

ASIA ENTERPRISES HOLDING LIMITED

(Company Registration No. 200501021H)

Unaudited Third Quarter Financial Statement for the Period ended 30 September 2016

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

- 1(a) 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					
	3Q FY2016 S\$'000	3Q FY2015 S\$'000	% + / (-)	9M FY2016 S\$'000	9M FY2015 S\$'000	% + / (-)
Revenue	6,364	7,509	(15)	24,549	25,286	(3)
Cost of Sales	(4,779)	(6,794)	(30)	(18,007)	(22,165)	(19)
Gross Profit	1,585	715	122	6,542	3,121	110
<u>Other Items of Income</u>						
Interest Income	205	130	58	632	389	62
Other Gains	41	52	(21)	75	256	(71)
<u>Other Items of Expense</u>						
Marketing and Distribution Costs	(120)	(38)	216	(304)	(255)	19
Administrative Expenses	(1,559)	(1,551)	1	(5,187)	(4,904)	6
Finance Costs	-	-	NM	-	(1)	NM
Other Losses	-	-	NM	(94)	(294)	(68)
Profit/(Loss) Before Tax from Continuing Operations	152	(692)	NM	1,664	(1,688)	NM
Income Tax Income/(Expense)	-	3	NM	-	(20)	NM
Profit/(Loss) Net of Tax	152	(689)	NM	1,664	(1,708)	NM
Profit/(Loss) Attributable to Owners of the Parent, Net of Tax	172	(684)	NM	1,645	(1,747)	NM
(Loss)/Profit Attributable to Non-Controlling Interests, Net of Tax	(20)	(5)	300	19	39	(51)
	152	(689)	NM	1,664	(1,708)	NM
Earnings/(Loss) Per Share						
Basic (Cents)	0.05	(0.20)		0.48	(0.51)	
Diluted (Cents)	0.05	(0.20)		0.48	(0.51)	

Profit/(Loss) before tax is arrived at after crediting (charging) the following:

	Group					
	3Q FY2016 S\$'000	3Q FY2015 S\$'000	% + / (-)	9M FY2016 S\$'000	9M FY2015 S\$'000	% + / (-)
Gain on disposal of plant and equipment	25	-	NM	25	25	-
Foreign exchange adjustment gain/(loss)	8	48	(83)	(94)	(55)	71
Write-back of doubtful debts and bad debts	8	4	100	50	231	(78)
Written-off of doubtful debts and bad debts	-	-	NM	-	(239)	NM
Depreciation expenses	(112)	(112)	-	(334)	(339)	(1)

NM : Not meaningful

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- 1(a) 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 (Cont'd)

Consolidated Statement of Comprehensive Income

	Group					
	3Q FY2016 S\$'000	3Q FY2015 S\$'000	% + / (-)	9M FY2016 S\$'000	9M FY2015 S\$'000	% + / (-)
Profit/(Loss) Net of Tax	152	(689)	NM	1,664	(1,708)	NM
Other Comprehensive Income	-	-		-	-	
Total Comprehensive Income/(Loss) for the Period	152	(689)		1,664	(1,708)	NM
Total Comprehensive Income/(Loss) Attributable to Owners of the Parent	172	(684)	NM	1,645	(1,747)	NM
Total Comprehensive (Loss)/Income Attributable to Non-Controlling Interests	(20)	(5)	300	19	39	(51)
Total Comprehensive Income/(Loss)	152	(689)	NM	1,664	(1,708)	NM

NM : Not meaningful

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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 30/09/2016 S\$'000	As at 31/12/2015 S\$'000	As at 30/09/2016 S\$'000	As at 31/12/2015 S\$'000
ASSETS				
<u>Non-Current Assets</u>				
Property, Plant and Equipment	19,222	8,004	-	-
Investment Property	511	526	-	-
Investments in Subsidiaries	-	-	43,530	43,530
Other Assets	100	100	-	-
Total Non-Current Assets	19,833	8,630	43,530	43,530
<u>Current Assets</u>				
Inventories	12,926	16,981	-	-
Trade and Other Receivables	6,918	6,458	16,009	18,000
Other Financial Assets	12	1,019	-	-
Cash and Cash Equivalents	64,036	68,372	2,958	2,662
Total Current Assets	83,892	92,830	18,967	20,662
Total Assets	103,725	101,460	62,497	64,192
EQUITY AND LIABILITIES				
<u>Equity Attributable to Owners of the Parent</u>				
Share Capital	58,856	58,856	58,856	58,856
Treasury Shares	(83)	-	(83)	-
Retained Earnings	33,207	33,272	3,553	5,100
Capital Reserve	575	575	-	-
Equity, Attributable to Owners of the Parent	92,555	92,703	62,326	63,956
Non-Controlling Interests	5,738	5,879	-	-
Total Equity	98,293	98,582	62,326	63,956
<u>Non-Current Liabilities</u>				
Deferred Tax Liabilities	688	688	-	-
Total Non-Current Liabilities	688	688	-	-
<u>Current Liabilities</u>				
Income Tax Payable	4	12	4	12
Trade and Other Payables	4,740	2,178	167	224
Total Current Liabilities	4,744	2,190	171	236
Total Liabilities	5,432	2,878	171	236
Total Equity and Liabilities	103,725	101,460	62,497	64,192

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

Amount repayable in one year or less, or on demand

As at 30/09/2016 S\$'000		As at 31/12/2015 S\$'000	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Amount repayable after one year

As at 30/09/2016 S\$'000		As at 31/12/2015 S\$'000	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of any collateral

Not applicable.

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- 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

Statement of Cash Flows

	Group			
	3Q FY2016 S\$'000	3Q FY2015 S\$'000	9M FY2016 S\$'000	9M FY2015 S\$'000
<u>Cash Flows from Operating Activities</u>				
Profit/(Loss) Before Tax	152	(692)	1,664	(1,688)
Adjustments for:				
Depreciation of Investment Property	5	5	15	14
Depreciation of Property, Plant and Equipment	107	107	319	325
Interest Income	(205)	(130)	(632)	(389)
Interest Expense	-	-	-	1
Gain on Disposal of Plant and Equipment	(25)	-	(25)	(25)
Operating Cash Flows Before Changes in Working Capital	34	(710)	1,341	(1,762)
Inventories	524	3,481	4,055	9,569
Trade and Other Receivables	140	(801)	(460)	(182)
Trade and Other Payables	833	240	2,562	(714)
Net Cash Flows From Operations Before Interest and Tax	1,531	2,210	7,498	6,911
Income Taxes Paid	(2)	(95)	(8)	(301)
Net Cash Flows From Operating Activities	1,529	2,115	7,490	6,610
<u>Cash Flows from Investing Activities</u>				
Disposal of Other Financial Assets	-	-	1,007	7
Disposal of Plant and Equipment	54	-	54	40
Purchase of Plant and Equipment	(5,719)	(291)	(11,566)	(585)
Interest Received	205	130	632	389
Net Cash Flows Used in Investing Activities	(5,460)	(161)	(9,873)	(149)
<u>Cash Flows from Financing Activities</u>				
Dividends Paid to Equity Owners	-	-	(1,710)	(5,129)
Dividends Paid by A Subsidiary to Non-Controlling Interests	-	-	(160)	(400)
Purchase of Treasury Shares	(83)	-	(83)	-
Other Financial Liabilities	-	-	-	(968)
Interest Paid	-	-	-	(1)
Net Cash Flows Used in Financing Activities	(83)	-	(1,953)	(6,498)
Net (Decrease)/Increase in Cash and Cash Equivalents	(4,014)	1,954	(4,336)	(37)
Cash and Cash Equivalents, Beginning Balance	68,050	64,967	68,372	66,958
Cash and Cash Equivalents, Ending Balance	64,036	66,921	64,036	66,921

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- 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

	Attributable to				Capital Reserve	Retained Earnings	Non-Controlling Interests
	Total Equity	Parent Sub-Total	Share Capital	Treasury Shares			
Group (S\$'000)							
Opening Balance at 1 January 2016	98,582	92,703	58,856	-	575	33,272	5,879
Total Comprehensive Income for the Period ended 30 September 2016	1,664	1,645	-	-	-	1,645	19
Purchase of Treasury Shares	(83)	(83)	-	(83)	-	-	-
Dividends paid	(1,870)	(1,710)	-	-	-	(1,710)	(160)
Closing Balance at 30 September 2016	98,293	92,555	58,856	(83)	575	33,207	5,738
	(a)						
Opening Balance at 1 January 2015	116,245	109,912	58,856	-	575	50,481	6,333
Total Comprehensive (Loss)/Income for the Period ended 30 September 2015	(1,708)	(1,747)	-	-	-	(1,747)	39
Dividends paid	(5,529)	(5,129)	-	-	-	(5,129)	(400)
Closing Balance at 30 September 2015	109,008	103,036	58,856	-	575	43,605	5,972
	(a)						

(a) Unrealised and not available for distribution as cash dividends.

	Total Equity	Share Capital	Treasury Shares	Retained Earnings
Company (S\$'000)				
Opening Balance at 1 January 2016	63,956	58,856	-	5,100
Total Comprehensive Income for the Period ended 30 September 2016	163	-	-	163
Purchase of Treasury Shares	(83)	-	(83)	-
Dividends paid	(1,710)	-	-	(1,710)
Closing Balance at 30 September 2016	62,326	58,856	(83)	3,553
Opening Balance at 1 January 2015	67,377	58,856	-	8,521
Total Comprehensive Income for the Period ended 30 September 2015	539	-	-	539
Dividends paid	(5,129)	-	-	(5,129)
Closing Balance at 30 September 2015	62,787	58,856	-	3,931

- 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 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 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

There were no changes in the share capital since the end of the previous period reported on.

There were a total of 473,600 treasury shares held as at 30 September 2016. (30 September 2015 : Nil)

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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 shares	
	As at 30/09/2016	As at 31/12/2015
Total number of issued shares	341,917,487	341,917,487
Treasury shares	473,600	-
Total number of issued shares excluding treasury shares	341,443,887	341,917,487

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

The Company held 473,600 treasury shares as at 30 September 2016. There were no sales, transfers, disposal, cancellation and / or use of treasury shares as at the end of the current financial period reported on.

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

The figures have neither been audited nor reviewed by our auditors.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of 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 Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period, which are consistent with the audited financial statements for the year ended 31 December 2015.

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

Please refer to Item 4 above.

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

	Group			
	3Q FY2016	3Q FY2015	9M FY2016	9M FY2015
Earnings/(Loss) per ordinary share for the period based on net profit/(loss) attributable to shareholders				
(a) Based on the weighted average number of ordinary shares in issue	0.05 cents	(0.20) cents	0.48 cents	(0.51) cents
Weighted average number of ordinary shares in issue (excluding treasury shares)	341,874,001	341,917,487	341,874,001	341,917,487
(b) On a fully diluted basis	0.05 cents	(0.20) cents	0.48 cents	(0.51) cents
Weighted average number of ordinary shares in issue (excluding treasury shares)	341,874,001	341,917,487	341,874,001	341,917,487

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- 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	
	As at 30/09/2016	As at 31/12/2015	As at 30/09/2016	As at 31/12/2015
Net asset value per ordinary share (cents) *	27.11	27.11	18.25	18.71

* The net asset value per ordinary share of the Group and the Company as at 30 September 2016 is computed based on the total number of issued shares (excluding 473,600 treasury shares) of 341,443,887 (31 December 2015: 341,917,487).

- 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

Review of the Steel Industry

Based on the figures released by World Steel Association (worldsteel), global crude steel production in the first nine months of 2016 decreased 0.5% to 1,197.2 million tonnes (Mt) compared to the same period in 2015. Asia's crude steel production showed an increase of 0.6%, driven mainly by higher production in China and India. China, the world's largest producer, recorded a 0.4% increase in steel production over the first nine months of 2016.

According to MEPS, its World All Products Composite Steel Price declined in July 2016 – the first monthly fall this year – after increasing for six consecutive months between January and June 2016. In China, steel prices dropped to their lowest levels in September since June before staging a rebound in October 2016. The stronger domestic demand in China is diverting steel away from export markets and also fueling higher iron ore imports into the country.

(Sources: World Steel Association; MEPS, "The MEPS Global Steel Price Turns Down in July" published 29 July 2016; Reuters, "China steel falls to lowest since June amid property curbs" published 19 September 2016; Bloomberg, "Top China Steelmakers Point to Profit Surge on Higher Prices" published 13 October 2016)

Review of Statement of Comprehensive Income

For the quarter ended 30 September 2016 ("3Q16"), the Group's overall sales volume was relatively stable compared to the same period last year. However, softer average selling prices ("ASP") led to a year-on-year decrease in Group revenue during 3Q16.

Nevertheless, the Group remained profitable in 3Q16, driven mainly by higher gross profit margin compared to 3Q15. With three consecutive quarters of profitable performance, the Group reported a net profit of S\$1.7 million for the first nine months ended 30 September 2016 ("9M16"), reversing a net loss of S\$1.7 million in 9M15.

The Group also maintained a sound financial position at the end of September 2016. It has cash and cash equivalents of S\$64.0 million and zero borrowings. The Group's net asset value per share of 27.11 cents as at 30 September 2016 includes cash and cash equivalents of 18.75 cents per share and inventory of steel products with book value of 3.79 cents per share. As part of its efforts to enhance shareholder value, the Group had purchased a total of 473,600 shares in the Company from the open market as at 30 September 2016 since receiving the Share Buy Back mandate earlier this year.

Revenue

Revenue (S\$ m)	1Q	2Q	3Q	9M	4Q	Full Year
FY2016	9.7	8.5	6.4	24.6	-	-
FY2015	9.9	7.9	7.5	25.3	7.0	32.3
y-o-y change	(2%)	8%	(15%)	(3%)	-	-

Group revenue in 3Q16 decreased 15% to S\$6.4 million from S\$7.5 million in 3Q15 due mainly to lower ASP as total sales volume was comparatively stable.

Sales to the marine and offshore sector improved in 3Q16 versus 3Q15 as higher sales volume offset the impact of lower ASP. On the other hand, sales to the construction sector narrowed in 3Q16 due to softer demand. In spite of lower ASP, sales to the engineering/fabrication sector in 3Q16 were relatively stable on the back of higher sales volume.

For 9M16, Group revenue dipped slightly by 3% to S\$24.6 million compared to S\$25.3 million in 9M15. The higher sales volume of steel products to the marine and offshore as well as construction sectors during 9M16 helped to partially buffer the impact of lower ASP on Group revenue.

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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 (cont'd)

Gross Profit and Gross Profit Margin

		1Q	2Q	3Q	9M	4Q	Full Year
Gross Profit (\$\$ m)	FY2016	2.5	2.5	1.6	6.5	-	-
	FY2015	1.4	1.0	0.7	3.1	0.5	3.7
Gross Profit Margin	FY2016	25.6%	29.1%	24.9%	26.6%		
	FY2015	13.9%	13.0%	9.5%	12.3%	7.8%	11.4%

The Group's gross profit in 3Q16 increased 122% to S\$1.6 million compared to S\$0.7 million in 3Q15. This was due mainly to lower weighted average cost of inventory sold following a write-down in the value of the Group's steel inventory in 4Q15. As a result, the Group's gross profit margin widened to 24.9% in 3Q16 compared to 9.5% in 3Q15. For 9M16, the Group also recorded a higher gross profit margin of 26.6% compared to 12.3% in 9M15.

The Group's gross profit margin typically fluctuates across the quarters during a financial year. Underlying factors include differences in selling prices due to seasonal factors and market conditions, sales mix, and changes in its weighted average cost of inventory sold as the Group sells and replaces its inventory across different periods.

Other Items of Income

In 3Q16, other income increased to S\$246,000 compared to S\$182,000 in 3Q15, attributed mainly to higher interest income.

Marketing and Distribution Costs and Administrative Expenses

Marketing and distribution costs in 3Q16 increased to S\$120,000 from S\$38,000 in 3Q15 in line with the higher level of freight and handling services that were required for customers' orders. Administrative expenses for 3Q16 remained stable at S\$1.6 million.

Finance Costs and Other Losses

The Group remained debt-free in 3Q16 and hence did not incur any finance costs during the quarter. The Group also did not incur other losses in 3Q16.

Net Profit and Net Profit Margin

		1Q	2Q	3Q	9M	4Q	Full Year
Net Profit / Loss (\$\$ m)	FY2016	0.8	0.7	0.2	1.7	-	-
	FY2015	(0.6)	(0.5)	(0.7)	(1.7)	(10.4)	(12.1)
	y-o-y change	n.m.	n.m.	n.m.	n.m.	-	-
Net Profit Margin	FY2016	7.9%	8.8%	2.4%	6.8%		
	FY2015	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.

The Group posted net profit of S\$0.2 million for 3Q16 compared to a net loss of S\$0.7 million in 3Q15 as a result of higher gross profit.

On a nine-month basis, the Group also achieved a profit turnaround to S\$1.7 million in 9M16 from a loss of S\$1.7 million in 9M15, primarily on the back of higher gross profit and its tight control of operating expenses.

Review of Financial Position

Statement of Financial Position as at 30 September 2016

As at 30 September 2016, the Group's shareholders' equity stood at S\$92.6 million, which translated to net asset value of 27.11 cents per share. Shareholders' equity as at 30 September 2016 excluded treasury shares of S\$83,000 which arose from the purchase of shares in the Company under the Share Buy Back mandate.

The Group had cash and cash equivalents of S\$64.0 million and remained debt free as at 30 September 2016.

Property, plant and equipment increased to S\$19.2 million compared to S\$8.0 million as at 31 December 2015 due to the ongoing redevelopment of one of the Group's warehouses.

Trade and other receivables increased slightly to S\$6.9 million from S\$6.5 million at the end of December 2015 due mainly to a relatively higher proportion of sales on credit in 3Q16 when compared to 4Q15.

Inventories (measured on a weighted average cost basis) as at 30 September 2016 decreased to S\$12.9 million from S\$17.0 million at the end of December 2015, in line with the Group's strategy to align its stock levels to prevailing market conditions.

Trade and other payables increased to S\$4.7 million from S\$2.2 million as at 31 December 2015 due mainly to higher other payables arising from the redevelopment of a warehouse.

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- 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 (cont'd)

Statement of Cash Flows

Net cash generated from operating activities during 3Q16 was S\$1.5 million. This was derived mainly from reductions in trade and other receivables and inventory, as well as an increase in trade and other payables.

Net cash used in investing activities amounted to approximately S\$5.5 million, which was mainly for the redevelopment of the Group's warehouse. Net cash used in financing activities in 3Q16 was around S\$83,000 due mainly to the purchase of treasury shares under the Company's Share Buy Back mandate. As a result of the above factors, the Group's cash and cash equivalents decreased by S\$4.0 million during 3Q16 to S\$64.0 million.

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

There was no material variance from the commentary in Section 10 of the Group's previous financial statements released on 2 August 2016.

- 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.

Group Outlook

The World Steel Association (worldsteel) released its Short Range Outlook on 11 October 2016 for 2016 and 2017. worldsteel forecasts that global steel demand will increase by 0.2% in 2016 and 0.5% in 2017. While worldsteel said global steel demand is through the bottom of this cycle, the steel industry environment remains challenging with escalated uncertainties driven by geopolitical situations in various parts of the world. The weakness in investment globally will also hamper a stronger demand recovery. worldsteel expects the global steel industry to move back to a positive growth path for 2016 and onwards, but the slight growth momentum will remain weak for the time being due to the continued rebalancing in China and weak recovery in the developed economies.

In view of the prevailing uncertainties in the global economy and continuing supply-side concerns in the steel industry, the Group remains cautious of business conditions. While the Group's sales volume in the first nine months of FY2016 was higher compared to the same period in FY2015, overall demand from steel end-users continues to be modest. Coupled with steel price volatility and intense industry competition, the Group expects the operating environment to remain challenging. The Group's cost of replenishing inventory could also be affected by fluctuations in the exchange rate of the US dollar against the Singapore dollar.

The Group recognises the importance of safeguarding its financial strength to sustain shareholder value during slower business periods. With a balance sheet backed by S\$64.0 million in cash and zero debt, the Group believes it is well-positioned to capitalise on opportunities when the major steel consuming industries start to experience a recovery in business activities.

To be ready for future opportunities, the Group is currently undertaking the redevelopment of one of its warehouses. This redevelopment is expected to be completed by 1Q17 and will increase the storage capacity as well as improve operating efficiency of the warehouse.

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11 Dividends

(a) Current financial period reported on

Any dividend declared for the current financial period reported on?

None

(b) Corresponding period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None

(c) Date payable

Not applicable

(d) Book closure date

Not applicable

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

No dividend has been declared/recommended for the period ended.

13 Interested Person Transactions ("IPT")

If the Group has obtained a general mandate from shareholders for 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.

Aggregate value of all IPT during the financial year under review (excluding transactions less than S\$100,000)

	9M FY2016 S\$'000	9M FY2015 S\$'000
Penta Transport Services	107	169

The value of IPT of the Group is well below 3% of the Group's latest audited net tangible assets as at 31 December 2015.

The Company has no IPT general mandate.

14 Confirmation pursuant to Rule 720(1) of the Listing Manual

The Company hereby confirms that it has procured undertakings from all its Directors and Executive Officers in accordance with Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Chew Kok Liang
Company Secretary
8 November 2016

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Confirmation by the Board

We, Lee Choon Bok and Lee Yih Chyi being two directors of Asia Enterprises Holding Limited ("the Company"), do hereby confirm on behalf of the Directors of the Company that, to the best of our knowledge, nothing material has come to the attention of the Board of Directors of the Company which may render the financial results for the third quarter ended 30 September 2016 to be false or misleading.

On behalf of the Board of Directors

LEE CHOON BOK
EXECUTIVE CHAIRMAN

LEE YIH CHYI
MANAGING DIRECTOR