



TREK 2000 INTERNATIONAL LTD  
(Registration Number 199905744N)

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## **RESPONSE TO NEWS REPORT OF 25 SEPTEMBER 2019 IN THE BUSINESS TIMES AND STRAITS TIMES**

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We refer to the recent media reports on the legal action by the relevant authority on the former management staff of our group.

We would like to highlight that the legal action is brought on the former management staff in their personal capacity and, not on the company and its subsidiaries. We understand that the charges were due to non-compliance of corporate governance as a public listed company and, there were no financial misappropriation and embezzlement or any other matters of such nature arising out of the investigations. The company and its subsidiaries continue to operate within the legal framework and governance of a good corporate citizen.

The company would also like to reiterate that operations at Trek 2000 remain robust and the business continues to perform well despite recent news in the media.

The business is currently being run by a new management team that has been in place since early 2018. The former management staff which has been charged as detailed in the media are no longer involved in the day-to-day operations. Furthermore, there has been no disruption to current business operations as the events took place several years ago.

The financial implications mentioned in recent articles have no effect on the financial position of the company as all financial adjustments have already been made in previous financial years by our auditors who took a conservative approach as part of their annual audit to better reflect the financial positions of the company. In addition, the restatements made by the auditors for FY2017 financial statements in FY2018 reflected a substantially higher profit than was previously stated.

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.

The company's current financial position remains strong and will continue to improve, and management does not see any financial risk to the company.

Looking ahead, the company continues to work with our partners who remain supportive of our efforts. Moreover, we are actively pursuing R&D initiatives and innovations, coming up with new and improved products to disrupt technology in the marketplace in order to stay ahead of the technological curve and, stay relevant amid an ever-changing business landscape.



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We hope this letter gives assurance to our shareholders and eradicates the concerns on the company brought about by the recent news of the personal legal case on the ex-management staff.

BY ORDER OF THE BOARD

Kuan Mun Kwong  
Executive Director

26 September 2019