



SP CORPORATION LIMITED

(Company Registration No. 195200115k)

UNAUDITED RESULTS FOR THE THIRD QUARTER ("3Q2018") AND NINE MONTHS ("9M2018") ENDED 30 SEPTEMBER 2018

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

1(a)(i) Consolidated Statement of Profit or Loss (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

		Group Third Quarter			Group Nine Months		
		30.09.18	30.09.17	+ / (-)	30.09.18	30.09.17	+ / (-)
Note		\$'000	\$'000	%	\$'000	\$'000	%
Continuing Operations							
Revenue	a	36,521	31,401	16	101,131	85,367	18
Cost of sales		(35,675)	(30,595)	17	(98,857)	(83,498)	18
Gross profit	a	846	806	5	2,274	1,869	22
Other operating income	b	-	30	n.m	10	164	(94)
Distribution costs		-	-	n.m	-	(43)	n.m
Administrative expenses	c	(568)	(682) *	(17)	(1,867)	(2,122) *	(12)
Other operating expenses	d	(62)	(35)	77	(87)	(317)	(73)
Interest income	e	368	461	(20)	945	1,111	(15)
Interest expense		(7)	-	n.m	(7)	(1)	600
Profit before tax		577	580	(1)	1,268	661	92
Income tax (expense) credit	f	(106)	6 *	n.m	(214)	5 *	n.m
Profit for the financial period from continuing operations		471	586	(20)	1,054	666	58
Discontinued Operation							
Loss for the financial period from discontinued operation	g	-	(243) *	n.m	-	(715) *	n.m
Profit (Loss) for the financial period		471	343	37	1,054	(49)	n.m
Profit (Loss) attributable to owners of the Company							
- Continuing operations		471	586	(20)	1,054	666	58
- Discontinued operation		-	(243) *	n.m	-	(715) *	n.m
		471	343	37	1,054	(49)	n.m

For comparison purpose, relevant 3Q2017 and 9M2017 figures of the Tyre Distribution Unit were excluded from the presentation under the "Continuing Operations" but included under the "Discontinued Operation". The Tyre Distribution Unit was discontinued in December 2017.

* Certain figures have been reclassified for presentation purposes.

n.m: Not meaningful

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1(a)(ii) Consolidated Statement of Profit or Loss and Other Comprehensive Income (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

Note	Group Third Quarter			Group Nine Months		
	30.09.18 \$'000	30.09.17 \$'000	+ / (-) %	30.09.18 \$'000	30.09.17 \$'000	+ / (-) %
Profit (Loss) for the financial period						
- Continuing operations	471	586	(20)	1,054	666	58
- Discontinued operation	-	(243)	n.m	-	(715)	n.m
	471	343	37	1,054	(49)	n.m
Other comprehensive income (loss) after tax:						
<i>Item that may be reclassified subsequently to profit or loss</i>						
Exchange differences on translation of foreign operations	h 205	(1,234)	n.m	691	(2,596)	n.m
Total comprehensive income (loss) for the financial period	676	(891)	n.m	1,745	(2,645)	n.m
Total comprehensive income (loss) for the financial period attributable to owners of the Company	676	(891)	n.m	1,745	(2,645)	n.m

1(a)(iii) Profit for the financial period of the Group is arrived at after (charging) / crediting the following:

	Continuing Operations Third Quarter		Discontinued Operation Third Quarter		Group Total Third Quarter		Continuing Operations Nine Months		Discontinued Operation Nine Months		Group Total Nine Months	
	30.09.18 \$'000	30.09.17 \$'000	30.09.18 \$'000	30.09.17 \$'000	30.09.18 \$'000	30.09.17 \$'000	30.09.18 \$'000	30.09.17 \$'000	30.09.18 \$'000	30.09.17 \$'000	30.09.18 \$'000	30.09.17 \$'000
Depreciation of plant and equipment	(13)	(7)	-	(16)	(13)	(23)	(30)	(23)	-	(54)	(30)	(77)
Gain on disposal of plant and equipment	-	-	-	3	-	3	-	-	-	3	-	3
Impairment loss on plant and equipment	-	-	-	(14)	-	(14)	-	-	-	(14)	-	(14)
Foreign currency exchange (loss) gain	(61)	(50)	-	16	(61)	(34)	(86)	(335)	-	16	(86)	(319)
Allowance for inventory obsolescence	-	-	-	-	-	-	-	-	-	(16)	-	(16)
(Under) Over provision of income tax in respect of prior financial years	(4)	-	-	-	(4)	-	(6)	57	-	-	(6)	57

Notes: (a) to (f) relate solely to Continuing Operations:

- All revenue of the current period was from commodities trading. The increase in revenue for 3Q2018 compared to 3Q2017 was mainly due to higher coal and rubber sales, partially offset by lower aluminium sales. Gross profit margin was higher in 3Q2017 which was contributed by a one-off higher-margin spot coal shipment.
- 3Q2017's other operating income comprised mainly handling fees relating to coal shipments.
- Administrative expenses decreased mainly due to lower manpower costs and other operating expenses, partially offset by higher professional fees.
- For the nine-month period, the foreign currency exchange loss was lower than the corresponding period a year ago as the US dollar depreciated against Singapore dollar during the period as compared to the current period where the US dollar appreciated against Singapore dollar.
- Interest income reduced mainly due to lower overdue trade receivables.
- There was income tax expense in 3Q2018 because there was no group relief from the Tyre Distribution Unit.

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- g. Discontinued Operation refers to the tyre distribution business. Its performances in 3Q2017 and 9M2017 are presented as follows:

	Group Third Quarter 30.09.17 \$'000	Group Nine Months 30.09.17 \$'000
Revenue	1,889	6,776
Cost of sales	<u>(1,787)</u>	<u>(5,940)</u>
Gross profit	102	836
Other operating income	26	33
Distribution costs	(335)	(1,367)
Administrative expenses	(35)	(191)
Other operating expenses	<u>(14)</u>	<u>(33)</u>
Loss before tax	(256)	(722)
Income tax credit	<u>13</u>	<u>7</u>
Loss after tax for the financial period	<u><u>(243)</u></u>	<u><u>(715)</u></u>

- h. The translation gain in the current period was due to the appreciation of US dollar against Singapore dollar upon consolidation of subsidiaries whose functional currency is US dollar as opposed to the depreciation of US dollar against Singapore dollar in the corresponding period last year.

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1(b)(i) Statements 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	
		30.09.18	31.12.17	30.09.18	31.12.17
	Note	\$'000	\$'000	\$'000	\$'000
ASSETS					
Non-current assets					
Plant and equipment		217	172	144	161
Investments in subsidiaries		-	-	30,623	30,343
<i>Total non-current assets</i>		217	172	30,767	30,504
Current assets					
Trade and other receivables	i	45,294	44,039	20,841	6,701
Loan to a related party	j	20,000	-	-	-
Tax recoverable		94	118	69	69
Cash and bank balances	p	9,447	22,684	1,400	1,739
<i>Total current assets</i>		74,835	66,841	22,310	8,509
Total assets		75,052	67,013	53,077	39,013
EQUITY AND LIABILITIES					
Equity					
Share capital		58,366	58,366	58,366	58,366
Translation reserve	h	(306)	(997)	-	-
Accumulated losses		(5,509)	(6,563)	(19,987)	(20,486)
<i>Total equity</i>		52,551	50,806	38,379	37,880
Non-current liability					
Deferred tax		25	38	-	1
Current liabilities					
Borrowings	k	5,802	-	-	-
Trade and other payables	l	16,479	16,150	14,660	1,113
Income tax payable		195	19	38	19
<i>Total current liabilities</i>		22,476	16,169	14,698	1,132
Total equity and liabilities		75,052	67,013	53,077	39,013

Note:

- i. The increase in trade and other receivables of the Group was largely due to the timing in collection from customers. The increase in trade and other receivables of the Company arose from a loan to a subsidiary.
- j. The loan to a related party is repayable within one year and carries fixed interest rate at 7.5% per annum. The loan and all accrued interest shall be repaid in full on the repayment date in cash, or in such other repayment method as otherwise agreed between the parties, in which case interest would not apply.
- k. Borrowings were in the form of trust receipts for commodities trading.
- l. The increase in trade and other payables of the Group was mainly due to the timing of lumpy payments to coal and rubber suppliers, while that of the Company was mainly because of a loan from a subsidiary.

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

Amount repayable in one year or less, or on demand

As at 30.09.18		As at 31.12.17	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
5,802	-	-	-

Details of any collateral

The Group's borrowings as at 30 September 2018 from a bank were secured by fixed deposits of approximately \$0.7 million placed with it.

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

	Note	Group Third Quarter		Group Nine Months	
		30.09.18 \$'000	30.09.17 \$'000	30.09.18 \$'000	30.09.17 \$'000
Operating activities					
Profit (Loss) before tax					
from continuing operations and discontinued operation		577	324	1,268	(61)
Adjustments for:					
Depreciation of plant and equipment		13	23	30	77
Gain on disposal of plant and equipment		-	(3)	-	(3)
Impairment loss on plant and equipment		-	14	-	14
Allowance for inventory obsolescence		-	-	-	16
Interest expense		7	-	7	1
Interest income		(368)	(461)	(945)	(1,111)
Fair value (gain) loss on forward contracts, unrealised		(146)	(45)	1	(4)
Operating cash flows before movements in working capital		83	(148)	361	(1,071)
Inventories		-	838	-	462
Trade and other receivables		(2,237)	(2,528)	(127)	(976)
Restricted bank balances		(421)	465	(336)	1,638
Trade and other payables		(1,462)	(4,872)	(127)	(10,594)
Cash used in operations		(4,037)	(6,245)	(229)	(10,541)
Interest paid		(7)	-	(7)	(1)
Interest received		666	553	953	964
Income tax paid, net		(21)	(54)	(49)	(277)
Net cash (used in) from operating activities	m	(3,399)	(5,746)	668	(9,855)
Investing activities					
Proceeds on disposal of plant and equipment		-	52	-	52
Payments for acquisition of plant and equipment		(37)	(1)	(76)	(70)
Loan to a related party		(20,000)	-	(20,000)	-
Net cash (used in) from investing activities	n	(20,037)	51	(20,076)	(18)
Financing activities					
Proceeds from borrowings		11,529	-	11,529	-
Repayment of borrowings		(5,727)	-	(5,727)	-
Net cash from financing activities	o	5,802	-	5,802	-
Net decrease in cash and cash equivalents		(17,634)	(5,695)	(13,606)	(9,873)
Cash and cash equivalents at the beginning of financial period		25,190	17,123	20,837	22,146
Effects of exchange rate changes on the balance of cash held in foreign currencies		(292)	(368)	33	(1,213)
Cash and cash equivalents at the end of financial period	p	7,264	11,060	7,264	11,060

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Note:

- m. Net cash used in operating activities during 3Q2018 was largely attributable to the timing of lumpy payments to suppliers, partially offset by accelerated collections from customers.
- n. Net cash used in investing activities during 3Q2018 was mainly due to the disbursement of a loan of \$20 million to a related party.
- o. Net cash from financing activities was through utilisation of trust receipt facilities for commodities trading.
- p. Cash and cash equivalents as at 30 September 2018 excluded a sum of \$2,183,000 (30 June 2018: \$1,762,000; 31 December 2017: \$1,847,000; 30 September 2017: \$1,042,000) which had been pledged to banks as collateral for trade and credit facilities provided to a subsidiary.

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

	Equity attributable to owners of the Company			
	Share Capital	Translation Reserve	Accumulated Losses	Total Equity
	\$'000	\$'000	\$'000	\$'000
The Group				
At 1 January 2018	58,366	(997)	(6,563)	50,806
<i>Total comprehensive loss for the financial period</i>				
Profit for the financial period	-	-	92	92
Other comprehensive loss for the financial period	-	(924)	-	(924)
At 31 March 2018	58,366	(1,921)	(6,471)	49,974
<i>Total comprehensive income for the financial period</i>				
Profit for the financial period	-	-	491	491
Other comprehensive income for the financial period	-	1,410	-	1,410
At 30 June 2018	58,366	(511)	(5,980)	51,875
<i>Total comprehensive income for the financial period</i>				
Profit for the financial period	-	-	471	471
Other comprehensive income for the financial period	-	205	-	205
At 30 September 2018	58,366	(306)	(5,509)	52,551
At 1 January 2017	58,366	1,628	(7,010)	52,984
<i>Total comprehensive loss for the financial period</i>				
Loss for the financial period	-	-	(317)	(317)
Other comprehensive loss for the financial period	-	(1,101)	-	(1,101)
At 31 March 2017	58,366	527	(7,327)	51,566
<i>Total comprehensive loss for the financial period</i>				
Loss for the financial period	-	-	(75)	(75)
Other comprehensive loss for the financial period	-	(261)	-	(261)
At 30 June 2017	58,366	266	(7,402)	51,230
<i>Total comprehensive loss for the financial period</i>				
Profit for the financial period	-	-	343	343
Other comprehensive loss for the financial period	-	(1,234)	-	(1,234)
At 30 September 2017	58,366	(968)	(7,059)	50,339
The Company				
At 1 January 2018	58,366	-	(20,486)	37,880
<i>Total comprehensive income for the financial period</i>				
Profit for the financial period	-	-	168	168
At 31 March 2018	58,366	-	(20,318)	38,048
<i>Total comprehensive income for the financial period</i>				
Profit for the financial period	-	-	199	199
At 30 June 2018	58,366	-	(20,119)	38,247
<i>Total comprehensive income for the financial period</i>				
Profit for the financial period	-	-	132	132
At 30 September 2018	58,366	-	(19,987)	38,379
At 1 January 2017	58,366	-	(19,173)	39,193
<i>Total comprehensive income for the financial period</i>				
Profit for the financial period	-	-	183	183
At 31 March 2017	58,366	-	(18,990)	39,376
<i>Total comprehensive loss for the financial period</i>				
Loss for the financial period	-	-	(1,602)	(1,602)
At 30 June 2017	58,366	-	(20,592)	37,774
<i>Total comprehensive income for the financial period</i>				
Profit for the financial period	-	-	102	102
At 30 September 2017	58,366	-	(20,490)	37,876

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 or 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

None.

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 financial year

	The Group		The Company	
	<u>30.09.18</u>	<u>31.12.17</u>	<u>30.09.18</u>	<u>31.12.17</u>
Total number of issued ordinary shares*	<u>35.10 million</u>	<u>35.10 million</u>	<u>35.10 million</u>	<u>35.10 million</u>

* There were no treasury shares at the end of the respective financial period / year.

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

Not applicable.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard

The figures have neither 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 matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Except as disclosed in Section 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those used in the audited financial statements for the financial 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

The Group has adopted the Singapore Financial Reporting Standards (International) ("SFRS(I)s") that is identical to the International Financial Reporting Standards with effect from 1 January 2018. The adoption of SFRS(I)s for the first time for the financial year ending 31 December 2018 does not result in any changes to the Group's and the Company's current accounting policies and no material adjustments are required on transition to this new framework.

Specifically, the Group has adopted SFRS(I) 9 *Financial Instruments* and SFRS(I) 15 *Revenue from Contracts with Customers* that are relevant to the Group's operations. The adoption of these new SFRS(I)s does not result in any changes to the Group's and the Company's accounting policies and has no material effect on the amounts reported for the current financial period or prior financial years.

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

	Group (Quarter)		Group (Year to Date)	
	30.09.18	30.09.17	30.09.18	30.09.17
i) Earnings (Loss) per ordinary share based on weighted average number of shares (in cent)				
From continuing operations	1.34	1.67	3.00	1.90
From continuing and discontinued operations	1.34	0.98	3.00	(0.14)
ii) Earnings (Loss) per ordinary share based on fully diluted basis (in cent)				
From continuing operations	1.34	1.67	3.00	1.90
From continuing and discontinued operations	1.34	0.98	3.00	(0.14)
Weighted average number of ordinary shares (in million)	35.10	35.10	35.10	35.10

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 period reported on and (b) immediately preceding financial year

	Group		Company	
	30.09.18	31.12.17	30.09.18	31.12.17
Net asset value per ordinary share (in dollar)	1.50	1.45	1.09	1.08
Total number of issued shares* at the end of the financial period / year (in million)	35.10	35.10	35.10	35.10

* There were no treasury shares at the end of the respective financial period / year.

- 8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss 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's revenue from continuing operations (i.e. commodities trading) increased to \$36.5 million in 3Q2018 compared to \$31.4 million in 3Q2017. The higher revenue was mainly attributable to an increase in revenue from coal and rubber trading, partially offset by lower revenue from the sale of aluminium. Despite an increase in gross profit in the current period, gross profit margin was higher in 3Q2017 which was contributed by a one-off higher-margin spot coal shipment. Commodities trading reported a lower profit after tax of \$0.4 million in 3Q2018 compared to \$0.6 million in 3Q2017, mainly due to lower interest income on overdue trade receivables, absence of handling fees relating to coal shipments and higher foreign currency exchange loss.

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

Not applicable.

- 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**

Coal deliveries for the financial year 2018 are expected to be higher than the quantity secured by the Group under the coal allocation agreement. The Group will continually seek opportunities to grow its commodities trading business.

The Group has been given an opportunity to participate in the development of the RMB5 billion (\$1 billion) Sanya Integrated Development project in Hainan, which is a mixed-use development comprising commercial, residential, hotel and retail elements situated next to the existing Sanya High Speed Railway Station. The developer of the project is Sanya Summer Real Estate Co. Ltd. ("SSRE"). In this regard, the Group extended a loan of \$20 million at an interest rate of 7.5% per annum to an interested person on 24 September 2018. The repayment of the loan and accrued interest would be in cash or in such other repayment method as otherwise agreed between the parties. As part of its diversification strategy, the Group has the option to elect (subject to its shareholders' approval, if required) for the loan to be repaid in new shares to be issued in the capital of SSRE.

- 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.

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

No dividend has been declared or recommended for the nine months ended 30 September 2018.

13. Interested Person Transactions

The aggregate value of interested person transactions entered into during the following financial periods is as follows:

Name of interested person	Group		Group		Group		Group	
	Aggregate value of all interested person transactions (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)		Aggregate value of all interested person transactions (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	
	Third Quarter		Third Quarter		Nine Months		Nine Months	
	30.09.18 \$'000	30.09.17 \$'000	30.09.18 \$'000	30.09.17 \$'000	30.09.18 \$'000	30.09.17 \$'000	30.09.18 \$'000	30.09.17 \$'000
Sales								
William Nursalim alias William Liem & associates	-	-	1,064	7,664	-	-	9,488	13,889
Consideration pursuant to Asset Sale and Purchase Agreements								
William Nursalim alias William Liem & associates	-	597	-	-	-	597	-	-
Purchases								
William Nursalim alias William Liem & associates	-	-	23,214	19,120	-	-	69,938	43,652
Interest income from placement of refundable trade deposit								
William Nursalim alias William Liem & associates	-	-	130	118	-	-	374	355
Interest income from overdue trade receivables								
Nuri Holdings (S) Pte Ltd & associates	-	-	-	-	-	-	-	196
Management fee expense								
Tuan Sing Holdings Limited & associates	-	-	113	113	-	-	113	113
Loan								
Nuri Holdings (S) Pte Ltd & associates	-	-	20,000	-	-	-	20,000	-
Total interested person transactions	-	597	44,521	27,015	-	597	99,913	58,205

14. Undertakings from directors and executive officers

Pursuant to Listing Rule 720(1) of the SGX-ST Listing Manual, the Company has received the signed undertakings from all its directors and executive officers based on the revised form of Appendix 7.7.

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15. Confirmation by the Board

We, Peter Sung, and Boediman Gozali (alias Tony Wu), being two directors of SP Corporation Limited (the “Company”), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the third quarter and nine months ended 30 September 2018 to be false or misleading in any material aspect.

Peter Sung
Chairman

Boediman Gozali (alias Tony Wu)
Managing Director and Chief Executive Officer

BY ORDER OF THE BOARD

Helena Chua
Company Secretary
23 October 2018

Important Notes to this Announcement

This announcement may contain forward-looking statements. Words such as ‘expects’, ‘anticipates’, ‘intends’ or the negative use of these terms and other similar expressions of future performance or results and their negatives are intended to identify such forward-looking statements. Forward-looking statements are based upon current expectations and assumptions regarding anticipated developments and other factors affecting the Group. They are not historical facts, nor are they guarantees of future performance or events.

Forward-looking statements involve assumptions, risks and uncertainties. Actual future performance or results may differ materially from those expressed or implied in forward-looking statements as a result of various important factors. These factors include but are not limited to, economic, political and social conditions in the geographic markets where the Group operates, interest rate and foreign currency exchange rate movements, cost of capital and availability of capital, competition from other companies and venues for sale/manufacture/distribution of goods and services, shift in demands, customers and partners, and changes in operating costs. Unpredictable or unknown factors not documented in this report could also have material adverse effects on forward-looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements which speak only as of the date of this announcement. Except as required by any applicable law or regulation, the Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Group’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.