



DUTECH HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

Registration No. 200616359C

**RESPONSE TO QUERY FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED
ON THE COMPANY'S ANNUAL REPORT 2017**

The Board of Directors (the "Board") of Dutech Holdings Limited (the "Company") refers to the query raised by the Singapore Exchange Securities Trading Limited ("SGX-ST") on 24 April 2018 in respect of the Company's Annual Report for the financial year ended 31 December 2017. The Board sets out its response as follows:

SGX's Query 1:

Listing Rule 715(2) provides that the issuer must engage a suitable auditing firm for its significant foreign-incorporated subsidiaries and associated companies.

We note that some of the foreign-incorporated subsidiaries and associated companies listed on pages 58 and 59 are audited by BDO AG Wirtschaftsprüfungsgesellschaft, Sycip Gorres Velayo & Co, Nantong Zhongtian Certified Public Accountant Co., Ltd, RWT Horwath GmbH or Crowe Clark Whitehall LLP. In addition, the Company has also indicated that some of these subsidiaries are not subject to local statutory audit for the financial year ended 31 December 2017.

With regard to these entities:-

- (i) Please state if they are significant foreign-incorporated subsidiaries and associated companies of the Company; and
- (ii) If so, please provide (1) the Board and Audit Committee's assessment of the auditing firm's suitability; and (2) their basis for the same.

Company's Response:

The Company has engaged Crowe Horwath First Trust LLP (the "Group Auditor"), a member firm of Crowe Horwath International to audit the consolidated financial statements of the Company and its subsidiaries for the financial year ended 31 December 2017. At the subsidiary level, we have engaged member firms of Crowe Horwath International in the respective countries to audit our significant subsidiaries, except for a significant subsidiary namely Format Tresorbau GmbH & Co. KG that is audited by BDO AG Wirtschaftsprüfungsgesellschaft, a member firm of BDO Global. Please refer to table below for details:

Name of subsidiaries	Country of incorporation and place of business	Significant subsidiary? (Y/N)	Auditing firm	Assessment of the suitability of auditing firm for significant subsidiaries
Format Tresorbau Beteiligungs GmbH	Germany	N	BDO AG Wirtschaftsprüfungsgesellschaft ("BDO AG")	BDO AG is a member firm of BDO Global, thus it is considered as a suitable auditing firm.
Format Tresorbau Verwaltungs GmbH	Germany	N		
Format Tresorbau GmbH & Co. KG	Germany	Y		
Matrix Mechatronix Technology (Philippines) Corp	Philippines	N	Sycip Gorres Velayo & Co.	N/A
Krauth Technology GmbH	Germany	Y	RWT Horwath GmbH ("RWT")	RWT is a member firm of Crowe Horwath International, thus it is considered as a suitable auditing firm.
Deutsche Mechatronics GmbH	Germany	Y		
Almex GmbH	Germany	Y		
Tri Star Inc.	PRC	Y	Audited by Nantong Zhongtian Certified Public Accountant Co., Ltd. ("NTZT") for local statutory reporting and by Group Auditor for the purpose of expressing an opinion on the consolidated financial statements	NTZT is a suitable auditing firm for local statutory reporting with their extensive experience in the local professional services. For group audit purpose, the significant subsidiaries are directly audited by the Group Auditor.
Tri Star Technology Co., Ltd.	PRC	N		
Jiangsu Tri Star Technology Co., Ltd.	PRC	N		
Jiangsu Tri Star Terminal Equipment Technology Co., Ltd.	PRC	N		
Jiangsu Tri Star Trading Co., Ltd.	PRC	N		
Jiangsu Tri Star Equipment Co., Ltd.	PRC	N		
Shanghai Tri Star Engineering Technology Co., Ltd.	PRC	N		
Format USA Inc.	USA	N	Not subject to local statutory audit requirements due to the dormant status or operated as investment holding entity.	N/A
Format USA LLC	USA	N		
Tri Star GmbH	Germany	N		
Metric Group Inc.	USA	N		
Mechatronics Technology HK Limited	Hong Kong	N		
Metric Group Holdings Limited	UK	N	Crowe Clark Whitehill LLP ("CCW")	CCW is a member firm of Crowe Horwath International, thus it is considered as a suitable auditing firm.
Metric Group Limited	UK	Y		

SGX's Query 2:

Guideline 9.3 of the Code of Corporate Governance 2012 (the "Code") provides that the Company should "disclose in aggregate the total remuneration paid to the top five key management personnel (who are not directors or the CEO)".

As required under Listing Rule 710, please make disclosure as recommended in the Code; or otherwise disclose and explain any deviation from the recommendation.

Company's Response:

The Board is of the view that it is not in the Company's interest to disclose the total remuneration of key management personnel having regard to the highly competitive human resource environment and the sensitive and confidential nature of such information and disadvantages that this might bring.

On behalf of the Board

Dr Johnny Liu
Executive Chairman and CEO
27 April 2018