

Third Quarter Financial Statement Announcement for the Period Ended 30/9/2018

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	%	
Note	3 months ended 30 September			9 months ended 30 September		
	2018	2017	Change	2018	2017	Change
Revenue	4,053	5,169	(21.59)	12,589	13,377	(5.89)
Cost of sales	(3,676)	(4,790)	(23.26)	(11,030)	(12,855)	(14.20)
Gross profit	377	379	(0.53)	1,559	522	NM
Other operating income	203	182	11.54	523	996	(47.49)
Gain from investments	270	629	(57.07)	1,906	3,842	(50.39)
Administrative expenses	(2,046)	(1,405)	45.62	(6,493)	(4,629)	40.27
Distribution costs	(103)	(155)	(33.55)	(259)	(373)	(30.56)
Other operating expenses	(238)	(284)	(16.20)	(789)	(820)	(3.78)
Finance costs	(2)	(20)	(90.00)	(43)	(33)	30.30
Foreign exchange (losses)/gains	(2,135)	15	NM	(1,478)	(1,350)	9.48
Share of results of associate	(20)	(19)	5.26	(59)	(56)	5.36
Loss before tax	(3,694)	(678)	NM	(5,133)	(1,901)	NM
Income tax expense	(4)	(311)	(98.71)	(73)	(692)	(89.45)
Loss for the period	(3,698)	(989)	NM	(5,206)	(2,593)	NM
Attributable to:						
Owners of the Company	(3,667)	(971)	NM	(5,190)	(2,753)	88.52
Non-controlling interests	(31)	(18)	72.22	(16)	160	NM
	(3,698)	(989)	NM	(5,206)	(2,593)	NM

NM – Not Meaningful

Statement of Comprehensive Income

Group					
S\$'000		%	S\$'000		%
3 months ended 30 September			9 months ended 30 September		
2018	2017	Change	2018	2017	Change
(3,698)	(989)	NM	(5,206)	(2,593)	NM
(4,296)	580	NM	(3,240)	(2,704)	19.82
-	413	(100.00)	-	1,893	(100.00)
-	-	-	-	(1,788)	(100.00)
(4,296)	993	NM	(3,240)	(2,599)	24.66
(7,994)	4	NM	(8,446)	(5,192)	62.67
(7,870)	(8)	NM	(8,261)	(5,189)	59.20
(124)	12	NM	(185)	(3)	NM
(7,994)	4	NM	(8,446)	(5,192)	62.67

Other information

Group					
S\$'000		%	S\$'000		%
3 months ended 30 September			9 months ended 30 September		
2018	2017	Change	2018	2017	Change
902	983	(8.24)	2,913	2,957	(1.49)
503	-	NM	1,658	105	NM

NM – Not Meaningful

Note 1

Group					
S\$'000		%	S\$'000		%
3 months ended 30 September			9 months ended 30 September		
2018	2017	Change	2018	2017	Change
60	58	3.45	171	171	-
90	-	NM	105	-	NM
5	-	NM	13	14	(7.14)
-	-	-	32	-	NM
-	107	(100.00)	-	738	(100.00)
48	17	NM	202	73	NM
203	182	11.54	523	996	(47.49)

Other operating income:

Rental income
Gain on disposal of property, plant and equipment
Incentive and allowance income
Reversal of impairment loss on trade receivables
Project income
Sundry income

Note 2

Group					
S\$'000		%	S\$'000		%
3 months ended 30 September			9 months ended 30 September		
2018	2017	Change	2018	2017	Change
236	363	(34.99)	903	1,014	(10.95)
22	-	NM	93	1,774	(94.76)
91	143	(36.36)	295	261	13.03
(79)	123	NM	615	793	(22.45)
270	629	(57.07)	1,906	3,842	(50.39)

Gain from investments:

Interest income
Gain on disposal of other financial assets
Dividend income
Net fair value (loss)/gain on other financial assets

Gain from investments decreased due to: (i) net fair value loss on other financial assets of \$79,000 in 3Q18 compared to net fair value gain of \$0.1 million in 3Q17; and (ii) lower interest income and dividend income.

Note 3

Administrative expenses increased mainly because of the additional provision made in respect of the litigation involving Dali San Teh Xing ("DLSTX") with its main contractor.

Note 4

The decrease in distribution costs was due to the lower revenue recorded in 3Q18.

Note 5

Other operating expenses decreased due to lower depreciation charges.

Note 6

Group					
S\$'000		%	S\$'000		%
3 months ended 30 September			9 months ended 30 September		
2018	2017	Change	2018	2017	Change
(2)	(20)	(90.00)	(43)	(33)	30.30
(2)	(20)	(90.00)	(43)	(33)	30.30

Finance cost:

Interest expense

The decrease in finance costs was because of full repayment of bank borrowings.

Note 7

The Group reported an exchange loss of \$2.1 million in 3Q18 due mainly to the weakening of the Renminbi against the US dollar and the Singapore dollar. The currency translation loss of \$4.3 million reported in other comprehensive income was attributable to the weakening of the Renminbi against the Singapore dollar.

NM – Not Meaningful

Note 8

Group					
S\$'000		%	S\$'000		%
3 months ended 30 September			9 months ended 30 September		
2018	2017	Change	2018	2017	Change
3	(339)	NM	(53)	(439)	(87.93)
(7)	(8)	(12.50)	(20)	(218)	(90.83)
-	37	(100.00)	-	48	(100.00)
-	(1)	(100.00)	-	(83)	(100.00)
(4)	(311)	(98.71)	(73)	(692)	(89.45)

The decrease in income tax expense was due to lower taxable profit of the Anxi build-and-transfer ("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	
		30/9/2018 S\$'000	31/12/2017 S\$'000	30/9/2018 S\$'000	31/12/2017 S\$'000
ASSETS					
Current assets:					
Cash and cash equivalents		32,610	48,211	22,334	13,057
Trade and other receivables		16,130	16,368	31,663	32,069
Inventories	1	2,874	2,136	-	-
Other financial assets	2	10,590	12,328	10,590	12,328
Total current assets		62,204	79,043	64,587	57,454
Non-current assets:					
Investment in subsidiaries		-	-	148,623	162,157
Investment in associate	3	216	280	-	-
Other financial assets	2	994	3,514	-	2,489
Property, plant and equipment	4	37,796	30,592	1,179	1,237
Investment properties		56,381	59,027	867	887
Property under development		31,932	32,913	-	-
Other receivables		-	-	11,628	4,282
Land use rights		8,488	8,989	-	-
Total non-current assets		135,807	135,315	162,297	171,052
Total assets		198,011	214,358	226,884	228,506
LIABILITIES AND EQUITY					
Current liabilities:					
Trade and other payables		13,395	15,050	187	349
Other financial liabilities	5	-	1,843	-	-
Income tax payable	6	116	266	87	102
Provision for litigation	7	2,715	1,475	-	-
Total current liabilities		16,226	18,634	274	451
Non-current liabilities:					
Provision for retirement benefits		571	527	571	527
Total non-current liabilities		571	527	571	527
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		-	1,239	-	1,239
Foreign currency translation reserve		3,006	6,077	-	-
Statutory reserve		1,852	1,110	-	-
Capital reserve		48	48	-	-
Retained earnings		104,115	109,834	156,112	156,362
		178,948	188,235	226,039	227,528
Non-controlling interests		2,266	6,962	-	-
Total equity		181,214	195,197	226,039	227,528
Total liabilities and equity		198,011	214,358	226,884	228,506

Notes:

1. Inventories increased due mainly to more raw materials carried by the PVC pipes and fittings operation.
2. Short-term and long-term other financial assets decreased due to disposal of investment securities.
3. Decrease in investment in associates was attributable to operating losses recorded by the associate.
4. Property, plant and equipment increased due to increase in capital work-in-progress of Suzhou Hotel.
5. Other financial liabilities decreased as the Group has fully repaid its bank borrowings.
6. Income tax payables decreased due to lower taxable profit of the subsidiaries.
7. Provision for litigation increased because of the additional provision made in respect of the litigation involved by DLSTX with its main contractor.

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 2018		As at 31 December 2017	
Secured S\$	Unsecured S\$	Secured S\$	Unsecured S\$
-	-	-	1,843,000

Amount repayable after one year

As at 30 September 2018		As at 31 December 2017	
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 2018	30 Sep 2017	9 months ended 30 Sep 2018	30 Sep 2017
Cash flows from operating activities:				
Loss before tax	(3,694)	(678)	(5,133)	(1,901)
Adjustments for:				
Depreciation of property, plant and equipment	361	314	1,199	972
Amortisation of land use rights	72	81	233	240
Depreciation of investment properties	469	588	1,481	1,745
Gain on disposal of property, plant and equipment	(90)	-	(105)	-
Loss on disposal of property, plant and equipment	-	119	72	299
Property, plant and equipment written off	20	1	36	7
Gain on disposal of other financial assets	(2)	-	(71)	(1,774)
Share of results of associate	20	19	59	56
Provision for retirement benefits	14	14	44	44
Provision for litigation	503	-	1,658	105
Dividend income	(91)	(143)	(295)	(261)
Interest income	(236)	(363)	(903)	(1,014)
Interest expense	2	20	43	33
Foreign exchange adjustment unrealised losses	1,002	152	636	650
Operating cash flows before changes in working capital	(1,650)	124	(1,046)	(799)
Trade and other receivables	(2,070)	4,423	(1,002)	7,922
Inventories	(99)	378	(802)	(1,238)
Trade and other payables	2,365	634	144	1,098
Other financial assets	437	(9,651)	315	(9,399)
Cash from operations	(1,017)	(4,092)	(2,391)	(2,416)
Interest paid	(2)	(20)	(45)	(31)
Income taxes paid	(42)	5	(219)	(324)
Net cash used in operating activities	(1,061)	(4,107)	(2,655)	(2,771)
Cash flows from investing activities:				
Increase in property under development	-	(24)	-	(145)
Increase in investment properties	(71)	(268)	(573)	(360)
Purchase of property, plant and equipment	(4,147)	(772)	(9,609)	(1,690)
Proceeds from disposal of property, plant and equipment	250	7	319	31
Proceeds from disposal of other financial assets	43	-	3,980	5,194
Dividends received	91	144	295	261
Interest received	289	352	1,011	1,031
Net cash (used in)/from investing activities	(3,545)	(561)	(4,577)	4,322
Cash flows from financing activities:				
Proceeds from bank borrowings	-	205	-	1,832
Repayment of bank borrowings	(198)	-	(1,852)	(1,495)
Dividends paid	-	-	(1,026)	(1,026)
Dividends paid to non-controlling interests by a subsidiary	-	-	-	(1,297)
Distributions to non-controlling interests pursuant to capital reduction	-	-	(4,511)	-
Net cash (used in)/from financing activities	(198)	205	(7,389)	(1,986)
Net decrease in cash and cash equivalents	(4,804)	(4,463)	(14,621)	(435)
Cash and cash equivalents at beginning of period	38,935	46,717	48,211	43,937
Effects of exchange rate changes on cash and cash equivalents	(1,521)	(19)	(980)	(1,267)
Cash and cash equivalents at end of period	32,610	42,235	32,610	42,235

The Group had a net cash outflow of \$1.1 million used in its operating activities in 3Q18 as compared to \$4.1 million in 3Q17. Net cash used in investing activities of \$3.5 million in 3Q18 was due mainly to payment of \$4.1 million for the redevelopment work of Suzhou hotel. Net cash used in financing activities of \$0.2 million in 3Q18 was for the 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									
	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 2018 as previously reported	71,856	(1,929)	1,239	48	6,077	1,110	109,834	188,235	6,962	195,197
Adoption of SFRS(I) 9	-	-	(1,239)	-	-	-	1,239	-	-	-
Balance at 1 January 2018 as restated	71,856	(1,929)	-	48	6,077	1,110	111,073	188,235	6,962	195,197
Net (loss)/profit for the period	-	-	-	-	-	-	(1,523)	(1,523)	15	(1,508)
Other comprehensive income/(loss) for the period										
Currency translation differences	-	-	-	-	1,132	-	-	1,132	(76)	1,056
Total comprehensive income/(loss) for the period	-	-	-	-	1,132	-	(1,523)	(391)	(61)	(452)
Dividends paid	-	-	-	-	-	-	(1,026)	(1,026)	-	(1,026)
Transfer to statutory reserve	-	-	-	-	-	742	(742)	-	-	-
Distributions to non-controlling interests pursuant to capital reduction	-	-	-	-	-	-	-	-	(4,511)	(4,511)
Balance at 30 June 2018 and 1 July 2018	71,856	(1,929)	-	48	7,209	1,852	107,782	186,818	2,390	189,208
Net loss for the period	-	-	-	-	-	-	(3,667)	(3,667)	(31)	(3,698)
Other comprehensive loss										
Currency translation differences	-	-	-	-	(4,203)	-	-	(4,203)	(93)	(4,296)
Total comprehensive loss for the period	-	-	-	-	(4,203)	-	(3,667)	(7,870)	(124)	(7,994)
Balance at 30 September 2018	71,856	(1,929)	-	48	3,006	1,852	104,115	178,948	2,266	181,214

Group	Attributable to owners of the Company									
	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	Non-controlling interests S\$'000	Total equity 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 other financial assets	-	-	1,480	-	-	-	-	1,480	-	1,480
Net fair value changes of other 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 fair value gain on other 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

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 2018 as previously reported	71,856	(1,929)	1,239	156,362	227,528
Adoption of SFRS(I) 9	-	-	(1,239)	1,239	-
Balance at 1 January 2018 as restated	71,856	(1,929)	-	157,601	227,528
Net profit for the period	-	-	-	1,429	1,429
Total comprehensive income for the period	-	-	-	1,429	1,429
Dividends paid	-	-	-	(1,026)	(1,026)
Balance at 30 June 2018 and 1 July 2018	71,856	(1,929)	-	158,004	227,931
Net loss for the period	-	-	-	(1,892)	(1,892)
Total comprehensive loss for the period	-	-	-	(1,892)	(1,892)
Balance at 30 September 2018	71,856	(1,929)	-	156,112	226,039
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 other financial assets	-	-	1,480	-	1,480
Net fair value changes of other 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 for the period					
Net fair value gain on other 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

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 2018.

As at 30 September 2018, the Company has 342,024,763 issued ordinary shares, excluding treasury shares.

Treasury Shares

As at 30 September 2018, there were 5,414,000 (2017: 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 2018 was 342,024,763 (31 December 2017: 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 2018.

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 2017, 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 Singapore Financial Reporting Standards (International) ("SFRS(I)") and the related Interpretations to SFRS(I)s ("SFRS(I) INT") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2018. Except as disclosed below, the adoption of these SFRS(I) and SFRS(I) INT did not result in any significant impact on the financial statements of the Group.

SFRS(I) 9

For financial assets previously designated as available-for-sale financial assets, the Group has designated these assets as financial assets measured at fair value through profit or loss upon adoption of SFRS(I) 9.

Accordingly, the fair value adjustment reserve had been reclassified to retained earnings as at 1 January 2018, resulting in an increase in retained earnings by \$1,239,000.

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	
	2018	2017	2018	2017
Loss per ordinary share for the period				
(i) Based on weighted average number of ordinary shares on issue	(1.07) cent	(0.28) cent	(1.52) cent	(0.80) cent
Weighted average number of ordinary shares	342,024,763	342,024,763	342,024,763	342,024,763
(ii) On a fully diluted basis	(1.07) cent	(0.28) cent	(1.52) cent	(0.80) cent
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 30/9/2018	As At 31/12/2017	As At 30/9/2018	As At 31/12/2017
Net asset value per ordinary share based on issued share capital at the end of the period reported on (\$\$)	0.52	0.55	0.66	0.67
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 decreased by \$1.1 million from \$5.2 million in 3Q17 to \$4.1 million in 3Q18 mainly because of lower revenue recorded in the PVC pipes and fittings operation. Net loss increased from \$1.0 million in 3Q17 to \$3.7 million in 3Q18 principally due to the exchange loss of \$2.1 million in 3Q18.

Hotel and Property Operation

Hotel and property operation reported an increase in revenue of \$0.7 million from \$0.9 million in 3Q17 to \$1.6 million in 3Q18 due mainly to the revenue contributed from the shopping mall at the San Teh Commercial Plaza at Shanghai Anting which commenced business in December 2017. Loss of the operation increased by \$0.9 million to \$1.6 million due mainly to the additional provision for litigation and absence of project income from Anxi BT project.

PVC Pipes and Fittings Operation

Revenue of the PVC pipes and fittings operation decreased from \$4.3 million in 3Q17 to \$2.5 million in 3Q18 owing to lower sales quantity and selling price. Consequently, the operation reported a loss of \$0.2 million in 3Q18 as compared to a profit of \$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 2018 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**

All litigations involving Shanghai San Teh Xing and DLSTX have been resolved. The arbitration proceeding of Nantong Hotel is still ongoing.

The redevelopment work of Suzhou hotel is progressing as planned. The hotel, which will be operated under the Novotel franchise, is targeted to open for business by end of 2018.

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 2018.

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 2018

	Investment Holding	Hotel and Property	PVC Pipes and Fittings	Others	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue					
Total revenue	-	1,553	2,500	-	4,053
Results					
Segment results	(2,147)	(1,555)	(199)	(7)	(3,908)
Interest income	165	56	4	11	236
Interest expense	-	(2)	-	-	(2)
Share of results of associates	(20)	-	-	-	(20)
(Loss)/Profit before tax	(2,002)	(1,501)	(195)	4	(3,694)
Income tax expense	(7)	3	-	-	(4)
(Loss)/Profit for the period	(2,009)	(1,498)	(195)	4	(3,698)
Assets					
Segment assets	36,488	142,839	15,194	3,274	197,795
Investment in associate	216	-	-	-	216
Total assets	36,704	142,839	15,194	3,274	198,011
Liabilities					
Segment liabilities	779	15,072	776	54	16,681
Income tax payable	92	12	-	12	116
Total liabilities	871	15,084	776	66	16,797
Other segment information					
Additions to property, plant and equipment	-	4,089	58	-	4,147
Additions to investment properties	-	71	-	-	71
Depreciation and amortisation	29	802	60	11	902
Foreign exchange losses	1,658	477	-	-	2,135

3 months ended 30 September 2017

	Investment Holding S\$'000	Hotel and Property S\$'000	PVC Pipes and Fittings S\$'000	Others S\$'000	Total S\$'000
Revenue					
Total revenue	-	879	4,290	-	5,169
Results					
Segment results	(440)	(694)	138	(6)	(1,002)
Interest income	90	195	2	76	363
Interest expense	-	(19)	(1)	-	(20)
Share of results of associates	(19)	-	-	-	(19)
(Loss)/Profit before tax	(369)	(518)	139	70	(678)
Income tax expense	(11)	(332)	49	(17)	(311)
(Loss)/Profit for the period	(380)	(850)	188	53	(989)
Assets					
Segment assets	32,132	155,478	15,920	10,248	213,778
Investment in associates	298	-	-	-	298
Deferred tax assets	-	81	-	-	81
Total assets	32,430	155,559	15,920	10,248	214,157
Liabilities					
Segment liabilities	702	15,643	1,183	58	17,586
Income tax payable	88	396	-	68	552
Total liabilities	790	16,039	1,183	126	18,138
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)

BY ORDER OF THE BOARD

LIM WEE TZIANG
COMPANY SECRETARY
14 November 2018

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 2018 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 2018