

Financial Statement Announcement for the First Quarter Ended 31 March 2017

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

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

Group			
		S\$'000	%
3 months ended 31 March			
Note	2017	2016	Change
Revenue	3,427	3,264	4.99
Cost of sales	(3,378)	(3,455)	(2.23)
Gross profit/(loss)	49	(191)	NM
Other operating income	1 294	634	(53.63)
Income/(Loss) from investments	2 2,302	(147)	NM
Administrative expenses	(1,520)	(1,628)	(6.63)
Distribution costs	3 (106)	(94)	12.77
Other operating expenses	4 (237)	(154)	53.90
Finance costs	5 (9)	-	NM
Foreign exchange losses	6 (1,398)	(2,076)	(32.66)
Share of results of associates	(19)	(19)	-
Loss before income tax	(644)	(3,675)	(82.48)
Income tax expense	7 (91)	(128)	(28.91)
Loss for the period	(735)	(3,803)	(80.67)
Attributable to:			
Owners of the Company	(783)	(3,859)	(79.71)
Non-controlling interests	48	56	(14.29)
	(735)	(3,803)	(80.67)

NM – Not Meaningful

Statement of Comprehensive Income

Statement of Comprehensive Income

Group			
		S\$'000	%
3 months ended 31 March			
Note	2017	2016	Change
Loss for the period	(735)	(3,803)	(80.67)
Other comprehensive (loss)/income			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences	(3,874)	(6,402)	(39.49)
Net fair value gain/(loss) on available-for-sale financial assets	1,452	(191)	NM
Net fair value changes on available-for-sale financial assets reclassified to profit or loss	(1,490)	-	NM
Other comprehensive loss for the period, net of tax	(3,912)	(6,593)	(40.66)
Total comprehensive loss for the period	(4,647)	(10,396)	(55.30)
Attributable to:			
Owners of the Company	(4,466)	(10,104)	(55.80)
Non-controlling interests	(181)	(292)	(38.01)
	(4,647)	(10,396)	(55.30)

Other information

	Group		
	S\$'000	%	
	3 months ended 31 March		
	2017	2016	Change
Depreciation and amortisation	984	1,024	(3.91)

NM – Not Meaningful

Note 1

Other operating income:

Rental income	55	57	(3.51)
Reversal of impairment loss on property, plant and equipment	-	81	(100.00)
Reversal of impairment loss on other receivables	-	78	(100.00)
Project income	201	414	(51.45)
Sundry income	38	4	NM
	294	634	(53.63)

Group		
S\$'000		%
3 months ended 31 March		
2017	2016	Change
55	57	(3.51)
-	81	(100.00)
-	78	(100.00)
201	414	(51.45)
38	4	NM
294	634	(53.63)

Other operating income decreased due mainly to: (i) lower interest income from the Anxi build-and-transfer ("BT") project. The Group receives interest income from the project based on the outstanding contract sum, the balance of which has reduced following installments payment; and (ii) reversal of impairment loss of \$0.2 million recorded in 1Q16.

Note 2

Income/(Loss) from investments:

Interest income	283	200	41.50
Gain on disposal of investment securities	1,774	8	NM
Dividend income from investment securities	32	43	(25.58)
Net fair value gain/(loss) on held for trading investment securities	213	(398)	NM
	2,302	(147)	NM

Group		
S\$'000		%
3 months ended 31 March		
2017	2016	Change
283	200	41.50
1,774	8	NM
32	43	(25.58)
213	(398)	NM
2,302	(147)	NM

The Group reported income from investment of \$2.3 million in 1Q17 as compared to loss from investment of \$0.1 million in 1Q16 due mainly to: (i) gain on disposal of investment securities of \$1.8m recorded in 1Q17; and (ii) net fair value gain on held for trading investment securities of \$0.2 million in 1Q17 compared to a net fair value loss of \$0.4 million in 1Q16.

Note 3

The increase in distribution costs was because of the higher revenue recorded in 1Q17.

Note 4

Other operating expenses increased due to higher depreciation charges.

NM – Not Meaningful

Note 5

Finance cost:

Interest expense

Group		
S\$'000		%
3 months ended 31 March		
2017	2016	Change
9	-	NM
9	-	NM

Finance cost is pertaining to the interest expense on short-term bank borrowing obtained by Nantong Santeh Hotel Co., Ltd (the "NSTH").

Note 6

The Group reported an exchange loss of \$1.4 million in 1Q17 due mainly to the weakening of the US dollar and Renminbi against the Singapore dollar. The currency translation loss of \$3.9 million reported in other comprehensive income was attributable to the strengthening of the Singapore dollar against the Renminbi.

Note 7

Income tax expense:

Current tax expense

Overseas withholding tax

Deferred tax

Group		
S\$'000		%
3 months ended 31 March		
2017	2016	Change
(86)	(125)	(31.20)
(7)	(8)	(12.50)
2	5	(60.00)
(91)	(128)	(28.91)

The decrease in income tax expense was due to lower taxable profit of the BT project.

NM – Not Meaningful

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

AS AT	Note	Group		Company	
		31/3/2017 \$'000	31/12/2016 \$'000	31/3/2017 \$'000	31/12/2016 \$'000
ASSETS					
Current assets:					
Cash and cash equivalents		40,064	43,937	12,079	11,110
Trade and other receivables		22,922	23,070	36,540	37,586
Inventories	1	4,907	3,491	-	-
Investment securities	2	15,393	11,537	10,612	7,057
Total current assets		83,286	82,035	59,231	55,753
Non-current assets:					
Subsidiaries		-	-	162,157	162,157
Associates		333	361	-	-
Other investments		1,055	1,084	41	41
Property, plant and equipment		18,593	19,437	1,294	1,314
Investment properties		66,966	69,456	907	914
Property under development		32,636	33,501	-	-
Deferred tax assets		165	168	-	-
Investment securities	3	2,176	5,633	2,176	5,633
Land use rights		9,130	9,472	-	-
Total non-current assets		131,054	139,112	166,575	170,059
Total assets		214,340	221,147	225,806	225,812
LIABILITIES AND EQUITY					
Current liabilities:					
Trade and other payables		13,045	14,150	310	381
Income tax payable		262	271	83	84
Short-term bank borrowings	4	203	1,329	-	-
Provision		1,459	1,394	-	-
Total current liabilities		14,969	17,144	393	465
Non-current liabilities:					
Provision for retirement benefits		483	468	483	468
Total non-current liabilities		483	468	483	468
Equity attributable to owners of the Company:					
Share capital		71,856	71,856	71,856	71,856
Treasury shares		(1,929)	(1,929)	(1,929)	(1,929)
Fair value adjustment reserve		967	1,005	967	1,005
Foreign currency translation reserve		4,716	8,361	-	-
Statutory reserve		1,110	1,110	-	-
Capital reserve		48	48	-	-
Retained earnings		114,084	114,867	154,036	153,947
		190,852	195,318	224,930	224,879
Non-controlling interests		8,036	8,217	-	-
Total equity		198,888	203,535	224,930	224,879
Total liabilities and equity		214,340	221,147	225,806	225,812

Notes:

1. Inventory increased due mainly to more raw materials carried by the PVC pipes and fittings operation.
2. Short-term investment securities increased due to purchase of unit trusts and equities during the quarter under review.
3. Long-term investment securities decreased due to disposal of bonds and equities during the quarter under review.
4. Short-term bank borrowings decreased because of the repayment of bank borrowings.

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

Amount repayable in one year or less, or on demand

As at 31 March 2017		As at 31 December 2016	
Secured S\$	Unsecured S\$	Secured S\$	Unsecured S\$
-	203,000	-	1,329,000

Amount repayable after one year

As at 31 March 2017		As at 31 December 2016	
Secured S\$	Unsecured S\$	Secured S\$	Unsecured S\$
-	-	-	-

Details of any collateral

None

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

	Group	
	S\$'000	
	3 months ended 31 Mar	
	2017	2016
Cash flows from operating activities:		
Loss before tax	(644)	(3,675)
Adjustments for:		
Depreciation of property, plant and equipment	328	399
Amortisation of land use rights	79	82
Depreciation of investment properties	577	543
Reversal of impairment loss on property, plant and equipment	-	(81)
Loss on disposal of property, plant and equipment	6	122
Gain on disposal of investment securities	(1,774)	(8)
Property, plant and equipment written off	-	6
Share of results of associates	19	19
Provision for retirement benefits	15	15
Provision for litigation and claims	104	-
Dividend income from investment securities	(32)	(43)
Interest income	(283)	(200)
Interest expense	9	-
Net fair value (loss)/gain on held for trading investment securities	(213)	398
Effects of exchange rate changes on consolidation of subsidiaries	1,085	1,066
Operating cash flows before changes in working capital	(724)	(1,357)
Trade and other receivables	35	6,847
Inventories	(1,417)	178
Trade and other payables	(1,104)	(1,936)
Cash (used in)/generated from operations	(3,210)	3,732
Interest paid	(9)	-
Income tax paid	(97)	(856)
Net cash (used in)/from operating activities	(3,316)	2,876
Cash flows from investing activities:		
Increase in property under development	(67)	(35)
Increase in investment properties	-	(1,352)
Purchase of property, plant and equipment	(7)	13
Purchase of investment securities	(9,992)	-
Proceeds from disposal of property, plant and equipment	4	7
Proceeds from disposal of investment securities	11,418	3,939
Dividends received from investment securities	31	43
Interest received	397	217
Net cash from investing activities	1,784	2,832
Cash flows from financing activities:		
Proceeds from bank borrowings	203	482
Repayment of bank borrowings	(1,292)	-
Net cash (used in)/from financing activities	(1,089)	482
Net (decrease)/increase in cash and cash equivalents	(2,621)	6,190
Cash and cash equivalents at beginning of financial year	43,937	33,884
Effect of exchange rate changes on cash and cash equivalents	(1,252)	(1,368)
Cash and cash equivalents at end of financial year	40,064	38,706

The Group had a net cash outflow of \$3.3 million used in its operating activities in 1Q17 as compared to a net cash inflow of \$2.9 million in 1Q16. Net cash received from investing activities of \$1.8 million in 1Q17 was mainly due to receipts of \$11.4 million sale proceeds from the disposal of investment securities offset by payment of \$10.0 million for the purchase of investment securities.

Net cash used in financing activities of \$1.1 million in 1Q17 was mainly because of the \$1.3 million repayment of bank borrowings.

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 owners of the Company								Non-controlling interests	Total equity
	Share capital	Treasury shares	Fair value adjustment	Capital reserve	Foreign currency translation reserve	Statutory reserve	Retained earnings	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2017	71,856	(1,929)	1,005	48	8,361	1,110	114,867	195,318	8,217	203,535
Net (loss)/profit for the period	-	-	-	-	-	-	(783)	(783)	48	(735)
Other comprehensive (loss)/income for the period										
Currency translation differences	-	-	-	-	(3,645)	-	-	(3,645)	(229)	(3,874)
Net fair value gain on available-for-sale financial assets	-	-	1,452	-	-	-	-	1,452	-	1,452
Net fair value changes of available-for-sale financial assets reclassified to profit or loss	-	-	(1,490)	-	-	-	-	(1,490)	-	(1,490)
Total comprehensive loss for the period	-	-	(38)	-	(3,645)	-	(783)	(4,466)	(181)	(4,647)
Balance at 31 March 2017	71,856	(1,929)	967	48	4,716	1,110	114,084	190,852	8,036	198,888

Group	Attributable to owners of the Company									
	Share capital	Treasury shares	Fair value adjustment reserve	Capital reserve	Foreign currency translation reserve	Statutory reserve	Retained earnings	Total	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2016	71,856	(1,929)	(66)	48	14,629	1,039	125,268	210,845	8,204	219,049
Net (loss)/profit for the period	-	-	-	-	-	-	(3,859)	(3,859)	56	(3,803)
Other comprehensive loss for the period										
Currency translation differences	-	-	-	-	(6,054)	-	-	(6,054)	(348)	(6,402)
Net fair value loss on available-for-sale financial assets	-	-	(191)	-	-	-	-	(191)	-	(191)
Total comprehensive loss for the period	-	-	(191)	-	(6,054)	-	(3,859)	(10,104)	(292)	(10,396)
Balance at 31 March 2016	71,856	(1,929)	(257)	48	8,575	1,039	121,409	200,741	7,912	208,653

Company	Share capital S\$'000	Treasury shares S\$'000	Fair value adjustment reserve S\$'000	Retained earnings S\$'000	Total equity S\$'000
Balance at 1 January 2017	71,856	(1,929)	1,005	153,947	224,879
Net profit for the period	-	-	-	89	89
Other comprehensive income/(loss) for the period					
Net fair value gain on available-for-sale financial assets	-	-	1,452	-	1,452
Net fair value changes of available-for-sale financial assets reclassified to profit or loss	-	-	(1,490)	-	(1,490)
Total comprehensive (loss)/income for the period	-	-	(38)	89	51
Balance at 31 March 2017	71,856	(1,929)	967	154,036	224,930
Balance at 1 January 2016	71,856	(1,929)	(66)	157,301	227,162
Net loss for the period	-	-	-	(2,894)	(2,894)
Other comprehensive loss for the period					
Net fair value loss on available-for-sale financial assets	-	-	(191)	-	(191)
Total comprehensive loss for the period	-	-	(191)	(2,894)	(3,085)
Balance at 31 March 2016	71,856	(1,929)	(257)	154,407	224,077

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as 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

Share Capital

There were no changes in the Company's issued and paid-up share capital during the first quarter ended 31 March 2017.

As at 31 March 2017, the Company has 342,024,763 issued ordinary shares, excluding treasury shares.

Treasury Shares

As at 31 March 2017, there were 5,414,000 (2016: 5,414,000) treasury shares held by the Company.

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 total number of issued ordinary shares excluding treasury shares as at 31 March 2017 was 342,024,763 (31 December 2016: 342,024,763).

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

There were no sales, transfer, disposal, cancellation and/or use of treasury shares as at 31 March 2017.

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.

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

N/A

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 statements for the current financial period compared with those of the audited financial statements as at 31 December 2016, except as disclosed in paragraph 5 below.

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 new and revised Financial Reporting Standards (FRS) and Interpretations of FRS (INT FRS) that are relevant to its operations and effective for annual periods beginning on or after 1 January 2017. The adoption of these new/revised FRS and INT FRS did not result in any substantial change to the Group's and Company's accounting policies or have any significant impact on the financial statements.

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	
	3 months ended 31 March	
	2017	2016
Loss per ordinary share for the year		
(i) Based on weighted average number of ordinary shares on issue	(0.23) cent	(1.13) cents
Weighted average number of ordinary shares	342,024,763	342,024,763
(ii) On a fully diluted basis	(0.23) cent	(1.13) cents
Adjusted weighted average number of ordinary shares	342,024,763	342,024,763

- 7 **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:**
(a) current financial period reported on; and
(b) immediately preceding financial year

	Group		Company	
	As At 31/3/2017	As At 31/12/2016	As At 31/3/2017	As At 31/12/2016
Net asset value per ordinary share based on issued share capital at the end of the period reported on (S\$)	0.56	0.57	0.66	0.66
Total number of issued shares, excluding treasury shares, at the end of the period reported on	342,024,763	342,024,763	342,024,763	342,024,763

- 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.

PERFORMANCE REVIEW

Revenue of the Group increased by \$0.1 million from \$3.3 million in 1Q16 to \$3.4 million in 1Q17 mainly because of higher revenue recorded in the PVC pipes and fittings operation. Net loss decreased from \$3.8 million in 1Q16 to \$0.7 million in 1Q17 principally due to: (i) gain on disposal of investment securities of \$1.8 million; and (ii) decrease in exchange loss of \$0.7 million.

Hotel and Property Operation

Hotel and property operation reported a decrease in revenue of \$0.2 million from \$1.0 million in 1Q16 to \$0.8 million in 1Q17 mainly due to the suspension of Suzhou hotel operation since January 2017 for the redevelopment work. Loss of the operation decreased marginally by \$0.1 million to \$0.8 million in 1Q17 mainly due to the increase in rental income at the Nantong shopping mall.

PVC Pipes and Fittings Operation

Revenue of the PVC pipes and fittings operation increased from \$2.3 million in 1Q16 to \$2.6 million in 1Q17 owing to higher sales quantity and selling price. However, the operation reported a loss of \$68,000 in 1Q17 as compared to a profit of \$51,000 in 1Q16 because of the decrease in profit margin resulted from the rising raw material cost.

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

The Group's performance in the first quarter of 2017 is in line with our previous announcement.

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 operation of Suzhou hotel has been suspended since January 2017 for the redevelopment of the hotel into an integrated family resort with a hotel under the Novotel franchise. The renovation work has commenced in April 2017 and initial operation is targeted to commence in first half of 2018.

Marketing for new tenants of the shopping mall at the San Teh Commercial Plaza at Shanghai Anting is now progressing as planned. The Group has completed the signing of the tenancy agreements which are accounted for approximately 30% occupancy rate.

The arbitration proceeding with the hotel operator of NSTH is still on-going. Marketing for new tenants of the shopping mall of NSTH is still in progress.

The construction of the Dali Heqing project is still put on hold as the legal proceedings is on-going.

The Group expects its PVC pipes and fittings operation to continue to face challenging business environment.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No

Name of Dividend

Dividend Type

Dividend Amount per Share (in cents)

Tax Rate

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

Name of Dividend

Dividend Type

Dividend Amount per Share (in cents)

Tax Rate

(c) Date payable

N/A

(d) Books closure date

N/A

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

No dividend has been declared or recommended for the period ended 31 March 2017.

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 did not obtain any general mandate from its shareholders for interested person transactions.

14 Confirmation pursuant to Rule 720(1) of the Listing Manual.

The Company confirms that it has procured undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 under Rule 720(1).

15 Segment Information

Period ended 31 March 2017

	Investment Holding	Hotel and Property	PVC Pipes and Fittings	Others	Elimination	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue						
External sales	-	823	2,604	-	-	3,427
Intersegment sales	-	-	-	-	-	-
Total sales	-	823	2,604	-	-	3,427
Results						
Segment results	(32)	(788)	(68)	(11)	-	(899)
Interest income	116	128	16	64	(41)	283
Interest expense	-	(50)	-	-	41	(9)
Share of results of associates	(19)	-	-	-	-	(19)
Profit/(Loss) before tax	65	(710)	(52)	53	-	(644)
Income tax expense	(8)	(67)	(3)	(13)	-	(91)
Profit/(Loss) for the period	57	(777)	(55)	40	-	(735)
Assets						
Segment assets	232,288	173,347	22,392	21,320	(235,505)	213,842
Investment in associates	333	-	-	-	-	333
Deferred tax assets	-	165	-	-	-	165
Total assets	232,621	173,512	22,392	21,320	(235,505)	214,340
Liabilities						
Segment liabilities	805	62,232	870	5,484	(54,201)	15,190
Income tax payable	88	136	3	35	-	262
Total liabilities	893	62,368	873	5,519	(54,201)	15,452
Other segment information						
Additions to property, plant and equipment	-	1	6	-	-	7
Additions to property under development	-	67	-	-	-	67
Depreciation and amortisation	30	867	75	12	-	984
Foreign exchange losses/(gains)	1,464	(66)	-	-	-	1,398

Period ended 31 March 2016

	Investment Holding	Hotel and Property	PVC Pipes and Fittings	Others	Elimination	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue						
External sales	-	1,010	2,254	-	-	3,264
Intersegment sales	-	11	1,111	-	(1,122)	-
Total sales	-	1,021	3,365	-	(1,122)	3,264
Results						
Segment results	(2,983)	(916)	51	(8)	-	(3,856)
Interest income	141	7	15	78	(41)	200
Interest expense	-	(41)	-	-	41	-
Share of results of associates	(19)	-	-	-	-	(19)
(Loss)/Profit before tax	(2,861)	(950)	66	70	-	(3,675)
Income tax expense	(16)	(98)	(4)	(10)	-	(128)
(Loss)/Profit for the period	(2,877)	(1,048)	62	60	-	(3,803)
Assets						
Segment assets	231,824	182,439	25,918	21,737	(236,294)	225,624
Investment in associates	1,506	-	-	-	-	1,506
Deferred tax assets	-	328	-	-	-	328
Total assets	233,330	182,767	25,918	21,737	(236,294)	227,458
Liabilities						
Segment liabilities	2,186	62,563	917	5,605	(52,743)	18,528
Income tax payable	26	225	4	22	-	277
Total liabilities	2,212	62,788	921	5,627	(52,743)	18,805
Other segment information						
Additions to property, plant and equipment	1	50	1	-	-	52
Additions to property under development	-	35	-	-	-	35
Additions to investment properties	-	1,352	-	-	-	1,352
Depreciation and amortisation	38	880	93	13	-	1,024
Foreign exchange losses/(gains)	2,134	(58)	-	-	-	2,076

BY ORDER OF THE BOARD

LIM WEE TZIANG
COMPANY SECRETARY
28 April 2017

RULE 705(5) – NEGATIVE ASSURANCE

SAN TEH LTD

Confirmation by the Board of Directors

Pursuant to Rule 705(5) of the SGX-ST Listing Manual, we, Kao Chuan Chi and Kao Chuan Trong, being two Directors of San Teh Limited (the “Company”), do hereby confirm on behalf of the Board of 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 Group’s unaudited interim financial results for the first quarter ended 31 March 2017 to be false or misleading in any material aspect.

On behalf of the Board of Directors:

Kao Chuan Chi
Director

Kao Chuan Trong
Director

Singapore, 28 April 2017