

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KORI HOLDINGS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Kori Holdings Limited (the "Company") and its subsidiary corporations (the "Group") set out on pages 43 to 92, which comprise the consolidated balance sheet of the Group and balance sheet of the Company as at 31 December 2015, and the consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

We have issued a qualified opinion report on the financial statements of the Group for the financial year ended 31 December 2014 on the basis that we were unable to obtain sufficient appropriate audit evidence about the carrying amount of the Company's investment in an associated company as at 31 December 2014 and the Company's share of profit of an associated company for the period then ended due to an absence of audited financial statements of the associated company. Consequently, we were unable to verify the associated company's construction contracts work-in-progress as at 31 December 2014 and there are no other alternative audit procedures that we could adopt to satisfy ourselves concerning the same. Since the opening balances of construction contracts work-in-progress have an impact on the financial results of the associated company for the current financial year, we were unable to determine whether adjustments might have been necessary in respect of the Group's share of profit of the associated company of S\$121,753 included in the Group's net profit for the financial year ended 31 December 2015.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF KORI HOLDINGS LIMITED**

(continued)

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2015, and of the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date.

Report on other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore, of which we are the auditors, have been properly kept in accordance with the provisions of the Act.

**Nexia TS Public Accounting Corporation
Public Accountants and Chartered Accountants**

**Director-in-charge: Loh Ji Kin
Appointed since financial year ended 31 December 2012**

**Singapore
5 April 2016**