30 June 2019, with the net asset value per ordinary share of the Company decreased from 0.28 US cents per share as at 31 March 2019 to 0.27 US cents per share as at 30 June 2019.

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

On 5 August 2019, Capella Space made a global announcement that it has entered into a partnership with Addvalue and Inmarsat for the subscription of the IDRS service. This agreement, enabling Capella Space to task any satellite in its constellation in any location in the world in real time, on-demand basis, will give an unrivalled market lead to Capella Space as the only Synthetic Aperture Radar ("SAR") provider to serve its clients and ground station partners, including Amazon Web Service ("AWS") Ground Station, with real time tasking capability. This partnership further deepens the commitment from Capella Space, which is already one of our major IDRS early adopters, to our whole suite of IDRS services, including terminal purchases, engineering services and air-time subscription. This partnership is a follow-on of our on-schedule delivery of an engineering version of the IDRS terminal to Capella Space for the purpose of its pre-launch satellite bus integration and verification process, which prompted Capella Space exercising its option in end April 2019 (availed under the major IDRS contract signed in 2018) to place an additional order with us for multiple IDRS terminals worth over US\$1 million. This additional order, expected to be substantially fulfilled in FY2020, will support Capella Space's series of launch program starting with the first launch scheduled before the end of our current financial year.

Riding on our sustained diligent development and marketing efforts built up in FY2019 and before, we expect continued breakthrough progress to be made in each of the following five business strategic drivers of the Group for the next 12 months:

1. Design services and technology licensing
2. SDR engineering
3. Vessel monitoring for the fishery regulatory market
4. Satcom with focus on IoT, M2M and/or VSAT
5. IDRS business

Barring any unforeseen circumstance, we remain cautiously optimistic about the Group achieving profitability in FY2020, particularly in the second half of FY2020.

Some of the statements in this release constitute "forward-looking statements" that do not directly or exclusively relate to historical facts. These forward-looking statements reflect our current intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside our control and may affect the extent of the realization of our prevailing indicative orders for FY2020. Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks and factors such as general economic and business conditions, including the uncertainties arising from the current ongoing trade war between US and China, continued concerns of the scale of the possible adverse fallouts and their implications on the global scene triggered by the current many political and economic issues facing EU and in relation to Brexit, inflationary pressures and undue currency movements which will affect the growth in Asia, especially East Asia; change in technology; timing or delay in signing, commencement, implementation and performance of programs, or the delivery of products or services under them or the implementation of the improved airtime package by the satellite operators; structural change in the satellite industry; relationships with customers; competition; and the ability to attract personnel. Because actual results could differ materially from our intentions, plans, expectations, assumptions and beliefs about the future and any negative impacts arising from these issues will affect the performance of the Group's businesses, undue reliance must not be placed on these statements.

11. If a decision regarding dividend has been made:

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

No.

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

(ii) Previous corresponding period: Nil cents

(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 received by the company (up to 5.00 pm) 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 is declared as the Company is making losses.

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

No general mandate for IPT from the shareholders of the Company has had been sought.

14. Negative assurance confirmation on interim financial results pursuant to Rule 705(5) of the Listing Manual.

To the best of our knowledge and belief, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements of the Group and the Company for the three months ended 30 June 2019 to be false or misleading in any material aspect.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in [Appendix 7.7](#)) pursuant to Rule 720(1) of the Listing Manual.

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

For and on behalf of the Board of Directors

Dr Colin Chan Kum Lok
Chairman & CEO

Tan Khai Pang
Director

10 August 2019