PLATO CAPITAL LIMITED
Company Registration Number: 199907443M
Incorporated in Singapore

RESPONSE TO QUERIES FROM THE SGX-ST

The board of directors (the "**Board**" or the "**Directors**") of Plato Capital Limited (the "**Company**" or "**PCL**") and together with its subsidiaries (the "**Group**"), refers to the Company's Unaudited Financial Statements and Dividend Announcement for the 6 Months Ended 30 June 2019 ("**Plato Capital's HY2019**") announced on 8 August 2019. Unless otherwise defined, capitalised terms used in this announcement shall bear the same meanings as ascribed to them in Plato Capital's HY2019 results announcement.

The Board would like to provide the following information in response to queries raised by the SGX-ST on 27 August 2019.

Query 1:

Pursuant to Plato Capital's HY2019 results announced on 8 August 2019, it was disclosed that share of profit from joint ventures decreased from S$879k in HY2018 to S$30k in HY2019, which is a 96.6% decline and the reason quoted in the HY2019 results is "the share of the profit from joint ventures held by TP Real Estate Holdings Pte Ltd amounting to S$0.123 million offset by losses incurred by Tune Plato Ventures Sdn Bhd of S$0.093 million."

(a) Given the material disparity between the 2 periods, please provide elaboration on why Tune Plato Ventures incurred a loss of S$0.093m, and whether it is due to ordinary course of its business or other events.

Company's response to Query 1(a):

Tune Plato Ventures Sdn Bhd incurred a loss of S$0.093 million due mainly to its share of the operating losses of its investments in the ordinary course of business. Of this amount, S$0.070 million loss was attributable to Subhome Management Sdn Bhd ("**SubHome**") which is still in its development phase and continue to incur high operating expenditure in its monthly operations. Such operating expenditures are recurring in nature and are incurred in the ordinary course of business. There is no comparable share of results for SubHome for the previous reporting period as Tune Plato Ventures Sdn Bhd only invested in SubHome at the end of June 2018.

The balance of the S$0.093 million loss was loan interest of S$0.021 million incurred by another investment which has not started operations.

(b) In April 2019, we were informed that Plato Capital's investment in SubHome is through Tune Plato Ventures Sdn Bhd ("**JV Entity**") which is a joint venture entity between Truesource Sdn Bhd, a wholly owned subsidiary of Plato Capital Limited ("**PCL**") and ECM Libra Financial Group Berhad. Due to the nature of the business, any exposure in terms of commercial disputes would be limited at SubHome's level. As a result, the company is not aware of any material legal case involving them. Please confirm if this still holds true.

Company response to Query 1(b):

Yes, this still holds true. PCL is not aware of any material legal case involving Subhome as of to date.

(c) Please confirm if there are any other undisclosed material events that occurred at the JV co level (Tune Plato Ventures Sdn Bhd) or any significant litigation due to be announced pursuant to para 9(m) of Appendix 7A of Catalist Rules?

Company response to Query 1(c):

As of to date, we are not aware of any other undisclosed material events that occurred at Tune Plato Ventures Sdn Bhd or any significant litigation due to be announced pursuant to para 9(m) of Appendix 7A of the Catalist Rules.

By Order of the Board
Plato Capital Limited

Oh Teik Khim
Director
29 August 2019

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Jennifer Tan, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).