



STARBURST HOLDINGS LIMITED

(Incorporated in the Republic of Singapore on 28 October 2013)
(Company Registration No.: 201329079E)

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT

For the First Quarter and Three Months Ended 31 March 2018

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "Exchange"). The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr. Ong Hwee Li (Telephone: 65-6532 3829) at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542.

- 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		
	Three months ended		
	31 Mar 2018	31 Mar 2017	Change
	S\$'000	S\$'000	%
Revenue	1,579	4,205	(62.4)
Other operating income	77	45	71.1
Project and production costs	(988)	(1,856)	(46.8)
Employee benefits expenses	(832)	(925)	(10.1)
Depreciation expenses	(382)	(394)	(3.0)
Other operating expenses	(619)	(577)	7.3
Finance costs	(128)	(61)	109.8
(Loss) profit before income tax	(1,293)	437	n.m.
Income tax expense	-	(8)	n.m.
(Loss) profit for the period	(1,293)	429	n.m.
Other comprehensive income:			
<u>Items that may be reclassified subsequently to profit or loss:</u>			
Exchange difference on translation of foreign operation	*	*	n.m.
Total comprehensive (loss) profit for the period	(1,293)	429	n.m.
(Loss) profit attributable to owners of the Company	(1,293)	429	n.m.
Total comprehensive (loss) profit attributable to owners of the Company	(1,293)	429	n.m.

* This represents amount less than \$1,000.

n.m. denotes not meaningful.

1(a)(ii) Notes to the Statement of Comprehensive Income

(Loss) profit before income tax has been arrived at after charging (crediting) the following:

	Group		
	Three months ended		
	31 Mar 2018	31 Mar 2017	Change
	S\$'000	S\$'000	%
Depreciation expense	382	394	(3.0)
Amortisation of prepaid insurance	12	12	0.0
Interest expense	128	61	109.8
Amortisation of intangible assets	75	-	n.m.
Foreign exchange losses - net	91	33	175.8
Gain on disposal of property, plant and equipment	-	(7)	n.m.
Interest income	(7)	(2)	250.0

n.m. denotes not meaningful.

(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 Mar 2018	As at 31 Dec 2017	As at 31 Mar 2018	As at 31 Dec 2017
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash on hand and at bank	8,820	8,292	65	191
Fixed deposits	3,010	3,010	-	-
Trade and other receivables	2,609	5,221	4,298	4,089
Contract work-in-progress	1,389	1,561	-	-
Inventories	2,001	2,042	-	-
Total current assets	17,829	20,126	4,363	4,280
Non-current assets				
Fixed deposits pledged	2,686	2,394	-	-
Prepayment	965	977	-	-
Investment in subsidiaries	-	-	36,438	36,438
Property, plant and equipment	25,816	23,564	-	-
Intangible assets	375	450	-	-
Total non-current assets	29,842	27,385	36,438	36,438
Total assets	47,671	47,511	40,801	40,718
LIABILITIES AND EQUITY				
Current liabilities				
Bank loans	554	563	-	-
Trade and other payables	778	1,662	80	75
Current portion of finance leases	106	106	-	-
Current portion of land lease payable	32	-	-	-
Contract work-in-progress	-	119	-	-
Income tax payable	11	11	11	11
Total current liabilities	1,481	2,461	91	86
Non-current liabilities				
Bank loans	12,691	12,829	-	-
Finance leases	57	83	-	-
Land lease payable	2,592	-	-	-
Total non-current liabilities	15,340	12,912	-	-
Capital and reserves				
Share capital	41,010	41,005	41,010	41,005
Treasury shares	(1,658)	(1,658)	(1,658)	(1,658)
Warrant reserve	422	422	422	422
Currency translation reserve	1	1	-	-
Merger reserve	(25,438)	(25,438)	-	-
Retained earnings	16,513	17,806	936	863
Total equity	30,850	32,138	40,710	40,632
Total liabilities and equity	47,671	47,511	40,801	40,718

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

	Group			
	31 Mar 2018		31 Dec 2017	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on demand	660	-	669	-
Amount repayable after one year	12,748	-	12,912	-

Details of any collateral:

The facilities of the Group are secured by the following:

- 1) First legal mortgage of the leasehold property at 6 Tuas View Circuit Singapore 637599;
- 2) Fixed deposits of not less than S\$2.1 million;
- 3) A first legal assignment of all the rights, title, interest and benefits under and arising out of the life insurance policy taken out on the life of the executive directors for a minimum sum insured of US\$1 million each; and
- 4) A corporate guarantee from the Company.

Finance leases of S\$163,000 (31 Dec 2017: S\$189,000) are secured by the lessor's title on the leased assets.

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

	Group	
	Three months ended	
	31 Mar 2018	31 Mar 2017
	S\$'000	S\$'000
Operating activities		
(Loss) profit before income tax	(1,293)	437
Adjustments for:		
- Depreciation expense	382	394
- Interest expense	128	61
- Interest income	(7)	(2)
- Amortisation of intangible assets	75	-
- Amortisation of prepaid insurance	12	12
- Gain on disposal of property, plant and equipment	-	(7)
Operating cash flows before movements in working capital	(703)	895
Trade and other receivables	2,615	2,740
Contract work-in-progress	53	2,503
Inventories	41	(55)
Trade and other payables	(884)	(745)
Net cash generated from operations	1,122	5,338
Interest paid	(128)	(61)
Interest received	4	4
Net cash from operating activities	998	5,281
Investing activities		
Decrease (increase) in fixed deposits	2,718	(4)
Proceeds from disposal of property, plant and equipment	-	7
Proceeds from sale of property held for sale	-	6,935
Purchase of property, plant and equipment	(2)	(76)
Net cash from investing activities	2,716	6,862
Financing activities		
Purchase of treasury shares	-	(221)
Proceeds from exercise of warrants	5	-
Repayment of finance leases	(26)	(23)
Repayment of bank loans	(147)	(164)
Repayment of land lease payable	(8)	-
Net cash used in financing activities	(176)	(408)
Net increase in cash and cash equivalents	3,538	11,735
Cash and cash equivalents at beginning of financial period	8,292	288
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies	*	*
Cash and cash equivalents at end of financial period (Note A)	11,830	12,023

- 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 (cont'd).

Note A : Cash and cash equivalents

	Group	
	Three months ended	
	31 Mar 2018	31 Mar 2017
	S\$'000	S\$'000
Cash on hand and at bank	8,820	12,023
Fixed deposits	5,696	2,081
	14,516	14,104
Less: fixed deposits pledged	(2,686)	(2,081)
Cash and cash equivalents	11,830	12,023

* This represents amount less than S\$1,000.

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	Share capital	Treasury shares	Warrant reserve	Currency translation reserve	Merger reserve	Retained earnings	Total equity
	S\$'000	S\$'000	S\$'000	\$'000	\$'000	S\$'000	S\$'000
Balance at 1 January 2018	41,005	(1,658)	422	1	(25,438)	17,806	32,138
Transaction with owners, recognised directly in equity							
Exercise of warrants	5	-	-	-	-	-	5
Total comprehensive loss for the period:							
Loss for the period	-	-	-	-	-	(1,293)	(1,293)
Other comprehensive income	-	-	-	*	-	-	*
Balance at 31 March 2018	41,010	(1,658)	422	1	(25,438)	16,513	30,850
Balance at 1 January 2017	40,570	-	422	2	(25,438)	12,247	33,845
Transaction with owners, recognised directly in equity							
Repurchase of shares	-	(221)	-	-	-	-	(221)
Total comprehensive income for the period:							
Profit for the period	-	-	-	-	-	429	429
Other comprehensive income	-	-	-	*	-	-	*
Transfer on sale of leasehold building	-	-	-	-	-	6,042	-
Balance at 31 March 2017	40,570	(221)	422	2	(25,438)	18,718	34,053

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).

<u>Company</u>	<u>Share capital</u> S\$'000	<u>Treasury share</u> S\$'000	<u>Warrant reserve</u> S\$'000	<u>Retained earnings</u> S\$'000	<u>Total equity</u> S\$'000
Balance at 1 January 2018	41,005	(1,658)	422	863	40,632
Transaction with owners, recognised directly in equity					
Exercise of warrants	5	-	-	-	5
Total comprehensive income for the period	-	-	-	73	73
Balance at 31 March 2018	41,010	(1,658)	422	936	40,710
Balance at 1 January 2017	40,570	-	422	1,086	42,078
Transaction with owners, recognised directly in equity					
Repurchase of shares	-	(221)	-	-	(221)
Total comprehensive income for the period	-	-	-	38	38
Balance at 31 March 2017	40,570	(221)	422	1,124	41,895

* This represents amount less than S\$1,000.

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 also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, 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.

On 15 June 2016, the Company issued 62,500,000 warrants at an issue price of S\$0.01 for each warrant. Each warrant carries the right to subscribe for one new ordinary share in the capital of the Company at an exercise price of S\$0.25 for each new share. The exercise price and the number of warrants held by each warrant holder may be adjusted under certain terms and conditions being met. The warrants expire on 14 June 2021.

Details of changes in the Company's share capital during the financial period:

	Three months Ended	
	31 Mar 2018	31 Mar 2017
Balance as at 31 December	246,870,100	250,002,000
Issue of new shares upon exercising of warrants	22,125	-
Purchase of treasury shares	-	(1,092,600)
Balance as at 31 March (excluding treasury shares)	246,892,225	248,909,400

Treasury shares:

	Three months Ended	
	31 Mar 2018	31 Mar 2017
Total number of treasury shares	4,869,200	1,092,600
Total number of ordinary shares	251,761,425	250,002,000
Percentage of treasury shares over the total number of ordinary shares	1.93%	0.44%

As at 31 March 2018, there were 60,738,575 (as at 31 March 2017: 62,498,000) outstanding warrants for which ordinary shares may be issued.

Save for the above outstanding warrants, there were no outstanding convertibles held by the Company as at 31 March 2018 and 31 March 2017.

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.

	Number of issued shares	
	As at 31 Mar 2018	As at 31 Dec 2017
Issued and fully paid ordinary shares		
Balance at beginning of the financial period	251,739,300	250,002,000
Issue of new shares upon exercising of warrants	22,125	1,737,300
Balance at end of the financial period	251,761,425	251,739,300
Treasury Shares		
Balance at beginning of the financial period	(4,869,200)	-
Purchase of treasury shares	-	(4,869,200)
Balance at end of the financial period	(4,869,200)	(4,869,200)
Issued ordinary shares excluding treasury shares	246,892,225	246,870,100

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

Not applicable. There were no sales, transfers, cancellation and/or use of treasury shares.

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. The Company has no subsidiary holdings.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

Except for the comparative financial statements as at 31 December 2017, the financial statements 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 a 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 financial information for the current financial period reported on have been prepared using the same accounting policies and methods of computation adopted in the most recently audited financial statements for the financial year ended 31 December 2017 except for those disclosed in item 5 on next page.

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 Group's financial statements for the financial year ending 31 December 2018 is prepared in accordance with the Singapore Financial Standards (International) ("**SFRS(I)**") issued by the Accounting Standards Council.

The Group has performed an assessment of the transition options and other requirements of SFRS(I) and has determined that there are no changes to the Group's current accounting policies under the financial reporting standards in Singapore or material adjustment on the initial transition of the new framework except as disclosed below.

Early adoption of SFRS(I) 16 Leases

SFRS(I) 16 is effective for financial year beginning on or after 1 January 2019, with early application permitted if SFRS(I) 16 is adopted.

Significant changes to lessee accounting are introduced under SFRS(I) 16, with the distinction between operating and finance leases removed and assets and liabilities recognised in respect of all leases (subject to limited exceptions for short-term leases and leases of low value assets). In this regard, the Group has recognised the JTC leasehold land and lease payable of approximately S\$2,624,000 as an asset and a liability respectively in the statement of financial position on 1 January 2018.

Except for SFRS(I) 16 as disclosed above, the adoption of the new SFRS(I)s, amendments and interpretations of SFRS(I)s which took effect the current financial year, there were no other changes in accounting policies and methods of computation adopted in the financial statements for the current reporting period as compared to the most recent audited financial statements.

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:

- (a) Based on the weighted average number of ordinary shares on issue; and
(b) On a fully diluted basis (detailing any adjustments made to the earnings).**

	Group Three Months Ended	
	31 Mar 2018	31 Mar 2017
(Loss) profit attributable to owners of the Company (S\$'000)	(1,293)	429
Weighted average number of ordinary shares excluding treasury shares for computing basic EPS ('000)	246,880	249,184
Weighted average number of ordinary shares excluding treasury shares for computing diluted EPS ('000)	270,219	n/a
Basic (loss) earnings per ordinary share (cents)	(0.52)	0.17
Diluted (loss) earnings per ordinary share (cents)	(0.48)	n/a

n/a: warrants do not carry a dilutive effect as the average market price of ordinary shares during the period was below the exercise price of the warrant of S\$0.25 as at 31 March 2017.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**

- (a) current period reported on; and
 (b) immediately preceding financial year.

	Group		Company	
	31 Mar 2018	31 Dec 2017	31 Mar 2018	31 Dec 2017
Net asset value ('000)	30,850	32,138	40,710	40,632
Number of ordinary shares excluding treasury shares ('000)	246,892	246,870	246,892	246,870
Net asset value per ordinary share (cents)	12.50	13.02	16.49	16.46

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.

The Group specialises in the design, fabrication, installation and maintenance of anti-ricochet ballistic protection systems for firearm shooting ranges and tactical training mock-ups used by military and law enforcement authorities in Southeast Asia and the Middle East.

Review of the Group's Performance

Revenue

Our revenue decreased by approximately S\$2.6 million or 62.4%, from S\$4.2 million in the three months ended 31 March 2017 ("1Q2017") to S\$1.6 million in the three months ended 31 March 2018 ("1Q2018"). Our revenue in 1Q2018 was mainly contributed by maintenance works, whereas in 1Q2017, our revenue was comprised of (i) installation works for a firearm shooting range project in Southeast Asia and in the Middle East, (ii) Marina One architectural steel project, and (iii) maintenance works.

Project and production costs

Our project and production costs decreased by approximately S\$0.9 million or 46.8%, from S\$1.9 million in 1Q2017 to S\$1.0 million in 1Q2018. The decrease was in line with the decreased revenue and primarily attributable to the decrease in material and fabrication costs in 1Q2018 as fewer projects were undertaken as compared to 1Q2017.

Gross profit and gross profit margin

As a result of the foregoing, gross profit decreased from S\$2.3 million in 1Q2017 to S\$0.6 million in 1Q2018. Our gross profit margin decreased from 55.8% in 1Q2017 to 37.4% in 1Q2018. The decline in gross profit margin is mainly due to lesser projects which reduces the cost benefits from economies of scale.

Other operating income

Our other operating income increased by approximately S\$32,000 or 71.1%, from S\$45,000 in 1Q2017 to S\$77,000 in 1Q2018. The increase in other operating income is mainly due to capability development grant received from Spring Singapore.

Employee benefits expenses

Our employee benefits expenses decreased by approximately S\$0.1 million or 10.1% from S\$0.9 million in 1Q2017 to S\$0.8 million in 1Q2018. The decrease was primarily due to the reduce in headcount.

Depreciation expenses

Our depreciation expenses remained stable at approximately S\$0.4 million in 1Q2017 and 1Q2018.

Other operating expenses

Our other operating expenses remained stable at approximately S\$0.6 million in 1Q2017 and 1Q2018.

Finance costs

Our finance costs increased by approximately S\$67,000 or 109.8%, from S\$61,000 in 1Q2017 to S\$128,000 in 1Q2018. The increase in finance cost was mainly due to increase of the term loan interest rate.

Income tax expense

Our income tax expense decreased by approximately S\$8,000, from S\$8,000 in 1Q2017 to S\$Nil in 1Q2018. The decrease in income tax expense was in line with the decrease in profit before income tax.

Net loss for the period

As a result of the foregoing, we recorded a net loss of approximately S\$1.3 million in 1Q2018.

Review of the Group's Financial Position

Current assets

Our current assets decreased by approximately S\$2.3 million from S\$20.1 million as at 31 December 2017 to S\$17.8 million as at 31 March 2018. The decrease in current assets was mainly due to the decrease in trade and other receivables of approximately S\$2.6 million and the decrease of contract work-in-progress of approximately S\$0.2 million, which was partially offset by an increase in cash on hand and at bank of S\$0.5 million.

Non-current assets

Our non-current assets increased by approximately S\$2.4 million from S\$27.4 million as at 31 December 2017 to S\$29.8 million as at 31 March 2018, primarily due to the increase in property, plant and equipment of approximately S\$2.6 million, which mainly arising from the early adoption of SFRS(I) 16 Leases and fixed deposit pledged of approximately S\$0.3 million, which were partially offset by a decrease in intangible assets of approximately S\$0.1 million and depreciation charge for the period of approximately S\$0.4 million.

Current liabilities

Our current liabilities decreased by approximately S\$1.0 million from S\$2.5 million as at 31 December 2017 to S\$1.5 million as at 31 March 2018. The decrease in current liabilities was primarily due to the decrease trade and other payables of approximately S\$0.9 million and the decrease of contract work-in-progress of approximately S\$0.1 million.

Non-current liabilities

Our non-current liabilities increased by approximately S\$2.4 million from S\$12.9 million as at 31 December 2017 to S\$15.3 million as at 31 March 2018, primarily due the recognition of land lease payable arising from the early adoption of SFRS(I) 16 Leases of approximately S\$2.6 million, which was partially offset by the repayment of term loan and finance leases of approximately S\$0.2 million.

Review of the Group's Statement of Cash Flows

Net cash from operating activities

Net cash from operating activities was approximately S\$1.0 million in 1Q2018, which was a result of operating cash outflows before movements in working capital of approximately S\$0.7 million and interest paid of approximately S\$0.1 million, which was partially offset by a decrease in working capital of approximately S\$1.8 million. The decrease in working capital was primarily due to the decrease in trade and other receivables of approximately S\$2.6 million, partially offset by a decrease in trade and other payables of approximately S\$0.8 million.

Net cash from investing activities

Net cash from investing activities was approximately S\$2.7 million in 1Q2018, which was primarily due to decrease in fixed deposits.

Net cash used in financing activities

Net cash used in financing activities was approximately S\$0.2 million in 1Q2018, which was primarily due to the repayment of bank loans and finance leases.

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

Not applicable as there was no forecast or any prospect statement 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 Group continues to pursue opportunities in the design and engineering of customised training solutions for existing and potential customers as law enforcement related customers respond to the threat of terrorism and extremism. The Group is also actively responding to enquiries and requests for tenders from authorities in Southeast Asia and the Middle East. Notwithstanding the competitive market conditions, the Group remains committed to secure more contracts in both the Southeast Asian and Middle Eastern markets.

The Group is working to strengthen its partnerships with defence contractors, equipment suppliers and consultants to participate with them in joint tenders, or collaborate with these parties if they are successful in tenders. In addition, the Group is working with the relevant authorities to expand its portfolio of maintenance service contracts and grow its recurrent revenue base.

Given that a major portion of the Group's business is project based, the revenue contribution from projects may vary from quarter to quarter, depending on the size and scope of the projects on hand and their completion schedules. Nonetheless, the Group will continue to focus on ensuring effective cost management of its projects and production costs to achieve sustainable operating performance.

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.

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

No dividend has been declared or recommended for the first quarter and three months ended 31 March 2018.

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

The Group has not obtained a general mandate from shareholders for interested person transactions.

14. Use of warrants exercise proceeds

On 15 June 2016, the Company issued 62,500,000 warrants at an exercise price of S\$0.25 for each new share. Each warrant carries the right to subscribe for one new ordinary share in the capital of the Company. 1,761,425 warrants have been exercised as at 31 March 2018. The proceeds arising from the exercise of 1,761,425 warrants was approximately S\$440,000. The Company has not utilised the proceeds.

The Company will make periodic announcements on the use of the proceeds as and when the funds are materially disbursed.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

The Company confirms that undertakings have been procured from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

16. Negative Confirmation pursuant to Rule 705(5) of the Listing Manual.

On behalf of the Board of Directors of the Company, we confirm that, to the best of our knowledge, 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 first quarter and three months ended 31 March 2018 to be false or misleading in any material aspect.

On behalf of the Board

Edward Lim Chin Wah
Executive Chairman

Yap Tin Foo
Managing Director

BY ORDER OF THE BOARD

Edward Lim Chin Wah
Executive Chairman

10 May 2018