



OUHUA ENERGY HOLDINGS LIMITED

(Incorporated in Bermuda on 3 January 2006)

(Company Registration Number 37791)

Unaudited Financial Statements For The Financial Period Ended 30 June 2019

For the purpose of this announcement, 2Q2019 refers to the six months financial period ended 30 June 2019 whereas 2Q2018 refers to the corresponding six months financial period ended 30 June 2018 and FY2018 refers to the full financial year ended 31 December 2018.

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL YEAR RESULTS

1(a)(i) A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 June 2019

(RMB'000)	Second quarter ended			Six months ended		
	30 Jun 2019	30 Jun 2018	% change	30 Jun 2019	30 Jun 2018	% change
Revenue	748,203	651,545	14.8	1,581,199	1,278,092	23.7
Cost of sales	(752,360)	(622,280)	20.9	(1,562,660)	(1,239,841)	26.0
Gross profit	(4,157)	29,265	-114.2	18,539	38,251	-51.5
Other operating income	1,614	3,132	-48.5	5,520	12,386	-55.4
Selling and distribution	(7,668)	(7,499)	2.3	(15,885)	(14,199)	11.9
Administrative expenses	(3,630)	(5,566)	-34.8	(7,363)	(10,581)	-30.4
Other operating expenses	(1,325)	(4,244)	-68.8	(7,009)	(4,966)	41.1
Profit from operations	(15,166)	15,088	N.M	(6,198)	20,891	N.M
Finance costs	(8,089)	(13,188)	-38.7	(10,102)	(15,029)	-32.78
Profit before income tax	(23,255)	1,901	N.M	(16,300)	5,863	N.M
Income tax	-	-				
Profit for the financial	(23,255)	1,901	N.M	(16,300)	5,863	N.M
Other comprehensive						
Foreign currency translation						
Total comprehensive profit for the period	(23,255)	1,901	N.M	(16,300)	5,863	N.M

"N.M." – Not Meaningful

1(a)(ii) Other information:

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

(RMB'000)	Second quarter ended			Six months ended		
	30 Jun 2019	30 Jun 2018	% change	30 Jun 2019	30 Jun 2018	% change
Depreciation of property, plant and equipment	(2,728)	(5,146)	-47	(8,734)	(8,719)	0
Interest expense	(2,225)	(2,232)	-0	(4,238)	(3,726)	14
Interest income	101	75	35	181	144	26
Foreign exchange gain/(loss)	(6,363)	(11,551)	-45	(3,886)	(2,295)	69

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.

UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 June 2019

	Group		Company	
	<u>(Unaudited)</u>	<u>(Audited)</u>	<u>(Unaudited)</u>	<u>(Audited)</u>
	<u>As at 30 June</u> <u>2019</u> RMB'000	<u>As at 31</u> <u>December 2018</u> RMB'000	<u>As at 30 June</u> <u>2019</u> RMB'000	<u>As at 31</u> <u>December 2018</u> RMB'000
Non-current assets				
Property, plant and equipment	157,822	140,389	6	7
Investments in subsidiaries		-	156,277	156,277
Total non-current assets	<u>157,822</u>	<u>140,389</u>	<u>156,283</u>	<u>156,284</u>
Current assets				
Inventories	60,993	58,576	-	-
Trade and other receivables	209,719	148,623	8	-
Due from a related party	34,788	58,019	31,490	69
Margin deposits	3,373	3,211	3,216	3,211
Pledged fixed deposits	0	22,870	-	-
Cash and cash equivalents	50,621	59,388	157	84
Total current assets	<u>359,494</u>	<u>350,687</u>	<u>34,870</u>	<u>3,364</u>
Total assets	<u>517,316</u>	<u>491,076</u>	<u>191,153</u>	<u>159,648</u>
Current liabilities				
Trade and other payables	67,811	151,372	3,459	4,008
Due to related parties	11,359	9,132	4,455	4,448
Due to a subsidiary	-	-	62,860	30,277
Due to holding company	1,719	1,716	1,719	1,716
Bank borrowings	250,303	144,420	0	-
Income tax payable	2,317	2,317	-	-
Total current liabilities	<u>333,508</u>	<u>308,957</u>	<u>72,494</u>	<u>40,449</u>
Non-current liabilities				
Lease Liability	22,351	-	-	-
Net assets	<u>161,456</u>	<u>182,119</u>	<u>118,659</u>	<u>119,199</u>
issued capital and reserves attributable to equity holders of the issuer				
Share capital	149,488	149,488	149,488	149,488
Share premium	130,298	130,298	130,298	130,298
Statutory reserve	15,662	15,662	0	-
Translation reserve	1,252	3,976	1,252	3,976
Accumulated losses	-135,244	-117,305	-162,379	-164,563
Total equity	<u>161,456</u>	<u>182,119</u>	<u>118,659</u>	<u>119,199</u>

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 June 2019		As at 31 December 2019	
Secured RMB'000	Unsecured RMB'000	Secured RMB'000	Unsecured RMB'000
250,303	-	144,420	-

Amount repayable after one year

As at 30 June 2019		As at 31 December 2019	
Secured RMB'000	Unsecured RMB'000	Secured RMB'000	Unsecured RMB'000
-	-	-	-

Details of any collateral

The Group's bank borrowings comprised of trust receipts and bank loan.

Trust receipts were secured by pledged fixed deposits and corporate guarantees from related parties and personal guarantee by a Director.

Bank loan was secured by certain property, plant and equipment and corporate guarantees from related parties and personal guarantee by a Director.

1(c) A statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 June 2019

	Group		Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	As at 30 June 2019 RMB'000	As at 31 December 2018 RMB'000	As at 30 June 2019 RMB'000	As at 31 December 2018 RMB'000
Non-current assets				
Property, plant and equipment	157,822	140,389	6	7
Investments in subsidiaries		-	156,277	156,277
Total non-current assets	<u>157,822</u>	<u>140,389</u>	<u>156,283</u>	<u>156,284</u>
Current assets				
Inventories	60,993	58,576	-	-
Trade and other receivables	209,719	148,623	8	-
Due from a related party	34,788	58,019	31,490	69
Margin deposits	3,373	3,211	3,216	3,211
Pledged fixed deposits	0	22,870	-	-
Cash and cash equivalents	50,621	59,388	157	84
Total current assets	<u>359,494</u>	<u>350,687</u>	<u>34,870</u>	<u>3,364</u>
Total assets	<u>517,316</u>	<u>491,076</u>	<u>191,153</u>	<u>159,648</u>
Current liabilities				
Trade and other payables	67,811	151,372	3,459	4,008
Due to related parties	11,359	9,132	4,455	4,448
Due to a subsidiary	-	-	62,860	30,277
Due to holding company	1,719	1,716	1,719	1,716
Bank borrowings	250,303	144,420	0	-
Income tax payable	2,317	2,317	-	-
Total current liabilities	<u>333,508</u>	<u>308,957</u>	<u>72,494</u>	<u>40,449</u>
Non-current liabilities				
Lease Liability	22,351	-	-	-
Net assets	<u>161,456</u>	<u>182,119</u>	<u>118,659</u>	<u>119,199</u>
Issued capital and reserves attributable to owners of the Company				
Share capital	149,488	149,488	149,488	149,488
Share premium	130,298	130,298	130,298	130,298
Statutory reserve	15,662	15,662	0	-
Translation reserve	1,252	3,976	1,252	3,976
Accumulated losses	-135,244	-117,305	-162,379	-164,563
Total equity	<u>161,456</u>	<u>182,119</u>	<u>118,659</u>	<u>119,199</u>

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 June 2019

<u>Group</u>	Share	Share	Statutory	Translation	Accumulated	Total
	<u>capital</u>	<u>premium</u>	<u>reserve</u>	<u>reserve</u>	<u>losses</u>	<u>equity</u>
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2019	149,488	130,298	15,662	3,976	-117,305	182,119
Effect of adopting SFRS(I) 16					-1,640	-1,640
Adjusted balance at 1 January 2019	149,488	130,298	15,662	3,976	-118,945	180,479
Profit for the financial period	-	-	-	-	-16,300	-16,300
<i>Other comprehensive loss:</i>						
Exchange differences on translating foreign operations	-	-	-	-2,724	-	-2,724
Total comprehensive income for the financial period	-	-	-	-2,724	-16,300	-19,024
Balance at 30 Jun 2019	<u>149,488</u>	<u>130,298</u>	<u>15,662</u>	<u>1,252</u>	<u>-135,245</u>	<u>161,455</u>
Balance at 1 January 2018	149,488	130,298	15,662	5,878	-137,904	163,422
Profit for the financial period	-	-	-	-	5,863	5,863
<i>Other comprehensive income:</i>						
Exchange differences on translating foreign operations	-	-	-	-4	-	-4
Total comprehensive income for the financial period	-	-	-	-4	5,863	5,859
the financial year						
Balance at 30 Jun 2018	<u>149,488</u>	<u>130,298</u>	<u>15,662</u>	<u>5,874</u>	<u>-132,041</u>	<u>169,281</u>
<u>Company</u>	Share	Share	Statutory	Translation	Accumulated	Total
	<u>capital</u>	<u>premium</u>	<u>reserve</u>	<u>reserve</u>	<u>losses</u>	<u>equity</u>
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2019	149,488	130,298	-	3,976	-164,563	119,199
Loss for the financial period	-	-	-	-	2,184	2,184
<i>Other comprehensive loss:</i>						
Exchange differences on translating foreign operations	-	-	-	-2,724	-	-2,724
Total comprehensive income for the financial period	-	-	-	-2,724	2,184	-541
Balance at 30 Jun 2019	<u>149,488</u>	<u>130,298</u>	<u>-</u>	<u>1,252</u>	<u>-162,379</u>	<u>118,658</u>
Balance at 1 January 2018	149,488	130,298	-	5,758	-164,751	120,793
Profit for the financial period	-	-	-	-	-647	-647
<i>Other comprehensive income:</i>						
Exchange differences on translating foreign operations	-	-	-	114	-	114
Total comprehensive income for the financial period	-	-	-	114	-647	-533
the financial period						
Balance at 30 Jun 2018	<u>149,488</u>	<u>130,298</u>	<u>-</u>	<u>5,872</u>	<u>-165,398</u>	<u>120,260</u>

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 new shares issued during the six months financial period ended 30 June 2019 and no outstanding convertibles or treasury shares were held as at 30 June 2019 and 31 December 2018.

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.

The Company's total number of issued shares as at 30 June 2019 and 31 December 2018 was 383,288,000 ordinary shares of US\$0.05 each fully paid.

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.

Not applicable.

1(d)(v) A statement showing all sales, transfers, cancellations 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 standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard).

The figures have not been audited nor reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a 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.

Other than as disclosed in paragraph (5) below, the same accounting policies and methods of computation have been applied in these unaudited financial statements as those applied in the most recently audited financial statements for the financial year ended 31 December 2018.

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 financial statements are prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)s").

The adoption of the new/revised/amendments to SFRS(I)s which came into effect from 1 January 2019 does not have a material impact on the financial statements of the Group and the Company for the financial period under review, except for the following.

SFRS(I) 16 Leases

The Group has adopted SFRS(I) 16 Leases for the financial year beginning on 1 January 2019 using the modified retrospective approach to recognise the amount of right-of-use ("ROU") assets as part of property, plant and equipment equal to the lease liabilities included in trade and other payables and increase in accumulated losses at date of initial application. The adoption of SFRS(I) 16 Leases resulted in adjustments to the Group's statement of financial position as at 1 January 2019.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends: -

- (a) Based on the weighted average number of ordinary shares on issue; and**
(b) On a fully diluted basis (detailing any adjustments made to the earnings).

	Second quarter ended		Six months ended	
	30 Jun 2019 (Unaudited)	30 Jun 2018 (Unaudited)	30 Jun 2019 (Unaudited)	30 Jun 2018 (Unaudited)
Number of shares '000	383,288	383,288	383,288	383,288
EPS (RMB cent)	-6.07	0.50	-4.25	1.53

Basic earnings per ordinary share is calculated by dividing the Group's profit attributable to equity holders of the Company by the weighted average share capital of 383,288,000 shares during the six months financial period ended 30 June 2019 and 30 June 2018 respectively.

Diluted earnings per share is calculated by dividing the Group's profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the six months financial period ended 30 June 2019 and 30 June 2018 plus the weighted average number of ordinary shares that would be issued on the conversion of all dilutive potential ordinary shares into ordinary shares.

There is no dilutive potential ordinary share during the six months financial period ended 30 June 2019 and 30 June 2018

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	As at	As at	As at
	30 Jun	31 December	30 Jun	31 December
	2019	2018	2019	2018
NAV per share (RMB cents)	42.12	47.52	30.96	31.10

Net asset value per ordinary share is calculated using the Group's and the Company's net asset values, as at the end of the respective financial period divided by the number of shares in issue (excluding treasury shares) of 383,288,000 ordinary shares as at 30 June 2019 and 31 December 2018, respectively.

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

Review of the Group's Financial Performance

Revenue

Revenue increased by approximately 14.8% or RMB 96.7 million from RMB 651 million in 2Q 2018 to RMB 748 million in 2Q 2019 due to an increase in the sales volume of liquefied petroleum gas ("LPG") from 183,961 tons in 2Q 2018 to 207,989 tons in 2Q 2019 alongside an increase in new distribution channels for LPG in other cities in Guangdong Province..

Gross Profit

Gross profit decreased by RMB 33.4 million or 114% from RMB 29.2 million in 2Q 2018 to negative RMB 4.2 million in 2Q 2019 due to the unexpected decline of local LPG price in Q2, mainly due to the sudden increase of local LPG supply from domestic refining plants such as Dalian Hengli and Gulei Petrochemical, compounded by fluctuation of foreign exchange rate following the tariff dispute between USA and PRC. The Group had to cut down the price heavily to retain the market share and keep the business running, resulting in lower margin in 2Q 2019.

Other operating income

Other operating income decreased from RMB 3.1 million in the 2Q 2018 to RMB 1.6 million in 2Q 2019. The decrease of RMB 1.5 million or 48.5% was mainly attributed by no incurrence of foreign exchange gain in 2Q2019 as RMB was weaker against USD in 2Q 2019.

Operating expenses

The increase in operating expenses was mainly due to the following:

Selling and distribution expenses increased by RMB 0.2 million or 2.3% from RMB 7.5 million in 2Q 2018 to RMB 7.7 million in 2Q 2019 due to higher marine freight driven by higher sales volume of other cities in Guangdong Province, partially offset by lower tugboat charges.

Administrative expenses

Administrative expenses decreased by RMB 1.9 million or 34.8% from RMB 5.6 million in 2Q 2018 to RMB 3.6 million in 2Q 2019 mainly due to lower port construction cost, lower rental cost and insurance cost partially offset by higher manpower cost with the increase in headcount.

Other operating expenses decreased by RMB 2.9 million to RMB 1.3 million in 2Q 2019 from RMB 4.2 million 2Q 2018 mainly due to reclassification of application fee of L/C to finance cost.

Finance costs

Finance costs decreased by approximately RMB 5.1 million or 38.7% from RMB 13 million in 2Q 2018 to RMB 8.1 million in 2Q 2019 mainly due to lower foreign exchange loss, partially offset by increase in lease liability interest and application fee of **letter of credit**.

Profit attributable to equity holders

As a result of the above, the Group yielded its loss attributable to equity holders of RMB 23.3 million in 2Q 2019, compared with net profit of RMB 1.9 million 2Q 2018.

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: - (Cont'd)

- (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 Group's Financial Position**Non-current assets**

Non-current assets increased by RMB 17.4 million or 12.4% from RMB 140.4 million as at FY2018 to RMB 157.8 million as at 2Q2019 mainly due to recognition of right-of-use assets RMB 26.0 million and partially offset by depreciation of property, plant and equipment of RMB 9.0 million.

Current assets

Current assets increased by RMB 8.3 million or 2.5% from RMB 350.7 million as at FY2018 to RMB 359.5 million as at 30 June 2019. This is mainly due to increase in trade receivables of RMB 61 million and increase in inventories of RMB 2.4 million, partially offset by decrease in cash and cash equivalents and pledged fixed deposit of RMB 31.6 million and decrease in due from a related party of RMB 23.2 million.

Current liabilities

Current liabilities increased by approximately RMB 24.5 million or 7.9% from RMB 309.0 million as at FY2018 to RMB 333.5 million as at 2Q2019. This is mainly due to increase in bank

borrowing of RMB 106million, partially offset by decrease in trade and other payables of RMB 83.6 million.

Non-Current liabilities

Non-current liabilities increased by RMB 22.4 million due to recognition of lease liabilities following the adoption of SFRS(I) 16 Leases as disclosed in paragraph 5.

Review of the Group's Cash Flow Statement

The Group reported cash and cash equivalents of RMB 50.6million as at 30 June 2019. The net decrease of RMB 8.7 million from cash and cash equivalents of RMB 59.4 million as at FY2018 arose from foreign exchange rate changes of RMB 2.9 million on foreign currency cash balances and net cash outflow from operating, investing and financial activities during the 1st half of 2019 of RMB 5.6 million.

Net cash used in operating activities amounted to RMB 125 million mainly due to cash utilized in working capital contributed by increase in inventories and trade and other receivables, partially offset by amount due to a related party.

Net cash used in investing activities amounted to RMB 5.5 million was due to purchase of property, plant and equipment.

Net cash used in financing activities amounted to RMB 124 million mainly due to repayment in bank borrowings and decrease in pledged fixed deposit, partially offset by proceeds from bank borrowing.

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

Not applicable

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.

As the International Monetary Fund forecasts a slowdown in the global economy and while the protracted China-USA trade negotiations on tariffs being imposed on imports of LPG raw materials are ongoing, the Group continues to face challenges in future years to come. On the other hand, the Group is cautiously optimistic as it noted that, moving forward, the domestic demand for LPG remains healthy.

As international oil prices are volatile and with keen competition from substitute energy products, the Group will remain vigilant and keep a close watch on global trends in managing the business risks and rationalizing operating costs to cope with these challenges and maintain its market competitiveness in the LPG market. The Group will focus on opportunities to improve profitability and strengthen the Group's financial position. At the same time, it will forge ahead and seek out new avenues to broaden its customer base, diversify sourcing and further propel its growth over the next 12 months.

11. If a decision regarding dividend has been made:-

(a) Whether an interim (final) ordinary dividend has been declared (recommended)

None.

(b) (i) Amount per share in cents

(ii) Previous corresponding period in cents

None.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable.

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

No dividend has been declared or recommended for the first quarter ended 30 June 2019.

13. If the group has obtained a general mandate from shareholders for Interested Person Transactions (“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.

The aggregate values of interested person transactions for the financial period ended 30 June 2019 are as follows:

Name of interested person	Aggregate value of all interested person transactions (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	Aggregate value of all interested person transactions (excluding transactions less than \$100,000)
	RMB'000	RMB'000	RMB'000
Chaozhou Huafeng (Group) Incorporation Ltd			
• Lease of LPG transportation vehicles	-	1,604	1,604
• Purchase of LPG		39,412	39,412
Chaozhou Huaxin Energy Co.,Ltd			
• Purchase of LPG	-	38,055	38,055
Chaozhou Zhongkai Huafeng Energy Retail Chain Co., Ltd.			
• Sale of LPG	-	53,035	53,035
Chaozhou Huafeng Refining Co., Ltd			
• Lease of port terminals, land use rights, office premises and staff dormitory		1,156	1,156
Guangdong Huafeng Zhongtian LNG Co., Ltd			
• Lease of port terminals, land use rights, office premises and staff dormitory	1,714	-	1,714

14. Confirmation pursuant to Rule 705(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”)

The Board of Directors of the Company does hereby confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited consolidated financial statements for the six months financial period ended 30 June 2019 to be false and misleading in any material aspect.

15. Confirmation that the issuer has procured undertakings from all its directors and Executive officers (in the format set out in Appendix 7.7 under Rule 720(1)).

The Board of Directors confirms that they have procured undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST

BY ORDER OF THE BOARD

Liang Guo Zhan
Executive Chairman

8 August 2019