

FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::HALF YEARLY RESULTS

Issuer & Securities

Issuer/ Manager

JACKSPEED CORPORATION LIMITED

Securities

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Please refer to attachment.

Additional Details

For Financial Period Ended

31/08/2019

Attachments

[HALF%20YEAR%202020%20Results%20Announcement.pdf](#)

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JACKSPEED CORPORATION LIMITED

(Incorporated in Singapore)
Registration No. 199300300W

FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT FOR THE HALF YEAR ENDED 31 AUGUST 2019

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

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

Statement of Comprehensive Income

	Notes	Group		
		Period Ended		
		31 Aug 2019 S\$'000	31 Aug 2018 S\$'000	Change %
Revenue		24,131	26,047	(7.4)
Cost of sales	1	(15,363)	(17,695)	(13.2)
Gross profit		8,768	8,352	5.0
<u>Other items of income</u>				
Interest income		98	17	476.5
Other income and gains	2	187	213	(12.2)
<u>Other items of expenses</u>				
Marketing and distribution costs		(169)	(266)	(36.5)
Administrative expenses	1	(3,696)	(4,232)	(12.7)
Finance costs - interest expense	1	(222)	(140)	58.6
Other expenses	2	(65)	(163)	(60.1)
Share of profit from equity-accounted associate		119	1,000	(88.1)
Share of loss from equity-accounted joint venture		-	(1)	(100.0)
Profit before tax from continuing operations		5,020	4,780	5.0
Income tax expense		(1,005)	(888)	13.2
Profit net of tax from continuing operations		4,015	3,892	3.2
Profit attributable to owners of the parent, net of tax		3,203	3,359	(4.6)
Profit attributable to non-controlling interests, net of tax		812	533	52.3
		4,015	3,892	3.2
<u>Other comprehensive income, net of tax</u>				
Items that may be reclassified subsequently to profit or loss:				
Fair value changes on debt asset instruments at fair value through other comprehensive income		21	2	950.0
Exchange differences on translating foreign operations		995	(37)	(2,789.2)
Other comprehensive gain / (loss), net of tax		1,016	(35)	(3,002.9)
Total comprehensive income		5,031	3,857	30.4
<u>Total comprehensive income:</u>				
Attributable to owners of the parent, net of tax		4,219	3,324	26.9
Attributable to non-controlling interests, net of tax		812	533	52.3
		5,031	3,857	30.4



Note 1

Comparative figures

The Group has reclassified certain comparative figures in the Statement of Comprehensive Income. Depreciation expense of \$793,000 and interest expense of \$1,043,000 have been reclassified from "Administrative expenses" and "Finance costs - interest expense" respectively to "Cost of sales" to more appropriately reflect the Group's gross profit.

Statement of Comprehensive Income

Cost of sales
Administrative expenses
Finance costs - interest expense

Period Ended 31 Aug 2018		
After Reclassification S\$'000	Before Reclassification S\$'000	Difference S\$'000
(17,695)	(15,859)	1,836
(4,232)	(5,025)	(793)
(140)	(1,183)	(1,043)

Reclassifications were made to the Consolidated Statement of Cash Flows as a result of the changes aforementioned.

Consolidated Statement of Cash Flows

Interest expense
Net cash flows (used in) / from operating activities
Interest paid
Net cash flows used in financing activities

Period Ended 31 Aug 2018		
After Reclassification S\$'000	Before Reclassification S\$'000	Difference S\$'000
140	1,183	(1,043)
(37)	1,006	(1,043)
(140)	(1,183)	1,043
(1,520)	(2,563)	1,043

Note 2

Other income and gains and (other expenses)

(Allowance) / reversal of allowance for impairment of
finance lease receivables
Allowance for impairment of other receivables
Bad debts written-off - trade receivables
Bad debts written-off - finance lease receivables
Foreign exchange adjustment gain
Gain on disposal of plant and equipment
Government grant income
Net

Period Ended		
31 Aug 2019 S\$'000	31 Aug 2018 S\$'000	Change %
(59)	6	(1,083.3)
-	(157)	(100.0)
(1)	(6)	(83.3)
(5)	-	n.m.
135	137	(1.5)
41	31	32.3
11	39	(71.8)
122	50	144.0
Presented in profit or loss as:		
187	213	(12.2)
(65)	(163)	(60.1)
122	50	(144.0)

Presented in profit or loss as:
Other income and gains
Other expenses
Net

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

Depreciation of property, plant and equipment
Depreciation of asset held for sale
Depreciation of right-of-use assets
Total depreciation expense

Period Ended		
31 Aug 2019 S\$'000	31 Aug 2018 S\$'000	Change %
1,129	1,132	(0.3)
11	11	0.0
221	-	n.m.
1,361	1,143	19.1

n.m. = not meaningful



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.

Statements of Financial Position

	Group		Company	
	As at		As at	
	31 Aug 2019 S\$'000	28 Feb 2019 S\$'000	31 Aug 2019 S\$'000	28 Feb 2019 S\$'000
ASSETS				
<u>Non-current assets</u>				
Property, plant and equipment	18,180	17,560	127	148
Right-of-use assets	737	-	-	-
Intangible assets - goodwill	441	441	-	-
Investments in subsidiaries	-	-	17,658	16,338
Investment in an associate	820	2,845	3,024	3,024
Investment in a joint venture	-	-	-*	-*
Finance lease receivables	73,362	65,919	-	-
Other financial assets	-	264	-	264
Deferred tax assets	109	109	-	-
Total non-current assets	93,649	87,138	20,809	19,774
<u>Current assets</u>				
Asset held for sale	756	771	-	-
Cash and cash equivalents	26,277	24,316	8,139	9,908
Inventories	2,737	2,495	-	-
Trade and other receivables	23,947	20,825	18,182	16,662
Finance lease receivables	24,261	22,079	-	-
Other financial assets	285	-	285	-
Other assets	2,241	1,972	934	485
Total current assets	80,504	72,458	27,540	27,055
Total assets	174,153	159,596	48,349	46,829
EQUITY AND LIABILITIES				
<u>Equity attributable to owners of the parent</u>				
Share capital	36,865	36,865	36,865	36,865
Treasury shares	(50)	(50)	(50)	(50)
Retained earnings	20,722	17,542	3,417	169
Other reserves	(152)	(1,168)	10	(11)
Equity attributable to owners of the parent	57,385	53,189	40,242	36,973
Non-controlling interests	5,616	4,807	-	-
Total equity	63,001	57,996	40,242	36,973
<u>Non-current liabilities</u>				
Deferred tax liabilities	59	59	-	-
Lease liabilities	319	-	-	-
Other financial liabilities	745	1,138	-	-
Total non-current liabilities	1,123	1,197	-	-
<u>Current liabilities</u>				
Income tax payable	1,388	1,205	-	-
Trade and other payables	8,402	9,811	6,835	8,549
Lease liabilities	448	-	-	-
Other financial liabilities	99,791	89,387	1,272	1,307
Total current liabilities	110,029	100,403	8,107	9,856
Total liabilities	111,152	101,600	8,107	9,856
Total equity and liabilities	174,153	159,596	48,349	46,829

* Cost of investment is less than \$1,000.



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 Aug 2019		As at 28 Feb 2019	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
98,519	1,272	88,080	1,307

Amount repayable after one year

As at 31 Aug 2019		As at 28 Feb 2019	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
745	-	1,138	-

Details of any collaterals

The Group's borrowings are secured by the lessors' charges over the leased assets and covered by corporate guarantees from the Company and personal guarantees from non-controlling interests.



- 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.

Consolidated Statement of Cash Flows

		Group	
		Period Ended	
		31 Aug 2019	31 Aug 2018
		S\$'000	S\$'000
	Notes		
Cash flows from operating activities			
Profit before tax		5,020	4,780
<u>Adjustments for:</u>			
Interest income		(98)	(17)
Interest expense	1	222	140
Depreciation of property, plant and equipment		1,129	1,132
Depreciation of asset held for sale		11	11
Depreciation of right-of-use assets		221	-
Gain on disposal of plant and equipment		(41)	(31)
Share of profit from equity-accounted associate		(119)	(1,000)
Share of loss from equity-accounted joint venture		-	1
Operating cash flows before changes in working capital		6,345	5,016
Inventories		384	2,086
Trade and other receivables		(1,073)	(1,733)
Other assets		(335)	(2,061)
Finance lease receivables		94	(305)
Trade and other payables		(1,524)	(2,253)
Net cash flows from operations before tax		3,891	750
Income taxes paid		(755)	(787)
Net cash flows from / (used in) operating activities	1	3,136	(37)
Cash flows from investing activities			
Proceeds from disposal of plant and equipment		39	39
Purchase of plant and equipment		(836)	(847)
Dividends received from an associate		2,144	1,876
Net movement in loans to external parties		(660)	192
Interest received		98	17
Net cash flows from investing activities		785	1,277
Cash flows from financing activities			
Dividends paid to equity owners		-	(1,509)
Purchase of treasury shares		-	(50)
Increase in other financial liabilities		925	1,563
Finance lease repayments		(2,202)	(1,384)
Lease liabilities repayments		(194)	-
Interest paid	1	(222)	(140)
Net cash flows used in financing activities	1	(1,693)	(1,520)
Net increase / (decrease) in cash and cash equivalents		2,228	(280)
Cash and cash equivalents, statement of cash flows, beginning balance		24,303	18,334
Effect of exchange rate changes on cash and cash equivalents		(268)	181
Cash and cash equivalents, statement of cash flows, ending balance	3	26,263	18,235
Note 3			
Represented by:			
Balance as per cash and cash equivalents in the statement of financial position		26,277	18,265
Restricted cash		(14)	(30)
Cash and cash equivalents for statement of cash flows purposes		26,263	18,235

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.

Statements of Changes in Equity

	Group		Company	
	31 Aug 2019 S\$'000	31 Aug 2018 S\$'000	31 Aug 2019 S\$'000	31 Aug 2018 S\$'000
Share capital				
Balance at beginning and end of the period	36,865	36,865	36,865	36,865
Treasury shares				
Balance at beginning of the period	(50)	-	(50)	-
Purchase of treasury shares	-	(50)	-	(50)
Balance at end of the period	(50)	(50)	(50)	(50)
Other reserves				
Balance at beginning of the period	(1,168)	(1,640)	(11)	(8)
Total comprehensive income / (loss) for the period	1,016	(35)	21	2
Balance at end of the period	(152)	(1,675)	10	(6)
Retained earnings / (accumulated losses)				
Balance at beginning of the period	17,542	13,275	169	692
Effect of adoption of SFRS(I) 16	(23)	-	-	-
Balance at beginning of the period (adjusted)	17,519	13,275	169	692
Dividends paid on ordinary shares	-	(1,509)	-	(1,509)
Total comprehensive income / (loss) for the period	3,203	3,359	3,248	(409)
Balance at end of the period	20,722	15,125	3,417	(1,226)
Equity attributable to owners of the parent	57,385	50,265	40,242	35,583
Non-controlling interests				
Balance at beginning of the period	4,807	4,034	-	-
Effect of adoption of SFRS(I) 16	(3)	-	-	-
Balance at beginning of the period (adjusted)	4,804	4,034	-	-
Dividends paid to non-controlling interests	(880)	-	-	-
Issue of share capital of a subsidiary	880	-	-	-
Total comprehensive income for the period	812	533	-	-
Balance at end of the period	5,616	4,567	-	-
Total equity	63,001	54,832	40,242	35,583

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.

Group and Company	
31 Aug 2019	31 Aug 2018
No. of shares '000	No. of shares '000
Ordinary shares of no par value	
Balance at beginning and end of the period	
301,252	301,252
Treasury shares	
Balance at beginning of the period	-
Purchase of shares by way of market acquisition	250
Balance at end of the period	250
Issued ordinary shares excluding treasury shares	301,002
Treasury shares held against issued ordinary shares excluding treasury shares (%)	0.08%

There are no outstanding convertibles or subsidiary holdings as at 31 August 2019 and 31 August 2018.

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.

301,002,279 ordinary shares excluding treasury shares are issued as at 31 August 2019 (28 February 2019: 301,002,279).

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.

There were no sales, transfers, cancellation and/or use of treasury shares as at 31 August 2019.

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, there are no 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.

Save as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the Group's financial statements for the current financial period as compared to the audited financial statements for the financial year ended 28 February 2019.

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 all applicable new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)") and the related Interpretations to SFRS(I) ("SFRS(I) INT") that are relevant to its operations and mandatory for the financial year beginning 1 March 2019. The adoption of these new and revised SFRS(I) and SFRS(I) INT did not give rise to any material impact on the Group's financial statements except the following:

SFRS(I) 16 - Leases (with effect from 1 March 2019)

SFRS(I) 16 supersedes SFRS(I) 1-17 Leases. SFRS(I) 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the statement of financial position, except for leases of low-value assets and short-term leases which are exempted.

A lessee will recognise a right-of-use asset representing the right to use the underlying asset during the lease term and a lease liability representing the obligation to make lease payments. Depreciation expense on the right-of-use assets and interest expense on the lease liabilities are recorded in the statement of comprehensive income.

Lessor accounting under SFRS(I) 16 remains substantially unchanged from SFRS(I) 1-17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in SFRS(I) 1-17. Therefore, SFRS(I) 16 did not have an impact for leases where the Group is the lessor.

The Group has adopted SFRS(I) 16 using the modified retrospective approach, with cumulative effect of initial application recognised as an adjustment to the opening balance of retained earnings at the date of initial application on 1 March 2019, with no restatement of comparative information.

Upon the adoption of SFRS(I) 16, the Group had recognised right-of-use assets of \$936,000 and lease liabilities of \$962,000 for leases previously classified as operating leases, with corresponding adjustments to reduce the retained earnings and non-controlling interests by \$23,000 and \$3,000 respectively as at 1 March 2019.

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:-

	Group	
	31 Aug 2019 Cents	31 Aug 2018 Cents
Earnings per ordinary share for the period based on profit attributable to owners of the parent, net of tax		
a) Based on weighted average number of ordinary shares (excluding treasury shares) of 301,002,279 (1HY2019: 301,029,725)	1.06	1.12
b) On a fully diluted basis	1.06	1.12

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 Aug 2019 Cents	28 Feb 2019 Cents	31 Aug 2019 Cents	28 Feb 2019 Cents
* Net asset value per ordinary share based on issued shares excluding treasury shares as at the end of the financial period / year	20.93	19.27	13.37	12.28

* Total equity including non-controlling interests.



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.

Statement of comprehensive income

Profit attributable to owners of the Group, net of tax

Net profit attributable to owners of the Group decreased by \$0.2 million, from \$3.4 million in 1HY2019 to \$3.2 million in 1HY2020.

The decrease is mainly due to a decrease of \$0.9 million in the share of profit from equity-accounted associate.

This is partially offset by:

(i) an increase in profit of \$0.4 million from the Non-Accessories segment; and

(ii) an absence of losses from an Australia subsidiary, Ultimate Vehicle Pty Ltd ("Ultimate"), which had discontinued its operations in 2HY2019. In 1HY2019, a loss of \$0.2 million was recorded by Ultimate.

Revenue by segments

Group revenue decreased by \$1.9 million or 7%, from \$26.0 million in 1HY2019 to \$24.1 million in 1HY2020.

In 1HY2020, the Accessories and Non-Accessories segments accounted for 63% and 37% of the Group's revenue respectively, as compared to 60% and 40% respectively in 1HY2019.

Accessories segment

Revenue from the Accessories segment decreased by \$0.4 million or 3%, from \$15.6 million in 1HY2019 to \$15.2 million in 1HY2020. This is mainly due to an absence of revenue from discontinued operations of Ultimate.

Non-Accessories segment

Revenue from the Non-Accessories segment decreased by \$1.5 million or 14%, from \$10.4 million in 1HY2019 to \$8.9 million in 1HY2020. This is mainly due to a decrease in motor vehicle sales. The decrease is partially offset by revenue growth from the vehicle financing business. The trend is consistent with the Group's efforts in transforming the business model of the Non-Accessories segment which has been taking place since FY2016. This was on focusing more on the vehicle financing business.

Gross profit margin

The Group's gross profit margin increased by 4%, from 32% in 1HY2019 to 36% in 1HY2020. This is mainly due to a higher gross profit margin in the Non-Accessories segment as a result of a change in sales mix aforementioned.

Other material variances

Administrative expenses

Administrative expenses decreased by \$0.5 million, from \$4.2 million in 1HY2019 to \$3.7 million in 1HY2020. This is mainly due to:

(i) lower provision for staff bonus; and

(ii) an absence of administrative expenses from discontinued operations of Ultimate.

Share of profit from equity-accounted associate

Share of profit from equity-accounted associate decreased by \$0.9 million, from \$1.0 million in 1HY2019 to \$0.1 million in 1HY2020.

This is due to a decrease in profit contribution from a property development project.

Income tax expense

Income tax expense increased by \$0.1 million, from \$0.9 million in 1HY2019 to \$1.0 million in 1HY2020. This is in line with the increase in profit before tax.



Statements of financial position - Group

Right-of-use assets

Right-of-use assets of \$0.7 million was recognised in 1HY2020, due to the adoption of SFRS(I) 16 Leases, as aforementioned in paragraph 5 of this announcement.

Investment in an associate

The \$2.0 million decrease in investment in an associate is mainly due to dividends of \$2.1 million received in 1HY2020. This is partially offset by a \$0.1 million profit contribution from the associate's property development project.

Finance lease receivables (current and non-current)

The \$9.6 million increase in finance lease receivables (current and non-current) is mainly due to new financing loans for motor vehicles granted in 1HY2020.

Trade and other receivables

The \$3.1 million increase in trade and other receivables is mainly due to new inventory financing loans granted to vehicle dealers in 1HY2020.

Lease liabilities (current and non-current)

Lease liabilities (current and non-current) of \$0.8 million was recognised in 1HY2020, due to the adoption of SFRS(I) 16 Leases as aforementioned in paragraph 5 of this announcement.

Other financial liabilities (current and non-current)

The \$10.0 million increase in other financial liabilities (current and non-current) is mainly due to an increase in motor vehicle related finance leases which is in line with the aforementioned increase in finance lease receivables.

Although certain other financial liabilities amounting to \$67.3 million are not scheduled to be repaid within 12 months from 1HY2020, they have been classified as "current" because the loan facility agreements include a repayment on demand clause which gives banks the right to override the scheduled loan repayment dates and demand repayment at any time without cause. Excluding this, current liabilities amount to \$42.7 million which are adequately covered by the Group's current assets of \$80.5 million. In addition, the Group's total assets are in excess of its total liabilities.

Trade and other payables

The \$1.4 million decrease in trade and other payables is mainly due to the decrease of \$1.5 million in other payables to an associate.

Statements of financial position - Company

Investments in subsidiaries

The \$1.3 million increase in investments in subsidiaries is due to an increase of the Company's share capital in a subsidiary.

Trade and other receivables

The \$1.5 million increase in trade and other receivables is mainly due to an increase of \$1.9 million in receivables from subsidiaries. This is partially offset by a decrease of \$0.6 million in external party loans.

Trade and other payables

The \$1.7 million decrease in trade and other payables is mainly due to a decrease of \$1.5 million in other payables to an associate.

Consolidated statement of cash flows

Cash and cash equivalents increased by approximately \$2.0 million in 1HY2020 mainly as a result of cash flows from operations (\$3.1 million) and dividends received from an associate (\$2.1 million).

This is partially offset by repayment of finance leases (\$2.2 million), purchase of plant and equipment (\$0.8 million) and loans to external parties (\$0.7 million).

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

The Group did not issue any forecast or prospect statement to shareholders for the current financial period.

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 financial period and the next 12 months.

With increasing uncertainties in the global economic outlook, particularly in light of the protracted trade wars between China and the United States, and the heightened geopolitical tensions around the world, the Company continues to monitor and manage any impacts on the businesses and at the same time pursues new business opportunities.



11 If a decision regarding dividend has been made:-

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

No interim dividend has been recommended.

(b) Corresponding period of the immediately preceding financial year.

	Group and Company	
	1HY2020 Cents	1HY2019 Cents
Type of dividend		
Interim	Nil	Nil
Tax rate	Not applicable	Not applicable

(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 has been declared or recommended for the financial period ended 31 August 2019. The Group is conserving cash for business growth and opportunities.

13 General mandate from shareholders for Interested Person Transaction pursuant to Rule 920.

There is no general mandate obtained from shareholders for Interested Person Transaction pursuant to Rule 920.

14 Confirmation by directors.

The Board of Directors hereby confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the interim financial results for the period ended 31 August 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 under Rule 720(1).

Undertakings have been procured from all directors and executive officers under Rule 720(1).

16 Disclose the status on the use of proceeds raised from IPO and any offerings pursuant to Chapter 8 and whether the use of proceeds is in accordance with the stated use.

Not applicable.

ON BEHALF OF THE BOARD

YAP KIAN PENG
EXECUTIVE DEPUTY CHAIRMAN AND CHIEF EXECUTIVE OFFICER
14 OCTOBER 2019