



大中酒店有限公司

(Company Registration No. 196800243H)
(Incorporated in the Republic of Singapore)

CLARIFICATION ON QUERIES ON ANNUAL REPORT 2019

We refer to SGX's queries on the Company's Annual Report filed on 15 April 2020, reproduced below:

Q1. On Pg 20 of the AR 2019, the Company disclosed that the Board had received assurances from the Group Accountant and other key management personnel regarding the risk management and internal controls. Provision 9.2, Code of Corporate Governance 2018 however, requires the CEO and other key management personnel who are responsible, to disclose whether it had provided the assurances to the Board regarding the adequacy and effectiveness of the company's risk management and internal control systems. Please disclose accordingly.

Q2. Listing Rule 1207(10B) requires identification of all directors, including their designations and roles on the Board, in the Annual Report. Please provide this information publicly via an SGXNet announcement.

The Company's response to the queries raised are as follows:

Q1. The company explained in an earlier paragraph on page 18, the following:
"To demonstrate ownership and accountability, senior management staff who are key risk and control owners review and provide assurances by way of sign-offs to the Financial Controller, Group Accountant and the other key management personnel in respect of the risks and controls under their charge or purview. In turn, based on these assurances, *the Chairman and Managing Director* provide an annual written statement to the Board."

The paragraph following the above appearing on page 19 of the Annual Report, that was pointed out by SGX, illustrated the breakdown of the *flow of the confirmation* from Group Accountant and other key management personnel; but it is the *Chairman and Managing Director who provide an annual written statement to the Board* as it continued to state that "Based on the internal controls currently in place, the work undertaken by the internal and external auditors and *assurances from the Chairman and Managing Director*, the Financial Controller and the other key management personnel as well as reviews by the AC and the Board, the Board, with the concurrence of the AC, has commented that the Group's risk management and internal control systems are adequate and effective as at 31 December 2019."

On Q2, the identification of all the directors including their designations (i.e. independent, non-executive, executive, etc.) and roles (as members or chairmen of the board or board committees) were provided on pages 5 and 6 of the Annual Report.

By Order of the Board,
Lim Bee Lian Eliza
Company Secretary
28 May 2020