



CWT LIMITED

(the "**Company**")

Company Registration Number: 197000498M

(Incorporated in the Republic of Singapore)

RESPONSE TO SGX QUERY ON FY2016 ANNUAL REPORT

The Board of Directors of CWT Limited refers to the query regarding FY2016 annual report from the Singapore Exchange Securities Trading Limited on 19 April 2017 and sets out its responses as follow:

Query:

As required under Listing Rule 710, please make disclosures as recommended in the Code of Corporate Governance 2012 (the "Code") or otherwise explain the reason(s) for the deviation from the following Code guideline:-

*Guideline 11.3 of the Code states that the Board should comment on the adequacy and **effectiveness** of the internal controls, including financial, operational, compliance and **information technology** controls, and risk management systems, in the company's Annual Report. The Board's commentary should include information needed by stakeholders to make an informed assessment of the company's internal control and risk management systems.*

Company's Response:

The Board of Directors and Audit Committee ("AC") wish to clarify their opinion, as follows:

The Board, with the concurrence of the AC, is of the opinion that the CWT Group's internal controls and risk management systems are adequate and effective in addressing financial, operational, compliance and information technology risks in the Group's current business environment based on:

- a) Reviews of internal controls established and maintained by the Group;
- b) Management's annual undertaking confirming their responsibilities for and effectiveness of the internal controls;
- c) Reviews and assessment of risks, and the effectiveness of the risk management systems by Management and internal auditors;
- d) Reports issued by the internal and external auditors.

By Order of the Board

Lye Siew Hong – Lynda Goh
Company Secretary
CWT Limited
20 April 2017