



RESPONSE TO SGX QUERIES

The Board of Directors (the '**Board**') of Hor Kew Corporation Limited (the '**Company**' and together with its subsidiaries, the "**Group**") wishes to provide the following information in response to SGX's queries received on 17 November 2017 relating to the Company's 2017 Third Quarter Results released on 10 November 2017:-

Query:

It was noted that trade receivables amounted to S\$24.7 million as at 30 September 2017 while revenue for 3Q 2017 amounted to only S\$12.9 million. Please provide:

- 1) Aging schedules for trade receivables as at 30 September 2017; and
- 2) Reasons for the significant trade receivables which exceeds the revenue in 3Q 2017.

Company's response:

- 1) The aging analysis of trade receivables as at 30 September 2017 based on invoice dates is as follows:

	< 90 days	91 to 180 days	181 to 360 days	> 360 days	Total
Trade receivables (\$'million)	11.2	3.4	6.0	4.1	24.7

- 2) Trade receivables exceeds the revenue in 3Q 2017, mainly due to a general slow-down of payments by customers.

With declining revenues, the trade receivables are also on a declining trend for the three quarters of this year. This can be seen from the table below:

	4Q 2016	1Q 2017	2Q 2017	3Q 2017
Trade receivables (\$'million)	28.1	27.3	27.0	24.7

BY ORDER OF THE BOARD

MS KOH EE KOON
COMPANY SECRETARY
23 November 2017