



TREK 2000 INTERNATIONAL LTD
(Registration Number 199905744N)

RESPONSE TO QUERIES RAISED BY SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ON THE BUSINESS TIMES AND STRAITS TIMES ARTICLES OF 25 SEPTEMBER 2019

The Board of Directors (the “**Board**”) of Trek 2000 International Ltd (the “**Group**” or “**Company**”) wishes to provide the following information in response to the queries raised by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) dated 25 September 2019 in relation to the Business Times and Straits Times Articles on 25 September 2019 regarding charges by Commercial Affairs Department against Mr Henn Tan and 3 other former officers, Mr Poo Teng Pin, Mr Gurcharan Singh and Mr Foo Kok Wah.

Query by SGX-ST:

1. Please confirm whether all the charges served upon the aforesaid persons relate to matters that were highlighted by RSM Corporate Advisory Pte Ltd (RSM) in their reports released by the Company on 18 July 2017 and 23 April 2018.

Company’s Response:

- (a) We confirm that all the charges served upon the aforesaid persons relate to some of the matters highlighted by RSM in their reports on 18 July 2017 and 23 April 2018. The charges concerned IPT matters highlighted in the report of 18 July 2017, and 3 of the 7 issues highlighted in the report of 23 April 2018.

Query by SGX-ST:

2. Please confirm whether the financial impact of all matters that are subject of the CAD charges has been publicly disclosed.

Company’s Response:

- (a) The financial impact of all matters that are subject to the charges has been publicly disclosed and highlighted in the RSM reports of 18 July 2017 and 23 April 2018.
- (b) All relevant adjustments and restatements of previous years’ audited accounts were identified and put through by the auditors in previous years’ annual audits as part of their conservative practice to better reflect the financial positions of the Company in the relevant years. In addition, the restatements made by the auditors for FY2017 financial statements in FY2018 reflected a substantially higher profit than was previously stated.
- (c) To the best of our knowledge, we do not expect any further financial adjustments in our financial statements this year. If there is any further adjustment required by the current auditors, this will be made known to the shareholders in the audited accounts.

Query by SGX-ST:

3. On 26 April 2018, SGX RegCo issued a Notice of Compliance requiring the Company to undertake an independent review of the Company’s internal controls and corporate governance practices.

Please provide an update to shareholders on how the Board has addressed the internal control lapses in the Group.



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Company's Response:

- (a) The Board had appointed an external professional firm, Baker Tilly TFW, to undertake an independent review of the Company's internal control and corporate governance practices. This was approved by SGX. Baker Tilly TFW is in the process of finalising the report and will be sending the report to the SGX shortly.
- (b) Besides the above independent review, as part of the Company's internal control improvements, the Board had also appointed Nexia TS to conduct an independent review of the key internal control of the operations, and all lapses were identified and recommendations implemented by the Company.
- (c) The Board would like to inform that subsequent to the RSM report, the internal control measures are emphasized in details during the external and internal audit to prevent recurrence of such lapse.

BY ORDER OF THE BOARD

Kuan Mun Kwong
Executive Director

26 September 2019