

**SHS Holdings Ltd.**  
(Company Registration No. 197502208Z)

**Unaudited Financial Statement Announcement for the Fourth Quarter of and Full Year 2019**

**PART I INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

**1(a) An income statement and statement of comprehensive income or a statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Group 3 months ended 31 Dec			Group 12 months ended 31 Dec		
	2019 S\$'000	2018 S\$'000 Restated	Change %	2019 S\$'000	2018 S\$'000 Restated	Change %
<b><u>Continuing Operations</u></b>						
Revenue	9,415	8,464	11%	26,390	40,245	(34%)
Cost of sales and services	(6,514)	(7,237)	(10%)	(20,577)	(33,244)	(38%)
<b>Gross profit</b>	<b>2,901</b>	<b>1,227</b>	<b>136%</b>	<b>5,813</b>	<b>7,001</b>	<b>(17%)</b>
Other income	643	1,747	(63%)	2,117	3,697	(43%)
Selling and distribution expenses	(101)	(64)	59%	(350)	(380)	(8%)
Administrative expenses	(1,545)	(1,810)	(15%)	(5,448)	(5,955)	(9%)
Other operating expenses	(3,259)	(3,321)	(2%)	(6,196)	(6,512)	(5%)
<b>Loss from operations</b>	<b>(1,360)</b>	<b>(2,220)</b>	<b>(39%)</b>	<b>(4,064)</b>	<b>(2,149)</b>	<b>89%</b>
Finance costs	(304)	(191)	59%	(1,223)	(553)	121%
Share of loss of associated companies	(4)	(28)	(86%)	257	(197)	N/M
Share of profit of joint ventures	-	-	N/M	-	58	(100%)
<b>Loss before income tax</b>	<b>(1,668)</b>	<b>(2,439)</b>	<b>(32%)</b>	<b>(5,030)</b>	<b>(2,841)</b>	<b>77%</b>
Income tax	49	63	(22%)	42	64	(34%)
<b>Loss from continuing operations after tax</b>	<b>(1,619)</b>	<b>(2,376)</b>	<b>(32%)</b>	<b>(4,988)</b>	<b>(2,777)</b>	<b>80%</b>
<b><u>Discontinued operations #</u></b>						
Loss from discontinued operations after tax	(3,732)	(6,969)	N/M	(8,826)	(12,143)	(27%)
<b>Loss after income tax</b>	<b>(5,351)</b>	<b>(9,345)</b>	<b>(43%)</b>	<b>(13,814)</b>	<b>(14,920)</b>	<b>(7%)</b>
<b>Attributable to:</b>						
Equity holders of the Company						
- Continuing Operations	(1,201)	(2,365)	(49%)	(4,806)	(2,783)	73%
- Discontinued Operations	(3,065)	(5,175)	N/M	(6,106)	(8,386)	(27%)
	(4,266)	(7,540)	(43%)	(10,912)	(11,169)	(2%)
Non-controlling interests, net of income tax						
- Continuing Operations	(419)	(12)	N/M	(182)	6	N/M
- Discontinued Operations	(666)	(1,794)	N/M	(2,720)	(3,757)	N/M
	(1,085)	(1,806)	(40%)	(2,902)	(3,751)	(23%)
	<b>(5,351)</b>	<b>(9,346)</b>	<b>(43%)</b>	<b>(13,814)</b>	<b>(14,920)</b>	<b>(7%)</b>

# Discontinued operations refer to the Refined Petroleum Business which was divested in FY2015 as well as the solar development business and modular construction business in respect of which the Company has been approached by interested parties.

## Statement of Comprehensive Income

	Group 3 months ended 31 Dec			Group 12 months ended 31 Dec		
	2019 S\$'000	2018 S\$'000	Change %	2019 S\$'000	2018 S\$'000	Change %
Loss after income tax	(5,351)	(9,346)	(43%)	(13,814)	(14,920)	(7%)
<b>Other comprehensive (expense)/ income</b>						
Foreign currency translation	(404)	66	N/M	(272)	(529)	(49%)
Net fair value loss on financial asset designated at fair value through other comprehensive income	(145)	(1,145)	N/M	(145)	(1,145)	N/M
	<u>(549)</u>	<u>(1,079)</u>	(49%)	<u>(417)</u>	<u>(1,674)</u>	(75%)
<b>Total comprehensive loss</b>	<u>(5,900)</u>	<u>(10,425)</u>	(43%)	<u>(14,231)</u>	<u>(16,594)</u>	(14%)
<b>Attributable to:</b>						
Equity holders of the Company	(4,706)	(8,591)	(45%)	(11,246)	(12,641)	(11%)
Non-controlling interests, net of income tax	(1,194)	(1,834)	(35%)	(2,985)	(3,953)	(24%)
	<u>(5,900)</u>	<u>(10,425)</u>	(43%)	<u>(14,231)</u>	<u>(16,594)</u>	(14%)

## Additional Information to Group Consolidated Profit and Loss Accounts Under the Provision of Rule 705 of SGX-ST Listing Manual

Loss from continuing operations is arrived at after (charging)/crediting the following:

	Note	Group 3 months ended 31 Dec			Group 12 months ended 31 Dec		
		2019 S\$'000	2018 S\$'000 Restated	Change %	2019 S\$'000	2018 S\$'000 Restated	Change %
Other Income	1	568	1,570	(64%)	1,550	3,264	(53%)
Dividend income	2	-	60	n/m	36	126	(71%)
Interest Income	3	72	87	(17%)	256	377	(32%)
Interest on borrowings	4	(304)	(191)	59%	(1,223)	(553)	121%
Depreciation of property, plant and equipments	5	(736)	(1,067)	(31%)	(4,239)	(4,400)	(4%)
Depreciation of ROU assets	6	(100)	-	NM	(341)	-	NM
Property, plant and equipment written off		-	(3)	(100%)	-	(10)	(100%)
(Loss)/gain on disposal of fixed assets	7	3	-	NM	275	(11)	NM
Allowance for doubtful receivables (Allowance)/Write-back on allowance for stock obsolescence	8	(1,227)	(443)	177%	(1,087)	(425)	156%
Foreign exchange gain/(loss)	9	(597)	(223)	168%	(371)	250	(248%)

- 1) The decrease was mainly due to lower scrap income and absence of one time write back of profit warranty costs of S\$1.2 million in FY2018
- 2) Dividend income relates to the dividends received from the investment in a Korean fund.
- 3) The decrease was largely due to lower surplus cash for fixed deposit placement and lower interest yield.
- 4) The increase was mainly due to higher borrowings for the re-development of Hetat's factory and office building and included interest expenses in relation to lease liability.
- 5) The decrease was mainly due to more assets has been fully depreciated in current year.
- 6) This is relating to depreciation charge of ROU assets.
- 7) Gain on disposal assets was mainly derived from disposal of motor vehicle during the year.
- 8) Increase in allowance for doubtful receivable due to expected credit loss computation as per the adoption the new accounting standard SFRS (I) 9 and one-time allowance for non-trade receivable balance.
- 9) The increase in exchange loss was mainly due to unrealized exchange loss from the depreciation of the US\$ as compared to last year.

**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**

	Group		Company	
	31 Dec 2019 S\$'000	31 Dec 2018 S\$'000	31 Dec 2019 S\$'000	31 Dec 2018 S\$'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	48,373	91,530	73	134
Investment property	-	-	12,057	13,228
ROU Assets	4,819	-	-	1,686
Investment in subsidiary companies	-	-	40,156	44,747
Investments in associated companies	1,289	1,302	-	-
Other Financial Assets	23,563	23,840	22,463	22,686
Goodwill	16,850	16,850	-	-
Other receivable and prepayments	7,912	7,990	7,912	7,990
Prepaid land lease	-	6,303	-	-
	<u>102,806</u>	<u>147,815</u>	<u>84,347</u>	<u>88,785</u>
<b>Current Assets</b>				
Prepaid land lease	-	187	-	-
Inventories	3,009	7,849	-	-
Land held for development	4,760	5,591	-	-
Contract assets	7,647	19,362	-	86
Trade receivables	10,186	9,286	86	-
Amount due from subsidiaries	-	-	86,966	90,121
Other receivables and prepayments	5,831	10,098	65	129
Fixed deposits	18,292	20,030	18,292	20,030
Cash and bank balances	12,804	9,860	6,827	579
	<u>62,529</u>	<u>82,263</u>	<u>112,236</u>	<u>110,945</u>
Assets held for sale	66,756	6,299	-	-
	<u>129,285</u>	<u>88,562</u>	<u>112,236</u>	<u>110,945</u>
<b>Total Assets</b>	<b>232,091</b>	<b>236,377</b>	<b>196,583</b>	<b>199,730</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Trade payables and accruals	5,460	10,893	312	268
Contract liabilities	792	5,037	-	-
Other payables	1,735	7,713	174	307
Amount due to related parties	-	-	39	776
Term loans	5,861	4,878	-	-
Other amounts due to associates	-	801	-	-
Other amounts due to bankers	1,775	3,147	-	-
Hire purchase creditors	-	59	-	-
Provision for taxation	567	608	-	-
	<u>16,190</u>	<u>33,136</u>	<u>525</u>	<u>1,351</u>
Liabilities directly associated with the assets held for sale	23,810	29	-	-
	<u>40,000</u>	<u>33,165</u>	<u>525</u>	<u>1,351</u>
<b>Non-current Liabilities</b>				
Term loans	11,751	13,062	-	-
Lease liabilities	4,945	-	1,732	-
Hire purchase creditors	-	49	-	-
Deferred taxation	2,989	3,507	1,802	1,802
	<u>19,685</u>	<u>16,618</u>	<u>3,534</u>	<u>1,802</u>
<b>Total Liabilities</b>	<b>59,685</b>	<b>49,783</b>	<b>4,059</b>	<b>3,153</b>
<b>EQUITY</b>				
Share capital	160,640	160,637	160,640	160,637
Treasury shares	(5,003)	(5,003)	(5,003)	(5,003)
Asset revaluation reserve	7,456	7,456	8,582	8,582
Foreign currency translation reserve	(742)	(553)	-	-
Other reserve	-	-	3,297	3,297
Fair Value reserve	(1,290)	(1,145)	(1,676)	(1,453)
Retained earnings	15,998	26,910	26,684	30,517
	<u>177,059</u>	<u>188,302</u>	<u>192,524</u>	<u>196,577</u>
Non-controlling interests	(4,653)	(1,708)	-	-
<b>Total Equity</b>	<b>172,406</b>	<b>186,594</b>	<b>192,524</b>	<b>196,577</b>
<b>Total Liabilities and Equity</b>	<b>232,091</b>	<b>236,377</b>	<b>196,583</b>	<b>199,730</b>

**1(b)(ii) Aggregate amount of group's borrowings and debt securities**

	31-Dec-19 S\$'000	31-Dec-18 S\$'000
<b>Amount Repayable in one year or less, or on demand</b>		
Secured	7,636	8,084
Unsecured	-	-
	<u>7,636</u>	<u>8,084</u>
<b>Amount Repayable after one year, or on demand</b>		
Secured	11,751	13,111
Unsecured	-	-
	<u>11,751</u>	<u>13,111</u>

**Details of any collateral**

The credit facilities of the Group were secured by the following:

- i) A mortgage in-escrow and deed of assignment over 81 Tuas South Street 5, and a mortgage in-escrow and deed of assignment over 19 Tuas Avenue 20, corporate guarantee of S\$41.10 million by the Company extended to Hetat Pte Ltd for banking facilities of approximately S\$23.68 million and US\$12.0 million;
- ii) A mortgage in-escrow and deed of assignment over industrial land together with a factory building to be erected held under title GM2485, Lot 1979, Mukim Jeram Batu. Daerah Pontian, Johor, Malaysia, corporate guarantee by the Company of S\$9.46 million and RM1.30 million for banking facility of approximately S\$3.99 million and RM5.30 million (including foreign exchange spot and forward);
- iii) A corporate guarantee for S\$5.75 million by the Company for banking facility extended to Sinenergy Holdings Pte Ltd of approximately S\$5.0 million; and
- iv) A corporate guarantee of US\$1.3 million for banking facilities extended to Aenergy Holdings Company Limited of approximately US\$5.2 million.

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

	Group		Group	
	3 months ended 31 Dec		12 months ended 31 Dec	
	2019	2018	2019	2018
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Cash Flows from Operating Activities</b>				
Loss before income tax from continuing operations	3,452	(9,433)	(5,030)	(2,841)
Loss before income tax from discontinued operations	(8,852)	-	(8,852)	(12,163)
Loss before income tax, total	(5,400)	(9,433)	(13,882)	(15,004)
Adjustments for:				
Depreciation of property, plant and equipments	1,341	1,154	4,559	4,940
Depreciation of ROU assets	100	-	522	-
Property, plant and equipment written off	-	3	-	10
Amortisation of prepaid landlease	62	218	273	283
(Gain)/loss on disposal of property, plant and equipments	(3)	-	(275)	11
Interest on borrowings	329	197	1,500	576
Interest income	(74)	(87)	(258)	(377)
Share of profit of joint ventures	-	-	-	(58)
Share of (gain)/loss of associated companies	4	28	(257)	197
Impairment of goodwill	-	3,651	-	3,651
Impairment of land held for development	-	1,650	-	1,650
Gain on disposal of joint ventures	-	-	-	(238)
Provision for Liquidated Damange	1,231	-	1,231	-
(Reversal)/ Allowance for doubtful debts	1,228	443	1,087	425
Write-back on allowance for inventory obsolescence	20	25	20	25
Dividend income	-	(60)	(36)	(126)
Bad debts expense	1	-	1	-
Inventories written back	5	-	-	(107)
Net foreign currency translation adjustments	57	(7,958)	80	(8,134)
Operating cash flow before working capital changes	(1,099)	(10,169)	(5,435)	(12,276)
Changes in working capital				
Inventories	3,723	(1,471)	(3,983)	(805)
Receivables and contract assets	1,925	(3,948)	6,936	(7,217)
Payables and contract liabilities	3,657	1,394	7,411	(280)
Cash generated from /(used in) operations	8,207	(14,194)	4,929	(20,578)
Interest paid	(329)	(197)	(1,500)	(576)
Interest received	74	87	258	377
Income tax payment	(20)	34	(55)	(209)
<b>Net cash generated from/(used in) operating activities</b>	<b>7,932</b>	<b>(14,270)</b>	<b>3,632</b>	<b>(20,986)</b>
<b>Cash Flows from Investing Activities</b>				
Dividend received from other investment	-	60	36	126
Purchase of property, plant and equipment	(606)	(1,690)	(1,566)	(5,299)
Proceeds from disposal of property, plant and equipment	-	-	246	-
Purchase of land held for development	-	-	-	(6,410)
Net lease liabilities	(487)	-	(392)	-
Capital reduction in associated company	270	-	270	1,200
Loan repayment by Joint Venture	-	-	-	2,681
Reduction of other investment	36	8,574	132	8,897
Dividend received from associated company	-	-	-	450
<b>Net cash (used in)/generated from investing activities</b>	<b>(787)</b>	<b>6,944</b>	<b>(1,274)</b>	<b>1,645</b>
<b>Cash Flows from Financing Activities</b>				
Net proceeds from warrants exercise	4	-	4	-
Dividends paid	-	-	-	(1,370)
Fund repayment to hire purchase	-	(15)	(109)	(98)
Repayment of term loan	(593)	(432)	(329)	1,115
(Repayment)/ drawdown of trusts receipts	1,107	150	(650)	219
Acquisition from non-controlling interest	(40)	-	(40)	(676)
(Decrease)/increase in amount due to associate company	(12)	(9)	-	879
<b>Net cash generated from/(used in) financing activities</b>	<b>466</b>	<b>(306)</b>	<b>(1,124)</b>	<b>69</b>
Effects of exchange rate changes on the balance of cash held in foreign currencies	(45)	-	(28)	55
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>7,566</b>	<b>(7,632)</b>	<b>1,206</b>	<b>(19,217)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>23,530</b>	<b>37,522</b>	<b>29,890</b>	<b>49,107</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>31,096</b>	<b>29,890</b>	<b>31,096</b>	<b>29,890</b>

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

	Share Capital	Treasury Share	Revaluation Reserve	Other Reserve	Fair Value Reserve	Foreign Currency Translation Reserve	Retained Earnings	Total	Non-controlling Interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Group</b>										
<b>Balance at 01 January 2019</b>	160,637	(5,003)	7,456	-	(1,145)	(553)	26,910	188,302	(1,708)	186,594
Comprehensive income	-	-	-	-	(145)	(189)	(10,912)	(11,246)	(2,985)	(14,231)
Exercise of warrants	3	-	-	-	-	-	-	3	-	3
Acquisition from MI	-	-	-	-	-	-	-	-	40	40
<b>Balance at 31 December 2019</b>	<b>160,640</b>	<b>(5,003)</b>	<b>7,456</b>	<b>-</b>	<b>(1,290)</b>	<b>(742)</b>	<b>15,998</b>	<b>177,059</b>	<b>(4,653)</b>	<b>172,406</b>
<b>Balance at 01 January 2018</b>	160,637	(5,003)	7,456	-	-	671	39,559	203,320	2,938	206,258
Effect of adopting SFRS (I) 1	-	-	-	-	-	(897)	897	-	-	-
Adjustment on initial application of SFRS (I) 9 net of tax	-	-	-	-	-	-	(1,007)	(1,007)	(17)	(1,024)
<b>Balance at 01 January 2018 (restated)</b>	160,637	(5,003)	7,456	-	-	(226)	39,449	202,313	2,921	205,234
Comprehensive income	-	-	-	-	(1,145)	(327)	(11,169)	(12,641)	(3,953)	(16,594)
Acquisition of non-controlling interest	-	-	-	-	-	-	-	-	(676)	(676)
Dividends paid	-	-	-	-	-	-	(1,370)	(1,370)	-	(1,370)
<b>Balance at 31 December 2018</b>	<b>160,637</b>	<b>(5,003)</b>	<b>7,456</b>	<b>-</b>	<b>(1,145)</b>	<b>(553)</b>	<b>26,910</b>	<b>188,302</b>	<b>(1,708)</b>	<b>186,594</b>
<b>Company</b>										
<b>Balance at 01 January 2019</b>	160,637	(5,003)	8,582	3,297	(1,453)	-	30,517	196,577	-	196,577
Comprehensive income	-	-	-	-	(223)	-	(3,833)	(4,056)	-	(4,056)
Exercise of warrants	3	-	-	-	-	-	-	3	-	3
<b>Balance at 31 December 2019</b>	<b>160,640</b>	<b>(5,003)</b>	<b>8,582</b>	<b>3,297</b>	<b>(1,676)</b>	<b>-</b>	<b>26,684</b>	<b>192,524</b>	<b>-</b>	<b>192,524</b>
<b>Balance at 01 January 2018</b>	160,637	(5,003)	8,582	3,297	-	-	40,910	208,423	-	208,423
Comprehensive income	-	-	-	-	(1,453)	-	(9,023)	(10,476)	-	(10,476)
Dividends paid	-	-	-	-	-	-	(1,370)	(1,370)	-	(1,370)
<b>Balance at 31 December 2018</b>	<b>160,637</b>	<b>(5,003)</b>	<b>8,582</b>	<b>3,297</b>	<b>(1,453)</b>	<b>-</b>	<b>30,517</b>	<b>196,577</b>	<b>-</b>	<b>196,577</b>

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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.**

Details of the changes in the share capital of the Company are as follows: -

	2019		2018	
	Number of shares	S\$	Number of shares	S\$
<b>Ordinary shares</b>				
As at beginning of financial year	710,620,712	160,636,626	710,620,712	160,636,626
Exercise of warrants	18,500.00	3,700.00	-	-
As at 31 December	710,639,212	160,640,326	710,620,712	160,636,626
<b>Treasury shares</b>				
As at beginning of financial year	25,490,900	5,003,269	25,490,900	5,003,269
Share buy-back	-	-	-	-
As at 31 December	25,490,900	5,003,269	25,490,900	5,003,269
Total shares excluding treasury shares as at 31 December	685,148,312	155,637,057	685,129,812	155,633,357

There were no subsidiary holdings as at 31 December 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.**

	31-Dec-19	31-Dec-18
Total number of shares (including treasury shares)	710,639,212	710,620,712
Less treasury shares	(25,490,900)	(25,490,900)
Total number of shares (excluding treasury shares)	685,148,312	685,129,812

- 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.**

There are no sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

**1(d)(v) A statement showing all sales, transfers, disposal, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

There are no sales, transfers, disposal, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

**2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

These figures have not been reviewed nor audited by the Company's auditors.

**3. Where the figures have been audited or reviewed, the auditors' report including any modification 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.**

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the 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 Group has adopted new revised SFRS(I) that are effective for the financial periods beginning on or after 1 January 2019.

**SFRS(I) 16 Leases**

SFRS(I) 16 Leases introduced a single, on-balance sheet lease accounting model for lessees. A lessee recognised a Right-of-use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The only exceptions are short-term leases and leases of low value assets. The accounting for lessors has not changed significantly.

ROU assets are measured using the cost model and are carried at cost less accumulated depreciation and accumulated impairment loss, if any, subsequent to initial recognition. The carrying amount for lease liabilities subsequent to initial recognition would take into account interest on the outstanding lease liabilities. On the date of initial adoption, ROU assets are measured at the amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to leases recognised in the balance sheet as at 31 December 2018.

The Group has applied the simplified transition approach and will not restate comparative amounts for the year ended 31 December 2018.

With the adoption of SFRS (1) 16, ROU assets increase by S\$5.12 million in relation to leasehold land which had previously been classified as 'operating leases' under the principles of FRS 17 Leases and lease liabilities increase by S\$5.12 million by discounted using the Group's borrowing rate as of 1 January 2019. Subsequent to initial recognition, the Group depreciates the ROU assets over the remaining lease term and recognise interest expenses on the lease liabilities.



**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.**

	<b>Group</b>		<b>Group</b>	
	<b>3 months ended 31 DEC 2019</b>	<b>2018</b>	<b>12 months ended 31 DEC 2019</b>	<b>2018</b>
		<b>Restated</b>		<b>Restated</b>
<b>Continuing Operations</b>				
Loss per ordinary share for the financial year based on consolidated (loss)/profit attributable to members of the Company (Basic and diluted)				
- Basic	(0.18) cents	(0.35) cents	(0.70) cents	(0.41) cents
-Diluted	(0.18) cents	(0.33) cents	(0.70) cents	(0.39) cents
Based on the weighted average number of shares (Basic )	685,129,100	685,129,812	685,129,100	685,129,812
Based on the weighted average number of shares (Diluted)	685,129,100	706,448,514	685,129,100	706,448,514

**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.**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>31 DEC 2019</b>	<b>31 Dec 2018</b>	<b>31 DEC 2019</b>	<b>31 Dec 2018</b>
Net asset backing per ordinary share	25.84 cents	27.48 cents	28.10 cents	28.69 cents
Based on the number of shares in issue, excluding treasury shares	685,148,312	685,129,812	685,148,312	685,129,812

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**

**(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

### **Overview**

For the fourth quarter ended 31 December 2019 ("4Q19"), the Group recorded a 11% increase in revenue from continuing operations to S\$9.4 million from S\$8.5 million and a net loss attributable to equity holders from continuing operations of S\$1.2 million as compared with that of S\$2.4 million in the previous corresponding year.

For the 12 months ended 31 December 2019 ("FY19"), the Group achieved revenue from continuing operations of S\$26.4 million, a decrease of 34% from FY18. Net loss attributable to equity holders from continuing operations in FY19 was S\$4.8 million.

As at 31 December 2019, the Group's total equity attributable to shareholders stood at S\$178.3 million compared to S\$188.3 million as at 31 December 2018. At 31 December 2019, the Group has cash and cash equivalent balance of S\$31.1 million, a net cash position with low debt-to-total equity ratio of 10.5%.

### **Revenue from Continuing Operations**

<b>S\$'000</b>	<b>4Q19</b>	<b>4Q18</b>	<b>Change</b>	<b>FY19</b>	<b>FY18</b>	<b>Change</b>
<b>Corrosion Prevention ("CP")</b>	4,794	3,949	21%	15,258	14,761	3%
<b>Engineering &amp; Construction ("E&amp;C")</b>	3,512	2,967	18%	8,884	17,836	-50%
<b>Solar Energy</b>	948	1,370	-31%	1,592	6,889	-77%
<b>Others</b>	161	178	-9%	656	759	-14%
<b>Total</b>	<b>9,415</b>	<b>8,464</b>	<b>11%</b>	<b>26,390</b>	<b>40,245</b>	<b>-34%</b>

The Group's revenue improved by 11% to S\$9.4 million in 4Q19, compared with S\$8.5 million in the corresponding period last year. This was mainly due to increase in project revenue of E&C segment and CP segment in 4Q19.

For FY19, revenue declined by 34% to S\$26.4 million. This was mainly due to lower contracts secured in E&C segment and Solar segment for the first half of the year but offset by some improvement in CP segment.

### **Corrosion Prevention ("CP") segment**

Revenue from the CP segment increased by 21% to S\$4.8 million, largely driven by increase in orders from plant operations and site operations for the quarter. Similarly, revenue increased by 3% driven by more orders executed from the plant operations more than offset lesser works from site operations for the financial year. The increase in orders came from the marine and offshore sectors and construction sectors, in particular new vessel builds and MRT tracks are keeping our plant operations busy.

### Engineering & Construction (“E&C”) segment

Revenue for the E&C segment increased by 18% to S\$3.5 million in 4Q19 from S\$3.0 million with the return of order books in steel engineering business. For full year 2019, revenue decreased by 50% year-on-year to S\$8.9 million, pulled down by fewer orders for the steel engineering business in the earlier part of the year.

### Solar Energy segment

Revenue for the Solar Energy segment declined to S\$0.9 million in 4Q19 from S\$1.4 million in 4Q18 and sank to S\$1.6 million in FY19 from S\$6.9 million in FY18 as no significant projects in 2019 was secured in the first half of the year.

## **Gross Profit and Gross Profit Margin**

### **Gross Profit from Continuing Operations**

<b>S\$'000</b>	<b>4Q19</b>	<b>4Q18</b>	<b>Change</b>	<b>FY19</b>	<b>FY18</b>	<b>Change</b>
<b>CP</b>	1,547	939	62%	3,983	3,717	7%
<b>E&amp;C</b>	1,071	190	462%	1,572	2,071	-24%
<b>Solar Energy</b>	243	40	514%	86	938	-91%
<b>Others</b>	40	58	-30%	172	275	-38%
<b>Total</b>	<b>2,901</b>	<b>1,227</b>	<b>137%</b>	<b>5,813</b>	<b>7,001</b>	<b>-17%</b>

For 4Q19, the Group recorded a gross profit of S\$2.9 million against a profit of S\$1.2 million for the corresponding period last year. The increase came from the steel engineering business and CP business with the increase in business volume in Q419.

However, the Group's gross profit decreased by 17% from S\$7.0 million in FY18 to S\$5.8 million in FY19, in line with the lower sales for the year.

### CP segment

CP segment's 4Q19 gross profit climbed to S\$1.5 million from S\$0.9 million in 4Q18 and increased to S\$4.0 million in FY19 from S\$3.7 million in FY18 on the back of more CP services delivered by the plant operations and improvement from the site operations throughout 2019. The increased orders improve utilization of the factory capacity and equipment resulting a better gross margin of 26%.

### E&C segment

Gross profit for E&C segment improved from a profit of S\$0.2 in 4Q18 to a profit of S\$1.1 million in 4Q19. This is driven by several high value projects commenced in Q419 which generated better margin as compared to the previous period.

However, gross profit for E&C segment fell to S\$1.5 million against S\$2.1 million in FY18 as there was no significant project in first half of the year from steel engineering businesses.

### Solar Energy segment

For 4Q19, improvement in gross profit margin driven by new jobs secured in FY2019 with higher margin and contributions from diversification into inverter distribution business. FY19 registered a gross profit of S\$86,000 against that of S\$0.9 million in the previous year.

### **Other Income**

Other income decreased by 63% year-on-year from S\$1.7 million in 4Q18 to S\$0.6 million in 4Q19 mainly due to the absence of a one off write-back of provision of S\$1.2 million for the two years profit warranty unmet by the vendors in the acquisition of 60% of TLC Modular Construction business in 2016 in 4Q18. For the same reason above, Other income decreased by 43% from S\$3.7 million in FY18 to S\$2.1 million in FY19 and coupled with lower income from supply of labor from the E&C segment and lower interest income earned due to lower surplus cash placed in fixed deposits.

### **Selling, Distribution, Administrative and Other Operating Expenses**

<b>S\$'000</b>	<b>4Q19</b>	<b>4Q18</b>	<b>Change</b>	<b>FY19</b>	<b>FY18</b>	<b>Change</b>
<b>Selling &amp; Distribution</b>	(101)	(64)	57%	(350)	(380)	-8%
<b>Administrative</b>	(1,545)	(1,810)	-15%	(5,448)	(5,955)	-9%
<b>Other OPEX</b>	(3,258)	(3,231)	1%	(6,196)	(6,512)	-5%
<b>Total OPEX</b>	<b>(4,904)</b>	<b>(5,105)</b>	<b>-4%</b>	<b>(11,994)</b>	<b>(12,847)</b>	<b>-6%</b>

Total OPEX in 4Q19 and FY19 was 4% and 6% lower respectively.

Total OPEX decreased year-on-year from S\$5.1 million in 4Q18 to S\$4.9 million in 4Q19 from lower administrative expenses largely due to the revision of key management costs in FY19.

Total OPEX decreased from S\$12.8 million in FY18 to S\$12.0 million in FY19 for the same reason above for administrative expenses and also without one off impairment charge of S\$1.6 million for the value of land acquired in the Gold Coast for development in the previous year.

Selling and distribution expenses increased by 57% to S\$101,000 in 4Q19 and decreased by 8% to S\$350,000 in FY19 due to more travelling in 4Q19 for solar segment.

Administrative expenses decreased by 15% to S\$1.5 million in 4Q19 due to reason stated above. For the same reasons, administrative expenses in FY19 decreased by 9% to S\$5.9 million.

Other operating expenses in 4Q19 and 4Q18 remained unchanged at S\$3.2 million. Other operating expenses decreased by 5% in FY19 mainly due to absence of one off impairment charge of S\$1.6 million for the value of land acquired in the Gold Coast for development but offset by increased foreign exchange loss and provision for doubtful debts in E&C segments.

### **Finance Costs**

Finance costs were higher at S\$0.3 million in 4Q19 and S\$1.2 million in FY19 largely due to higher bank borrowings for re-development of the Hetat factory and office building of the E&C segment.

### **Share of Associates' Results**

For 4Q19 and FY19, share of profit from associate companies was S\$257,000 against the loss of S\$197,000 reported in FY18. The improvement was mainly due to the contribution from associated company Yokomori's improved result.

## **Financial Position and Cash Flow Analysis**

Non-current assets decreased mainly due to reclassification of S\$39 million to Asset held for sales in current year for assets of TLC and Solar development but offset with S\$4.8 mil Right of use asset recognized in this year.

Decrease in value of Associate companies from capital reduction by S\$270,000 from the Heron Bay project but offset with share of result of Yokomori with the equivalent amount. The decrease in financial assets of S\$278,000 due to fair value adjustment of Energy Drilling and capital reduction of EVIA Korean Fund.

Current assets increased by S\$41.0 million from S\$88.6 million as at 31 December 2018 to S\$129.2 million as at 31 December 2019. This was largely attributed to:

- a. Reclassified PPE to Asset held for sales of S\$39 million which consisted of S\$14 million relates to modular construction assets and solar development projects of S\$25 million.
- b. Increase in contract asset and trade receivable in CP division of S\$2.5 million but offset with reduced cash balance for day to day operation expenses.
- c. Increase in cash balance mainly due to net refund of S\$11 million for cancellation of order placed for solar panel, collection of S\$5.9 million from deposit from customer but offset with further funding in E & C segment of S\$8.2 million and solar project of S\$2.7 million.

Current liabilities of the Group increased by S\$5.6million from S\$33.2 million as at 31 December 2018 to S\$40 million as at 31 December 2019. This was mainly due to:

- a. 1<sup>st</sup> tranche of payment received from the disposal of solar project in Vietnam of S\$5.9 million;
- b. Offset by settlement of trust receipts of S\$1.3million and loan drawdown of S\$1 million largely from E&C segment;

Non-current liabilities increased from S\$16.6 million to S\$19.7 million mainly due to recognition of lease liabilities of \$4.9 million in accordance with FRS116 but offset with repayment of term loan of S\$1.3 million.

Shareholders' equity decreased by S\$12.9 million to S\$178.29 million as at 31 December 2019 from S\$188.3 million as at 31 December 2018. The decrease was largely attributed to the loss for the Group for the year.

During FY19, the Group recorded a net cash inflow of S\$1.2 million.

S\$3.6 million was collected to fund the operating activities with the change in working capital of S\$4.9 million and the collection was mainly come from Solar development.

Net cash used in investing activities amounted to S\$1.3 million in FY19 mainly due to the capital expenditures for the E&C segment offset partially by collection from Heron Bay Project, EVIA Korean fund and proceed from disposal of motor vehicle.

Net cash used in financing activities in FY19 was mainly for repayment of term loan and trust receipts of S\$1.1 million.

After taking into account the above net cash outflows and net foreign currency translation adjustments, the Group's cash and cash equivalents as at 31 December 2019 stood at a healthy sum of S\$31.1 million.

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

The current announced results are in line with the prospect commentary previously disclosed to shareholders in the results announcement for the period ended 30 September 2019.

**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 guided in the 2018 Annual Report, 2019 is expected to be challenging for SHS as it embarks to regroup and right fit the business strategies against the resources and competencies of the Group especially for the E&C and the Solar Energy segments.

For the E&C segment, though the steel engineering business was facing low business volumes for earlier part of the year 2019, it witnessed some picking up in business activities towards the end of 2019. We remain optimistic on our steel engineering business for the next 12 months as we are likely to garner more order books. As for the modular construction business segment comprising TLC Group, differences between the Company and stakeholders of TLC Group over management thereof, coupled with other management issues led to substantial losses. Nevertheless, we are working towards a resolution including divestment is a possible option.

For the Solar Energy segment, amidst the competitive environment, the low business volumes for its roof-top solar projects in the current quarter is expected to see some improvements in next 12 months with more orders expected from overseas barring unforeseen circumstances. For our Bangladesh solar project, as per our announcement, we have obtained further extension from the relevant government body to complete the project until 30 June 2020.

For the CP segment, business volumes are also expected to pick up in the next 12 months as we are receiving more work orders from major shipyards in the marine and offshore sector. At the same time, it will continue its cost rationalisation exercise and enhance productivity to maintain an appropriate and efficient cost structure while it focuses on diversifying its customer base.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

Name of Dividend	:	Proposed Final
Dividend Type	:	Cash
Dividend Amount per Ordinary Share	:	0.30 cents
Tax Rate	:	Tax exempt one-tier

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

**(c) Date payable**

The proposed final dividend, if approved at the forthcoming Annual General Meeting of the Company, will be paid on 26 May 2020.

**(d) Record date**

Notice is hereby given that the Share Transfer Books and Register of Members of the Company will be closed on 11 May 2020. Duly completed transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623, up to 5 p.m. on 8 May 2020 will be registered to determine entitlements to the proposed final dividend. In respect of shares in securities accounts with The Central Depository (Pte) Limited ("CDP"), the final dividend will be paid by the Company to CDP which will in turn distribute the dividend entitlement to shareholders. Subject to shareholders' approval at the Annual General Meeting of the Company to be held on 29 April 2020, the final dividend will be paid on 26 May 2020.

**12. If no dividend has been declared/recommended, a Statement to that effect and the reason(s) for the decision.**

Not applicable

**13. If the Group has obtained a general mandate from shareholders for IPTs, 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,**

Interested person transactions entered into by the Group for the financial year ended 31 December 2019 are as follows:

<b>Name of interested person</b>	<b>Nature of Relationship</b>	<b>Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transaction conducted under Shareholders' Mandate pursuant to Rule 920)</b>	<b>Aggregate value of all interested person transactions conducted under Shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)</b>
Mr Teng Choon Kiat	Director and substantial shareholder of the Company	S\$5,000	-
<b>Total</b>		<b>S\$5,000</b>	<b>-</b>

There were two interested person transactions during the three months ended 31 December 2019 with aggregate value of S\$2,100. Total nine interested person transactions during the year ended 31 December 2019 with aggregate value of S\$5,000. The Group does not have a general mandate pursuant to Rule 920(1)(a)(ii).

**PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT  
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

**14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

**Products and services from which reportable segments derive their revenues**

Segment information reported externally was analysed on the basis of the types of goods supplied and services provided by the Group's operating divisions. Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is also focussed on the three principal reportable segments of the group. The Group's reportable segments under FRS 108 are therefore as follows:

1. Corrosion Prevention
2. Engineering & Construction
3. Solar Energy

The corrosion prevention segment provides coating services to marine, oil and gas, construction and infrastructure industries.

The engineering & construction is in the business of designing, engineering and construction of steel, aluminium and glass structures and modular construction

The Solar Energy is specialising in solar energy development and M&E works.

Information regarding the Group's reportable segments is presented below.

**(a) Segment revenues and results**

The following is an analysis of the Group's revenue and results from continuing operations by reportable segment:

	Corrosion prevention		Engineering & Construction		Solar Energy		Others		Adjustment and elimination #		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Segment revenue	15,258	14,761	16,174	24,196	1,592	6,890	655	759	(7,290)	(6,360)	26,390	40,245
Segment result	938	945	(4,633)	(5,004)	(2,131)	481	1,527	(189)	3,566	5,527	(733)	1,760
Impairment of goodwill	-	-	-	(3,651)	-	-	-	-	-	3,651	-	-
Impairment of land held for development	-	-	-	(1,650)	-	-	-	-	-	-	-	(1,650)
Finance cost	(114)	(1)	(1,386)	(576)	-	-	-	-	277	23	(1,223)	(554)
Share of profit/(loss) of associates, net of tax											257	(197)
Share of profit of joint venture, net of tax											-	58
Central administration costs and directors' salaries											(5,448)	(5,955)
Other income											2,117	3,697
Loss before tax											(5,030)	(2,841)

# Discontinued operations

Revenue reported above represents revenue generated from external customers. Inter-segment sales for the year 2019 was S\$3,307,616 (2018: S\$3,108,508).

Segment profit represents the profit earned by each segment without allocation of central administration costs and directors' salaries, share of profits of associates, other income and finance costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.



**(b) Segment assets and liabilities**

	Group	
	<u>2019</u> S\$'000	<u>2018</u> S\$'000
<b>Segment assets</b>		
Corrosion prevention	31,700	29,620
Solar Energy	36,207	45,479
Engineering & Construction	102,397	107,964
Others	61,788	53,314
Total segment assets	<u>232,091</u>	<u>236,377</u>
Consolidated assets	<u>232,091</u>	<u>236,377</u>
<b>Segment liabilities</b>		
Corrosion prevention	5,405	3,213
Solar Energy	10,167	5,346
Engineering & Construction	38,729	36,535
Others	598	574
Total segment liabilities	<u>54,898</u>	<u>45,668</u>
Unallocated liabilities		
- Provision for taxation	567	608
- Deferred income tax	2,989	3,507
Consolidated liabilities	<u>58,454</u>	<u>49,783</u>

**(c) Other segment information**

	Group			
	Depreciation and amortisation		Additions to non-current assets	
	Year ended <u>2019</u>	Year ended <u>2018</u>	Year ended <u>2019</u>	Year ended <u>2018</u>
	S\$'000	S\$'000	S\$'000	S\$'000
Corrosion prevention	1,745	1,954	208	126
Solar Energy	20	98	18	4,337
Engineering & Construction	2,473	3,373	1,340	3,513
Others	-	-	-	-
	<u>4,239</u>	<u>5,425</u>	<u>1,566</u>	<u>7,976</u>

Note: Non-current assets excluding investment in associates, loan receivable from associate and financial assets available-for-sale.

**(d) Geographical information**

The Group's continuing operation is primarily carried out in Singapore. The Group's revenue from external customers and information about its non-current assets by geographical location are detailed below:

	Group's revenue from external customers		Group's non-current assets #	
	Year ended	Year ended	Year ended	Year ended
	2019	2018	2019	2018
	S\$'000	S\$'000	S\$'000	S\$'000
Singapore	24,412	36,970	79,170	74,318
Rest of South East Asia (a)	1,978	3,111	73	18,800
People of Republic China	-	8	-	1
Others (b)	-	156	-	30,856
	<hr/>	<hr/>	<hr/>	<hr/>
	26,390	40,245	79,243	123,975
(a) Includes Malaysia, Vietnam, Thailand and Indonesia				
(b) Bangladesh and others				

# Non-current assets exclude financial assets available for sale.

**(e) Any single individual customer contributed significantly to the Group's revenue**

No.

**15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

Please refer to paragraph 8.

**16. A breakdown of sales**

	<b>Full Year 2019 S\$'000</b>	<b>Full Year 2018 S\$'000 Restated</b>	<b>Change %</b>
<b>Revenue reported for first half year</b>			
Continuing operation	9,321	18,386	(49%)
Discontinued operation	1,030	3,489	(70%)
<b>Net loss reported for first half year</b>			
Continuing operation	(3,788)	(623)	508%
Discontinued operation	(3,425)	(2,111)	62%
<b>Revenue reported for second half year</b>			
Continuing operation	17,069	21,858	(22%)
Discontinued operation	6,260	2,872	118%
<b>Net loss reported for second half year</b>			
Continuing operation	(1,334)	(2,154)	(38%)
Discontinued operation	(5,401)	(10,032)	(46%)
<b>Total revenue reported for the full year</b>			
Continuing operation	26,390	40,244	(34%)
Discontinued operation	7,290	6,361	15%
<b>Total net loss reported for the full year</b>			
Continuing operation	(4,988)	(2,777)	80%
Discontinued operation	(8,826)	(12,143)	(27%)

**17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**

Total Annual Dividend

	Latest Full Year (S\$'000)	Previous Full Year (S\$'000)
Ordinary	0	1,370
Preference	0	0
Total	0	1,370

18. **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Goh Sia Teck	60	Nephew of Thomas Lim Siok Kwee	Manager (Operations) - Assisting CEO in marine projects (since May 2006)	Nil
Lim Peng Cheng	51	Nephew of Thomas Lim Siok Kwee	Production Manager - Assisting CEO in plant operation (since April 2010)	Nil

19. **USE OF PROCEEDS PURSUANT TO THE EXERCISE OF WARRANTS**

As at the date of this announcement, the proceeds pursuant to the exercise of warrants have been utilised in accordance with its stated use and the breakdown is as follows:

	S\$ '000
Net Proceeds- Exercise of Warrants	17,016
Less:	
Proceeds for the Group's projects in Solar and Modular Construction	(8,210)
Proceeds for use in share buyback	(1,778)
Proceeds use for Group redevelopment of factory for its structural steel business	(2,000)
Working capital including but not limited to the repayment of professional fees	(238)
Acquisition of shares in TLC Modular Construction Joint Stock Company, Vietnam	(4,790)
	-

20. **Undertaking from Directors and Executive Officers pursuant to Rule 720(1) of the SGX Listing Manual**

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the SGX Listing Manual.

**BY ORDER OF THE BOARD**

Ng Han Kok, Henry  
Group CEO  
27 February 2020