

NEW SILKROUTES GROUP LIMITED

3rd Quarter Financial Statement and Dividend Announcement For The Period Ended 31 March 2020

This quarterly reporting announcement is mandatory, made pursuant to the Exchange's requirements, as required under Listing Rule 705(2)(d)

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

	GROUP			GROUP		
	3RD QUARTER ENDED		Change	9 MONTHS ENDED		Change
	31/03/20	31/03/19		31/03/20	31/03/19	
US\$'000	US\$'000	%	US\$'000	US\$'000	%	
Revenue	83,751	149,775	-44%	318,083	449,195	-29%
Other income	496	581	-15%	1,440	721	100%
Purchases of finished goods	(77,870)	(125,631)	-38%	(306,312)	(423,313)	-28%
Changes in inventories of finished goods	698	(20,053)	NM	2,167	(14,509)	NM
Employee benefits expense	(2,752)	(2,512)	10%	(7,524)	(6,546)	15%
Amortisation of intangible assets	(69)	(75)	-8%	(206)	(166)	24%
Depreciation of property, plant and equipment	(213)	(265)	-20%	(647)	(512)	26%
Depreciation of right-of-use assets	(358)	-	NM	(1,064)	-	NM
Net fair value (loss)/gain on derivative financial instruments	(1,530)	125	NM	(284)	465	NM
Other operating expenses	(722)	(1,090)	-34%	(2,041)	(3,476)	-41%
Finance costs	(632)	(800)	-21%	(2,080)	(2,045)	2%
Profit/(Loss) before taxation	799	55	1353%	1,532	(186)	NM
Taxation	(203)	(31)	555%	(338)	(246)	37%
Profit/(Loss) for the period	596	24	2383%	1,194	(432)	NM
Other comprehensive (loss)/income after tax:						
Items that may be reclassified subsequently to profit or loss						
Foreign currency translation	(179)	228	NM	(192)	110	NM
Other comprehensive (loss)/income for the period, net of tax	(179)	228	NM	(192)	110	NM
Total comprehensive income/(loss) for the period	417	252	65%	1,002	(322)	NM
Profit/(Loss) attributable to:						
Owners of the company	326	(104)	NM	335	(911)	NM
Non-controlling interests	270	128	111%	859	479	79%
	596	24	2383%	1,194	(432)	NM
Total comprehensive income/(loss) attributable to:						
Owners of the company	198	81	144%	168	(806)	NM
Non-controlling interests	219	171	28%	834	484	72%
	417	252	65%	1,002	(322)	NM
Notes (The expenses below are included in "Other operating expenses" above):						
Foreign exchange gain/(loss)	80	(48)	NM	35	(167)	NM
Impairment losses on trade and other receivables	(1)	-	NM	(26)	-	NM

NM - not meaningful

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	
	31/03/2020 US\$'000	30/06/2019 US\$'000	31/03/2020 US\$'000	30/06/2019 US\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	9,328	9,964	8	1
Right-of-use assets	3,601	-	-	-
Intangible assets	19,733	20,098	-	-
Subsidiaries	-	-	46,436	46,436
Associate	7	-	-	-
Financial asset at fair value through other comprehensive income	19,737	19,737	-	-
Long-term receivables	485	3,414	-	900
Deferred tax assets	197	199	-	-
Total non-current assets	53,088	53,412	46,444	47,337
Current assets				
Inventories	3,583	1,655	-	-
Trade and other receivables	27,992	30,370	6,399	6,205
Contract assets	3,763	18,288	-	-
Prepayments	983	827	15	17
Derivative financial instruments	778	-	-	-
Cash and bank balances	25,287	17,905	41	215
Fixed deposits	396	451	-	-
Total current assets	62,782	69,496	6,455	6,437
Total assets	115,870	122,908	52,899	53,774
EQUITY AND LIABILITIES				
Equity				
Share capital	88,183	88,183	88,183	88,183
Treasury shares	(863)	(863)	(863)	(863)
Other reserves	(6,788)	(6,623)	45	45
Accumulated losses	(36,497)	(36,864)	(40,469)	(39,310)
Non-controlling interests	1,239	1,338	-	-
Total equity	45,274	45,171	46,896	48,055
Non-current liabilities				
Borrowings	2,345	97	-	-
Lease liabilities	839	-	-	-
Deferred tax liabilities	566	668	-	-
Other payables	3,596	5,046	-	1,450
Total non-current liabilities	7,346	5,811	-	1,450
Current liabilities				
Trade and other payables	34,612	44,795	2,425	643
Contract liabilities	1,141	155	-	-
Borrowings	25,668	26,516	3,578	3,626
Lease liabilities	1,225	-	-	-
Derivative financial instruments	-	5	-	-
Current tax payable	604	455	-	-
Total current liabilities	63,250	71,926	6,003	4,269
Total liabilities	70,596	77,737	6,003	5,719
Total equity and liabilities	115,870	122,908	52,899	53,774

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

Amount repayable in one year or less, or on demand

	As at 31 March 2020		As at 30 June 2019	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Borrowings	22,090	3,578	22,890	3,626

Amount repayable after one year

	As at 31 March 2020		As at 30 June 2019	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Borrowings	2,345	-	97	-

Details of any collateral

The Group's borrowings are secured by,

- (a) floating charge over certain inventories;
- (b) pledge(s) over fixed deposits of US\$0.396m;
- (c) corporate guarantee from the Company and related parties;
- (d) personal guarantee(s) from directors of the Company and/or directors of subsidiaries;
- (e) pledge over a related party's land;
- (f) fixed and floating charge on all assets and undertakings of a subsidiary; and
- (g) charges over shares of certain subsidiaries of the Company.

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

	GROUP	
	31/03/2020	31/03/2019
	US\$'000	US\$'000
OPERATING ACTIVITIES		
Profit/(Loss) before taxation	1,532	(186)
Adjustments for:-		
Amortisation of intangible assets	206	166
Depreciation of property, plant and equipment	1,101	546
Depreciation of right-of-use assets	1,064	-
Finance costs	2,080	2,045
Finance income	(19)	(13)
Impairment losses on trade and other receivables	26	-
Loss on deregistration of a subsidiary	-	150
Net fair value loss/(gain) on derivative financial instruments	284	(465)
Unrealised foreign exchange differences	(207)	263
Property, plant and equipment written off	2	18
Operating profit before working capital changes	6,069	2,524
Increase/decrease in:		
Inventories	(1,928)	14,135
Trade and other receivables	2,478	(17,971)
Contract assets	14,525	-
Prepayments	(156)	2,415
Trade and other payables	(11,692)	(1,089)
Contract liabilities	986	-
Cash from operations	10,282	14
Income tax paid	(288)	(192)
Net cash flows from/(used in) operating activities	9,994	(178)
INVESTING ACTIVITIES		
Acquisition of subsidiaries, net of cash acquired	-	(14,826)
Acquisition of property, plant and equipment	(500)	(150)
Interest received	16	13
Net cash flows used in investing activities	(484)	(14,963)
FINANCING ACTIVITIES		
Acquisition of non-controlling interests in a subsidiary	(100)	-
Restricted cash	(2,394)	3,948
Dividends paid to the non-controlling interests of the subsidiaries	(801)	(511)
Interest paid	(1,978)	(1,928)
Pledged fixed deposits	49	(338)
Proceeds from issuance of shares pursuant to exercise of warrants	-	128
Proceeds from placement of shares	-	9,313
Proceeds from short-term loans	32,269	28,323
Repayment of lease liabilities	(898)	(7)
Repayment of short-term loans	(30,639)	(23,437)
Net cash flows (used in)/from financing activities	(4,492)	15,491
Net increase in cash and cash equivalents	5,018	350
Cash and cash equivalents at beginning of the period	6,821	11,973
Effect of exchange rate differences in cash and cash equivalents	(30)	(8)
Cash and cash equivalents at end of financial period	11,809	12,315
Cash and cash equivalents comprise the following:		
Cash and bank balances	25,287	28,955
Less: Bank overdrafts	-	(78)
Less: Restricted cash	(13,478)	(16,562)
Cash and cash equivalents at end of financial period	11,809	12,315

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 shares	Warrant reserve	Capital reserve	Other reserve	Fair value reserve	Translation reserve	Accumulated losses	Equity attributable to owners of the Company	Non-controlling interests	Total equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
GROUP											
Balance as at 1 July 2019	88,183	(863)	-	45	(3,596)	(2,924)	(148)	(36,864)	43,833	1,338	45,171
Profit for the period	-	-	-	-	-	-	-	335	335	859	1,194
Other comprehensive income											
- Foreign currency translation	-	-	-	-	-	-	(167)	-	(167)	(25)	(192)
Total comprehensive (loss)/income for the period	-	-	-	-	-	-	(167)	335	168	834	1,002
Contributions by and distributions to owners											
- Effects of acquiring of non-controlling interest in a subsidiary	-	-	-	-	-	-	-	32	32	(132)	(100)
- Derecognition of a subsidiary	-	-	-	-	2	-	-	-	2	-	2
- Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-	-	(801)	(801)
Transactions with owners recognised directly in equity	-	-	-	-	2	-	-	32	34	(933)	(899)
Balance as at 31 March 2020	88,183	(863)	-	45	(3,594)	(2,924)	(315)	(36,497)	44,035	1,239	45,274
Balance as at 1 July 2018	78,076	(863)	666	45	-	(987)	508	(35,852)	41,593	784	42,377
- As previously reported	-	-	-	-	-	-	(473)	473	-	-	-
- Effect of adoption SFRS(I)	78,076	(863)	666	45	-	(987)	35	(35,379)	41,593	784	42,377
As restated	-	-	-	-	-	-	-	(911)	(911)	479	(432)
(Loss)/Profit for the period	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income											
- Foreign currency translation	-	-	-	-	-	-	105	-	105	5	110
Total comprehensive income/(loss) for the period	-	-	-	-	-	-	105	(911)	(806)	484	(322)
Contributions by and distributions to owners											
- Issue of shares	9,313	-	-	-	-	-	-	-	9,313	-	9,313
- Exercise of warrants	153	-	(25)	-	-	-	-	-	128	-	128
- Expiry of warrants	641	-	(641)	-	-	-	-	-	-	-	-
- Deregistration of a subsidiary	-	-	-	-	-	-	-	-	-	150	150
- Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-	-	(511)	(511)
Changes in ownership interests in subsidiaries											
- Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	173	173
Transactions with owners recognised directly in equity	10,107	-	(666)	-	-	-	-	-	9,441	(188)	9,253
Balance as at 31 March 2019	88,183	(863)	-	45	-	(987)	140	(36,290)	50,228	1,080	51,308
	Share capital	Treasury shares	Warrant reserve	Capital reserve	Accumulated losses	Total equity					
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000					
COMPANY											
Balance as at 1 July 2019	88,183	(863)	-	45	(39,310)	48,055					
Loss for the period, representing total comprehensive loss for the period	-	-	-	-	(1,159)	(1,159)					
Balance as at 31 March 2020	88,183	(863)	-	45	(40,469)	46,896					
Balance as at 1 July 2018	78,076	(863)	666	45	(37,329)	40,595					
Issue of shares	9,313	-	-	-	-	9,313					
Exercise of warrants	153	-	(25)	-	-	128					
Expiry of warrants	641	-	(641)	-	-	-					
Loss for the period, representing total comprehensive loss for the period	-	-	-	-	(1,675)	(1,675)					
Balance as at 31 March 2019	88,183	(863)	-	45	(39,004)	48,361					

- 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 changes in the share capital since the end of the previous period reported on.

The number of shares that may be issued on conversion of the Company's outstanding convertibles as at the end of the financial period is as follows:

	31/03/2020	31/03/2019
Convertible loan note		
Total number of shares that may be issued on conversion of the Company's convertible loan note ⁽¹⁾	11,111,111	11,111,111

Note:

(1) On 30 May 2018, the Company had entered into convertible loan agreement with Haitong International Financial Products (Singapore) Pte. Ltd. (the "Lender"), pursuant to which the Lender has agreed to make available to the Company a convertible loan facility of up to a maximum amount of S\$5,000,000. The Company had drawn down S\$5,000,000 (equivalent to US\$3,577,500). The convertible loan is convertible into 11,111,111 ordinary shares, at a reset floor price of S\$0.45 per share.

As at 31 March 2020, the Company held 3,444,200 (31 March 2019: 3,444,200) of its issued shares as treasury shares.

- 1 (d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the financial period and as at the end of the immediately preceding year.

The number of issued shares excluding treasury shares as at the end of the financial period was 208,464,669 (30 June 2019: 208,464,669).

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

	No. of shares	Amount US\$'000
Balance as at 1 July 2019 and 31 March 2020	3,444,200	863

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

The figures have not been audited or reviewed by the auditors.

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

Not applicable.

- 3(A) Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-

- (a) Updates on efforts taken to resolve each outstanding audit issue.

The auditors have issued a qualified opinion on the Group's financial statements for the financial year ended 30 June 2019 due to the outstanding audit issue concerning Thai General Nice Coal and Coke Co., Ltd ("Thai GNCC"), a financial asset at fair value through other comprehensive income. Please refer to page 41 of the Company's 2019 Annual Report for more information on this outstanding audit issue.

In an effort to resolve the above outstanding audit issue, the Management has and will continue to contact and request for more visibility on the future plans and developments and access to the records of Thai GNCC from the management of Thai GNCC. The Management will also continue exploring with the auditors other methods of valuation that are acceptable to the auditors.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

The Board confirms that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

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 under item 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as compared with those of the audited financial statements for the financial year ended 30 June 2019.

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 SFRS(I) 16 effective from 1 July 2019. The Group has applied the modified retrospective approach and does not restate comparative amounts for year prior to first adoption.

In compliance with SFRS(I) 16, the Group has applied the practical expedient to recognise the amount of right-of-use assets equal to the lease liabilities as at 1 July 2019. Subsequent to initial recognition, the Group depreciates the right-of-use assets over the lease term, and recognise interest expenses on the lease liabilities.

The right-of-use assets of approximately US\$3.601 million as at 31 March 2020 were mainly related to the leases of the land use rights and premises occupied by the Group. Accordingly, there was a corresponding lease liabilities of approximately US\$2.064 million being recorded as at 31 March 2020.

Cash payments for the settlement of lease liabilities were reported as cash flows from financing activities. The total net cash flows of the Group are unaffected.

Except as stated above, the Group expects the adoption of new and revised SFRS(I)s and interpretation of SFRS(I) that are relevant to the Group to have no significant impact on the financial statements of the Group.

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

Profit/(Loss) per ordinary share for the period based on net profit/(loss)	9 MONTHS ENDED	
	31/03/2020	31/03/2019
	US\$	US\$
(i) Basic	0.161 cents	(0.520) cents
(ii) Diluted	0.153 cents	(0.520) cents

The basic earnings per ordinary share for the financial period ended 31 March 2020 was calculated based on the weighted average number of issued shares 208,464,669. For comparison, loss per share for the corresponding period was computed based on the weighted average number of shares of 175,133,747.

The diluted earnings per ordinary share for the financial period ended 31 March 2020 was calculated based on the weighted average number of issued shares 219,575,780. For comparison, the potential ordinary shares to be converted under the convertible loan note were excluded from the calculation of the diluted weighted average number of ordinary shares in issue as their effect would have been anti-dilutive.

7 Net asset / (liability) 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 year reported on; and
(b) immediately preceding financial year

	GROUP		COMPANY	
	31/03/2020	30/06/2019	31/03/2020	30/06/2019
	US\$	US\$	US\$	US\$
Net asset value per ordinary share based on the issued share capital at the end of the period	21.123 cents	21.027 cents	22.496 cents	23.052 cents

Net asset value per ordinary share as at 31 March 2020 and 30 June 2019 was calculated based on 208,464,669 shares in issue, excluding treasury shares of 3,444,200.

- 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.**

Income Statement Review

The Group registered a total revenue of US\$83.751m in the third quarter ended 31 March 2020 ("3Q20") which was 44% lower than the US\$149.775m generated in the third quarter ended 31 March 2019 ("3Q19"). This was mainly due to a combination of a reduction in the volume of oil products traded as well as a drop in oil prices during this period. There was, however, an increase in revenue generated by Shanghai Fengwei Garment Accessory Co. Ltd ("Fengwei") due to the increased demand for its non-woven material consequent to the Covid-19 pandemic.

As a result of the adoption of the new Singapore Financial Reporting Standards (International) (SFRS(I)) 16 Leases, rental expenses which were previously classified under 'Other operating expenses' are now classified under 'Depreciation of right-of-use assets'.

Finance costs decreased to US\$0.632m in 3Q20 as compared to US\$0.800m in 3Q19, mainly due to the reduction in oil trading activities for this quarter.

Financial Position Review

As explained above, the right-of-use assets of US\$3.601m as at 31 March 2020 arose from the adoption of the SFRS(I) 16 Leases.

Likewise, long term receivables decreased to US\$0.485m from US\$3.414m due to the reclassification of the prepaid lease to right-of-use assets. There was also a reclassification of US\$0.900m consideration receivable from non-current to current receivables.

There was a reduction in trade and other receivables from US\$30.370m to US\$27.992m, due to intensified efforts by Fengwei to collect payment promptly from its customers. The reduction of trade receivables from Fengwei was, however, offset by a marginal increase in receivables from oil trading activities.

As at 31 March 2020, oil trading activities accounted for the following variance when compared to 30 June 2019:

- i. Inventories increased to US\$3.583m as compared to US\$1.655m;
- ii. Contract assets decreased to US\$3.763m as compared to US\$18.288m;
- iii. Derivative financial instruments recorded a net asset of US\$0.778m as compared to a net liability of US\$0.005m;
- iv. Trade and other payables decreased to US\$34.612m as compared to US\$44.795m; and
- v. Contract liabilities increased to US\$1.141m as compared to US\$0.155m.

Total borrowings increased to US\$28.013m as compared to US\$26.613m due to short-term loans used to finance the oil trades. There is also a reclassification of US\$2.311m term loan from current to non-current borrowings.

Total lease liabilities of US\$2.064m as at 31 March 2020 were due to the adoption of the SFRS(I) 16 Leases.

Non-current other payables decreased to US\$3.596m as compared US\$5.046m due to the reclassification of the consideration payable of US\$1.464m from non-current to current payables.

Cash Flow Statement Review

The movement in the net cash flows from operating activities was mainly due to the oil trading activities.

The net cash of US\$4.492m used in financing activities in the current period resulted mainly from an increase of US\$2.394m in restricted cash held in designated bank accounts earmarked for oil trades, and US\$1.978m in interest paid.

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

No forecast has been issued for the current financial reporting period.

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.

Owing to the extended circuit breaker measures imposed by the government, we expect our clinic patient traffic to fall by at least a third during the fourth quarter ending 30 June 2020 ("4Q20"). This will result in a corresponding drop in the revenues attributable to Healthsciences International, which has been mitigated by the adoption of teleconsultation by our doctors and an expected increase in patient volumes once the circuit breaker measures are eased in June 2020.

Shanghai Fengwei is expected to perform well over the next 12 months because demand for its non-woven polypropylene material will be sustained as the world ramps up its production of 3-ply surgical masks and related PPE. Fengwei will take the opportunity to forge medium term partnerships with end-producers of the PPE in order to lock-in its profits and profit margins over this period. Such partnerships will also enable Fengwei to hedge against the price volatility of the hydrocarbons used in the manufacturing of the non-woven material.

International Energy Group's (IEG) revenues are expected to be lower in 4Q20 as it takes a conservative approach to oil trading in view of ongoing price and market volatility. The collapse of some companies in the oil industry has had a knock-on effect of causing oil trade-financing banks to reduce their exposure in this sector. We expect this to result in a tighter control of our bank lines, which will limit our physical oil trading activities for 4Q20. To mitigate this, IEG will focus on developing its ship chartering business and also develop new hedging income streams to complement its physical oil trading activities.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the immediately Preceding Financial Year

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

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12 If no dividend has been declared/recommendeded, a statement to that effect and the reasons for the decision.

No dividend has been declared or recommended for the period ended 31 March 2020 due to the accumulated losses of the Company.

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

No IPT mandate has been obtained.

14 Negative assurance confirmation on the interim financial results under Rule 705(5)

To the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited third quarter financial results of the Group and the Company (comprising the statements of financial position, consolidated income statement, statements of changes in equity and the consolidated cash flow statement, if any) as of 31 March 2020 to be false or misleading in any material respect.

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 Company confirms that it has procured undertakings from all its directors and executive officers as set out in Appendix 7.7 of Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Dr Goh Jin Hian
Executive Director and Chief Executive Officer
12 May 2020