



A-Smart Holdings Ltd.

(Registration No. 199902058Z)

**UNAUDITED RESULTS FOR THE SECOND
QUARTER ENDED 31 JANUARY 2019**

TABLE OF CONTENTS

Item No.	Description	Page No.
1(a)(i)	Income Statement	1
1(a)(ii)	Explanatory Notes to Income Statement	2
1(a)(iii)	Statement of Comprehensive Income	3
1(b)(i)	Statement of Financial Position	4
1(b)(ii)	Group Borrowings	5
1(c)	Statement of Cash Flows	6 - 7
1(d)(i)	Statements of Changes in Equity	8 - 9
1(d)(ii)-(iv)	Share Capital	10
2 & 3	Audit Statement	10
4 & 5	Accounting Policies	11
6	Earnings Per Share	11
7	Net Asset Value Per Share	12
8	Group Performance Review	12 - 14
9 & 10	Prospects	14
11 & 12	Dividend	14 - 15
13	Interest Person Transactions	15
14	Use of proceeds from rights issue and shares placement	15
15	Negative Assurance Confirmation on Interim Financial Results Under Rule 705(4) of the Listing Manual	15
16	Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)	16

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

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

	Note	GROUP 3 MONTHS ENDED			GROUP 6 MONTHS ENDED		
		31 Jan 2019 \$'000	31 Jan 2018 \$'000	Increase / (decrease) %	31 Jan 2019 \$'000	31 Jan 2018 \$'000	Increase / (decrease) %
Revenue		1,722	1,838	(6.3%)	3,394	3,528	(3.8%)
Other income	1	57	1	5600%	92	39	135.9%
Total Revenue		1,779	1,839	(3.3%)	3,486	3,567	(2.3%)
Costs and expenses							
Changes in inventories		(1)	6	(116.7%)	32	23	39.1%
Inventories used		(563)	(526)	7.0%	(1,206)	(1,050)	14.9%
Staff costs		(858)	(986)	(13.0%)	(1,691)	(1,922)	(12.0%)
Depreciation		(89)	(73)	21.9%	(176)	(147)	19.7%
Foreign currency (loss)/gain -net		-	(1)	n.m.	(1)	(1)	-
Other operating expenses	3	(387)	(375)	3.2%	(736)	(815)	(9.7%)
Finance costs	2	(19)	(14)	35.7%	(37)	(31)	19.4%
Share of loss of an associated company		(13)	-	n.m.	(36)	-	n.m.
Loss before taxation		(151)	(130)	16.2%	(365)	(376)	(2.9%)
Income tax	4	-	(3)	n.m.	-	(3)	n.m.
Net loss for the period		(151)	(133)	13.5%	(365)	(379)	(3.7%)
Attributable to:							
Equity holders of the parent		(151)	(132)	14.4%	(365)	(378)	(3.4%)
Non- controlling interests		-	(1)	n.m.	-	(1)	n.m.
Net loss for the period		(151)	(133)	13.5%	(365)	(379)	(3.7%)

n.m. – not meaningful

1(a)(ii) Breakdown and explanatory notes to the income statement

Note 1 Other income comprises the following:

	3 MONTHS ENDED		6 MONTHS ENDED	
	31-Jan-19	31-Jan-18	31-Jan-19	31-Jan-18
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Government grants	12	-	26	-
Interest income	31	-	38	-
Rental income	5	-	11	-
Miscellaneous income	9	1	17	39
Total	57	1	92	39

Note 2 Finance costs comprise the following:

	3 MONTHS ENDED		6 MONTHS ENDED	
	31-Jan-19	31-Jan-18	31-Jan-19	31-Jan-18
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Finance lease liabilities	(19)	(14)	(37)	(31)
Total	(19)	(14)	(37)	(31)

Note 3 Other operating expenses include the following:

	3 MONTHS ENDED		6 MONTHS ENDED	
	31-Jan-19	31-Jan-18	31-Jan-19	31-Jan-18
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Marketing expenses	(14)	(13)	(32)	(22)
Legal professional and compliance expenses	(31)	(19)	(46)	(72)
Operating lease expense - office, factories and warehouses	(122)	(153)	(244)	(305)

Note 4 Income tax comprises the following:

	3 MONTHS ENDED		6 MONTHS ENDED	
	31-Jan-19	31-Jan-18	31-Jan-19	31-Jan-18
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Current tax - prior years	-	(3)	-	(3)

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 3 MONTHS ENDED			GROUP 6 MONTHS ENDED		
	31 Jan 2019	31 Jan 2018	Increase/ (Decrease)	31 Jan 2019	31 Jan 2018	Increase/ (Decrease)
	\$'000	\$'000	%	\$'000	\$'000	%
Net loss for the period	(151)	(133)	14.4%	(365)	(379)	(3.4%)
Other comprehensive income / (loss):						
Translation differences relating to financial statements of foreign subsidiary corporations and an associate	-	(3)	(175.0%)	16	(9)	160.0%
Translation differences arising on monetary items forming part of net investments in foreign operations	-	-	N.M.	(21)	-	35.3%
Other comprehensive income/ (loss) for the period	-	(3)	(100.0%)	(5)	(9)	(50.0%)
Total comprehensive income/ (loss) for the period	(151)	(136)	11.0%	(370)	(388)	(4.6%)
Total comprehensive income/ (loss) attributable to:						
Equity holders of the parent	(151)	(135)	17.2%	(373)	(377)	(1.3%)
Non-controlling interests	-	(1)	(87.5%)	3	(11)	(118.2%)
Total comprehensive income/ (loss) for the period	(151)	(136)	11.0%	(370)	(388)	(4.6%)

N.M.: 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	
	31 Jan 2019	31 Jul 2018	31 Jan 2019	31 Jul 2018
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Non-current assets				
Plant and equipment	1,723	1,714	190	75
Investments in subsidiary corporations	-	-	6,228	6,228
Investment in an associated company	1,218	1,289	-	-
	2,941	3,003	6,418	6,303
Current assets				
Inventories	586	554	-	-
Trade receivables	925	1,300	-	11
Other receivables	1,800	1,759	1,326	1,313
Trade amount due from subsidiary corporations	-	-	479	479
Non-trade amount due from subsidiary corporations	-	-	3,896	3,845
Cash and cash equivalents	6,650	7,202	5,039	5,609
	9,961	10,815	10,740	11,257
Total assets	12,902	13,818	17,158	17,560
Equity attributable to equity holders of the parent				
Share capital	139,159	139,159	139,159	139,159
Other reserves	(33)	(110)	-	-
Accumulated losses	(129,264)	(128,814)	(140,085)	(139,518)
	9,862	10,235	(926)	(359)
Non-controlling interests	121	118	-	-
Total equity	9,983	10,353	(926)	(359)
Non-current liabilities				
Finance lease liabilities	524	569	71	10
	524	569	71	10
Current liabilities				
Trade and other payables	2,086	2,460	376	720
Trade amount due to subsidiary corporations	-	-	152	113
Non-trade amount due to subsidiary corporations	-	-	17,447	17,043
Finance lease liabilities	288	415	38	33
Current income tax liabilities	21	21	-	-
	2,395	2,896	18,013	17,909
Total liabilities	2,919	3,465	18,084	17,919
Total equity and liabilities	12,902	13,818	17,158	17,560

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

Amount repayable in one year or less, or on demand

As at 31 January 2019		As at 31 July 2018	
Secured	Unsecured	Secured	Unsecured
<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
288	-	415	-

Amount repayable after one year

As at 31 January 2019		As at 31 July 2018	
Secured	Unsecured	Secured	Unsecured
<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
524	-	569	-

Details of any collateral:

Secured borrowings at 31 January 2019 mainly refer to the following:

- a. Finance lease liabilities amounting to S\$0.81 million that are secured by the respective motor vehicles and machinery purchased under finance leases.

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

Note	Group		Group	
	2nd Quarter Ended		6 Months Ended	
	31 Jan 2019	31 Jan 2018	31 Jan 2019	31 Jan 2018
	\$'000	\$'000	\$'000	\$'000
Operating activities				
Loss before taxation	(151)	(130)	(365)	(376)
Adjustments for:				
Allowance for doubtful debts	30	-	78	-
Interest expense	19	14	37	31
Interest income	(31)	-	(38)	-
Depreciation	89	73	176	147
Share of loss of an associated company	13	-	36	-
Operating loss before working capital changes	(31)	(43)	(76)	(198)
Changes in working capital:				
Inventories	1	(5)	(32)	(22)
Trade and other receivables	200	310	256	303
Trade and other payables	(490)	(99)	(374)	211
Cash used in operations	(320)	163	(226)	294
Income tax paid	-	(3)	-	(3)
Cash flows (used in)/ generated from operating activities	(320)	160	(226)	291
Investing activities				
Interest received	31	-	38	-
Purchase of plant and equipment	(180)	(45)	(185)	(53)
Cash flows used in investing activities	(149)	(45)	(147)	(53)
Financing activities				
Interest paid	(19)	(14)	(37)	(31)
Repayment of finance lease liabilities	(54)	(133)	(172)	(245)
Proceeds from issuance of shares	-	4,990	-	4,990
Cash flows (used in)/ generated from financing activities	(73)	4,843	(209)	4,714
Net (decrease)/ increase in cash and cash equivalents	(542)	4,958	(582)	4,952
Cash and cash equivalents at beginning of the period	7,192	3,653	7,202	3,665
Effects of currency translation on cash and cash equivalents	-	(4)	30	(10)
Cash and cash equivalents at end of the period	6,650	8,607	6,650	8,607

Explanatory notes to the consolidated cash flow statement

Note A. Cash and cash equivalents comprise the following:

	31 Jan 2019	31 Jan 2018
	\$'000	\$'000
Cash at bank and in hand	2,650	8,607
Fixed deposits	4,000	-
Cash and cash equivalents in the cash flow statement	6,650	8,607

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of Changes in Equity for the Group

Attributable to equity holders of the Company

	Share Capital S\$'000	Currency translation reserve S\$'000	Accumulated losses S\$'000	Total S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
At 31 July 2017 (as previously stated)	134,220	(85)	(128,208)	5,927	115	6,042
Effects of adoption of SFRS(I)	-	85	(85)	-	-	-
At 1 August 2017 (as restated)	134,220	-	(128,293)	5,927	115	6,042
Total comprehensive loss for the period	-	4	(246)	(249)	(10)	(252)
At 31 October 2017	134,220	4	(128,539)	5,685	105	5,790
Total comprehensive loss for the period	-	(3)	(132)	(135)	(1)	(136)
Issuance of ordinary shares pursuant to share placement	4,990	-	-	4,990	-	4,990
At 31 January 2018	139,210	1	(128,671)	10,540	104	10,644

	Share Capital S\$'000	Currency translation reserve S\$'000	Accumulated losses S\$'000	Total S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
At 31 July 2018 (as previously stated)	139,159	(110)	(128,814)	10,235	118	10,353
Effects of adoption of SFRS(I)	-	85	(85)	-	-	-
At 1 August 2018 (as restated)	139,159	(25)	(128,899)	10,235	118	10,353
Total comprehensive loss for the period	-	(8)	(214)	(222)	3	(219)
At 31 October 2018	139,159	(33)	(129,113)	10,013	121	10,134
Total comprehensive loss for the period	-	-	(151)	(151)	-	(151)
At 31 January 2019	139,159	(33)	(129,264)	9,862	121	9,983

Statement of Changes in Equity for the Company

	Share Capital S\$'000	Accumulated losses S\$'000	Total equity S\$'000
At 1 August 2017	134,220	(138,162)	(3,942)
Total comprehensive loss for the period	-	(372)	(372)
At 31 October 2017	134,220	(138,534)	(4,314)
Total comprehensive loss for the period	-	(396)	(396)
Issuance of ordinary shares pursuant to share placement	4,990	-	4,990
At 31 January 2018	139,210	(138,930)	280

	Share Capital S\$'000	Accumulated losses S\$'000	Total equity S\$'000
At 1 August 2018	139,159	(139,518)	(359)
Total comprehensive loss for the period	-	(244)	(244)
At 31 October 2018	139,159	(139,762)	(603)
Total comprehensive loss for the period	-	(323)	(323)
At 31 January 2019	139,159	(140,085)	(926)

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 for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There were no movements in the Company's share capital for the second quarter ended 31 January 2019.

As at 31 January 2019, there were no subsidiary holdings.

Warrants

On 20 July 2015, the Company issued 2,200,000,000 warrants each carrying the right to subscribe for one new ordinary share at the exercise price of S\$0.07 per new share. Pursuant to the Company's share consolidation exercise in February 2016 (every forty (40) ordinary shares consolidated into 1 (one) ordinary share), the 1,900,000,000 warrants that were outstanding as at 2 February 2016 were accordingly consolidated into 47,500,000 warrants and the exercise price of the warrants adjusted from S\$0.07 to S\$0.28 per new share.

At the end of 2Q2019, there were 36,786,000 warrants that can be converted into 36,786,000 ordinary shares at the exercise price of S\$0.28 per new share (2Q2018: 36,786,000 warrants).

No share warrants were exercised in 2Q2019 (2Q2018: Nil).

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.

The total number of issued shares as at 31 January 2019 was 119,776,362 (31 July 2018: 119,776,362). There were no treasury shares held by the Company at 31 January 2019.

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.

Not applicable.

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.

During the financial period, there was no transaction pertaining to subsidiary holdings.

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

The figures have not been audited or reviewed by the auditors of the Company.

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

Except as disclosed in Note 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 July 2018.

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 has adopted SFRS(I) on 1 August 2018. Accordingly, the Group has elected the following relevant optional exemption provided in SFRS(I) 1 – First time adoption of SFRS(I) and has adopted SFRS(I) 9 – Financial instruments and SFRS(I) 15 – Revenue from Contracts with Customers.

(a) SFRS(I) 1 – First time adoption of SFRS(I)

The Group has elected the optional exemption to reset its cumulative translation differences for all foreign operations to nil at the date of transition at 1 August 2017. As a result, cumulative translation losses of S\$85,000 were reclassified from foreign currency translation reserve to accumulated losses as at 1 August 2017 for the Group. After the date of transition, any gain or loss on disposal of any foreign operations will exclude translation differences that arose before 1 August 2017.

(b) SFRS(I) 9 – Financial instruments

In assessing for impairment losses on financial assets, the Group has adopted the simplified approach and record lifetime expected losses on all its receivables. The adoption of expected loss model does not have a material impact on the financial statements.

(c) SFRS(I) 15 – Revenue from Contracts with Customers

Under this standard, the revenue is recognised at an amount that reflects the consideration which an entity expects to be entitled in exchange for transferring goods or services to a customer. The adoption does not have a material impact on the financial statements.

The adoption of SFRS(I) did not have any significant impact on the opening SFRS(I) statement of financial position.

6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

Earnings per ordinary share of the Group, after deducting any provision for preference dividends:	Group			
	2nd Quarter (3 Months)		Six Months (6 Months)	
	31 Jan 2019	31 Jan 2018	31 Jan 2019	31 Jan 2018
6(a) Based on the weighted average number of ordinary shares on issue (in cents)	(0.13)	(0.1158)	(0.30)	(0.3328)
Weighted average number of ordinary shares (in million)	119.78	115.04	119.78	113.83
6(b) On a fully diluted basis (in cents)	(0.10)	(0.0877)	(0.23)	(0.2515)
Weighted average number of ordinary shares (in million)	156.56	151.82	156.56	150.62

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

	Group		Company	
	31 Jan 2019	31 July 2018	31 Jan 2019	31 July 2018
Net asset value per ordinary share based on issued share capital at the end of the financial period / year (in cents)	8.33	8.64	(0.77)	(0.30)

Net asset value per ordinary share as at 31 January 2019 is calculated based on the existing issued share capital of 119,776,362 ordinary shares outstanding as at 31 January 2019 (31 July 2018: 119,776,362).

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 period reported on.

INCOME STATEMENT

Revenue

Business Activity	2nd Quarter ended (3 Months)			
	31 Jan 19	31 Jan 18	+ / (-)	+ / (-)
	S\$'mil	S\$'mil	S\$'mil	%
Printing	1.70	1.75	(0.05)	(2.9%)
Other revenue	0.02	0.09	(0.07)	(77.8%)
Total revenue	1.72	1.84	(0.12)	(6.5%)

Printing revenue in 2Q2019 was S\$1.7 million, a 2.9% decrease compared with the previous corresponding quarter. The printing industry remained challenging in 2Q2019, as new technologies from the digital print segment continue to replace the demand in the traditional offset printing segment. The Group has upgraded its capabilities with technologically advanced machinery and by introducing more new products the Group has experienced a lower attrition rate in its Printing Revenue compared to many other printing companies.

The Smart Technologies segment did not make any significant contribution to the Group's revenue in 2Q2019.

Raw materials and consumables used and changes in inventories of finished goods and work-in-progress

Total inventories used and changes in inventories in 2Q2019 was S\$0.56 million, a 8.3% increase compared with 2Q2018, as higher levels of project specific materials were expensed off in 2Q2019.

Other income

Other income for 2Q2019 was S\$57,000 compared with S\$1,000 in 2Q2018, mainly due to higher interest income and government grants received in 2Q2019.

Staff costs

Staff costs for 2Q2019 was S\$0.86 million, 13% lower than the S\$0.99 million in 2Q2018, as the Group continues to streamline its operations.

Depreciation

Depreciation charges for 2Q2019 were higher compared to 2Q2018 due to the addition of new plant and equipment in 2Q2019.

Other operating expenses

Other operating expenses were comparatively higher in 2Q2019 by 3.2% mainly due to higher legal and professional fees incurred in 2Q2019 compared to 2Q2018. The legal and professional fees incurred in 2Q2019 were mainly incidental costs for the Company's proposed new projects in Timor-Leste.

Share of loss of an associated company

The Group's share of loss of associated company, Sheng Siong (China) Supermarket Co. Ltd, in 2Q2019 was S\$13,000. The Group did not equity account for the results of the associated company in 2Q2018 as it was immaterial.

Taxation

There was no taxation for the Group's current year results as the profitable companies within the Group had tax losses from prior years available for set off against the current year's taxable income.

STATEMENT OF FINANCIAL POSITION

Plant and equipment

The Group's plant and equipment was S\$1.72 million as at 31 January 2019 compared with S\$1.63 million as at 31 October 2018, mainly due to the purchase of new motor vehicle in the current quarter.

Investment in an associate company

The investment in an associated company refers to the 10% interest that the Group holds in the joint venture company, Sheng Siong (China) Supermarket Co., Ltd. The investment decreased from S\$1.23 million to S\$1.22 million in 2Q2019 mainly due to the share of loss of associated company during the current quarter.

Inventories

There was no significant movement in the level of inventories in 2Q2019.

Trade and other receivables

Trade receivables decreased by S\$0.27 million from S\$1.2 million as at 31 October 2018 to S\$0.93 million as at 31 January 2019 mainly due to an improvement in trade collection in 2Q2019.

There was no significant movement in Other receivables in 2Q2019.

Trade and other payables

Trade and other payables decreased from S\$2.58 million as at 31 October 2018 to S\$2.09 million as at 31 January 2019 mainly due to the settlement of the Group's obligations as its operating cash flow improves.

Borrowings

The Group's borrowings consist only of finance lease obligations. Installment payments made during 2Q2019 were partially offset by new finance lease obtained during the same period.

REVIEW OF CASH FLOWS

Operating loss before working capital changes was S\$0.03 million in Q2FY2019. Cash out-flows due to changes in working capital was S\$0.29 million mainly due to the decrease in payables. The above contributed to net cash flows used in operating activities of S\$0.32 million in Q2FY2019.

Net cash flows used in investing activities was \$0.18 million mainly due to the purchase of plant and equipment in Q2FY2019.

Net cash flows used in financing activities was \$0.08 million mainly caused by the repayment of finance lease liabilities in Q2FY2019.

Aside from the above, there are no other material factors that affected the results, cash flow and the statement of financial position of the Group during the current quarter reported on.

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 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

Although the printing industry landscape remains challenging due to the advent of digital media, the Group is hopeful that its continued expansion of client base and product range through the adoption of technological advances will stabilise its revenue base.

The Group's recent partnership with Google in Singapore for the launch of Google Home, an artificial intelligence device, is ongoing. The Group is currently working with real estate developers and contractors to establish Google Home and Google Home Mini at local housing and property development projects. The Group is also collaborating with public organisations and private corporations to conduct educational programmes and the sale of our products focused on smart, intelligent living.

The Group's proposed property development and real estate business in Timor-Leste is also in progress. Most recently, the Group formed a new joint venture with existing and new partners with the intention to develop a mixed development property at a prime coastal location opposite the Port of Dili, Timor-Leste, where the World Bank, foreign embassies and government offices are stationed.

Following the opening of the first Sheng Siong supermarket in Kunming, China, the associated company is maintaining the strategy of gradually expanding the chain of supermarket stores, while promoting the "Sheng Siong" brand locally. The associated company has recently signed a lease contract for a new store in Kunming.

The Group's new business segments have just commenced sales and we remain confident that the Group's restructuring is relevant for positive contribution. Our Group will continue to leverage on viable opportunities to diversify its revenue base in a sustainable manner and provide additional income streams to enhance its business performance.

11 Dividend

- (a) **Current financial period reported on**
Any dividend declared for the present financial period?
No.
- (b) **Corresponding period of the immediately preceding financial year**
Any dividend declared for the previous corresponding period?
No.
- (c) **Date payable**
Not Applicable.
- (d) **Book closure date**
Not Applicable.

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

No dividend has been declared or recommended for the current financial period.

13 If the Group has obtained a 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.

There is no interested person transaction which is valued at more than S\$100,000 during the year under review and the company has not obtained any general mandate pursuant to Rule 920 of the Listing Manual.

14 Use of proceeds from rights issue and shares placement

- a) Further to the disclosure on Use of Proceeds in page 13 of the Company's results announcement for 1Q2019, the Company wishes to update the shareholders that the proceeds from the Share Placement of 5,714,282 shares on 21 October 2016 have been utilised as follows:

	Use of Proceeds from Share Placement (S\$'000)
Balance proceeds from the last announced	1,417
Less utilisation:	-
Total net proceeds balance from the Placement	1,417

- b) The Company raised net proceeds of S\$4,939,000 from a Share Placement of 7,150,000 shares on 9 January 2018 and to-date the net proceeds have not been utilised.

15 Confirmation by the Board

The Board of Directors hereby confirm that, to the best of their knowledge, nothing has come to its attention of which may render the interim financial statement for the financial period ended 31 January 2019 to be false or misleading in any material aspect.

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

The Company hereby confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Lim Huan Chiang
Executive Director and Chief Executive Officer
14 March 2019