



HEETON HOLDINGS LIMITED
Co. Reg. No. 197601387M

HALF YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR SIX MONTHS ENDED 30 JUNE 2019

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

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

UNAUDITED RESULTS FOR SECOND QUARTER AND HALF-YEAR ENDED 30 JUNE 2019

	Group					
	2Q2019 S\$'000	2Q2018 S\$'000	Increase / (Decrease) %	HY2019 S\$'000	HY2018 S\$'000	Increase / (Decrease) %
	(Restated)			(Restated)		
Revenue	18,084	12,590	43.6	29,154	24,378	19.6
Cost of properties sold	(2,421)	(4,209)	(42.5)	(3,335)	(9,076)	(63.3)
Other operating income	642	1,177	(45.5)	1,287	5,995	(78.5)
Personnel expenses	(4,806)	(2,765)	73.8	(7,422)	(5,276)	40.7
Depreciation of fixed assets	(1,303)	(311)	319.0	(2,099)	(779)	169.4
Other operating expenses	(6,432)	(5,755)	11.8	(10,334)	(8,360)	23.6
Profit from operations	3,764	727	417.7	7,251	6,882	5.4
Finance expenses	(5,403)	(4,117)	31.2	(9,937)	(8,753)	13.5
Finance income	1,738	2,698	(35.6)	3,486	4,635	(24.8)
Share of results of associated companies/joint venture companies	3,950	4,271	(7.5)	4,469	7,727	(42.2)
Gain from fair value adjustments of investment properties	4,974	5,000	(0.5)	4,974	5,000	(0.5)
Profit before tax	9,023	8,579	5.2	10,243	15,491	(33.9)
Income tax expense	(600)	(589)	1.9	(1,339)	(1,056)	26.8
Profit for the period, net of tax	8,423	7,990	5.4	8,904	14,435	(38.3)
Other comprehensive income						
<u>Items that may be reclassified subsequently to profit or loss:</u>						
Foreign currency translation	(1,435)	(2,190)	(34.5)	1,413	(737)	n.m.
Other comprehensive income for the period, net of tax	(1,435)	(2,190)	(34.5)	1,413	(737)	n.m.
Total comprehensive income for the period	6,988	5,800	20.5	10,317	13,698	(24.7)
Profit attributable to:						
Owners of the Company	8,644	8,098	6.7	9,751	14,825	(34.2)
Non-controlling interests	(221)	(108)	104.6	(847)	(390)	117.2
	8,423	7,990	5.4	8,904	14,435	(38.3)
Total comprehensive income / (expense) attributable to:						
Owners of the Company	5,950	6,193	(3.9)	9,981	14,244	(29.9)
Non-controlling interests	1,038	(393)	n.m.	336	(546)	n.m.
	6,988	5,800	20.5	10,317	13,698	(24.7)

n.m. : 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

UNAUDITED BALANCE SHEETS

	Group		Company	
	30/6/2019 \$'000	31/12/2018 \$'000	30/6/2019 \$'000	31/12/2018 \$'000
Non-current assets				
Fixed assets	376,671	216,905	315	396
Investment properties	169,441	164,810	-	-
Subsidiaries	-	-	24,583	24,583
Associated companies	25,901	26,193	-	-
Joint venture companies	118,967	116,369	5,000	5,000
Amounts due from associated companies and joint venture companies (non trade)	146,773	149,632	-	-
Intangible assets	109	109	-	-
Other receivables	18,000	18,000	-	-
	855,862	692,018	29,898	29,979
Current assets				
Development properties	27,795	32,070	12,774	16,109
Trade receivables	1,223	1,267	9	261
Other receivables	35,601	52,284	22,699	24,617
Prepayments	1,688	2,171	1,170	1,526
Amounts due from subsidiaries (non-trade)	-	-	319,347	306,495
Amounts due from related parties (trade)	12	12	-	-
Amounts due from associated companies and joint venture companies (non-trade)	686	845	78	263
Fixed deposits	18,785	22,039	16,921	21,887
Cash and bank balances	52,867	52,920	27,268	28,092
	138,657	163,608	400,266	399,250
Current liabilities				
Trade payables	2,871	2,892	1,567	1,550
Other payables and accruals	15,309	13,431	5,079	5,420
Amounts due to subsidiaries (non-trade)	-	-	114,415	111,022
Finance lease obligations	76	76	50	50
Lease liabilities	286	-	-	-
Bonds	75,000	-	75,000	-
Bank term loans	102,463	104,131	-	-
Income tax payable	3,489	3,560	366	431
	199,494	124,090	196,477	118,473
Net current assets/(liabilities)	(60,837)	39,518	203,789	280,777
Non-current liabilities				
Other payables and accruals	732	1,024	-	-
Finance lease obligations	82	119	67	92
Lease liabilities	5,637	-	-	-
Amounts due to associated companies and joint venture companies (non-trade)	29,100	27,914	16,863	16,670
Amounts due to non-controlling interests (non-trade)	76,825	60,852	-	-
Bonds	118,000	193,000	118,000	193,000
Bank term loans	134,504	26,833	-	-
Deferred tax liabilities	896	911	13	19
	(365,776)	(310,653)	(134,943)	(209,781)
Net assets	429,249	420,883	98,744	100,975
Share capital and reserves				
Share capital	86,624	86,624	86,624	86,624
Foreign currency translation reserve	(3,762)	(3,992)	-	-
Retained earnings	344,355	336,555	12,120	14,351
	427,217	419,187	98,744	100,975
Non-controlling interests	2,032	1,696	-	-
Total equity	429,249	420,883	98,744	100,975

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

Amount repayable in one year or less, or on demand

As at 30/06/2019		As at 31/12/2018	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
102,539	75,000	104,207	-

Amount repayable after one year

As at 30/06/2019		As at 31/12/2018	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
134,586	118,000	26,952	193,000

Details of any collateral

All secured borrowings of the Group are secured by first legal mortgages and assignment of rental and sales proceeds of the investment properties and development properties of the borrowing companies. Lease obligations are secured on the assets purchased under lease financing.

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

UNAUDITED SECOND QUARTER AND HALF-YEAR CASH FLOW STATEMENTS

	Group			
	2Q2019 \$'000	2Q2018 \$'000	HY2019 \$'000	HY2018 \$'000
Cash flows from operating activities				
Profit before tax	9,023	8,579	10,243	15,491
Adjustments for:				
Depreciation of fixed assets	1,303	311	2,099	779
Gain on disposal of investment property	-	-	-	(4,150)
Fair value gain of derivative financial instrument	-	(74)	-	(74)
Share of results of associated companies/joint venture companies	(3,950)	(4,271)	(4,469)	(7,727)
Gain from fair value adjustments of investment properties	(4,974)	(5,000)	(4,974)	(5,000)
Interest expense	5,403	4,117	9,937	8,753
Interest income	(1,738)	(2,698)	(3,486)	(4,635)
Unrealised exchange differences	2,737	1,308	1,950	544
Operating cash flows before changes in working capital	7,804	2,272	11,300	3,981
Decrease in development properties	2,353	3,673	4,087	8,235
(Increase)/decrease in trade receivables	(114)	548	33	4,658
Decrease/(increase) in other receivables	18,495	(10,014)	16,651	(10,879)
Decrease/(increase) in prepayments	159	143	478	(1,000)
Decrease in trade payables	(376)	(3,565)	(8)	(59)
Increase in other payables and accruals	2,842	2,231	1,671	1,927
Increase in amounts due from related parties, net	-	(12)	-	-
Cash flows from/(used in) operations	31,163	(4,724)	34,212	6,863
Interest received	1,737	2,698	3,486	4,635
Interest paid, excluding amounts capitalised	(5,403)	(4,117)	(9,937)	(8,753)
Income taxes paid	(844)	(1,607)	(1,248)	(1,603)
Net cash flows generated from/(used in) operating activities	26,653	(7,750)	26,513	1,142

UNAUDITED SECOND QUARTER AND HALF-YEAR CASH FLOW STATEMENTS (CONT'D)

	Group			
	2Q2019 \$'000	2Q2018 \$'000	HY2019 \$'000	HY2018 \$'000
Cash flows from investing activities				
Additions to fixed assets	(153,681)	(4,134)	(158,804)	(5,572)
Proceeds from disposal of investment property held for sale	-	-	-	50,265
Net repayment of loan from associated companies and joint venture companies	4,259	35,997	7,421	20,994
Net cash flows (used in)/generated from investing activities	<u>(149,422)</u>	<u>31,863</u>	<u>(151,383)</u>	<u>65,687</u>
Cash flows from financing activities				
Repayment of finance lease obligations, net	(18)	(18)	(36)	(36)
Proceeds from bank loans	92,378	-	109,050	-
Repayment of bank loans	(190)	(40,547)	(1,695)	(98,132)
Proceeds from bond issue	-	-	-	118,000
Loans from non-controlling interests	16,243	313	16,599	661
Dividends paid on ordinary shares of the Company	(1,951)	(3,252)	(1,951)	(3,252)
Net cash flows generated from/(used in) financing activities	<u>106,462</u>	<u>(43,504)</u>	<u>121,967</u>	<u>17,241</u>
Net (decrease)/increase in cash and cash equivalents	(16,307)	(19,391)	(2,903)	84,070
Effect of exchange rate changes on cash and cash equivalents	(1,366)	(293)	(404)	(70)
Cash and cash equivalents at beginning of period	89,325	130,308	74,959	26,624
Cash and cash equivalents at end of period	<u>71,652</u>	<u>110,624</u>	<u>71,652</u>	<u>110,624</u>

Note: Cash and cash equivalents

	Group			
	2Q2019 \$'000	2Q2018 \$'000	HY2019 \$'000	HY2018 \$'000
Fixed deposits	18,785	46,637	18,785	46,637
Cash and bank balances	52,867	63,987	52,867	63,987
Cash and cash equivalents	<u>71,652</u>	<u>110,624</u>	<u>71,652</u>	<u>110,624</u>

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

UNAUDITED STATEMENT OF CHANGES IN EQUITY

Group	Attributable to equity holders of the Company					
	Share Capital	Foreign Currency Translation Reserve	Retained Earnings	Total	Non-controlling Interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2018	86,624	927	322,182	409,733	2,399	412,132
Profit for the period	-	-	14,825	14,825	(390)	14,435
Other comprehensive income	-	-	-	-	-	-
- Foreign currency translation	-	(191)	-	(191)	(546)	(737)
Total comprehensive income for the period	-	(191)	14,825	14,634	(936)	13,698
Dividends	-	-	(3,252)	(3,252)	-	(3,252)
Acquisition of subsidiaries	-	-	-	-	1,039	1,039
Balance at 30 June 2018	86,624	736	333,755	421,115	2,502	423,617
Balance at 1 January 2019	86,624	(3,992)	336,555	419,187	1,696	420,883
Profit for the period	-	-	9,751	9,751	(847)	8,904
Other comprehensive income	-	-	-	-	-	-
- Foreign currency translation	-	230	-	230	1,183	1,413
Total comprehensive income for the period	-	230	9,751	9,981	336	10,317
Dividends	-	-	(1,951)	(1,951)	-	(1,951)
Balance at 30 June 2019	86,624	(3,762)	344,355	427,217	2,032	429,249
Company	Share Capital	Retained Earnings	Total Equity			
	S\$'000	S\$'000	S\$'000			
Balance at 1 January 2018	86,624	22,581	109,205			
Total comprehensive income for the period	-	(842)	(842)			
Dividends	-	(3,252)	(3,252)			
Balance at 30 June 2018	86,624	18,487	105,111			
Balance at 1 January 2019	86,624	14,351	100,975			
Total comprehensive expense for the period	-	(280)	(280)			
Dividends	-	(1,951)	(1,951)			
Balance at 30 June 2019	86,624	12,120	98,744			

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

There is no change in the Company's share capital for the period from 1 January 2019 to 30 June 2019.

There are no outstanding convertible securities as at 30 June 2019 and 31 December 2018.

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 immediate preceding year

The Company did not hold any treasury shares as at 30 June 2019 and 31 December 2018.

The total number of issued ordinary shares (excluding treasury shares) as at 30 June 2019 and 31 December 2018 was 325,156,492.

The Company did not issue any preference shares as at 30 June 2019 and 31 December 2018.

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, transfers, disposal, cancellation and/or use of treasury shares during the period ended 30 June 2019.

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 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 Note 5, the financial information has been prepared in accordance with the same accounting policies and methods of computation adopted in the most recent audited annual financial statement.

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 SFRS(I) 16 with effect from 1 January 2019. The Group has applied the modified retrospective method of adoption and will not restate comparative amounts for the year prior to first adoption and has not restated comparatives for the 2018 reporting period as permitted under the specific transition provisions in the standard. On adoption of SFRS(I)16 Leases, the Group has recognised right-of-use assets of \$6,191,000 and lease liabilities of \$6,191,000 on 1 January 2019.

The Group is still in the process of finalising its assessment of the impact arising from the adoption of SFRS(I) 16 Leases. The financial impact may differ from the provisional figures determined at the date of this announcement.

In addition, the Group has elected to early apply the Amendments to SFRS(I) 3: Definition of a Business with effect from 1 January 2019, with the amendments applied prospectively to transactions that occur on or after the date of initial application. The amendments clarify the minimum requirements to be a business, remove the assessment of a market participant's ability to replace missing elements, and narrow the definition of outputs. The amendments also introduce an optional concentration test to permit a simplified assessment of whether a transaction is a business combination or asset acquisition. Accordingly, the Group has accounted for the acquisition of Crowne Plaza London Kensington during the year as an asset acquisition under the amendments to SFRS(I) 3.

6 Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

EARNINGS PER SHARE

	Group					
	2Q2019 Cents	2Q2018 Cents	Increase %	HY2019 Cents	HY2018 Cents	Decrease %
Earnings per ordinary share attributable to equity holders of the Company for the period						
(a) On a basic basis	2.66	2.49	6.8	3.00	4.56	(34.2)
(b) On a fully diluted basis	2.66	2.49	6.8	3.00	4.56	(34.2)

The above have been computed based on 325,156,492 ordinary shares for the 6 months ended 30 June 2019 and 6 months ended 31 June 2018.

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 period reported on; and

(b) immediately preceding financial year

	Group		Company	
	30/6/2019 Cents	31/12/2018 Cents	30/6/2019 Cents	31/12/2018 Cents
Net asset value per ordinary share based on issued share capital at the end of the period reported on	131.39	128.92	30.37	31.05

The above have been computed based on 325,156,492 ordinary shares in issue as at 30 June 2019 and 31 December 2018.

- 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**
(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

Commentary on the Consolidated Income Statements

Turnover comprises rental income from investment properties, hotel operation income and management fee as well as proceeds from the sales of the Group's residential projects.

The Group's turnover for the 6 month period ended 30 June 2019 ("1H2019") increased by 19.6% to \$29.15 million compared to \$24.38 million for the previous corresponding period ended 30 June 2018 ("1H2018"). The increase is attributed to following significant items:

- (i) increase in hotel operation income by \$10.30 million due to newly acquired hotels, Indigo Hotel in Glasgow, Scotland, Smile Hotel Asakusa in Tokyo, Japan, Stewart Aparthotel in Edinburgh, Scotland and Crowne Plaza London Kensington in London, UK;
- (ii) decrease in sale revenue of \$5.29 from residential project, Onze@Tanjong Pagar as this project was substantially sold in the previous year; and
- (iii) decrease in rental revenue of \$0.31 million as one of the investment properties, The Woodgrove was sold in February 2018.

Cost of properties sold in 1H2019 and 1H2018 relates to residential project, Onze@Tanjong Pagar, and the decrease in 1H2019 is in line with the lower revenue recognised.

Other operating income decreased by \$4.71 million to \$1.29 million in 1H2019 mainly due to the gain on disposal of investment property, The Woodgrove, of \$4.15 million which was recognised in 1Q2018.

Personnel expenses increased by \$2.15 million to \$7.42 million in 1H2019 mainly as a result of increase in headcount following the expansion of UK operations.

Depreciation of fixed assets increased by \$1.32 million to \$2.10 million in 1H2019 mainly due to higher depreciation charge as a result of additional hotel acquisitions.

Other operating expenses increased to \$10.33 million in 1H2019 from \$8.36 million in 1H2018 mainly due to increase in operating expenses following the acquisition of Indigo Hotel in Glasgow in October 2018, Stewart Aparthotel in Edinburgh in September 2018 and Crowne Plaza London Kensington in April 2019.

Finance expenses comprised mainly interest on the \$193 million bond and \$236.97 million bank loans outstanding. It increases by \$1.18 million to \$9.94 million mainly due to the draw down of additional bank loans for new hotel acquisitions.

Finance income decreased by \$1.15 million to \$3.49 million in 1H2019 due to decrease in interest bearing loans made to associated companies and joint venture companies.

Share of profits from associated companies and joint venture companies decreased by 42.2% to \$4.47 million in 1H2019 from \$7.73 million in 1H2018. The decrease was mainly attributed to lower profit recognition of certain residential projects, such as High Park Residences and Westwood Residences as they had been substantially sold in previous years.

The Group recorded a \$4.97 million fair value gain in 1H2019 mainly from its investment property, Tampines Mart.

Income tax expense increased by \$0.28 million in 1H2019 from \$1.06 million in 1H2018 mainly due to higher tax on profitable subsidiaries.

Taking into account all the above factors, the Group recorded a net profit after tax of \$8.90 million for 1H2019, compared to a net profit after tax of \$14.44 million recorded in 1H2018.

Commentary on the Consolidated Balance Sheets

Fixed assets amounting to \$376.67 million comprised mainly hotel properties. The increase of \$159.77 million in 1H2019 was mainly due to the acquisition of the Crowne Plaza London Kensington in April 2019 and the development costs of Hampton by Hilton in Leeds, UK.

Investment properties increase from \$164.81 million to \$169.44 million mainly due to the fair value gain of \$5.00 million on Tampines Mart.

Development properties decreased from \$32.07 million to \$27.80 million in 1H2019 due to progressive recognition of sales and cost of sales of development project, Onze@Tanjong Pagar.

Total other receivables decreased by \$16.68 million in 1H2019 mainly due to the utilisation of deposit for the acquisition of Crowne Plaza London Kensington in April 2019. Included in other receivables are Senior and Promissory Notes receivables totalling \$36 million (2018: \$36 million) following the Group's disposal of a joint venture company and subsidiary company.

Fixed deposits, cash and bank balances totalled \$71.65 million in 1H2019 compared to \$74.96 million in FY2018. The decrease is mainly due to funds used for the acquisition of new hotel property.

Lease liabilities increased by \$5.92 million in 1H2019 due to lease liabilities arising from the adoption of SFRS(I) 16 Leases which took effect from 1 January 2019.

Amounts due to non-controlling interests represent loans from non-controlling interests for various overseas projects. The increase of \$15.97 million to \$76.83 million in 1H2019 is mainly attributable to payments made for the acquisition of the Crowne Plaza London Kensington and additional investment cost for development of Hampton by Hilton in Leeds, UK.

Total bank term loans and short-term bank loans increased from \$130.96 million in FY2018 to \$236.97 million in 1H2019 mainly as a result of new bank term loans taken up for the new hotels, Indigo Hotel in Glasgow, Stewart Aparthotel in Edinburgh, Scotland and Crowne Plaza London Kensington in London, UK.

Commentary on the Cash Flow Statements

The decrease in cash and cash equivalents of \$2.90 million in 1H2019 can be attributed to the following major cash inflows and outflows during the year:

Cash inflows:

- net cash flows from operating activities of \$26.51 million;
- proceeds from bank loan of \$107.36 million;
- net repayment of loans from associated and joint venture companies of \$16.60 million; and
- proceeds from non controlling interests mainly to fund various overseas projects of \$7.42 million.

Cash outflows:

- net cash outflow of \$158.80 million for the additions to fixed assets comprising mainly due to the acquisition of Crowne Plaza London Kensington in London, UK; and
- dividends paid on ordinary shares of the Company of \$1.95 million.

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

The actual results for the second quarter and half year ended 30 June 2019 of the Group are in line with the statement made in paragraph 10 of the results announcement for the first quarter ended 31 March 2019.

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 -

According to URA data released on 26 July 2019, the private residential market saw a brief respite during 2Q19 on the back of a 1.5 per cent rise in private home prices from 1Q19. Developers sold more homes during the quarter, with 2,350 units transacted compared to 1,838 units in the previous quarter. However, market sentiment remains cautious on expectations of a sustained elevated supply in the market, coupled with a slowdown in Singapore's economic growth.

Looking ahead, the group remains focused on recurring income by growing its investment properties and hospitality assets. Given the continued uncertainties in the global economic environment due to events such as the China-US trade war and Brexit, as well as challenges in the local property sector, the Group will continue to adopt a cautious and prudent approach when exploring opportunities at home and internationally.

11 Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

(c) Date payable

No.

(d) Books closure date

No.

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

No dividend has been declared by the Board of the Company in respect of 1H2019 (1H2018 - Nil). It is not the Company's practise to pay dividend in the first half of the financial year.

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)

The Company has not obtained a general mandate from shareholders for Interested Person Transactions.

14 Negative assurance on interim financial results

The board of directors hereby confirm that, to the best of its knowledge, nothing has come to its attention which may render the financial results for the first half year ended 30 June 2019 to be false or misleading in any material respect.

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

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

BY ORDER OF THE BOARD

Toh Giap Eng
Executive Deputy Chairman
7 August 2019

Teng Heng Chew Eric
CEO & Executive Director