

CREATIVE TECHNOLOGY LTD

FOURTH QUARTER AND FINANCIAL YEAR ENDED 30 JUNE 2017 FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT

TABLE OF CONTENTS

<u>Item No</u>	<u>Description</u>	<u>Page</u>
1	CONSOLIDATED INCOME STATEMENT	2
2	CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	3
3	BALANCE SHEETS	4
4	CONSOLIDATED STATEMENTS OF CASH FLOWS	5
5	STATEMENTS OF CHANGES IN EQUITY	6
6	GROUP BORROWINGS	8
7	NET ASSET VALUE	8
8	AUDIT	8
9	AUDITORS' REPORT	8
10	ACCOUNTING POLICIES	8
11	CHANGES IN ACCOUNTING POLICIES	8
12	REVIEW OF GROUP PERFORMANCE	9
13	VARIANCE FROM PROSPECT STATEMENT	10
14	PROSPECTS	10
15	DIVIDEND	10
16	SEGMENTAL REPORTING	11
17	INTERESTED PERSON TRANSACTIONS	12
18	CONFIRMATION OF DIRECTORS AND EXECUTIVE OFFICERS' UNDERTAKINGS PURSUANT TO LISTING RULE 720(1)	12
19	REPORT OF PERSONS OCCUPYING MANAGERIAL POSITIONS WHO ARE RELATED TO A DIRECTOR, CHIEF EXECUTIVE OFFICER OR SUBSTANTIAL SHAREHOLDER	13

UNAUDITED RESULTS FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 30 JUNE 2017

1 CONSOLIDATED INCOME STATEMENT

	GROUP			GROUP		
	Three months ended			Financial year ended		
	2017	2016	% change	2017	2016	% change
	US\$'000	US\$'000	+ / (-)	US\$'000	US\$'000	+ / (-)
Sales, net	14,483	17,102	(15)	69,895	84,574	(17)
Cost of goods sold	(10,410)	(12,197)	(15)	(50,300)	(61,605)	(18)
Gross profit	4,073	4,905	(17)	19,595	22,969	(15)
Expenses:						
Selling, general and administrative	(8,160)	(6,087)	34	(30,404)	(36,793)	(17)
Research and development	(2,878)	(3,267)	(12)	(12,131)	(15,289)	(21)
Total expenses	(11,038)	(9,354)	18	(42,535)	(52,082)	(18)
Other income	129	94	37	430	354	21
Other gains (losses)	874	4,996	(83)	(25)	40,168	n.m.
Share of gain (loss) of associated companies	164	(377)	n.m.	(326)	(724)	(55)
(Loss) profit before income tax	(5,798)	264	n.m.	(22,861)	10,685	n.m.
Income tax credit (expense)	234	272	(14)	(12)	(7,973)	(100)
Net (loss) profit	(5,564)	536	n.m.	(22,873)	2,712	n.m.
Attributable to:						
Equity holders of the Company	(5,537)	535	n.m.	(22,906)	2,620	n.m.
Non-controlling interests	(27)	1	n.m.	33	92	(64)
(Loss) Earnings per share attributable to equity holders of the Company						
- Basic (US\$ per share)	(0.08)	0.01	n.m.	(0.33)	0.04	n.m.
- Diluted (US\$ per share)	(0.08)	0.01	n.m.	(0.33)	0.04	n.m.

n.m. – not meaningful

1(a) Net (loss) profit is arrived at after accounting for:

	Three months ended			Financial year ended		
	30 June			30 June		
	2017	2016	% change	2017	2016	% change
US\$'000	US\$'000	+ / (-)	US\$'000	US\$'000	+ / (-)	
Write-off/write-down for inventory obsolescence	(1,753)	(304)	n.m.	(4,893)	(872)	n.m.
Impairment loss on investments	-	(164)	(100)	(692)	(945)	(27)
Gain on disposal of investments	-	-	-	1,346	2,723	(51)
Foreign exchange gain (loss)	859	(136)	n.m.	(682)	(423)	61
Write-back of subcontract accruals	-	5,200	(100)	-	5,200	(100)
Litigation settlement	-	-	-	-	33,500	(100)

1(b) Breakdown of sales:

	GROUP		
	Financial year ended 30 June 2017 US\$'000	Financial year ended 30 June 2016 US\$'000	+ / (-) %
<u>First Half Year</u>			
(a) Sales	39,405	49,013	(20%)
(b) Net loss	(12,719)	(1,901)	n.m.
<u>Second Half Year</u>			
(c) Sales	30,490	35,561	(14%)
(b) Net (loss) profit	(10,154)	4,613	n.m.

2 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	GROUP			GROUP		
	Three months ended			Financial year ended		
	30 June			30 June		
2017	2016	% change	2017	2016	% change	
US\$'000	US\$'000	+ / (-)	US\$'000	US\$'000	+ / (-)	
Net (loss) profit	(5,564)	536	n.m.	(22,873)	2,712	n.m.
Other comprehensive income:						
Available-for-sale financial assets:						
Fair value (losses) gains	(247)	1,793	n.m.	188	(3,007)	n.m.
Reclassification	-	-	-	(1,346)	(2,723)	(51)
Total comprehensive (loss) income for the financial year	<u>(5,811)</u>	<u>2,329</u>	n.m.	<u>(24,031)</u>	<u>(3,018)</u>	n.m.
Total comprehensive (loss) income attributable to:						
Shareholders of the Company	(5,784)	2,328	n.m.	(24,064)	(3,110)	n.m.
Non-controlling interests	(27)	1	n.m.	33	92	(64)
Total comprehensive (loss) income for the financial year	<u>(5,811)</u>	<u>2,329</u>	n.m.	<u>(24,031)</u>	<u>(3,018)</u>	n.m.

3 BALANCE SHEETS

	Group		Company	
	30 June 2017 US\$'000	30 June 2016 US\$'000	30 June 2017 US\$'000	30 June 2016 US\$'000
<u>ASSETS</u>				
Current assets:				
Cash and cash equivalents	75,282	94,738	69,892	88,362
Trade receivables	5,850	7,570	193	245
Amounts due from subsidiaries	-	-	36,277	43,979
Inventories	20,413	25,052	2,489	5,153
Other current assets	1,422	1,797	597	633
	102,967	129,157	109,448	138,372
Non-current assets:				
Available-for-sale financial assets	9,622	11,960	-	-
Amounts due from subsidiaries	-	-	21,323	14,923
Investments in subsidiaries	-	-	14,665	25,353
Property and equipment	866	870	143	131
Other non-current assets	186	190	-	-
	10,674	13,020	36,131	40,407
Total assets	113,641	142,177	145,579	178,779
<u>LIABILITIES</u>				
Current liabilities:				
Trade payables	9,300	9,651	417	1,588
Amounts due to subsidiaries	-	-	9,272	8,325
Accrued liabilities and provisions	19,477	23,377	10,169	11,468
Current income tax liabilities	5	347	-	-
	28,782	33,375	19,858	21,381
Non-current liabilities:				
Amounts due to subsidiaries	-	-	19,105	30,162
Deferred income tax liabilities	10,426	10,302	-	-
	10,426	10,302	19,105	30,162
Total liabilities	39,208	43,677	38,963	51,543
NET ASSETS	74,433	98,500	106,616	127,236
<u>EQUITY</u>				
Share capital	266,753	266,753	266,753	266,753
Treasury shares	(16,262)	(16,262)	(16,262)	(16,262)
Fair value reserve	5,416	6,574	-	-
Other reserves	62,315	62,364	34,851	34,900
Accumulated losses	(244,112)	(221,219)	(178,726)	(158,155)
	74,110	98,210	106,616	127,236
Non-controlling interests	323	290	-	-
Total equity	74,433	98,500	106,616	127,236

4 CONSOLIDATED STATEMENTS OF CASH FLOWS

	GROUP	
	Financial year ended 30 June	
	2017	2016
	US\$'000	US\$'000
Cash flows from operating activities:		
Net (loss) profit	(22,873)	2,712
Adjustments for:		
Income tax expense	12	7,973
Depreciation of property and equipment	221	535
Employee share-based expenses	(49)	(198)
Share of loss of associated companies	326	724
(Gain) loss on disposal of property and equipment	(9)	2
Impairment loss of available-for-sale financial assets	692	945
Gain on disposal of available-for-sale financial assets	(1,346)	(2,723)
Currency translation loss	351	840
Dividend income	-	(2)
Interest income	(430)	(352)
	<u>(23,105)</u>	<u>10,456</u>
Changes in working capital, net of effects from acquisition and disposal of subsidiaries		
Trade receivables	1,720	2,212
Inventories	4,639	3,827
Other assets and receivables	403	(554)
Trade payables	(351)	(5,988)
Accrued liabilities and provisions	(3,776)	(8,068)
Cash (used in) provided by operations	<u>(20,470)</u>	<u>1,885</u>
Interest received	408	327
Income tax paid	<u>(355)</u>	<u>(7,870)</u>
Net cash used in operating activities	<u>(20,417)</u>	<u>(5,658)</u>
Cash flows from investing activities:		
Purchase of property and equipment	(217)	(54)
Proceeds from sale of property and equipment	9	8
Proceeds from sale of available-for-sale financial assets	2,934	2,828
Purchase of available-for-sale financial assets	(1,100)	(500)
Loan to associated company	(326)	(724)
Dividend received	-	2
Net cash provided by investing activities	<u>1,300</u>	<u>1,560</u>
Cash flows from financing activities:		
Unclaimed dividends	<u>13</u>	<u>8</u>
Net cash provided by financing activities	<u>13</u>	<u>8</u>
Net decrease in cash and cash equivalents	(19,104)	(4,090)
Cash and cash equivalents at beginning of financial year	94,738	99,668
Effects of currency translation on cash and cash equivalents	<u>(352)</u>	<u>(840)</u>
Cash and cash equivalents at end of the financial year	<u>75,282</u>	<u>94,738</u>

5 STATEMENTS OF CHANGES IN EQUITY

5(a) Statements of Changes in Equity for the Group

	Share Capital US\$'000	Treasury Shares US\$'000	Fair Value Reserve US\$'000	Other Reserves US\$'000	Accumulated Losses US\$'000	Total US\$'000	Non- controlling Interests US\$'000	Total Equity US\$'000
FY2017								
Balance at 1 July 2016	266,753	(16,262)	6,574	62,364	(221,219)	98,210	290	98,500
Loss for the year	-	-	-	-	(22,906)	(22,906)	33	(22,873)
Other comprehensive loss for the year	-	-	(1,158)	-	-	(1,158)	-	(1,158)
Total comprehensive loss (income) for the year	-	-	(1,158)	-	(22,906)	(24,064)	33	(24,031)
Employee share-based expense	-	-	-	(49)	-	(49)	-	(49)
Unclaimed dividends	-	-	-	-	13	13	-	13
Total transactions with owners, recognised directly in equity	-	-	-	(49)	13	(36)	-	(36)
Balance at 30 June 2017	266,753	(16,262)	5,416	62,315	(244,112)	74,110	323	74,433
FY2016								
Balance at 1 July 2015	266,753	(16,262)	12,304	62,562	(223,847)	101,510	198	101,708
Profit for the year	-	-	-	-	2,620	2,620	92	2,712
Other comprehensive loss for the year	-	-	(5,730)	-	-	(5,730)	-	(5,730)
Total comprehensive loss (income) for the year	-	-	(5,730)	-	2,620	(3,110)	92	(3,018)
Employee share-based expense	-	-	-	(198)	-	(198)	-	(198)
Unclaimed dividends	-	-	-	-	8	8	-	8
Total transactions with owners, recognised directly in equity	-	-	-	(198)	8	(190)	-	(190)
Balance at 30 June 2016	266,753	(16,262)	6,574	62,364	(221,219)	98,210	290	98,500

5(b) Statements of Changes in Equity of the Company

	Share Capital US\$'000	Treasury Shares US\$'000	Other Reserves US\$'000	Accumulated Losses US\$'000	Total Equity US\$'000
FY2017					
Balance at 1 July 2016	266,753	(16,262)	34,900	(158,155)	127,236
Employee share-based expense	-	-	(49)	-	(49)
Unclaimed dividends	-	-	-	13	13
Total comprehensive loss for the year	-	-	-	(20,584)	(20,584)
Balance at 30 June 2017	266,753	(16,262)	34,851	(178,726)	106,616
FY2016					
Balance at 1 July 2015	266,753	(16,262)	35,098	(35,091)	250,498
Employee share-based expense	-	-	(198)	-	(198)
Unclaimed dividends	-	-	-	8	8
Total comprehensive loss for the year	-	-	-	(123,072)	(123,072)
Balance at 30 June 2016	266,753	(16,262)	34,900	(158,155)	127,236

5(c) CHANGES IN THE COMPANY'S SHARE CAPITAL

Issued and paid up capital

As at 30 June 2017, the Company's issued and paid up capital excluding treasury shares comprises 70,331,649 (30 June 2016: 70,331,649) ordinary shares.

As at 30 June 2017, the Company's issued and paid up share capital was US\$266.8 million (31 March 2017: US\$266.8 million).

Employee share options plan

During the fourth quarter of FY2017, the Company did not issue any ordinary shares for cash upon the exercise of the options under the Company's Share Options Plan (Q4 FY2016: Nil).

As at 30 June 2017, there were 1,014,000 (30 June 2016: 1,092,000) unissued ordinary shares under options granted to eligible employees and directors under the Company's Employee Share Options Plan.

Employee performance share plan

During the fourth quarter of FY2017, the Company did not issue any ordinary shares pursuant to the Employee Performance Share Plan to eligible employees and directors of the Company and its subsidiaries (Q4 FY2016: Nil).

As at 30 June 2017, there were 217,500 (30 June 2016: 231,000) unissued ordinary shares granted to eligible employees and directors under the Company's Employee Performance Share Plan.

Treasury shares

As at 30 June 2017, the Company held 4,668,351 (30 June 2016: 4,668,351) treasury shares against 70,331,649 (30 June 2016: 70,331,649) issued ordinary shares excluding treasury shares.

The movement of treasury shares for the period is as follows:

	Three months ended	
	30 June	
	2017	2016
Balance at beginning of period	4,668,351	4,668,351
Issue for Employee Performance Share Plan	-	-
Balance at end of period	<u>4,668,351</u>	<u>4,668,351</u>

6 GROUP BORROWINGS

	GROUP	
	30 June 2017 US\$'000	30 June 2016 US\$'000
Amount repayable:		
<u>In one year or less, or on demand</u>		
Secured	-	-
Unsecured	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
<u>After one year</u>		
Secured	-	-
Unsecured	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
Total	<hr/>	<hr/>
	-	-

7 NET ASSET VALUE

	GROUP		COMPANY	
	30 June 2017 US\$	30 June 2016 US\$	30 June 2017 US\$	30 June 2016 US\$
Net asset value per ordinary share based on issued capital at the end of the financial year	1.06	1.40	1.52	1.81

8 AUDIT

The figures have not been audited or reviewed by our auditors.

9 AUDITORS' REPORT

Not applicable.

10 ACCOUNTING POLICIES

Except as disclosed in Item 11 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements as at 30 June 2016.

11 CHANGES IN ACCOUNTING POLICIES

None.

12 REVIEW OF GROUP PERFORMANCE

CONSOLIDATED INCOME STATEMENT

Net Sales

Net sales for the fourth quarter of FY2017 decreased by 15% compared to the same quarter in FY2016, and net sales for FY2017 decreased by 17% compared to FY2016. Revenue was lower in the fourth quarter and FY2017 due to the uncertain and difficult market conditions which continued to affect the sales of the Group's products. Net sales in FY2017 decreased across the three geographical regions by 11%, 34% and 19% in Asia Pacific, the Americas and Europe regions, respectively.

Gross Profit

Gross profit margin was 28% in the fourth quarter of FY2017 compared to 29% in the fourth quarter of FY2016. For the full year of FY2017, gross profit margin was 28% compared to 27% in FY2016. Gross profit margin in the fourth quarter and FY2017 included write-down of excess inventories resulting from the reduction in sales. Gross profit margins in the fourth quarter and FY2017 were in line with the sales mix.

Net Profit

Net loss for the fourth quarter of FY2017 was US\$5.6 million compared to a net profit of US\$0.5 million in the fourth quarter of FY2016. Net loss in the fourth quarter of FY2017 included other gains (net) of US\$0.9 million and share of gain of associated companies of US\$0.2 million. Net profit in the fourth quarter of FY2016 included other gains (net) of US\$5.0 million and share of loss of associated companies of US\$0.4 million.

Net loss for FY2017 was US\$22.9 million compared to net profit of US\$2.7 million in FY2016. Net loss in FY2017 included share of loss of associated companies of US\$0.3 million. Net profit in FY2016 included employee severance charges of US\$4.1 million in the first quarter of FY2016, other gains (net) of US\$40.2 million, share of loss of associated companies of US\$0.7 million and income tax expense of US\$8.0 million.

Selling, general and administrative expenses in the fourth quarter of FY2017 increased by 34% compared to the fourth quarter of FY2016. The increase in selling, general and administrative expenses was due mainly to higher legal expenses for on-going litigation. For the full year of FY2017, selling, general and administrative expenses decreased by 17% compared to FY2016. Excluding employee severance charges in the first quarter of FY2016, selling, general and administrative expenses for the full year of FY2017 decreased by 14% compared to FY2016. The reduction in selling, general and administrative expenses was due mainly to lower level of sales and lower legal expenses in FY2017.

Research and development expenses in the fourth quarter and full year of FY2017 decreased by 12% and 21%, respectively, compared to the same periods in the corresponding year. Excluding employee severance charges in the first quarter of FY2016, research and development expenses in the full year of FY2017 decreased by 7% compared to FY2016. The decrease in research and development expenses was due mainly to cost cutting actions taken by the management in the previous year.

Other gains (net) of US\$0.9 million in the fourth quarter of FY2017 were due mainly to foreign exchange gain of US\$0.9 million. Other gains (net) of US\$5.0 million in the fourth quarter of FY2016 were due mainly to US\$5.2 million write-back of subcontract accruals made in prior years, in respect of potential claims under certain agreements, which are no longer required.

Other losses (net) in FY2017 comprised mainly US\$1.3 million gain on disposal of investments, offset partially by US\$0.7 million impairment loss on investments and foreign exchange loss of US\$0.7 million. Other gains (net) of US\$40.2 million in FY2016 were due mainly to US\$33.5 million proceeds from settlements in patent lawsuit, US\$2.7 million gain on disposal of investments, US\$5.2 million from write-back of subcontract accruals and US\$0.9 million impairment loss on investments.

The functional currency of the Company and its subsidiaries is predominantly the US dollar and accordingly, gains and losses resulting from the translation of monetary assets and liabilities denominated in currencies other than the US dollar are reflected in the determination of net profit (loss). The exchange differences were due mainly to the cash and cash equivalent balances held by the Group. Cash and cash equivalents were held mainly in US dollar, with the balance mainly in Singapore dollar, Euro, British Pound and Japanese Yen. The exchange gain in the fourth quarter of FY2017

was due mainly to the appreciation of British Pound and Euro against the US dollar. The exchange loss for FY2017 was due mainly to depreciation of British Pound, Japanese Yen and Singapore dollar against the US dollar. The exchange loss in the fourth quarter of FY2016 was due mainly to the depreciation of British Pound and Euro against the US dollar, partially offset by appreciation of Japanese Yen against the US dollar. The exchange loss for FY2016 was due mainly to depreciation of Singapore dollar against the US dollar in the first quarter of FY2016.

Income tax expense of US\$8.0 million in FY2016 was due mainly to US\$7.8 million withholding tax payments relating to the proceeds from the patent lawsuit settlements, and US\$0.4 million adjustment to the Group's provision for transfer pricing and withholding tax exposure of foreign subsidiaries.

BALANCE SHEETS

The decrease in cash and cash equivalents was due mainly to net cash used in operating activities (see below). The decrease in trade receivables and inventories were in line with the lower level of sales. The decrease in available-for-sale financial assets was due mainly to disposal of investments. The decrease in accrued liabilities and provisions were due mainly to lower level of operating activities.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Net cash used in operating activities of US\$20.4 million in FY2017 (FY2016: US\$5.7 million) was due mainly to operating loss for the period.

Net cash provided by investing activities of US\$1.3 million in FY2017 (FY2016: US\$1.6 million net cash provided) was due mainly to US\$2.9 million proceeds from sale of investments, offset partially by new investments amounting to US\$1.1 million.

Net cash provided by financing activities in FY2017 was not material (FY2016: not material).

13 VARIANCE FROM PROSPECT STATEMENT

There has been no significant variance in the operating performance of the Group in the fourth quarter of FY2017 as compared to the prospect statement disclosed in the announcement of results for the third quarter ended 31 March 2017.

14 PROSPECTS

For the current financial year, the Group expects no significant change in the market conditions and overall market for the Group's products remain challenging. For the current quarter, revenue is expected to be comparable to the current level and the Group expects to report an operating loss.

In July 2017, a wholly-owned subsidiary, ZiiLabs Inc., Ltd, has settled certain patent infringement lawsuits filed in the United States. The settlement sum received of US\$31.2 million will be recognised by the Group as other income in the current quarter. This will offset the operating loss and is expected to result in a net profit for the current quarter.

In addition, in August 2017, the Singapore High Court has ruled in favor of the Company and a wholly-owned subsidiary, Qmax Communications Pte Ltd ("QMax"), in respect of legal proceedings that the Company and QMax had initiated during the financial year ended 30 June 2012 against an equipment vendor to recover damages and losses suffered in relation to a wireless broadband project. The Singapore High Court has ordered the equipment vendor to pay the Company and QMax judgement sums of approximately US\$26 million inclusive of interest to date. The judgement is appealable to the Court of Appeal. If not appealed, the judgement sums will be recognised in the current quarter.

15 DIVIDEND

No dividends have been recommended in the fourth quarter of FY2017 and no dividends were recommended or declared for the same period last year.

16 SEGMENTAL REPORTING

	ASIA PACIFIC US\$'000	THE AMERICAS US\$'000	EUROPE US\$'000	TOTAL US\$'000
GROUP				
2017				
Sales	38,025	9,607	22,263	69,895
(Loss) profit after total expenses	(23,495)	524	31	(22,940)
Other income	429	1	-	430
Other gains	1,355	-	-	1,355
Other losses	(1,157)	-	(223)	(1,380)
Share of loss of associated companies	(326)	-	-	(326)
(Loss) profit before income tax	(23,194)	525	(192)	(22,861)
Income tax (expense) credit	(299)	(170)	457	(12)
Net (loss) profit	(23,493)	355	265	(22,873)
Other segment items				
Additions to				
- property and equipment	186	-	31	217
Depreciation	145	65	11	221
Impairment of available-for sale financial assets	(692)	-	-	(692)
Segment assets	104,132	6,162	3,347	113,641
Segment liabilities	24,013	3,740	11,455	39,208
	ASIA PACIFIC US\$'000	THE AMERICAS US\$'000	EUROPE US\$'000	TOTAL US\$'000
GROUP				
2016				
Sales	42,459	14,608	27,507	84,574
(Loss) profit after total expenses	(31,086)	806	1,167	(29,113)
Other income	337	1	16	354
Other gains	41,438	-	100	41,538
Other losses	(1,076)	(1)	(293)	(1,370)
Share of loss of associated companies	(724)	-	-	(724)
Profit before income tax	8,889	806	990	10,685
Income tax (expense) credit	(7,301)	335	(1,007)	(7,973)
Net profit (loss)	1,588	1,141	(17)	2,712
Other segment items				
Additions to				
- property and equipment	53	-	1	54
Depreciation	466	66	3	535
Impairment of available-for sale financial assets	(945)	-	-	(945)
Segment assets	131,341	7,461	3,375	142,177
Segment liabilities	27,194	3,785	12,698	43,677

Summary of net sales by country:

	GROUP	
	30 June 2017 US\$'000	30 June 2016 US\$'000
Singapore	30,798	35,673
United States of America	9,607	14,608
Ireland	22,263	27,507
Other countries	7,227	6,786
	<u>69,895</u>	<u>84,574</u>

Summary of net sales by product category:

	GROUP	
	30 June 2017 US\$'000	30 June 2016 US\$'000
Audio, speakers and headphones	64,068	77,779
Personal digital entertainment	4,077	2,774
Other products	1,750	4,021
	<u>69,895</u>	<u>84,574</u>

Summary of property and equipment by country:

	GROUP	
	30 June 2017 US\$'000	30 June 2016 US\$'000
Singapore	187	145
United States of America	653	719
Ireland	21	1
Other countries	5	5
	<u>866</u>	<u>870</u>

17 INTERESTED PERSON TRANSACTIONS

The Group has not obtained a general mandate from shareholders for Interested Person Transactions.

18 CONFIRMATION OF DIRECTORS AND EXECUTIVE OFFICERS' PURSUANT TO LISTING RULE 720(1)

The Company has procured undertakings from all its directors and executive officers in compliance with Listing Rule 720(1).

19 REPORT OF PERSONS OCCUPYING MANAGERIAL POSITIONS WHO ARE RELATED TO A DIRECTOR, CHIEF EXECUTIVE OFFICER OR SUBSTANTIAL SHAREHOLDER

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Low Ting Pong	69	Brother-in-law of Mr. Sim Wong Hoo, Chairman, Chief Executive Officer and substantial shareholder.	Senior Vice President, HQ Services since 1999. Responsible for overseeing the facility and related services.	Nil.

BY ORDER OF THE BOARD

NG KEH LONG
COMPANY SECRETARY
24 AUGUST 2017