

**TREK 2000 INTERNATIONAL LTD**  
(the “**Company**”)  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 199905744N)

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**UPDATE ON IPT INQUIRY AND APPOINTMENT OF FORENSIC ACCOUNTANTS**

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The board of directors (the “**Board**”) of Trek 2000 International Ltd (the “**Company**”, together with its subsidiaries, the “**Group**”) refers to the announcements dated 25 February 2016 and 7 April 2016 in relation to certain interested party transactions (“**IPTs**”) entered into by the Group, in respect of which TSMP Law Corporation (“**TSMP**”) has been instructed to carry out an independent review into the IPTs and report on the same (“**IPT Inquiry**”). The Board also refers to the announcement dated 26 April 2016 relating to the report made by the Company's auditors to the Accounting and Corporate Regulatory Authority of Singapore relating to certain matters that have come to the attention of the auditors in the course of conducting the Group's audit for FY2015; and further to the announcements dated 25 May 2016 and 1 June 2016 relating to investigations by the Commercial Affairs Department (“**CAD**”).

Further to such announcements, the Board wishes to update as follows:-

- (a) TSMP has since presented certain preliminary findings to the Audit Committee of the Company (“**AC**”) and has, in addition, highlighted to the AC that the full IPT Inquiry would require certain information on the past transactions of the Group. This would require a forensic accounting firm to review the past transactions and provide their findings and analysis from a forensic financial perspective. As such, TSMP has advised the AC, and the AC has accepted this recommendation, to appoint a forensic accounting firm to conduct a review of the IPTs jointly with TSMP.
- (b) In addition, given the report of the auditors and the ongoing investigations of the CAD, the AC has also decided to expand the scope of the forensic accounting firm's engagement to include any suspicious transactions, and report on the same to the AC.

The Board thus wishes to announce that the AC has appointed RSM Corporate Advisory Pte Ltd as forensic accountants (“**RSM**”) to carry out such investigation and report on the same to the AC. The scope of the appointment includes:-

- (i) reviewing the nature and circumstances of any IPTs or related party transactions as identified by TSMP or which may come to the attention of RSM, including the transactions which are the subject matter of the CAD investigations;
- (ii) reviewing the internal approval process involving the above;
- (iii) ascertaining the number of transactions, the quantum involved, whether such transactions were conducted on normal commercial terms, and opining on the financial impact to the Group; and
- (iv) in consultation with TSMP, identifying any lapses/internal control weakness(es), breaches of directors' duties or listing rules, and making the appropriate recommendations.

The AC has voluntarily commissioned RSM to carry out the above review, in the best interests of the Group and to protect the interest of the shareholders of the Company. The Board wishes to assure shareholders that it is committed to maintaining high standards of corporate governance and transparency, and will continue to monitor and enhance the management processes of the Group. The Board is currently actively engaging the business associates and stakeholders of the Group to ensure business continuity.

The Company will make further announcements, as may be appropriate, when there are material developments on the above.

**By Order of the Board**

Dr. Long Ming Fai Edwin  
Executive Director cum Deputy Chief Executive Officer

8 June 2016