

Third Quarter Financial Statement Announcement for the Period Ended 30/9/2017

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			%	S\$'000		
3 months ended 30 September				9 months ended 30 September		
Note	2017	2016	Change	2017	2016	Change
Revenue	5,169	3,732	38.50	13,377	11,199	19.45
Cost of sales	(4,790)	(3,659)	30.91	(12,855)	(11,080)	16.02
Gross profit	379	73	NM	522	119	NM
Other operating income	182	731	(75.10)	996	2,053	(51.49)
Income from investments	629	401	56.86	3,842	444	NM
Administrative expenses	(1,405)	(1,681)	(16.42)	(4,629)	(5,090)	(9.06)
Distribution costs	(155)	(68)	NM	(373)	(267)	39.70
Other operating expenses	(284)	(151)	88.08	(820)	(454)	80.62
Finance costs	(20)	(27)	(25.93)	(33)	(41)	(19.51)
Foreign exchange gains/(losses)	15	370	(95.95)	(1,350)	(2,723)	(50.42)
Share of results of associates	(19)	(18)	5.56	(56)	(63)	(11.11)
Loss before tax	(678)	(370)	83.24	(1,901)	(6,022)	(68.43)
Income tax expense	(311)	(281)	10.68	(692)	(698)	(0.86)
Loss for the period	(989)	(651)	51.92	(2,593)	(6,720)	(61.41)
Attributable to:						
Owners of the Company	(971)	(754)	28.78	(2,753)	(6,971)	(60.51)
Non-controlling interests	(18)	103	NM	160	251	(36.25)
	(989)	(651)	51.92	(2,593)	(6,720)	(61.41)

NM – Not Meaningful

Statement of Comprehensive Income

Group					
S\$'000		%	S\$'000		%
3 months ended 30 September			9 months ended 30 September		
2017	2016	Change	2017	2016	Change
(989)	(651)	51.92	(2,593)	(6,720)	(61.41)
580	1,001	(42.06)	(2,704)	(9,377)	(71.16)
413	957	(56.84)	1,893	948	99.68
-	-	NM	(1,788)	-	NM
993	1,958	(49.28)	(2,599)	(8,429)	(69.17)
4	1,307	(99.69)	(5,192)	(15,149)	(65.73)
(8)	1,150	NM	(5,189)	(14,886)	(65.14)
12	157	(92.36)	(3)	(263)	(98.86)
4	1,307	(99.69)	(5,192)	(15,149)	(65.73)

Other information

Group					
S\$'000		%	S\$'000		%
3 months ended 30 September			9 months ended 30 September		
2017	2016	Change	2017	2016	Change
983	1,014	(3.06)	2,957	3,013	(1.86)

NM – Not Meaningful

Note 1

Group					
S\$'000		%	S\$'000		%
3 months ended 30 September			9 months ended 30 September		
2017	2016	Change	2017	2016	Change
58	61	(4.92)	171	172	(0.58)
-	28	(100.00)	14	28	(50.00)
-	-	NM	-	81	(100.00)
-	-	NM	-	78	(100.00)
107	637	(83.20)	738	1,660	(55.54)
17	5	NM	73	34	NM
182	731	(75.10)	996	2,053	(51.49)

Other operating income decreased due mainly to lower interest income from the Anxi build-and-transfer ("BT") project. The interest income had reduced because of lower outstanding contract sum. To date, all outstanding contract sum has been fully received.

Note 2

Group					
S\$'000		%	S\$'000		%
3 months ended 30 September			9 months ended 30 September		
2017	2016	Change	2017	2016	Change
363	270	34.44	1,014	718	41.23
-	-	NM	-	(2)	(100.00)
-	-	NM	1,774	8	NM
143	73	95.89	261	192	35.94
123	58	NM	793	(472)	NM
629	401	56.86	3,842	444	NM

Income from investments increased due to: (i) higher interest income from placement of short-term deposits; (ii) higher dividend income from investment securities; and (iii) higher net fair value gains on held for trading investment securities.

Note 3

Administrative expenses decreased mainly because of the \$0.4 million provision made in respect of the several legal actions involved by Shanghai San Teh Xing with its tenants recorded in 3Q16.

Note 4

The increase in distribution costs was because of the higher revenue recorded in 3Q17.

Note 5

Other operating expenses increased due to the reclassification of depreciation charges of Suzhou hotel as the hotel ceased operation in late January 2017 for redevelopment work.

NM – Not Meaningful

Note 6

Group					
S\$'000		%	S\$'000		%
3 months ended 30 September			9 months ended 30 September		
2017	2016	Change	2017	2016	Change
(20)	(27)	(25.93)	(33)	(41)	(19.51)
(20)	(27)	(25.93)	(33)	(41)	(19.51)

Finance cost:

Interest expense

The reduction in finance costs was because of the lower interest expense arising from lower loan balance in the quarter under review compared to the corresponding quarter.

Note 7

The Group reported an exchange gain of \$15,000 in 3Q17 due mainly to the weakening of the US dollar against the Renminbi. The currency translation gain of \$0.6 million reported in other comprehensive income was attributable to the weakening of the Singapore dollar against the Renminbi.

Note 8

Group					
S\$'000		%	S\$'000		%
3 months ended 30 September			9 months ended 30 September		
2017	2016	Change	2017	2016	Change
(339)	(185)	83.24	(439)	(636)	(30.97)
(8)	(9)	(11.11)	(218)	(25)	NM
37	(1)	NM	48	121	(60.33)
(1)	(86)	(98.84)	(83)	(158)	(47.47)
(311)	(281)	10.68	(692)	(698)	(0.86)

Income tax expense:

Current
Overseas withholding tax
Over/(Under) provision in prior years
Deferred tax

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	
		30/9/2017 S\$'000	31/12/2016 S\$'000	30/9/2017 S\$'000	31/12/2016 S\$'000
ASSETS					
Current assets:					
Cash and cash equivalents		42,235	43,937	13,672	11,110
Trade and other receivables	1	14,404	23,070	36,489	37,586
Inventories	2	4,654	3,491	-	-
Investment securities	3	20,832	11,537	11,303	7,057
Total current assets		82,125	82,035	61,464	55,753
Non-current assets:					
Investment in subsidiaries		-	-	162,157	162,157
Investment in associates	4	298	361	-	-
Other investments		1,064	1,084	41	41
Property, plant and equipment		19,405	19,437	1,257	1,314
Investment properties		66,810	69,456	894	914
Property under development		33,003	33,501	-	-
Deferred tax assets		81	168	-	-
Investment securities	5	2,320	5,633	2,320	5,633
Land use rights		9,051	9,472	-	-
Total non-current assets		132,032	139,112	166,669	170,059
Total assets		214,157	221,147	228,133	225,812
LIABILITIES AND EQUITY					
Current liabilities:					
Trade and other payables		13,966	14,150	177	381
Short-term bank borrowings	6	1,635	1,329	-	-
Income tax payable	7	552	271	79	84
Provision		1,472	1,394	-	-
Total current liabilities		17,625	17,144	256	465
Non-current liabilities:					
Provision for retirement benefits		512	468	512	468
Total non-current liabilities		512	468	512	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		1,110	1,005	1,110	1,005
Foreign currency translation reserve		5,820	8,361	-	-
Statutory reserve		1,110	1,110	-	-
Capital reserve		48	48	-	-
Retained earnings		111,088	114,867	156,328	153,947
		189,103	195,318	227,365	224,879
Non-controlling interests		6,917	8,217	-	-
Total equity		196,020	203,535	227,365	224,879
Total liabilities and equity		214,157	221,147	228,133	225,812

Notes:

1. Decrease in trade and other receivables was due mainly to the receipt of instalments payment from the Anxi BT project.
2. Inventory increased mainly because of more finished goods and raw materials carried by the PVC pipes and fittings operation as it has secured more tender projects.
3. Short-term investment securities increased due to purchase of principal protected financial instruments, unit trusts and equities.
4. Decrease in investment in associates was attributable to operating losses recorded by the associate.
5. Long-term investment securities decreased due to disposal of bonds and equities.
6. Short-term bank borrowings increased because drawing down of bank loan to maintain the banking facility line.
7. Income tax payables increased due to accrued income tax not paid before the end of the financial period as it was paid at the beginning of next quarter.

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 September 2017		As at 31 December 2016	
Secured S\$	Unsecured S\$	Secured S\$	Unsecured S\$
-	1,635,000	-	1,329,000

Amount repayable after one year

As at 30 September 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 30 Sep 2017	3 months ended 30 Sep 2016	9 months ended 30 Sep 2017	9 months ended 30 Sep 2016
Cash flows from operating activities:				
Loss before tax	(678)	(370)	(1,901)	(6,022)
Adjustments for:				
Depreciation of property, plant and equipment	314	386	972	1,162
Amortisation of land use rights	81	81	240	240
Depreciation of investment properties	588	547	1,745	1,611
Loss on disposal of property, plant and equipment	119	2	299	150
Property, plant and equipment written off	1	-	7	6
Reversal of impairment loss on property, plant and equipment	-	-	-	(81)
Gain on disposal of investment securities	-	-	(1,774)	(8)
Loss on disposal of associate	-	-	-	2
Share of results of associates	19	18	56	63
Provision for retirement benefits	14	15	44	44
Provision for litigation and claims	-	406	105	406
Dividend income from investment securities	(143)	(73)	(261)	(192)
Interest income	(363)	(270)	(1,014)	(718)
Interest expense	20	27	33	41
Net fair value (gain)/loss on held for trading investment securities	(123)	(58)	(793)	472
Foreign currency translation adjustment	43	(106)	1,132	1,229
Operating cash flows before changes in working capital	(108)	605	(1,110)	(1,595)
Trade and other receivables	4,262	6,035	8,650	16,830
Inventories	361	(512)	(1,164)	(339)
Trade and other payables	923	439	(186)	(3,914)
Cash from operations	5,438	6,567	6,190	10,982
Interest paid	(20)	(27)	(31)	(41)
Income taxes paid	5	(328)	(324)	(1,199)
Net cash from operating activities	5,423	6,212	5,835	9,742
Cash flows from investing activities:				
Increase in property under development	(24)	(75)	(145)	(207)
Increase in investment properties	(268)	(43)	(360)	(1,444)
Purchase of property, plant and equipment	(772)	(93)	(1,690)	(155)
Purchase of investment securities	(9,528)	(321)	(19,631)	(4,682)
Proceeds from disposal of property, plant and equipment	7	-	31	9
Proceeds from disposal of investment securities	-	-	16,219	3,939
Proceeds from disposal of associate	-	-	-	1,049
Dividends received from investment securities	143	67	261	180
Interest received	351	220	1,031	613
Net cash used in investing activities	(10,091)	(245)	(4,284)	(698)
Cash flows from financing activities:				
Proceeds from bank borrowings	205	-	1,832	1,905
Repayment of bank borrowings	-	-	(1,495)	-
Dividends paid	-	-	(1,026)	(1,026)
Dividends paid to non-controlling interests by a subsidiary	-	-	(1,297)	-
Contribution from non-controlling interests	-	-	-	68
Net cash from/(used in) financing activities	205	-	(1,986)	947
Net (decrease)/increase in cash and cash equivalents	(4,463)	5,967	(435)	9,991
Cash and cash equivalents at beginning of period	46,717	35,993	43,937	33,884
Effects of exchange rate changes on cash and cash equivalents	(19)	279	(1,267)	(1,636)
Cash and cash equivalents at end of period	42,235	42,239	42,235	42,239

The Group had a net cash inflow of \$5.4 million from its operating activities in 3Q17 as compared to \$6.2 million in 3Q16. Net cash used in investing activities of \$10.1 million in 3Q17 was due mainly to purchase of investment securities.

Net cash from financing activities of \$0.2 million in 3Q17 was mainly because of the proceeds from short-term 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 S\$'000	Treasury shares S\$'000	Fair value adjustment reserve S\$'000	Capital reserve S\$'000	Foreign currency translation reserve S\$'000	Statutory reserve S\$'000	Retained earnings S\$'000	Total 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	-	-	-	-	-	-	(1,782)	(1,782)	178 (1,604)
Other comprehensive (loss)/income for the period									
Currency translation differences	-	-	-	-	(3,091)	-	-	(3,091)	(193) (3,284)
Net fair value gain on available-for-sale financial assets	-	-	1,480	-	-	-	-	1,480	- 1,480
Net fair value changes of available-for-sale financial assets reclassified to profit or loss	-	-	(1,788)	-	-	-	-	(1,788)	- (1,788)
Total comprehensive loss for the period	-	-	(308)	-	(3,091)	-	(1,782)	(5,181)	(15) (5,196)
Dividends paid	-	-	-	-	-	-	(1,026)	(1,026)	(1,297) (2,323)
Balance at 30 June 2017 and 1 July 2017	71,856	(1,929)	697	48	5,270	1,110	112,059	189,111	6,905 196,016
Net loss for the period	-	-	-	-	-	-	(971)	(971)	(18) (989)
Other comprehensive income for the period									
Currency translation differences	-	-	-	-	550	-	-	550	30 580
Net gain on fair value changes of available-for-sale financial assets	-	-	413	-	-	-	-	413	- 413
Total comprehensive income/(loss) for the period	-	-	413	-	550	-	(971)	(8)	12 4
Balance at 30 September 2017	71,856	(1,929)	1,110	48	5,820	1,110	111,088	189,103	6,917 196,020

Group	Attributable to owners of the Company								Non-controlling interests	Total equity
	Share capital S\$'000	Treasury shares S\$'000	Fair value adjustment reserve S\$'000	Capital reserve S\$'000	Foreign currency translation reserve S\$'000	Statutory reserve S\$'000	Retained earnings S\$'000	Total 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	-	-	-	-	-	-	(6,217)	(6,217)	148	(6,069)
Other comprehensive loss										
Currency translation differences	-	-	-	-	(9,810)	-	-	(9,810)	(568)	(10,378)
Net loss on fair value changes of available-for-sale financial assets	-	-	(9)	-	-	-	-	(9)	-	(9)
Total comprehensive loss for the period	-	-	(9)	-	(9,810)	-	(6,217)	(16,036)	(420)	(16,456)
Contribution from non-controlling interests	-	-	-	-	-	-	-	-	68	68
Dividends paid	-	-	-	-	-	-	(1,026)	(1,026)	-	(1,026)
Balance at 30 June 2016 and 1 July 2016	71,856	(1,929)	(75)	48	4,819	1,039	118,025	193,783	7,852	201,635
Net (loss)/profit for the period	-	-	-	-	-	-	(754)	(754)	103	(651)
Other comprehensive income										
Currency translation differences	-	-	-	-	947	-	-	947	54	1,001
Net gain on fair value changes of available-for-sale financial assets	-	-	957	-	-	-	-	957	-	957
Total comprehensive income/(loss) for the period	-	-	957	-	947	-	(754)	1,150	157	1,307
Balance at 30 September 2016	71,856	(1,929)	882	48	5,766	1,039	117,271	194,933	8,009	202,942

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	-	-	-	3,734	3,734
Other comprehensive income/(loss) for the period					
Net fair value gain on available-for-sale financial assets	-	-	1,480	-	1,480
Net fair value changes of available-for-sale financial assets reclassified to profit or loss	-	-	(1,788)	-	(1,788)
Total comprehensive (loss)/income for the period	-	-	(308)	3,734	3,426
Dividends paid	-	-	-	(1,026)	(1,026)
Balance at 30 June 2017 and 1 July 2017	71,856	(1,929)	697	156,655	227,279
Net loss for the period	-	-	-	(327)	(327)
Other comprehensive income					
Net gain on fair value changes of available-for-sale financial assets	-	-	413	-	413
Total comprehensive income/(loss) for the period	-	-	413	(327)	86
Balance at 30 September 2017	71,856	(1,929)	1,110	156,328	227,365
Balance at 1 January 2016	71,856	(1,929)	(66)	157,301	227,162
Net loss for the period	-	-	-	(4,092)	(4,092)
Other comprehensive loss					
Net loss on fair value changes of available-for-sale financial assets	-	-	(9)	-	(9)
Total comprehensive loss for the period	-	-	(9)	(4,092)	(4,101)
Dividends paid	-	-	-	(1,026)	(1,026)
Balance at 30 June 2016 and 1 July 2016	71,856	(1,929)	(75)	152,183	222,035
Net profit for the period	-	-	-	145	145
Other comprehensive income					
Net gain on fair value changes of available-for-sale financial assets	-	-	957	-	957
Total comprehensive income for the period	-	-	957	145	1,102
Balance at 30 September 2016	71,856	(1,929)	882	152,328	223,137

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 third quarter ended 30 September 2017.

As at 30 September 2017, the Company has 342,024,763 issued ordinary shares, excluding treasury shares.

Treasury Shares

As at 30 September 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 30 September 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 30 September 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 30 September		9 months ended 30 September	
	2017	2016	2017	2016
Loss per ordinary share for the period				
(i) Based on weighted average number of ordinary shares on issue	(0.28) cent	(0.22) cent	(0.80) cent	(2.04) cents
Weighted average number of ordinary shares	342,024,763	342,024,763	342,024,763	342,024,763
(ii) On a fully diluted basis	(0.28) cent	(0.22) cent	(0.80) cent	(2.04) cents
Adjusted weighted average number of ordinary shares	342,024,763	342,024,763	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 30/9/2017	As At 31/12/2016	As At 30/9/2017	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\$)	0.55	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 \$1.5 million from \$3.7 million in 3Q16 to \$5.2 million in 3Q17 mainly because of higher revenue recorded in the PVC pipes and fittings operation. Despite the higher gross profit and income from investment, net loss increased from \$0.7 million in 3Q16 to \$1.0 million in 3Q17 due mainly to lower other operating income and exchange gain.

Hotel and Property Operation

Hotel and property operation reported a decrease in revenue of \$0.1 million from \$1.0 million in 3Q16 to \$0.9 million in 3Q17 due mainly to the suspension of Suzhou hotel operation since January 2017 for the redevelopment work. Loss of the operation remained at \$0.7 million.

PVC Pipes and Fittings Operation

Revenue of the PVC pipes and fittings operation increased from \$2.7 million in 3Q16 to \$4.3 million in 3Q17 owing to higher sales quantity and selling price resulting from more projects secured to supply pipes and fittings. Due to the substantial increase in raw material costs, operating profit increased marginally from \$43,000 in 3Q16 to \$0.1 million in 3Q17.

- 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 third 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 anchor tenant of the shopping mall at the San Teh Commercial Plaza at Shanghai Anting, Decathlon, commenced business in October 2017. The soft launch of the mall is targeted to be in December 2017 and the official opening in January 2018. As of now, the Group has secured tenancy agreements representing an occupancy rate of approximately 81%.

The redevelopment work of Suzhou Hotel has commenced in April 2017 and initial operation is targeted to commence in first half of 2018.

The legal proceedings of Shanghai San Teh Xing and Dali San Teh Xing and the arbitration proceeding of Nantong Hotel are still on-going.

The Group expects its PVC pipes and fittings operation to continue to face difficult business environment due to the keen competition and rising raw material costs.

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 30 September 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

3 months ended 30 September 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	-	879	4,290	-	-	5,169
Intersegment sales	-	-	-	-	-	-
Total sales	-	879	4,290	-	-	5,169
Results						
Segment results	(440)	(694)	138	(6)	-	(1,002)
Interest income	130	195	2	76	(40)	363
Interest expense	-	(59)	(1)	-	40	(20)
Share of results of associates	(19)	-	-	-	-	(19)
(Loss)/Profit before tax	(329)	(558)	139	70	-	(678)
Income tax expense	(11)	(332)	49	(17)	-	(311)
(Loss)/Profit for the period	(340)	(890)	188	53	-	(989)
Assets						
Segment assets	234,718	171,537	23,095	21,061	(236,633)	213,778
Investment in associates	298	-	-	-	-	298
Deferred tax assets	-	81	-	-	-	81
Total assets	235,016	171,618	23,095	21,061	(236,633)	214,157
Liabilities						
Segment liabilities	702	66,089	1,183	4,941	(55,330)	17,585
Income tax payable	88	396	-	68	-	552
Total liabilities	790	66,485	1,183	5,009	(55,330)	18,137
Other segment information						
Additions to property, plant and equipment	-	668	104	-	-	772
Additions to property under development	-	24	-	-	-	24
Additions to investment properties	-	268	-	-	-	268
Depreciation and amortisation	31	868	72	12	-	983
Loss on disposal of property, plant and equipment	-	119	-	-	-	119
Foreign exchange losses/(gains)	232	(247)	-	-	-	(15)

3 months ended 30 September 2016

	Investment Holding S\$'000	Hotel and Property S\$'000	PVC Pipes and Fittings S\$'000	Others S\$'000	Elimination S\$'000	Total S\$'000
Revenue						
External sales	-	1,011	2,721	-	-	3,732
Intersegment sales	-	-	-	-	-	-
Total sales	-	1,011	2,721	-	-	3,732
Results						
Segment results	67	(695)	43	(10)	-	(595)
Interest income	131	79	26	74	(40)	270
Interest expense	-	(67)	-	-	40	(27)
Share of results of associates	(18)	-	-	-	-	(18)
Profit/(Loss) before tax	180	(683)	69	64	-	(370)
Income tax expense	(7)	(267)	(5)	(2)	-	(281)
Profit/(Loss) for the period	173	(950)	64	62	-	(651)
Assets						
Segment assets	230,717	178,322	26,008	21,445	(235,341)	221,151
Investment in associates	374	-	-	-	-	374
Deferred tax assets	-	162	-	-	-	162
Total assets	231,091	178,484	26,008	21,445	(235,341)	221,687
Liabilities						
Segment liabilities	1,004	62,016	993	5,524	(51,115)	18,422
Income tax payable	16	273	9	25	-	323
Total liabilities	1,020	62,289	1,002	5,549	(51,115)	18,745
Other segment information						
Additions to property, plant and equipment	2	87	4	-	-	93
Additions to property under development	-	75	-	-	-	75
Additions to investment properties	-	43	-	-	-	43
Depreciation and amortisation	39	880	83	12	-	1,014
Foreign exchange (gains)/losses	(447)	77	-	-	-	(370)

BY ORDER OF THE BOARD

LIM WEE TZIANG
COMPANY SECRETARY
14 November 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 third quarter ended 30 September 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, 14 November 2017