



ISOTEAM LTD.

(Company Registration No. 201230294M)

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2017

PART 1 INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

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.

1(a)(i) Unaudited Consolidated Income Statement and Statement of Comprehensive Income for the First Quarter ("1QFY2018) Ended 30 September 2017

	Group			
	Note	Three Months Ended		Change
		30.09.17	30.09.16	
		(Unaudited)	(Unaudited)	
	\$'000	\$'000	%	
Income Statement				
Revenue		25,108	20,759	20.9
Cost of sales		(20,671)	(16,087)	28.5
Gross profit		4,437	4,672	(5.0)
Other income	(a)	514	541	(5.0)
Marketing and distribution expenses		(379)	(389)	(2.6)
General and administrative expenses		(2,691)	(3,089)	(12.9)
Finance costs		(164)	(120)	36.7
Other operating expenses		(90)	(124)	(27.4)
Profit before tax	(b)	1,627	1,491	9.1
Tax expense		(211)	(364)	(42.0)
Profit for the period		1,416	1,127	25.6
Profit attributable to:				
Equity holders of the Company		1,510	977	54.6
Non-controlling interests		(94)	150	(162.7)
		1,416	1,127	25.6

"N/M" denotes Not Meaningful if % of change is more than 300%

	Group			Change
	Note	Three Months Ended		
		30.09.17	30.09.16	
		(Unaudited)	(Unaudited)	
		\$'000	\$'000	%
Statement of Comprehensive Income				
Profit for the period		1,416	1,127	25.6
Other comprehensive income:				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Foreign currency translation gain		1	-	N/M
Other comprehensive income for the period, net of tax		1	-	N/M
Total comprehensive income for the period		1,417	1,127	25.7
Total comprehensive income attributable to:				
Equity holders of the Company		1,511	977	54.7
Non-controlling interests		(94)	150	(162.7)
		1,417	1,127	25.7

"N/M" denotes Not Meaningful if % of change is more than 300%

1(a)(ii) Notes to the Consolidated Income Statement and Statement of Comprehensive Income

		Group		
		Three Months Ended		
		30.09.17	30.09.16	Change
		(Unaudited)	(Unaudited)	
		\$'000	\$'000	%
(a)	<u>Other income</u>			
	Government grants	346	119	190.8
	Gain on disposal of property, plant and equipment	1	92	(98.9)
	Interest income	28	110	(74.5)
	Administrative income	49	38	28.9
	Foreign exchange gain	-	34	(100.0)
	Sales of spare parts	34	31	9.7
	Others	56	117	(52.1)
		514	541	
(b)	<u>Profit before tax</u>			
	This is arrived at after charging/(crediting):			
	Audit fees payable/paid to auditor of the Company	50	55	(9.1)
	Depreciation of property, plant and equipment	740	536	38.1
	Net loss/(gain) on disposal of property, plant and equipment	30	(92)	(132.6)
	Amortisation of intangible assets	1,032	575	79.5
	Amortisation of fair value adjustment on contract work-in-progress	-	36	(100.0)
	Write back on doubtful receivables	-	(5)	(100.0)

"N/M" denotes Not Meaningful if % of change is more than 300%

1(b) 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.

1(b)(i) Statements of Financial Position

	Group		Company	
	As at	As at	As at	As at
	30.09.17	30.06.17	30.09.17	30.06.17
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	\$'000	\$'000	\$'000	\$'000
Assets				
<u>Non-current assets</u>				
Property, plant and equipment	29,925	29,725	-	-
Intangible assets	3,618	4,650	-	-
Investment in subsidiaries	-	-	36,377	35,767
Goodwill	2,658	2,658	-	-
Other investments	6,455	6,462	5,000	5,000
	42,656	43,495	41,377	40,767
<u>Current assets</u>				
Due from customers for contract work-in progress	20,356	20,332	-	-
Inventories	482	271	-	-
Trade and other receivables	23,073	23,265	10,194	9,456
Cash and bank balances	22,917	14,830	2,647	1,303
Total current assets	66,828	58,698	12,841	10,759
Total assets	109,484	102,193	54,218	51,526
<u>Non-current liabilities</u>				
Bank borrowings	11,667	11,701	-	-
Finance lease liabilities	1,631	1,752	-	-
Other payables	600	600	600	600
Deferred tax liabilities	1,503	1,575	-	-
Total non-current liabilities	15,401	15,628	600	600
<u>Current liabilities</u>				
Due to customers for contract work-in-progress	4,143	2,371	-	-
Bank borrowings	11,735	6,408	5,720	3,179
Trade and other payables	16,341	17,887	3,783	3,991
Finance lease liabilities	971	972	-	-
Tax payables	437	158	-	-
Total current liabilities	33,627	27,796	9,503	7,170
Total liabilities	49,028	43,424	10,103	7,770
Net assets	60,456	58,769	44,115	43,756

	Group		Company	
	As at 30.09.17	As at 30.06.17	As at 30.09.17	As at 30.06.17
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	\$'000	\$'000	\$'000	\$'000
Share capital and reserves				
Share capital	29,618	29,618	29,618	29,618
Treasury shares	(782)	(562)	(782)	(562)
Accumulated profits	37,548	36,038	15,176	14,597
Foreign currency translation reserve	9	8	-	-
Merger reserve	(7,338)	(7,338)	-	-
Other reserves	(4)	(4)	103	103
Equity attributable to equity holders of the Company	59,051	57,760	44,115	43,756
Non-controlling interests	1,405	1,009	-	-
Total equity	60,456	58,769	44,115	43,756

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

	Group		Group	
	As at 30.09.17		As at 30.06.17	
	Secured	Unsecured	Secured	Unsecured
	\$'000	\$'000	\$'000	\$'000
Amount repayable in one year or less, or on demand	12,706	-	7,380	-
Amount repayable after one year	13,298	-	13,453	-
	26,004	-	20,833	-

Details of any collaterals

- (a) Bank borrowings amounting to \$23.4 million are secured by:
- i. charges over fixed deposits;
 - ii. mortgage over the Group's leasehold properties;
 - iii. first fixed charge over receivables arising from invoices financed directly or indirectly over the account in which the receivables are deposited; and
 - iv. corporate guarantee from the Company and a subsidiary.
- (b) Finance lease obligations of the Group amounting to \$2.6 million are secured by the rights to the leased equipment, machineries and motor vehicles. Certain directors of the Company have provided personal guarantees for certain of the finance lease liabilities.

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.

1(c)(i) Consolidated Statement of Cash Flows

	Note	Group	
		Three Months Ended	
		30.09.17	30.09.16
		(Unaudited)	(Unaudited)
		\$'000	\$'000
Cash flows from operating activities			
Profit before income tax		1,627	1,491
Adjustment for: -			
Depreciation of property, plant and equipment		740	536
Net loss/(gain) on disposal of property, plant and equipment		30	(92)
Amortisation of intangible assets		1,032	575
Amortisation of fair value adjustment on contract work-in-progress		-	36
Write back on doubtful receivable		-	(5)
Interest income		(28)	(110)
Interest expense		142	102
Operating cash flows before working capital changes		3,543	2,533
Contract work-in-progress		1,748	3,271
Inventories		(211)	43
Trade and other receivables		203	(709)
Trade and other payables		(1,548)	(5,990)
Cash generated from / (used in) operations		3,735	(852)
Interest received		36	116
Interest paid		(142)	(102)
Tax paid		(4)	-
Net cash generated from / (used in) operating activities		3,625	(838)
Cash flows from investing activities			
Purchases of property, plant and equipment		(872)	(334)
Proceeds from disposal of property, plant and equipment		47	169
Net cash used in investing activities		(825)	(165)
Cash flows from financing activities			
Purchase of treasury shares		(220)	-
Capital contributed by non-controlling interest		490	-
Fixed deposits pledged to banks		(1,104)	-
Drawdown of bank borrowings		5,870	595
Repayment of bank borrowings		(476)	(156)
Repayment of finance lease		(276)	(220)
Net cash generated from financing activities		4,284	219
Net increase / (decrease) in cash and cash equivalents		7,084	(784)
Cash and cash equivalents at beginning of financial period		13,322	32,359
Cash and cash equivalents at end of financial period		20,406	31,575

1(c)(ii) Notes to the Consolidated Statement of Cash Flows

Cash and cash equivalents included in the consolidated statement of cash flows consist of the following: -

	Group	
	Three Months Ended	
	30.09.17	30.09.16
	(Unaudited)	(Unaudited)
	\$'000	\$'000
Cash in hand and at bank	16,968	11,252
Fixed deposits	5,949	22,112
	22,917	33,364
Less: Fixed deposits pledged	(2,343)	(1,789)
Less: Bank overdrafts	(168)	-
	20,406	31,575

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.

Group	Attributable to equity holders of the Group								
	Share capital \$'000	Treasury shares \$'000	Merger reserve \$'000	Foreign Currency translation reserve \$'000	Other reserves \$'000	Accumulated profits \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
Balance at 1 July 2016	29,618	(373)	(7,338)	1	(151)	31,726	53,483	429	53,912
Profit and total comprehensive income for the period	-	-	-	-	-	977	977	150	1,127
Balance at 30 September 2016	29,618	(373)	(7,338)	1	(151)	32,703	54,460	579	55,039
Balance at 1 July 2017	29,618	(562)	(7,338)	8	(4)	36,038	57,760	1,009	58,769
Profit for the period	-	-	-	-	-	1,510	1,510	(94)	1,416
Other comprehensive income									
Foreign currency translation gain	-	-	-	1	-	-	1	-	1
Other comprehensive income for the period, net of tax	-	-	-	1	-	-	1	-	1
Total comprehensive income for the period	-	-	-	1	-	1,510	1,511	(94)	1,417
Contribution by and distributions to equity holders									
Purchase of treasury shares	-	(220)	-	-	-	-	(220)	-	(220)
	-	(220)	-	-	-	-	(220)	-	(220)
Change in ownership interest in subsidiary									
Incorporation of a subsidiary	-	-	-	-	-	-	-	490	490
	-	-	-	-	-	-	-	490	490
Total transactions with equity holders of the Company	-	(220)	-	-	-	-	(220)	490	270
Balance at 30 September 2017	29,618	(782)	(7,338)	9	(4)	37,548	59,051	1,405	60,456

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. (Con't)

Company	Attributable to equity holders of the Company							
	Share capital \$'000	Treasury shares \$'000	Merger reserve \$'000	Other reserves \$'000	Accumulated profits \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
Balance at 1 July 2016	29,618	(373)	-	(44)	5,623	34,824	-	34,824
Profit and total comprehensive income for the period	-	-	-	-	102	102	-	102
Balance at 30 September 2016	29,618	(373)	-	(44)	5,725	34,926	-	34,926
Balance at 1 July 2017	29,618	(562)	-	103	14,597	43,756	-	43,756
Profit and total comprehensive income for the period	-	-	-	-	579	579	-	579
Contribution by and distributions to equity holders								
Purchase of treasury shares	-	(220)	-	-	-	(220)	-	(220)
	-	(220)	-	-	-	(220)	-	(220)
Balance at 30 September 2017	29,618	(782)	-	103	15,176	44,115	-	44,115

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 immediately preceding financial year.

	Financial Period 2018		Financial Period 2017	
	Issued Ordinary Shares (excluding Treasury Shares)	Treasury Shares	Issued Ordinary Shares (excluding Treasury Shares)	Treasury Shares
As at 1 July	284,387,041	1,479,549	284,665,956	1,200,634
Share buyback during the financial period	(625,000)	625,000	-	-
As at 30 September	283,762,041	2,104,549	284,665,956	1,200,634
Percentage (%) of treasury shares against total number of shares outstanding as at 30 September		0.7%		0.4%

There were no subsidiary holdings and outstanding convertible instruments which may be converted to shares as at 30 September 2017 and 30 September 2016.

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.

	Company	
	As at 30.09.17	As at 30.06.17
Number of ordinary shares issued and fully paid	285,866,590	285,866,590
Treasury shares	(2,104,549)	(1,479,549)
Number of ordinary shares issued and fully paid (excluding treasury shares)	283,762,041	284,387,041

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.

Not applicable.

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.

Not applicable.

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 Company's auditor.

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

The Group has applied the same accounting policies and methods of computation in the financial information for the current financial period as those used in the audited financial statements for the financial year ended 30 June 2017, except for the adoption of certain revised Financial Reporting Standards ("FRS") which are effective for the financial period commencing 1 July 2017. The adoption of these FRS has no material impact on the Group's financial information.

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.

Please refer to paragraph 4 above.

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 share ("EPS")	Group	
	Three Months Ended	
	30.09.17	30.09.16
Profit attributable to equity holders of the Company (\$'000)	1,510	977
Weighted average number of ordinary shares ⁽¹⁾	284,309,052	284,665,956
Basic and diluted EPS based on weighted average number of ordinary shares (cents)⁽²⁾	0.53	0.34

Notes:

- (1) The calculation for the basic and diluted EPS for the respective financial period is based on the weighted average number of ordinary shares in issue during the financial periods.
- (2) The basic and diluted EPS were the same as the Group did not have any potentially dilutive instruments for the respective financial periods.

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 assets value ("NAV")	Group		Company	
	As at 30.09.17	As at 30.06.17	As at 30.09.17	As at 30.06.17
NAV (\$'000)	59,051	57,760	44,115	43,756
Number of ordinary shares	283,762,041	284,387,041	283,762,041	284,387,041
NAV per ordinary share (cents)	20.81	20.31	15.55	15.39

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.

REVIEW OF FINANCIAL PERFORMANCE

Revenue	Group				
	Three Months Ended				
	30.09.17		30.09.16		Change
	\$'000	%	\$'000	%	%
Repairs & Redecoration ("R&R")	7,363	29.3	4,526	21.8	62.7
Addition & Alteration ("A&A")	10,243	40.8	7,593	36.6	34.9
Coating & Painting ("C&P")	2,890	11.5	4,283	20.6	(32.5)
Others ⁽¹⁾	4,612	18.4	4,357	21.0	5.9
	25,108	100.0	20,759	100.0	20.9

Note:

- (1) Others included revenue from commercial interior designs ("ID"), home retrofitting business, landscaping works, leasing service, waterproofing, green solutions business and mechanical & electrical engineering works.

Revenue

Group revenue increased by \$4.3 million or 20.9% from \$20.8 million in 1QFY2017 to \$25.1 million in 1QFY2018.

Revenue from the Group's R&R business increased by \$2.9 million or 62.7% from \$4.5 million in 1QFY2017 to \$7.4 million in 1QFY2018.

Revenue contribution from the Group's A&A business segment increased by \$2.6 million or 34.9% from \$7.6 million in 1QFY2017 to \$10.2 million in 1QFY2018.

Revenue contribution from the Group's C&P business segment decreased by \$1.4 million or 32.5% from \$4.3 million in 1QFY2017 to \$2.9 million in 1QFY2018, due to fewer projects available in the market.

Revenue contribution from the Group's Others business segment increased by \$0.2 million or 5.9% from \$4.4 million in 1QFY2017 to \$4.6 million in 1QFY2018.

Gross profit and gross profit margin

The Group's gross profit decreased by \$0.3 million or 5.0% from \$4.7 million in 1QFY2017 to \$4.4 million in 1QFY2018. The decrease was mainly due to lower margin contributed by R&R and Others business segments.

General and administrative expenses

The Group's general and administrative expenses decreased by \$0.4 million or 12.9% from \$3.1 million in 1QFY2017 to \$2.7 million in 1QFY2018. The decrease was mainly attributable to the decrease in staff related expenses.

Profit before tax

As a result of the above, the Group recorded a profit before tax of \$1.6 million in 1QFY2018 as compared to a profit before tax of \$1.5 million in 1QFY2017.

Tax expenses

The Group's tax expenses decreased by \$0.2 million or 42.0% from \$0.4 million in 1QFY2017 to \$0.2 million in 1QFY2018. The decrease was mainly due to the decrease in deferred tax expenses.

REVIEW OF FINANCIAL POSITION

Non-current assets

The Group's non-current assets decreased by \$0.8 million or 1.8% from \$43.5 million as at 30 June 2017 to \$42.7 million as at 30 September 2017, mainly due to the depreciation of property, plant and equipment ("PPE"), disposal of PPE and amortisation of intangible assets, which were offset by the purchase of PPE.

Current assets

The increase in current assets of \$8.1 million or 13.8% from \$58.7 million as at 30 June 2017 to \$66.8 million as at 30 September 2017 was attributed mainly due to the increase in cash and bank balances as explained in review section of statement of cash flows.

Current liabilities

The increase in current liabilities of \$5.8 million or 20.9% from \$27.8 million as at 30 June 2017 to \$33.6 million as at 30 September 2017 was mainly due to the increase in amounts due to customers for contract work-in-progress and drawdown of bank borrowings, which were offset by decrease in trade and other payables.

REVIEW OF STATEMENT OF CASH FLOWS

Net cash generated from operating activities

Net cash generated from operating activities amounted to \$3.6 million was mainly due to increase in operating cash flow before changes in working capital, decrease in contract work-in-progress and trade and other receivables which were offset by increase in trade and other payables and inventories.

Net cash used in investing activities

Net cash used in investing activities amounted to \$0.8 million was mainly due to the purchase of PPE.

Net cash generated from financing activities

Net cash generated from financing activities of \$4.3 million was mainly due to drawdown of bank borrowings and capital contributed by non-controlling interest for a new subsidiary which were offset by purchase of treasury shares, fixed deposits pledged to banks and repayment of bank borrowings and finance lease.

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

No forecast or prospect statement has been previously disclosed to the shareholders.

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 believes that it is well-positioned to tap into opportunities in the industries it operates in given its multi-disciplinary capabilities in the built environment which is supported by its proven track record in public sector projects and growing market share in private sector projects.

The Group believes that revenue will mainly be driven by awarded projects from its R&R and A&A segments as the Singapore government continues to invest in the renewal and rejuvenation of older estates through schemes such as the Estate Upgrading Programme and Home Improvement Programme. It expects to tap opportunities in the public sector and private sector through its various subsidiaries which have a longstanding and strong network of business relationships in these sectors. The Group is also keen to secure more projects from newly acquired customers in the public sector especially the government ministries.

Following its successful trial launch in Tampines estate, the Group has commenced rolling out the use of its eco product, Cockroaches and Odour ("CnO") Remover to other Town Councils.

The Group ventured into the bike sharing business in Singapore through SG Bike Pte. Ltd. ("SG Bike"), a move which is aligned with its goal to offer environmentally green products and services to the built environment. SG Bike has represented Singapore at the invitation of Land Transport Authority ("LTA") as the only bike sharing company to exhibit and showcase our geo station technology for the future of mobility at the 24th Intelligent Transport System World Congress ("ITSWC") recently held in Montreal. SG Bike has also participated in LTA Future Mobility Symposium as one of the key speakers on bike sharing as "green mobility" on 7 November 2017 at Suntec Singapore International Convention and Exhibition Centre.

The Group expects market conditions in the next 12 months to remain challenging. Notwithstanding this, the Group believes its competitive advantages such as its established track record and multi-disciplinary capabilities in the built environment put ISOTeam in a strong competitive position. The Group is also in the process of relocating and consolidating all its business units at its new corporate headquarters in Changi, which will result in cost savings through enhancing operational efficiencies.

The Group's order book as at 27 October 2017 stood at \$87.2 million which will be progressively delivered over the next two years.

11 Dividend

(a) Dividend declared (recommended) for the current financial period reported on

No.

(b) Dividend declared (recommended) for the corresponding period of the immediately preceding financial year

No.

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

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

No dividend has been declared or recommended for 1QFY2018.

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.

The Group has not obtained a general mandate from shareholders for IPTs pursuant to Rule 920(1)(a)(ii).

14 Confirmation by the Company Pursuant to Rule 720(1) of the Listing Manual of SGX-ST.

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7H) pursuant to Rule 720(1) of the Listing Manual of the SGX-ST.

15 Negative confirmation pursuant to Rule 705 (5)

We, David Ng Cheng Lian and Anthony Koh Thong Huat, being the directors of the Company, do hereby confirm on behalf of the Board of Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial information for 1QFY2018 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

David Ng Cheng Lian
Executive Chairman
10 November 2017

Anthony Koh Thong Huat
CEO

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("Sponsor"), Hong Leong Finance Limited for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

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

The contact person for the Sponsor is Mr Tang Yeng Yuen, Vice President, Head of Corporate Finance, at 16 Raffles Quay, #40-01A Hong Leong Building, Singapore 048581, Telephone (65) 6415 9886.