

CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2018

The Board of Directors of mTouche Technology Berhad is pleased to announce the following unaudited consolidated financial statements for the quarter ended 31 December 2018 which should be read in conjunction with the audited consolidated financial statements for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to the unaudited consolidated financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	Current Year Quarter 31.12.2018 RM'000 (unaudited)	Preceding Year Quarter 31.12.2017 RM'000 (unaudited)	changes %	Current Year To Date 31.12.2018 RM'000 (unaudited)	Preceding Year To Date 31.12.2017 RM'000 (unaudited)	changes %
Revenue	2,642	3,656	-27.7	5,550	7,681	-27.7
Cost of sales	(2,267)	(4,228)	-46.4	(5,053)	(5,765)	-12.4
Gross profit/(loss)	375	(572)	-165.6	497	1,916	-74.1
Other income	928	210	341.9	995	920	8.2
Administrative expenses	(1,679)	(1,673)	-0.4	(3,149)	(3,753)	-16.1
Other expenses	(1,592)	(897)	77.5	(2,115)	(1,512)	-39.9
Finance costs	(6)	-	-100.0	(8)	-	-100.0
Loss before tax	(1,974)	(2,932)	-32.7	(3,780)	(2,429)	55.6
Tax (expense)/income	(1)	(7)	-85.7	197	(152)	-229.6
Loss for the financial period	(1,975)	(2,939)	-32.8	(3,583)	(2,581)	38.8
Other comprehensive (loss)/income:-						
Item that will be subsequently to profit or loss						
Exchange differences on translating foreign operation, net of tax	(181)	459	-139.4	(410)	420	-197.6
Other comprehensive (loss)/income for the financial period, net of tax	(181)	459	-139.4	(410)	420	-197.6
Total comprehensive loss for the financial period	(2,156)	(2,480)	-13.1	(3,993)	(2,161)	84.8
Loss for the financial period attributable to:						
- Owners of the Company	(2,007)	(2,833)	-29.2	(3,307)	(2,124)	55.6
- Non-controlling interests	32	(106)	-130.5	(276)	(457)	-39.5
	(1,975)	(2,939)	-32.8	(3,583)	(2,581)	38.8
Total comprehensive loss attributable to:						
- Owners of the Company	(2,107)	(2,369)	-13.8	(4,315)	(2,050)	110.5
- Non-controlling interests	(49)	(111)	-32.4	322	(111)	-390.1
	(2,156)	(2,480)	-13.1	(3,993)	(2,161)	84.8

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 DECEMBER 2018**

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(CONT'D)**

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	Current Year Quarter 31.12.2018 RM'000 (unaudited)	Preceding Year Quarter 31.12.2017 RM'000 (unaudited)	changes %	Current Year To Date 31.12.2018 RM'000 (unaudited)	Preceding Year To Date 31.12.2017 RM'000 (unaudited)	changes %
Losses per share attributable to the owner of the company						
Basic (sen)	<u>(0.39)</u>	<u>(0.83)</u>	-53.0	<u>(0.65)</u>	<u>(0.90)</u>	-27.8
Diluted (sen)	<u>(0.39)</u>	<u>(0.83)</u>	-53.0	<u>(0.65)</u>	<u>(0.90)</u>	-27.8

CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2018

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31.12.2018 RM'000 (unaudited)	As at 30.06.2018 RM'000 (audited)
ASSETS		
Non-current assets		
Property, plant and equipment	2,813	3,298
Intangible assets	5,200	3,925
Deferred tax assets	151	134
Total non-current assets	8,164	7,357
Current assets		
Trade receivables and other receivables	58,466	57,255
Prepayments	279	107
Other investments	745	1,242
Tax recoverable	257	27
Cash and bank balances	29,911	32,637
Total current assets	89,658	91,268
Total assets	97,822	98,625
EQUITY AND LIABILITIES		
EQUITY		
Equity attributable to owners of the company		
Share capital	104,047	104,047
Reserves	(5,249)	(4,839)
Accumulated losses	(14,244)	(10,938)
Non-controlling interests	84,554	88,270
	(1,694)	(1,739)
Total equity	82,860	86,531
LIABILITIES		
Non-current liabilities		
Deferred tax liabilities	16	-
Defined benefits obligations	691	631
Finance lease liabilities	332	376
Total non-current liabilities	1,039	1,007
Current liabilities		
Trade payables	5,201	3,415
Other payables	8,629	6,499
Finance lease liabilities	93	98
Tax payable	-	1,075
Total current liabilities	13,923	11,087
Total liabilities	14,962	12,094
Total equity and liabilities	97,822	98,625
Net assets per share (sen)	16.63	17.36



MTOUCHE TECHNOLOGY BERHAD
Company No. 656395-X
(Incorporated in Malaysia)

CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2018

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	[----- Non-distributable -----]					Distributable		Non-controlling interests RM'000	Total RM'000
	Share capital RM'000	Foreign currency translation reserve RM'000	Warrants reserve RM'000	Discount on shares RM'000	Other capital reserve RM'000	Accumulated losses RM'000	Total RM'000		
As at 1 July 2018 (audited)	104,047	(6,304)	22,985	(22,985)	1,465	(10,937)	88,271	(1,740)	86,531
Loss for the financial period	-	-	-	-	-	(3,307)	(3,307)	(276)	(3,583)
Other comprehensive (loss)/income for the financial period									
- Exchange translation differences, net of tax	-	(410)	-	-	-	-	(410)	322	(88)
Total comprehensive (loss)/income for the financial period	-	(410)	-	-	-	(3,307)	(3,717)	46	(3,671)
As at 31 December 2018 (unaudited)	104,047	(6,714)	22,985	(22,985)	1,465	(14,244)	84,554	(1,694)	82,860
As at 1 July 2017 (audited)	27,804	(4,511)	9,445	(9,445)	1,465	(12,306)	12,452	(1,430)	11,022
Loss for the financial period	-	-	-	-	-	(2,124)	(2,124)	(456)	(2,580)
Other comprehensive income for the financial period									
- Exchange translation differences, net of tax	-	420	-	-	-	-	420	345	765
Total comprehensive income/(loss) for the financial period	-	420	-	-	-	(2,124)	(1,704)	(111)	(1,815)
Transaction with owners:-									
Issuance of ordinary shares	76,243	-	-	-	-	-	76,243	-	76,243
As at 31 December 2017 (unaudited)	104,047	(4,091)	9,445	(9,445)	1,465	(14,430)	86,991	(1,541)	85,450

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
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CONSOLIDATED STATEMENT OF CASH FLOWS

	Current Year To Date 31.12.2018 RM'000 (unaudited)	Preceding Year To Date 31.12.2017 RM'000 (unaudited)
Operating activities		
Loss before tax	(3,780)	(2,429)
Adjustments for:-		
Amortisation of intangible assets	59	208
Depreciation of property, plant and equipment	561	92
Property, plant and equipment written off	-	9
Interest income	(837)	(5)
Interest expenses	8	-
Provision of defined benefit obligation	52	49
Revaluation loss on other investment	1,004	-
Gain on disposal of property, plant and equipment	(2)	-
Unrealised loss on foreign exchange	3	156
	(2,932)	(1,920)
Operating loss before working capital changes		
Changes in working capital:-		
Payables	3,760	1,906
Receivables	(1,527)	3,131
	(699)	3,117
Cash (used in)/generated from operations		
Tax paid	(1,121)	(173)
	(1,820)	2,944
Net cash (used in)/from operating activities		
Investing activities		
Purchase of property, plant and equipment	(65)	(5,578)
Additions to intangible assets	(1,147)	-
Investment in quoted shares	(507)	-
Interest received	837	5
	(882)	(5,573)
Net cash used in investing activities		
Financing activities		
Placement of fixed deposits	(49)	(27,505)
Repayment of finance lease liabilities	(49)	-
Proceeds from issuance of ordinary shares	-	76,243
Interest paid	(8)	-
	(106)	48,738
Net cash (used in)/from financing activities		
CASH AND CASH EQUIVALENTS		
Net changes	(2,808)	46,109
Effects of changes in foreign exchange rate	33	(682)
Brought forward	32,637	1,588
	29,862	47,015
Carried forward	29,862	47,015

1. Cash and cash equivalents at the end of the financial period comprise the following:

Cash and bank balances	29,911	74,561
Fixed deposits with maturity of three month or more	(49)	(27,546)
	29,862	47,015
	29,862	47,015

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
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NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134 INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements outlined in Malaysia Financial Reporting Standards (“MFRS”) 134 – Interim Financial Reporting and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

These explanatory notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2018.

The accounting policies and methods of computation used in the interim financial statements are consistent with those adopted in the audited financial statements of the Group for the financial year ended 30 June 2018 except for the changes in accounting policies and presentation resulting from the adoption of new and revised MFRSs and amendments to MFRSs that are effective for financial periods beginning on or after 1 July 2018.

The Group has not adopted the following new MFRSs and amendments to MFRSs issued by the Malaysian Accounting Standards Board:

MFRS, Amendments to MFRSs and Interpretation effective 1 January 2019

MFRS 16	<i>Leases</i>
Amendments to MFRS 9	<i>Prepayment Features with Negative Compensation</i>
Amendments to MFRS 119	<i>Plan Amendment, Curtailment or Settlement</i>
Amendments to MFRS 128	<i>Long-term Interests in Associates and Joint Ventures#</i>
IC Interpretation 23	<i>Uncertainty over Income Tax Treatments</i>
Annual Improvements to MFRS Standards 2015-2017 Cycle	

MFRS effective 1 January 2021

MFRS 17	<i>Insurance Contracts#</i>
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Amendments to MFRSs (deferred effective dates to be announced by MASB)

Amendments to MFRS 10 and MFRS 128	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture#</i>
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Not applicable to Group’s existing operations

The possible impact on adoption of the above pronouncements in the period of initial application cannot be determined at present.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 DECEMBER 2018

A2. Auditors' Report on the Preceding Annual Financial Statements

The auditor's report on the latest audited financial statements for the financial year ended 30 June 2018 was not subject to any audit qualification.

A3. Seasonal or Cyclical Factors of Interim Operations

The results of the Group were not materially affected by any significant seasonal or cyclical factors during the current financial quarter.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flow of the Group during the current financial quarter.

A5. Material Changes in Estimates

There were no material changes in estimates of amounts reported in prior financial years, which may have a material effect in the current financial quarter results.

A6. Issues, Repurchases, and Repayments of Debt and Equity Securities

There no issues, repurchases, and repayments of debts and equity securities of the Group during the current financial quarter

A7. Dividends Paid

There were no dividends declared and paid for the current financial quarter.

A8. Segmental Information

The management determines that its geographical segments comprise the following markets which have similar characteristics:

- (i) Matured markets – countries which the Group has achieved stable penetration rate including Malaysia, Singapore, Thailand and Hong Kong.
- (ii) Emerging markets – countries with potential growth and penetration rate including Indonesia, Vietnam, Philippines and Cambodia.

	Matured markets RM'000	Emerging markets RM'000	Elimination RM'000	Total RM'000
Revenue				
Sales to external customers	2,586	2,964	-	5,550
Inter-segment sales	-	-	-	-
Total revenue	2,586	2,964	-	5,550
Results				
Profit before tax	(3,625)	(155)	-	(3,780)
Tax income	197	-	-	197
Loss for the period	(3,428)	(155)	-	(3,583)

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A9. Valuation of Property, Plant and Equipment

The Group did not revalue any of its property, plant and equipment during the current financial quarter.

A10. Events after the End of the Quarter

mTouche (HK) Limited (“mTouche HK”), a wholly-owned subsidiary of the Company has on 16 January 2019 entered into an Exclusive Distribution Rights Agreement with TIG Asia Pty Ltd to obtain an Exclusive Distribution Rights to market and sell high quality special edition Iconic Global Sports Collection book in the form of physical hard-cover book, the digital version in the form of Interactive Book (I-Book) Applications via iOS and Android subscription and Electronic Book (E-Book) for mobile and other devices that can be download and receive digital copy through websites for the market in Asia Pacific countries which comprises China, Hong Kong, Macau, Taiwan, Korea, Japan, Indonesia, Thailand, Philippines, Vietnam, India, Cambodia, Myanmar, Singapore and Malaysia.

The total amount of non-refundable licensing fees of USD \$5,000,000, for the whole duration of the term of this Agreement (in total 8 years) which mutually agreed to be paid by mTouche HK upon execution of this Agreement.

Save for the above, there were no other material events subsequent to the end of the current financial quarter up to 20 February 2019.

A11. Changes in Composition of the Group

There were no other changes in the composition of the Group for the current financial quarter.

A12. Contingent Assets or Changes on Contingent Liabilities

There were no contingent assets or contingent liabilities since the last statement of financial position date.

A13. Significant Related Party Transaction

The Directors are of the opinion that there are no related party transactions which would have material impact on the financial position and the business of the Group during the current financial quarter.

A14. Capital Commitments

There were no other capital commitments for the current financial quarter.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 DECEMBER 2018

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES FOR THE ACE MARKET

B1. Review of Performance

Statement of Profit & Loss and Other Comprehensive Income

	Current Year Quarter 31.12.2018 RM'000 (unaudited)	Preceding Year Quarter 31.12.2017 RM'000 (unaudited)
	RM'000	RM'000
Revenue	2,642	3,656
Gross profit/(loss)	375	(572)
Loss before tax	(1,974)	(2,932)

The Group registered revenue of RM2.64 million for the three (3) months ended 31 December 2018. It was decreased by 27.7% or RM1.01 million as compared to preceding year quarter due to competitive operating environment. Revenue from matured market recorded at RM1.27 million whereas revenue from emerging markets recorded at RM1.37 million.

The bulk of the revenue was generated mainly from mTouche (Vietnam) Co. Ltd. and Mobile Asia Vietnam Co., Ltd. on providing mobile messaging technologies, billing platforms and interactive media solutions based on wireless and internet technologies, mTouche (Thailand) Co., Ltd on improved messaging content services and Mobile Fusion Pte. Ltd. on reduced cost of data communication service.

Loss before tax marked at RM1.97 million during the current financial quarter, resulted by lower sales during the reporting period given that the rapid changes in the mobile value-added services landscape has increased the competitive landscape which created a very challenging business environment to our core business.

Statement of Financial Position

	As at 31.12.2018 RM'000 (unaudited)	As at 30.06.2018 RM'000 (audited)
	RM'000	RM'000
Total assets	97,822	98,625
Total liabilities	14,962	12,094

Total assets recorded a slight decrease by 0.8% or RM0.8 million as at current financial quarter. Non-current assets comprising property, plant and equipment, intangible assets and deferred tax assets recorded at RM8.2 million as at 31 December 2018, comparing to RM7.4 million as at 30 June 2018, the decrease was due to the depreciation and amortisation of property plant and equipment and intangible assets.

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Statement of Financial Position (cont'd)

On the other hand, total liabilities recorded an increase of 15.1%. which was due to increase of payables by 39.5%.

Statement of Cash Flows

	As at 31.12.2018 RM'000 (unaudited) RM'000	As at 31.12.2017 RM'000 (unaudited) RM'000
Operating activities	(1,820)	2,944
Investing activities	(882)	(5,573)
Financing activities	(106)	48,738

The net cash used in operating activities during the current period amounting to RM1.82 million which was due to the loss before tax of RM3.78 million recorded during the current financial period which resulted from the decrease in sales, as mentioned above.

Net cash used in investing activities during the current financial period amounting to RM0.88 million, it comprises of investment in software and property, plant and equipment amounting to RM1.21 million to support current business model and upgrading current facilities in the regions, as well as investment of quote shares of RM0.51 million during the current financial period. However, the cash used in investing activities were partially cushioned by the interest income of RM0.84 million recorded during the current financial period.

The net cash used in financing activities during current financial period was mainly contributed by placement of fixed deposit and repayment of finance lease liabilities.

B2. Material Changes in Profit before Tax for the Quarter Compared with Immediate Preceding Quarter

	Current Year Quarter 31.12.2018 RM'000 (unaudited) RM'000	Immediate Preceding Quarter 30.09.2018 RM'000 (unaudited) RM'000
Revenue	2,642	3,606
(Loss)/Profit before tax	(1,974)	2,567

The Group recorded decrease of revenue to RM2.64 million during the financial quarter comparing to RM3.61 million in the preceding quarter, largely due to decrease of revenue from Thailand region in the current financial quarter. As mentioned in B1, lower sales recorded in the current year quarter was due to the rapid changes in the mobile value-added services landscape has increased the competitive landscape which created a very challenging business environment to our core business.

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B3. Commentary on Prospects

The Group will continue to enhance its products and services offering and positioning itself to further promote Digital Media business opportunities and prospects in the local and regional markets. Our Group has taken various initiatives to improve our business as well as financial performance, including the Exclusive Distribution Rights Agreement entered with TIG Asia Pty Ltd on Exclusive Distribution Rights to market and sell high quality special edition Iconic Global Sports Collection book in the form of physical hard-cover book, the digital version in the form of Interactive Book (I-Book) Applications.

The Company sees Asia Pacific is expected to be one of the most potential markets for licensed sports goods owing to rising disposable income, high population density, and rising number of sports loving people who are ready to pay considerable amounts for products that are original. It is anticipated to be the fastest developing region due increasing demand for licensed sporting goods in the developing economies of the China and India. China was the major contributor to the growth of the Asia Pacific licensed sports merchandise market. Collectively, these factors have propelled the growth of the licensed sports merchandise market in Asia Pacific. Thus, the growth potential of retail sales of print and digital sports publications via e-commerce in Southeast Asia is attractive and will bode well for the prospects of mTouche's entry into this industry.

Moving forward, the Group will continue to focus and drive the existing core business in mobile value-added services, and seek continuous development and feasible investment on new products and services for the future growth of our market share in South East Asia, Asia Pacific and eventually global markets.

B4. Variation on Revenue or Profit Estimate, Forecast, Projection or Internal Targets

Not applicable.

B5. Variance of Actual Profit After Tax and Minority Interest and the Forecast Profit after Tax and Minority Interest

Not applicable.

B6. Shortfall in the Profit Guarantee

Not applicable.

B7. Tax (Expense)/Income

	Current Year Quarter 31.12.2018 RM'000 (unaudited)	Cumulative Year To Date 31.12.2018 RM'000 (unaudited)
Current tax (expense)income:		
- Malaysian income tax	-	-
- Foreign tax	(1)	197
	(1)	197
Deferred tax	-	-
Total	(1)	197

Malaysian income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the year. Taxation for others jurisdiction is calculated at the rate prevailing in the respective jurisdiction.

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B8. Status of Corporate Proposals

There were no corporate proposals announced and completed as at 20 February 2019.

B9. Utilisation of Proceeds Raised from Corporate Proposal

The proceeds raised from the renounceable rights issue with free detachable warrants amounting RM76.24 million.

Purpose	Proposed Utilisation	Actual Utilisation	Unutilised Proceeds	Intended Timeframe for Utilisation	Deviation amount		Explanation (if the deviations > 5%)
	RM'000	RM'000	RM'000		RM'000	%	
Upgrading of existing Mobile Value-Added Service Platform	2,500	2,499	1	within 12 months	-	-	N/A
Development of a Mobile Digital Ecosystem Platform	7,500	5,762	1,738	within 18 months	-	-	N/A
Working Capital	3,035	3,033	2	within 24 months	-	-	N/A
Acquisition of new office premises	7,500	-	7,500	within 24 months	-	-	N/A
Regional business expansion	12,000	-	12,000	within 24 months	-	-	N/A
Acquisition and/or investment in other complementary business and/or assets	42,708	35,200	7,508	within 24 months	-	-	N/A
Expenses in relation to the Corporate Exercise	1,000	1,000	-	Immediate	-	-	N/A
Total	76,243	47,494	28,749				

B10. Borrowings and Debts Securities

There were no borrowings or debt securities in the Group as at 31 December 2018.

B11. Material Litigation

There were no significant changes in material litigation as at 20 February 2019.

B12. Dividends

No dividend was declared and paid during the current financial quarter.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
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B13. Losses per shares

	Current Year Quarter 31.12.2018	Preceding Year Quarter 31.12.2017	Current Year To Date 31.12.2018	Preceding Year To Date 31.12.2017
Losses attributable to ordinary shareholders of the Company (RM'000)	(2,007)	(2,833)	(3,307)	(2,124)
Weighted average number of ordinary shares in issue ('000)	508,564	342,817	508,564	235,671
Basic & diluted losses per share (sen)	(0.39)	(0.83)	(0.65)	(0.90)

The diluted losses per ordinary share is same as the basic losses per share as the average market price of the ordinary shares during the current financial quarter was lower than the exercise price of the warrants and accordingly, the effect of the assumed conversion of warrants outstanding will be anti-dilutive effect and the Company has no other dilutive potential ordinary shares in issue as at the end of the current financial quarter.

B14. Note to the Statements of Profit or Loss and Other Comprehensive Income

Loss before tax has been determined after (crediting)/charging, amongst others, the followings items:-

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2018 RM'000	Preceding Year Quarter 31.12.2017 RM'000	Current Year To Date 31.12.2018 RM'000	Preceding Year To Date 31.12.2017 RM'000
Interest income	(813)	(2)	(837)	(5)
Other income	(116)	(213)	(158)	(920)
Gain on disposal of property, plant and equipment	(1)	-	(2)	-
Depreciation and amortisation	311	138	620	300
Interest expenses	6	-	8	-
Revaluation loss on other investment	1,004	-	1,004	-
Foreign exchange (gain)/losses	(2)	59	4	134

Save for the above, the other items as required under Chapter 9 Appendix 9B (16) of the Ace Market Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

B15. Foreign Currency Risk Management

The Group does not enter into any foreign currency contracts during the current financial quarter.

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B16. Trade Receivables

	As at 31.12.2018 RM'000 (unaudited) RM'000	As at 30.06.2018 RM'000 (audited) RM'000
Neither past due nor impaired	1,341	2,705
Past due but not impaired:		
1-30 days	2,429	3,930
31-60 days	2,723	438
61-90 days	5,865	27
91-180 days	-	2,750
More than 180 days	-	3,079
Past due and impaired	63	24
	12,421	12,953

B17. Material Impairment of Assets

There was no material impairment of assets during the current financial quarter.

By Order of the Board,

**NG SALLY (MAICSA 7060343)
TEO MEE HUI (MAICSA 7050642)
Company Secretary
27 February 2019**