



ASIA ENTERPRISES HOLDING LIMITED

ASIA ENTERPRISES HOLDING LIMITED

(Company Registration No. 200501021H)

Unaudited First Quarter Financial Statement for the Period ended 31 March 2018

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		
	1Q FY2018 S\$'000	1Q FY2017 S\$'000	% + / (-)
Revenue	8,558	5,216	64
Cost of Sales	(6,641)	(3,577)	86
Gross Profit	1,917	1,639	17
<u>Other Items of Income</u>			
Interest Income	168	154	9
<u>Other Items of Expense</u>			
Marketing and Distribution Costs	(78)	(62)	26
Administrative Expenses	(1,974)	(2,198)	(10)
Other Losses	(2)	(174)	(99)
Profit/(Loss) Before Tax from Continuing Operations	31	(641)	NM
Income Tax Income	3	21	(86)
Profit/(Loss) for the Period	34	(620)	NM
Profit/(Loss) Attributable to Owners of the Parent, Net of Tax	105	(561)	NM
Profit/(Loss) Attributable to Non-Controlling Interests, Net of Tax	(71)	(59)	20
Profit/(Loss) for the Period	34	(620)	NM
Earnings/(Loss) Per Share			
Basic (Cents)	0.03	(0.16)	
Diluted (Cents)	0.03	(0.16)	

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

	Group		
	1Q FY2018 S\$'000	1Q FY2017 S\$'000	% + / (-)
Loss on disposal of plant and equipment	-	(11)	NM
Foreign exchange adjustment loss	(2)	(163)	(99)
Depreciation expenses	(542)	(550)	(1)

NM : Not meaningful

ASIA ENTERPRISES HOLDING LIMITED

(Company Registration No. 200501021H)

- 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		
	1Q FY2018 S\$'000	1Q FY2017 S\$'000	% + / (-)
Profit/(Loss) for the Period	34	(620)	NM
Other Comprehensive Income	-	-	NM
Total Comprehensive Income/(Loss) for the Period	34	(620)	NM
Total Comprehensive Income/(Loss) Attributable to Owners of the Parent	105	(561)	NM
Total Comprehensive (Loss)/Income Attributable to Non-Controlling Interests	(71)	(59)	20
Total Comprehensive Income/(Loss) for the Period	34	(620)	NM

NM : Not meaningful

ASIA ENTERPRISES HOLDING LIMITED

(Company Registration No. 200501021H)

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 31/03/2018 S\$'000	As at 31/12/2017 S\$'000	As at 31/03/2018 S\$'000	As at 31/12/2017 S\$'000
ASSETS				
<u>Non-Current Assets</u>				
Property, Plant and Equipment	22,181	22,679	-	-
Investment Property	482	486	-	-
Investments in Subsidiaries	-	-	43,530	43,530
Other Financial Assets	3,130	1,818	780	261
Other Asset	50	50	-	-
Total Non-Current Assets	25,843	25,033	44,310	43,791
<u>Current Assets</u>				
Inventories	20,297	14,275	-	-
Trade and Other Receivables	10,149	7,096	17,987	17,785
Other Financial Assets	776	795	255	256
Cash and Cash Equivalents	45,631	57,225	1,893	2,470
Total Current Assets	76,853	79,391	20,135	20,511
Total Assets	102,696	104,424	64,445	64,302
EQUITY AND LIABILITIES				
<u>Equity Attributable to Owners of the Parent</u>				
Share Capital	58,856	58,856	58,856	58,856
Treasury Shares	(138)	(138)	(138)	(138)
Retained Earnings	34,380	34,275	5,434	5,340
Capital Reserve	575	575	-	-
Equity, Attributable to Owners of the Parent	93,673	93,568	64,152	64,058
Non-Controlling Interests	5,333	5,484	-	-
Total Equity	99,006	99,052	64,152	64,058
<u>Non-Current Liabilities</u>				
Deferred Tax Liabilities	742	742	-	-
Total Non-Current Liabilities	742	742	-	-
<u>Current Liabilities</u>				
Income Tax Payable	8	12	8	12
Trade and Other Payables	2,940	4,618	285	232
Total Current Liabilities	2,948	4,630	293	244
Total Liabilities	3,690	5,372	293	244
Total Equity and Liabilities	102,696	104,424	64,445	64,302

ASIA ENTERPRISES HOLDING LIMITED

(Company Registration No. 200501021H)

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

Amount repayable in one year or less, or on demand

As at 31/03/2018 S\$'000		As at 31/12/2017 S\$'000	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Amount repayable after one year

As at 31/03/2018 S\$'000		As at 31/12/2017 S\$'000	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of any collateral

Not applicable.

ASIA ENTERPRISES HOLDING LIMITED

(Company Registration No. 200501021H)

- 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	
	1Q FY2018 S\$'000	1Q FY2017 S\$'000
<u>Cash Flows from Operating Activities</u>		
Profit/(Loss) Before Tax	31	(641)
Adjustments for:		
Depreciation of Investment Property	5	5
Depreciation of Property, Plant and Equipment	537	545
Deaccrion in Amortised Cost of Other Financial Assets	25	-
Interest Income	(168)	(154)
Loss on Disposal of Plant and Equipment	-	11
Operating Cash Flows Before Changes in Working Capital	430	(234)
Inventories	(6,022)	1,202
Trade and Other Receivables	(3,052)	1,291
Trade and Other Payables	(1,758)	(1,043)
Net Cash Flows From Operations	(10,402)	1,216
Income Taxes (Paid)/ Refund	(2)	21
Net Cash Flows (Used In)/ From Operating Activities	(10,404)	1,237
<u>Cash Flows from Investing Activities</u>		
Disposal of Plant and Equipment	-	51
Purchase of Property, Plant and Equipment	(40)	(1,497)
Other Financial Assests - (increase)/ decrease	(1,318)	-
Interest Received	168	154
Net Cash Flows Used in Investing Activities	(1,190)	(1,292)
<u>Cash Flows from Financing Activities</u>		
Other Financial Liabilities	-	57
Net Cash Flows From Financing Activities	-	57
Net (Decrease)/Increase in Cash and Cash Equivalents	(11,594)	2
Cash and Cash Equivalents, Beginning Balance	57,225	60,470
Cash and Cash Equivalents, Ending Balance	45,631	60,472

ASIA ENTERPRISES HOLDING LIMITED

(Company Registration No. 200501021H)

- 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						Non-Controlling Interests
	Total Equity	Parent Sub-Total	Share Capital	Treasury Shares	Capital Reserve	Retained Earnings	
Group (S\$'000)							
Opening Balance at 1 January 2018	99,052	93,568	58,856	(138)	575	34,275	5,484
Total Comprehensive Loss for the Period ended 31 March 2018	34	105	-	-	-	105	(71)
Dividends payable	(80)	-	-	-	-	-	(80)
Closing Balance at 31 March 2018	99,006	93,673	58,856	(138)	575	34,380	5,333
					(a)		
Opening Balance at 1 January 2017	98,957	93,190	58,856	(138)	575	33,897	5,767
Total Comprehensive Income for the Period ended 31 March 2017	(620)	(561)	-	-	-	(561)	(59)
Dividends payable	(120)	-	-	-	-	-	(120)
Closing Balance at 31 March 2017	98,217	92,629	58,856	-	575	33,336	5,588
					(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 2018	64,058	58,856	(138)	5,340
Total Comprehensive Income for the Period ended 31 March 2018	94	-	-	94
Closing Balance at 31 March 2018	64,152	58,856	(138)	5,434
Opening Balance at 1 January 2017	63,254	58,856	(138)	4,536
Total Comprehensive Income for the Period ended 31 March 2017	157	-	-	157
Closing Balance at 31 March 2017	63,411	58,856	(138)	4,693

- 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 changes in the share capital since the end of the previous period reported on.

There were a total of 788,600 treasury shares held as at 31 March 2018. (31 March 2017 : 788,600)

ASIA ENTERPRISES HOLDING LIMITED

(Company Registration No. 200501021H)

1(d)(iii) To show the total number of issued shares excluding treasury shares and subsidiary holdings as at the end of the current financial period and as at the end of the immediately preceding year

	Number of shares	
	As at 31/03/2018	As at 31/12/2017
Total number of issued shares	341,917,487	341,917,487
Treasury shares and subsidiary holdings	788,600	788,600
Total number of issued shares excluding treasury shares and subsidiary holdings	341,128,887	341,128,887

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

The Company held 788,600 treasury shares as at 31 March 2018. There were no sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

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.

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

Except as disclosed in paragraph 5 below, 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 2017.

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 the new or revised Singapore Financial Reporting Standards (International) ("SFRS(I)s") and the related Interpretations to SFRS(I)s ("SFRS(I) INT") that are effective for the financial period beginning 1 January 2018 and relevant to its operation. The adoption of these SFRS(I)s and SFRS(I) INT does not have material impact on the financial position and/or financial performance of the Group.

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	
	1Q FY2018	1Q FY2017
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	0.03 cents	(0.16) cents
Weighted average number of ordinary shares in issue (excluding treasury shares and subsidiary holdings)	341,128,887	341,128,887
(b) On a fully diluted basis	0.03 cents	(0.16) cents
Weighted average number of ordinary shares in issue (excluding treasury shares and subsidiary holdings)	341,128,887	341,128,887

ASIA ENTERPRISES HOLDING LIMITED

(Company Registration No. 200501021H)

- 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 31/03/2018	As at 31/12/2017	As at 31/03/2018	As at 31/12/2017
Net asset value per ordinary share (cents) *	27.46	27.43	18.81	18.78

* The net asset value per ordinary share of the Group and the Company as at 31 March 2018 is computed based on the total number of issued shares (excluding 788,600 treasury shares and subsidiary holdings) of 341,128,887 (31 December 2017: 341,128,887).

- 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 data compiled by World Steel Association (worldsteel), global crude steel production grew 4.1% to 426.6 million tonnes (Mt) in the first three months of 2018, compared to the same period in 2017. Growth was driven mainly by steel mills in Asia where crude steel production increased 4.6% to 294.1 Mt in the first quarter of 2018 due mainly to output from China, the world's largest steel producer.

In its latest Short Range Outlook released on 17 April 2018, worldsteel forecasts global steel demand will increase 1.8% to 1,616.1 Mt in 2018 compared to 2017. It also projects that global steel demand will moderate to growth of 0.7% to reach 1,626.7 Mt in 2019.

worldsteel said the global economic situation is expected to remain favourable in the next couple of years with high confidence and strengthening recovery of investment levels in advanced economies. It expects steel demand in both developed and developing economies to show sustained growth momentum with risks relatively limited. However, worldsteel warned that possible adverse impact from rising trade tensions and the probable US and EU interest rate movements could erode this current momentum.

worldsteel also expects China's steel demand in 2018 to be flat and to contract by 2.0% in 2019 due to a further slowdown in construction activity. After dipping in 2017, worldsteel said steel demand in ASEAN is expected to regain growth momentum in 2018/19 on the back of infrastructure investment.

Steel consultancy MEPS expects global steel production growth to stagnate in 2019, before rising modestly in the subsequent two years. It predicts China's crude steel production growth will stagnate in 2018 with an annual output similar to 2017. MEPS expects steel production in the rest of the world to continue rising, albeit at a slower rate of around 2.6% compared to the previous year.

(Sources: World Steel Association; MEPS, "Global Crude Steel Production Forecast to Exceed 1.7 Billion Tonnes in 2018" published on 6 February 2018)

Review of Statement of Comprehensive Income

For the three months ended 31 March 2018 ("1Q18"), the Group recorded higher revenue compared to the year-ago period on the back of increases in sales volume and average selling prices ("ASP") of steel products. Following an uptrend during 2017, international steel prices during 1Q18 were generally higher compared to 1Q17.

While demand conditions remained uneven across the various industrial end-user sectors that it serves, the Group witnessed moderately higher restocking activity from certain market segments during 1Q18 compared to 1Q17. This could be attributed to customers' projects pipeline and a change in customers' purchasing behaviour amid an environment of higher steel prices and comparatively tighter steel supply conditions.

The improvement in international steel prices during 2017 had also invariably raised the cost of inventory replenishment for steel distributors. As a result, the Group's gross profit margin softened to 22.4% in 1Q18 compared to 31.4% in 1Q17.

Nevertheless, the Group reversed the loss in 1Q17 to post a net profit attributable to shareholders of S\$0.1 million in 1Q18, representing a gain of around S\$0.7 million from the year-ago period.

The Group maintained a sound balance sheet at the end of March 2018 with cash and cash equivalents of S\$45.6 million and zero borrowings. Its net asset value per share of 27.46 cents as at 31 March 2018 includes cash and cash equivalents of 13.38 cents per share and inventory with book value of 5.95 cents per share.

ASIA ENTERPRISES HOLDING LIMITED

(Company Registration No. 200501021H)

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)

Revenue

Revenue (S\$ m)	1Q	2Q	3Q	4Q	Full Year
FY2018	8.6	-	-	-	-
FY2017	5.2	9.7	9.4	6.5	30.8
y-o-y change	64%	-	-	-	-

The Group registered revenue of S\$8.6 million in 1Q18, up 64% from S\$5.2 million in 1Q17. This was driven by increased sales volume and higher ASP of steel products. During 1Q18, the Group witnessed higher orders from customers in the marine and offshore, and construction sectors, while demand from end-users in the engineering/fabrication sector remained relatively stable.

Gross Profit and Gross Profit Margin

		1Q	2Q	3Q	4Q	Full Year
Gross Profit (S\$ m)	FY2018	1.9	-	-	-	-
	FY2017	1.6	2.6	2.4	1.9	8.6
Gross Profit Margin	FY2018	22.4%				
	FY2017	31.4%	27.0%	25.4%	29.7%	27.8%

The Group's gross profit increased 17% year-on-year to S\$1.9 million in 1Q18 from S\$1.6 million in 1Q17 on the back of higher revenue. Gross profit margin in 1Q18 however declined to 22.4% from 31.4% in 1Q17. This was due mainly to an increase in the weighted average cost of inventory sold as the cost of stock replenishment has risen in tandem with the increase in international steel prices during 2017.

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 1Q18, the Group recorded higher other income of S\$168,000 compared to S\$154,000 in 1Q17 due to an increase in interest income.

Marketing and Distribution Costs and Administrative Expenses

Marketing and distribution costs in 1Q18 increased to S\$78,000 from S\$62,000 in 1Q17 in tandem with the level of freight and handling services that were required for customers' orders. Administrative expenses in 1Q18 decreased by 10% to S\$2.0 million from S\$2.2 million in 1Q17 due mainly to lower staff related costs.

Other Losses

Other losses in 1Q18 decreased to S\$2,000 from S\$174,000 in 1Q17 due mainly to lower foreign exchange adjustment loss.

Net Profit/(Loss) and Net Profit Margin

		1Q	2Q	3Q	4Q	Full Year
Net Profit / (Loss) Attributable to Equity Holders (S\$ m)	FY2018	0.1	-	-	-	-
	FY2017	(0.6)	0.7	0.3	1.0	1.4
	y-o-y change	n.m.	-	-	-	-
Net Profit Margin	FY2018	0.4%	-	-	-	-
	FY2017	n.m.	6.8%	1.7%	15.9%	4.0%

As a result of higher revenue and reduced operating expenses, the Group swung to a net profit attributable to equity holders ("PATMI") of S\$0.1 million in 1Q18 from a loss of S\$0.6 million in 1Q17. The Group's PATMI before interest, tax and depreciation ("EBITDA") also improved to S\$476,000 in 1Q18 compared to a loss of S\$186,000 in 1Q17.

ASIA ENTERPRISES HOLDING LIMITED

(Company Registration No. 200501021H)

- 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)

Review of Financial Position

Statement of Financial Position as at 31 March 2018

As at 31 March 2018, the Group's shareholders' equity (excluding treasury shares) stood at S\$93.7 million, which translated to net asset value of 27.46 cents per share. The Group had cash and cash equivalents of S\$45.6 million with zero borrowings at the end of March 2018.

Property, plant and equipment decreased slightly to S\$22.2 million from S\$22.7 million as at 31 December 2017 due to depreciation charges.

Other financial assets as at 31 March 2018 increased to S\$3.9 million from S\$2.6 million as at 31 December 2017 due to an increase in investments in fixed-income securities.

Trade and other receivables increased to S\$10.1 million from S\$7.1 million at the end of December 2017 in tandem with higher sales.

Inventories (measured on a weighted average cost basis) as at 31 March 2018 increased to S\$20.3 million from S\$14.3 million at the end of December 2017 due mainly to replenishment of inventories.

Trade and other payables decreased to S\$2.9 million from S\$4.6 million as at 31 December 2017 due mainly to settlement of outstanding trade payables.

Statement of Cash Flows

The Group used net cash of S\$10.4 million in operating activities during 1Q18. This was attributed mainly to the increases in inventories and trade and other receivables, as well as the payment of trade and other payables. Net cash used in investing activities in 1Q18 amounted to approximately S\$1.2 million, due mainly to an increase in investment in other financial assets. As a result of the above factors, the Group's cash and cash equivalents declined to S\$45.6 million as at 31 March 2018 compared to S\$57.2 million as at 31 December 2017.

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

The results are in line with the commentary in Section 10 of the Company's previous financial statement released on 6 February 2018.

- 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

Current market forecasts suggest global economic growth will remain resilient in 2018 which could lead to improved demand in the world's steel market. In its Short Range Outlook released on 17 April 2018, worldsteel said high confidence, strong investment levels and a recovery in commodity prices are generating a virtuous cycle for steel demand globally, both in developed and developing economies. However, worldsteel also cautioned that possible escalation of trade tensions, rising inflationary pressure and tightening of USA and EU monetary policies may cause financial market volatility and trouble highly indebted emerging economies.

While the resilient economic outlook and recovery in oil prices are positive factors for the global steel industry, the Group maintains a cautious view in light of potential economic risks and the challenging business conditions for some of the steel end-user industries it serves.

In recent months, the Group witnessed a nascent pick-up in steel purchasing activities from certain segments within the marine and offshore sector. Amid an improvement in commodities trade, demand for newbuild vessels in the region has slowly returned. This, coupled with higher international steel prices, has spurred some shipyards to increase purchases of steel materials to fulfil their project requirements. However, the extent of this recovery remains clouded as the broader environment in the marine industry continues to be depressed by the flagging offshore marine sector.

Intense competition is also expected to prevail in the region's steel industry, while movements in international steel prices will affect the cost of inventory replenishment and market selling prices. As such, the Group remains cautious in its business outlook.

To ensure long term business sustainability, the Group will remain prudent in its operations. As part of its inventory management strategy, the Group will continue to closely monitor the steel supply and demand trends, as well as purchasing patterns of major steel end-users to ensure it has sufficient and relevant inventory to meet customers' steel requirements.

The Group will also maintain financial prudence by staying vigilant on its credit exposure and keeping a close watch on expenses. With a balance sheet backed by cash of S\$45.6 million and zero debt, the Group has the financial strength to withstand challenging market conditions and seize opportunities when there is a sustained recovery in demand from the major steel consuming industries.

ASIA ENTERPRISES HOLDING LIMITED

(Company Registration No. 200501021H)

11 Dividends

(a) Current financial period reported on

Any dividend declared for the current financial period reported for?

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)

	1Q FY2018 S\$'000	1Q FY2017 S\$'000
Penta Transport Services	<u>42</u>	<u>75</u>

The value of IPT of the Group is well below 3% of the Group's latest audited net tangible assets as at 31 December 2017.

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
10 May 2018

ASIA ENTERPRISES HOLDING LIMITED

(Company Registration No. 200501021H)

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 first quarter ended 31 March 2018 to be false or misleading.

On behalf of the Board of Directors

LEE CHOON BOK
EXECUTIVE CHAIRMAN

LEE YIH CHYI
MANAGING DIRECTOR