

# HONG FOK CORPORATION LIMITED

(Co. Reg. No. 196700468N)

## Third Quarter Financial Statement Announcement for the Period Ended 30 September 2018

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

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

Third quarter financial statement on consolidated results for the period ended 30 September 2018.  
These figures have not been audited.

|  | The Group           |                     |                         |
|--|---------------------|---------------------|-------------------------|
|  | \$'000              |                     | %                       |
|  | 3rd Quarter<br>2018 | 3rd Quarter<br>2017 | Increase/<br>(Decrease) |
| <b>Revenue</b> (Note 1)  | 48,762              | 20,248              | 141                     |
| Other income   | 194                 | 44                  | 341                     |
|  | 48,956              | 20,292              | 141                     |
| Cost of sales of properties  | (14,745)            | (4,921)             | 200                     |
| Depreciation of property, plant and equipment  | (175)               | (132)               | 33                      |
| Exchange gain, net   | 68                  | 25                  | 172                     |
| Changes in fair value of other investments at fair value through profit or loss                | (2,738)             | 19                  | NM                      |
| Impairment loss written back on trade and other receivables and bad debts written off, net     | 22                  | 108                 | (80)                    |
| Impairment loss written back on other assets   | 5                   | -                   | NM                      |
| Other expenses   | (9,875)             | (13,727)            | (28)                    |
|  | 21,518              | 1,664               | 1,193                   |
| Finance income   | 447                 | 145                 | 208                     |
| Finance expense  | (7,019)             | (6,476)             | 8                       |
| Net finance expense  | (6,572)             | (6,331)             | 4                       |
| <b>Profit/(Loss) before tax</b> (Note 2)   | 14,946              | (4,667)             | NM                      |
| Tax expense  | (2,870)             | (898)               | 220                     |
| <b>Profit/(Loss) for the period</b>  | 12,076              | (5,565)             | NM                      |
| <b>Profit/(Loss) attributable to:</b>  |                     |                     |                         |
| Owners of the Company  | 11,477              | (3,787)             | NM                      |
| Non-controlling interests  | 599                 | (1,778)             | NM                      |
| <b>Profit/(Loss) for the period</b>  | 12,076              | (5,565)             | NM                      |
| <b>Other comprehensive income, net of tax</b>  |                     |                     |                         |
| <b>Items that are or may be reclassified subsequently to profit or loss:</b>                   |                     |                     |                         |
| Exchange differences on translation of financial statements of foreign subsidiaries            | 2,432               | (5,719)             | NM                      |
| Exchange differences on monetary items forming part of net investments in foreign subsidiaries | 154                 | (399)               | NM                      |
| <b>Other comprehensive income for the period, net of tax</b>                                   | 2,586               | (6,118)             | NM                      |
| <b>Total comprehensive income for the period</b>   | 14,662              | (11,683)            | NM                      |
| <b>Total comprehensive income attributable to:</b>   |                     |                     |                         |
| Owners of the Company  | 12,446              | (6,047)             | NM                      |
| Non-controlling interests  | 2,216               | (5,636)             | NM                      |
| <b>Total comprehensive income for the period</b>   | 14,662              | (11,683)            | NM                      |

Notes:

- (1) Included in Revenue is investment income of approximately \$30,000 (2017 : \$2,000).
- (2) Included in Profit/(Loss) before tax is net profit on sale of properties of approximately \$14,418,000 (2017 : \$758,000) and net loss on disposal of property, plant and equipment of approximately \$56,000 (2017 : \$17,000).
- (3) NM – Not Meaningful.
- (4) NA – Not Applicable.

**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.**

|   | The Group  |            | The Company |            |
|---|------------|------------|-------------|------------|
|   | \$'000     |            | \$'000      |            |
|   | 30.09.2018 | 31.12.2017 | 30.09.2018  | 31.12.2017 |
| <b>Non-current Assets</b>                           |            |            |             |            |
| Property, plant and equipment                       | 3,042      | 2,188      | -           | -          |
| Subsidiaries  | -          | -          | 853,817     | 853,107    |
| Associate and joint venture                         | #          | #          | -           | -          |
| Investment properties                               | 2,838,221  | 2,823,134  | -           | -          |
| Other assets  | 918        | 175        | -           | -          |
| Pledged bank deposits                               | 10,005     | 7,550      | -           | -          |
| Deferred tax assets                                 | 990        | 645        | -           | -          |
|   | 2,853,176  | 2,833,692  | 853,817     | 853,107    |
| <b>Current Assets</b>                               |            |            |             |            |
| Other investments                                   | 18,023     | 1,781      | -           | -          |
| Current tax assets                                  | 216        | 133        | -           | -          |
| Development properties                              | 208,855    | 236,482    | -           | -          |
| Trade and other receivables                         | 4,312      | 9,220      | 59          | 29         |
| Amounts due from subsidiaries                       | -          | -          | 383,243     | 491,605    |
| Cash and cash equivalents                           | 46,705     | 50,636     | 868         | 747        |
|   | 278,111    | 298,252    | 384,170     | 492,381    |
| <b>Total Assets</b>                                 | 3,131,287  | 3,131,944  | 1,237,987   | 1,345,488  |
| <b>Equity Attributable to Owners of the Company</b> |            |            |             |            |
| Share capital                                       | 186,688    | 186,688    | 186,688     | 186,688    |
| Treasury shares                                     | (101,050)  | (101,050)  | -           | -          |
| Reserves  | 1,638,466  | 1,624,755  | 669,619     | 678,654    |
|   | 1,724,104  | 1,710,393  | 856,307     | 865,342    |
| Non-controlling interests                           | 544,343    | 539,373    | -           | -          |
| <b>Total Equity</b>                                 | 2,268,447  | 2,249,766  | 856,307     | 865,342    |
| <b>Non-current Liabilities</b>                      |            |            |             |            |
| Loans and borrowings                                | 674,094    | 620,586    | -           | 119,805    |
| Trade and other payables                            | 11,592     | 11,685     | -           | -          |
| Deferred tax liabilities                            | 447        | 389        | -           | -          |
|   | 686,133    | 632,660    | -           | 119,805    |
| <b>Current Liabilities</b>                          |            |            |             |            |
| Loans and borrowings                                | 122,713    | 178,177    | 119,925     | 99,979     |
| Trade and other payables                            | 45,169     | 65,393     | 1,241       | 4,747      |
| Amounts due to subsidiaries                         | -          | -          | 260,514     | 255,615    |
| Current tax liabilities                             | 8,825      | 5,948      | -           | -          |
|   | 176,707    | 249,518    | 381,680     | 360,341    |
| <b>Total Liabilities</b>                            | 862,840    | 882,178    | 381,680     | 480,146    |
| <b>Total Equity and Liabilities</b>                 | 3,131,287  | 3,131,944  | 1,237,987   | 1,345,488  |

# Amount less than \$1,000

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

**Amount repayable in one year or less, or on demand**

| As at 30.09.2018 |               | As at 31.12.2017 |               |
|------------------|---------------|------------------|---------------|
| Secured          | Unsecured     | Secured          | Unsecured     |
| \$2,788,000      | \$119,925,000 | \$78,160,000     | \$100,017,000 |

**Amount repayable after one year**

| As at 30.09.2018 |              | As at 31.12.2017 |               |
|------------------|--------------|------------------|---------------|
| Secured          | Unsecured    | Secured          | Unsecured     |
| \$631,265,000    | \$42,829,000 | \$459,435,000    | \$161,151,000 |

## Details of any collaterals

The borrowings by the subsidiaries are generally secured by the Group's certain investment properties and certain development properties and are guaranteed by the Company and/or its subsidiaries.

### 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.

|  | The Group           |                     |
|--|---------------------|---------------------|
|  | \$'000              |                     |
|  | 3rd Quarter<br>2018 | 3rd Quarter<br>2017 |
| <b>Cash Flows from Operating Activities</b>  |                     |                     |
| Profit/(Loss) before tax   | 14,946              | (4,667)             |
| Adjustments for:   |                     |                     |
| Changes in fair value of other investments at fair value through profit or loss            | 2,738               | (19)                |
| Depreciation of property, plant and equipment  | 175                 | 132                 |
| Gain on disposal of investment properties  | (76)                | -                   |
| Impairment loss written back on other assets   | (5)                 | -                   |
| Impairment loss written back on trade and other receivables and bad debts written off, net | (22)                | (108)               |
| Loss on disposal of property, plant and equipment  | 56                  | 17                  |
| Finance income   | (447)               | (145)               |
| Finance expense  | 7,019               | 6,476               |
|  | 24,384              | 1,686               |
| Changes in working capital:  |                     |                     |
| Development properties   | 18,630              | 4,759               |
| Trade and other receivables  | 957                 | 1,080               |
| Trade and other payables   | (4,686)             | (735)               |
| Cash generated from operations   | 39,285              | 6,790               |
| Tax paid   | (1,333)             | (1,379)             |
| <b>Net Cash from Operating Activities</b>  | 37,952              | 5,411               |
| <b>Cash Flows from Investing Activities</b>  |                     |                     |
| Capital expenditure on investment properties   | (1,317)             | (10,045)            |
| Increase in restricted cash  | (58)                | -                   |
| Purchase of property, plant and equipment  | (701)               | (82)                |
| Purchase of other investments  | (5,149)             | (1,377)             |
| Proceeds from disposal of investment properties  | 1,648               | -                   |
| Proceeds from disposal of property, plant and equipment                                    | 230                 | 11                  |
| Interest received  | 555                 | 192                 |
| <b>Net Cash used in Investing Activities</b>   | (4,792)             | (11,301)            |
| <b>Cash Flows from Financing Activities</b>  |                     |                     |
| Increase in pledged bank deposits  | (1,145)             | (470)               |
| Interest paid  | (7,327)             | (8,023)             |
| Payment of finance lease liabilities   | (5)                 | (5)                 |
| Repayments of loans and borrowings   | (27,363)            | (7,025)             |
| Proceeds from loans and borrowings   | -                   | 15,100              |
| <b>Net Cash used in Financing Activities</b>   | (35,840)            | (423)               |
| <b>Net Decrease in Cash and Cash Equivalents</b>   | (2,680)             | (6,313)             |
| Cash and cash equivalents at 1 July  | 48,947              | 63,646              |
| Effect of exchange rate fluctuations on cash and cash equivalents held                     | 245                 | (871)               |
| <b>Cash and Cash Equivalents at 30 September</b>   | 46,512              | 56,462              |
| <b>Cash and Cash Equivalents at 30 September is represented by:</b>                        |                     |                     |
| Cash at banks and in hand  | 7,036               | 4,922               |
| Deposits   | 49,674              | 58,713              |
| Cash and cash equivalents  | 56,710              | 63,635              |
| Less: Pledged bank deposits (non-current)  | (10,005)            | (7,173)             |
| Cash and cash equivalents (current)  | 46,705              | 56,462              |
| Less: Restricted cash  | (193)               | -                   |
|  | 46,512              | 56,462              |

**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.**

|  | \$'000                                |                            |                 |                      |                 |                           |              |           |
|--|---------------------------------------|----------------------------|-----------------|----------------------|-----------------|---------------------------|--------------|-----------|
|  | Attributable to Owners of the Company |                            |                 |                      |                 | Non-Controlling Interests | Total Equity |           |
|  | Share Capital                         | Capital and Other Reserves | Treasury Shares | Translation Reserves | Retained Profit |                           |              | Total     |
| <b>The Group</b>   |                                       |                            |                 |                      |                 |                           |              |           |
| At 1 July 2017, as previously reported   | 186,688                               | 2,465                      | (101,050)       | (36,028)             | 1,486,025       | 1,538,100                 | 505,254      | 2,043,354 |
| Effect of adopting SFRS(I) 1   | -                                     | -                          | -               | 26,774               | (26,774)        | -                         | -            | -         |
| At 1 July, as restated   | 186,688                               | 2,465                      | (101,050)       | (9,254)              | 1,459,251       | 1,538,100                 | 505,254      | 2,043,354 |
| <b>Total comprehensive income for the period</b>   |                                       |                            |                 |                      |                 |                           |              |           |
| Loss for the period  | -                                     | -                          | -               | -                    | (3,787)         | (3,787)                   | (1,778)      | (5,565)   |
| <b>Other comprehensive income</b>  |                                       |                            |                 |                      |                 |                           |              |           |
| Exchange differences on translation of financial statements of foreign subsidiaries            | -                                     | (1)                        | -               | (1,860)              | -               | (1,861)                   | (3,858)      | (5,719)   |
| Exchange differences on monetary items forming part of net investments in foreign subsidiaries | -                                     | -                          | -               | (399)                | -               | (399)                     | -            | (399)     |
| Total other comprehensive income, net of tax   | -                                     | (1)                        | -               | (2,259)              | -               | (2,260)                   | (3,858)      | (6,118)   |
| <b>Total comprehensive income for the period</b>   | -                                     | (1)                        | -               | (2,259)              | (3,787)         | (6,047)                   | (5,636)      | (11,683)  |
| At 30 September 2017, as restated  | 186,688                               | 2,464                      | (101,050)       | (11,513)             | 1,455,464       | 1,532,053                 | 499,618      | 2,031,671 |
| At 1 July 2018   | 186,688                               | 2,471                      | (101,050)       | (11,809)             | 1,635,358       | 1,711,658                 | 542,127      | 2,253,785 |
| <b>Total comprehensive income for the period</b>   |                                       |                            |                 |                      |                 |                           |              |           |
| Profit for the period  | -                                     | -                          | -               | -                    | 11,477          | 11,477                    | 599          | 12,076    |
| <b>Other comprehensive income</b>  |                                       |                            |                 |                      |                 |                           |              |           |
| Exchange differences on translation of financial statements of foreign subsidiaries            | -                                     | 1                          | -               | 814                  | -               | 815                       | 1,617        | 2,432     |
| Exchange differences on monetary items forming part of net investments in foreign subsidiaries | -                                     | -                          | -               | 154                  | -               | 154                       | -            | 154       |
| Total other comprehensive income, net of tax   | -                                     | 1                          | -               | 968                  | -               | 969                       | 1,617        | 2,586     |
| <b>Total comprehensive income for the period</b>   | -                                     | 1                          | -               | 968                  | 11,477          | 12,446                    | 2,216        | 14,662    |
| At 30 September 2018   | 186,688                               | 2,472                      | (101,050)       | (10,841)             | 1,646,835       | 1,724,104                 | 544,343      | 2,268,447 |
| <b>The Company</b>   |                                       |                            |                 |                      |                 |                           |              |           |
| At 1 July 2017   | 186,688                               | -                          | -               | -                    | 680,603         | 867,291                   | -            | 867,291   |
| Loss and total comprehensive income for the period   | -                                     | -                          | -               | -                    | (808)           | (808)                     | -            | (808)     |
| At 30 September 2017   | 186,688                               | -                          | -               | -                    | 679,795         | 866,483                   | -            | 866,483   |
| At 1 July 2018   | 186,688                               | -                          | -               | -                    | 669,715         | 856,403                   | -            | 856,403   |
| Loss and total comprehensive income for the period   | -                                     | -                          | -               | -                    | (96)            | (96)                      | -            | (96)      |
| At 30 September 2018   | 186,688                               | -                          | -               | -                    | 669,619         | 856,307                   | -            | 856,307   |

**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 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 immediate preceding financial year.**

Nil.

- 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.

| The Company |             |
|-------------|-------------|
| 30.09.2018  | 31.12.2017  |
| 870,612,140 | 870,612,140 |

Total number of issued shares excluding treasury shares

- 1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

NA.

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

NA.

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

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

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

NA.

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, the Group and the Company have applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the Group's and the Company's audited financial statements for the year ended 31 December 2017.

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.

In December 2017, the Accounting Standards Council ("ASC") issued the Singapore Financial Reporting Standards (International) ("SFRS(I)s"), which comprises standards and interpretations that are equivalent to International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The Group's financial statements for the financial year ending 31 December 2018 will be prepared in accordance with SFRS(I).

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as that of the audited financial statements for the year ended 31 December 2017, except for the adoption of the SFRS(I) framework as described above and the new/revised SFRS(I) applicable for the financial period beginning 1 January 2018 as follows:

- SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)*;
- SFRS(I) 15 *Revenue from Contracts with Customers*; and
- SFRS(I) 9 *Financial Instruments*.

The application of the above standards did not have any significant impact on the Company's and the Group's financial statements except as below.

**SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International)**

In adopting the new framework, the Group is required to apply the specific transition requirements in SFRS(I). The Group has applied SFRS(I) with 1 January 2017 as the date of transition for the Group and the Company, on a retrospective basis, as if such accounting policies had always been applied. SFRS(I) 1 provides mandatory exemptions and optional exemptions from retrospective application. The Group has elected various optional exemptions in SFRS(I) 1, including resetting the foreign currency translation reserve ("FCTR") to zero.

As a result, the cumulative FCTR has increased by approximately \$26,774,000 and retained profit has decreased by the same amount as at 1 January 2017. FCTR and retained profit are included in "reserves" in the consolidated statement of financial position.

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.**

Earnings per ordinary share of the Group after deducting any provision for preference dividends:

- (a) Based on the weighted average number of ordinary shares on issue; and
- (b) On a fully diluted basis (detailing any adjustments made to the earnings)

| The Group           |                     |
|---------------------|---------------------|
| 3rd Quarter<br>2018 | 3rd Quarter<br>2017 |
| 1.66 cts            | (0.55) cts          |
| 1.66 cts            | (0.55) cts          |

The basic and diluted earnings per ordinary share of the Group were calculated based on the consolidated profit attributable to ordinary shareholders for the period of approximately \$11,477,000 (2017 : loss of \$3,787,000) and the weighted average number of ordinary shares outstanding of 693,022,508 (2017 : 693,022,508) which excludes ordinary shares held by an investee.

There are no potential dilutive ordinary shares in existence as at 30 September 2018 and 30 September 2017.

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.**

Net asset value per ordinary share based on the total number of issued shares excluding treasury shares and excluding ordinary shares held by an investee

| The Group  |            | The Company |            |
|------------|------------|-------------|------------|
| 30.09.2018 | 31.12.2017 | 30.09.2018  | 31.12.2017 |
| 249 cts    | 247 cts    | 98 cts      | 99 cts     |

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.**

The Group posted a revenue of approximately \$48.8 million for this quarter as compared to approximately \$20.2 million in the previous corresponding quarter. The increase was mainly due to the recognition of revenue from sales of its residential units in Singapore and contribution from its hotel, YOTEL Singapore Orchard Road ("YOTEL"). YOTEL commenced operations only in the last quarter of 2017.

The increase in the Group's other income of approximately \$0.15 million was mainly due to compensation income from its properties.

With the recognition of sales revenue from its residential units, the Group recorded the amount of cost of sales for these units. In addition, the Group also derecognised in this quarter any accrued development costs no longer required for units sold in prior years.

The depreciation expense in this quarter was higher than the previous corresponding quarter arising from additions to property, plant and equipment.

The change in fair value of other investments was mainly due to valuation of its investments at fair value as at 30 September 2018.

The decrease in other expenses for this quarter as compared to the previous corresponding quarter was due to the pre-opening and other costs incurred for YOTEL in the third quarter of 2017.

The increase in finance income was mainly contributed from the income generated from its investment in equity-linked securities and deposits.

The Group posted a profit before tax of approximately \$14.9 million as compared to a loss of approximately \$4.7 million in the previous corresponding period.

The increase in tax expense in this quarter was mainly due to the provision of tax in this quarter as there is more taxable profit for the nine months ended 30 September 2018 as compared to the previous corresponding period.

The Group's profit attributable to Owners of the Company was approximately \$11.5 million as compared to a loss of approximately \$3.8 million in the previous corresponding period.

The increase in the Group's property, plant and equipment was mainly due to the purchase of furniture and fittings for the residential units of its investment property in Hong Kong that has completed its renovation in the first quarter of 2018.

The increase in the Group's other assets was mainly due to its investment in unquoted equity securities.

The increase in the Group's pledged bank deposits was mainly due to the monies collected from the rental of its investment properties in Hong Kong.

The increase in the Group's other investments was mainly due to the purchase of equity and equity-linked securities.

The Group's decrease in trade and other receivables was mainly due to the reclassification of transaction costs paid in December 2017, which was previously classified as prepayments, to loans and borrowings when the loan was drawn down in January 2018.

The Group has reclassified certain secured loans from current to non-current as these loans were refinanced in January 2018. The Group has reclassified its \$120 million unsecured fixed rate notes due in the first quarter of 2019 from non-current in 2017 to current. The Group is confident that these notes can be refinanced or repaid from its available undrawn facilities by its due date. There was a net decrease in unsecured borrowings due to the repayment of its \$100 million fixed rate notes in the first quarter of 2018.

The decrease in trade and other payables was mainly due to the payments of staff costs, accrued development costs and interest expense accrued as at 31 December 2017.

The increase in current tax liabilities was mainly due to the provision of tax for the nine months ended 30 September 2018 due to increase in taxable profit during the period.

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

NA.

**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.**

The Group is expected to recognise revenue from the sales of its properties in the last quarter of 2018. The existing series of cooling measures on the property market will have an impact on the pace of our sales. However, the Group will continue to actively market the sales and leases of its properties.

**11. If a decision regarding dividend has been made:**

**(a) Whether an interim (final) ordinary dividend has been declared (recommended); and**

None.

**(b)(i) Amount per share ..... cents**

NA.

**(ii) Previous corresponding period ..... cents**

NA.

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

NA.

**(d) The date the dividend is payable.**

NA.

- (e) **The date on which Registrable Transfers received by the Company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**

NA.

- 12. If no dividend has been declared (recommended), a statement to that effect.**

No dividend has been declared/recommendeded for the third quarter ended 30 September 2018.

- 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.**

The Company does not have a general mandate from shareholders for interested person transactions.

- 14. Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results).**

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the Third Quarter Financial Statement on the unaudited results of the Company and of the Group for the period ended 30 September 2018 to be false or misleading in any material aspect.

- 15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set in Appendix 7.7) under Rule 720(1).**

The Company has procured the undertakings from all its directors and executive officers.

**BY ORDER OF THE BOARD**

Lo Swee Oi  
Koh Chay Tiang  
Company Secretaries  
14 November 2018